



**Agenda Item No. 7
November 6, 2013 Meeting**

DATE: October 30, 2013
TO: Children and Families Commission of Orange County
FROM: Christina Altmayer, Executive Director 
SUBJECT: Executive Officer's Report

The following is the Executive Officer's Report for November 6, 2013.

A. Financial Highlights

The monthly financial highlights summary report is provided as Attachment 1. Commission staff continues to monitor Proposition 10 revenues, and year-to-date revenues are currently .5 percent below the prior year. The revenue decrease built into the financial plan for FY 2013-14 is 3 percent. The most recent First 5 California projection, based on forecasts from the Board of Equalization and the State Department of Finance, is a 2.6 percent decline. Staff will continue to monitor the revenue receipts carefully and will prepare any recommended budget actions for the Commission consideration.

B. Policy Brief: Supporting Children's Health in Orange County Follow-up

At the October meeting, Commissioners received a copy of the policy brief "Supporting Children's Health in Orange County". The Policy Brief includes a focus on health access, utilization of services, prevention services and special populations. Commissioners requested additional information related to:

- The increasing number of children in Orange County diagnosed on the autism spectrum disorder (ASD). The report cited a 242% increase in the number of children diagnosed with autism and a 38% increase in the number of children with "other" disabilities (traumatic brain injury, orthopedic impairment, emotional disturbance, multiple disabilities and other health impairments).
- The number of children served by the Regional Center increased 39% yet the number in Special Education students remained stable.

Further information in response to these questions is presented as Attachment 2.

C. Capacity Building Technology Grant Request for Application Update

The Commission approved the release of a Capacity Building Request for Application (RFA) focused on Technology Solutions as part of the funding plan for FY 2013-14. Funding awards are intended to improve the quality of programs to children ages 0-5 through the strategic application of technology, and/or bolster the technical capacity of Orange County nonprofit organizations to enhance programs for young children.

Commissioners

Executive Director

Selected organizations may receive one-time funding of up to \$50,000 (average award amount is anticipated to be \$25,000) to build capacity through the effective application of technology solutions that impact service delivery. Up to \$250,000 total funding is available. Projects must be consistent with the vision that all children are healthy and ready to learn, as outlined in the Commission's Strategic Plan. Detailed information on the funding criteria, eligibility, information sessions, and application instructions for the 2013 Technology Capacity Building Award are available on the Commission website.

The application was posted to the Commission's website on September 13 and due to the Commission on October 23, 2013. Commission staff received 32 applications totaling \$1.179 million in funding requests. Staff is currently reviewing and evaluating the proposals against the stated criteria will prepare funding recommendations for the Commission's consideration at the December 4, 2013 meeting.

D. Office Move and Furniture Donations

Commission staff successfully completed the move to our new offices at the Non Profit Village, effective Monday, October 14th. The move consolidates our staff into approximately 50% of the square footage that was previously occupied in the Redhill location. Accordingly, Commission staff was able to surplus excess office furniture and equipment, consistent with approved policies. The surplus furniture and equipment was then made available to funded agencies and partners on a first come, first serve basis. The following agencies were recipients of the surplus:

- Anaheim City School District
- Boys and Girls Club of Garden Grove
- Down Syndrome Association
- Hands Together
- OC Partnership to End Homelessness
- Pathways of Hope
- Salvation Army
- Sierra Health Foundation
- Tustin Unified School District.

The agencies were responsible for pickup and delivery of the furniture and office equipment.

E. Board of Equalization Administration Costs

The Board of Equalization released to First 5 California the Cost Allocation Plan for the calculation and allocation of BOE administrative charges. The plan was provided by First 5 California to First 5 Association and the lead counties, including your Commission, that have been working on this issue. The actual administrative expenditures for FY 2012/13 came in at \$15.8 million or about \$1.3 million below projections. The projection for FY 2013/14 is \$200,000 greater than the FY 2012/13 Budget, increasing from \$17.6 to \$17.8 million. Actual year over year expenditures are projected to significantly increase and more closely match the budget primarily due to the ending of furloughs for state employees and salary increases. A coalition of county commissions including Orange, Los Angeles, and Alameda are working closely with the First 5 Association to explore remedies to control these rising costs. The BOE administrative charges have an annual impact of \$1 million in lost program

funding for Commission supported health and early learning programs. An update on the proposed statewide strategies will be presented at the November meeting.

F. First 5 Association and First 5 Commission Statewide Meetings

The First 5 Association and First 5 California Commission held separate meetings in October. The Association meeting included a presentation by a representative from The Children's Partnership on the "All In" campaign that was created to inform the uninsured in the schools and early education communities about the health coverage options available as a result of the Affordable Care Act. The initial plan for the 2014 statewide media campaign was presented by the First 5 California media consultant. The meeting also included a presentation on the new Local Control Funding Formula that is the new basis for local school district funding and potential implications for preschool and early learning funding. A summary of both meetings is included as Attachment 3.

G. December Commission Meeting

The next regularly scheduled Commission meeting will be Wednesday, December 4. There will be a short business meeting followed by the first meetings of the funding panels and a meeting of the Pediatric Health Services Committee. Please note that staff expects these meetings to conclude no later than 11:30am.

ATTACHMENTS:

1. Financial Highlights
2. Supporting Children's Health in Orange County Policy Brief Follow-up
3. First 5 Statewide Meetings Summary

Financial Highlights

As of September 30, 2013

Comparison of Budget vs. Actual Fiscal Year 2013-14 Unaudited Period Ending 09/30/13

| | <u>FY 2013-14 Amended Budget</u> | <u>FY 2013-14 Actual Expenses</u> | |
|---------------------------------|--|---|-------|
| <u>Financing Sources</u> | | | |
| Tobacco Tax Revenue | \$26,213,770 | \$2,499,570 | 9.5% |
| Interest Earnings | 150,000 | 43,747 | 29.2% |
| Other Revenue | <u>5,788,900</u> | <u>-34,045*</u> | |
| Revenue Total | \$32,152,670 | \$2,509,272 | |
| <u>Expenses</u> | | | |
| Healthy Children | \$17,689,920 | -\$930,970* | |
| Strong Families | 3,057,272 | -124,193* | |
| Early Learning | 10,587,720 | -241,120* | |
| Capacity Building** | <u>3,181,383</u> | <u>252,673</u> | 7.9% |
| Program Services | \$34,516,295 | -\$1,043,610 | |
| Admin. Functions*** | <u>2,551,302</u> | <u>491,959</u> | |
| Total Operating Exp. | \$37,067,597 | -\$551,652 | |

*Negative amounts are a result of the reversal of year-end contract accruals for which we have not yet received actual invoices for payment

**Includes Evaluation costs of \$158,960

***Administrative costs and functions are defined by State Commission guidelines (Fiscal Memo No. 05-01, dated April 14, 2006) pursuant to Chapter 284, Statutes of 2005 (AB 109). Actual Administrative expenses of \$491,959 and encumbrances of \$897,104 were 3.75% of the Fiscal Year 2013-14 Amended Budget of \$37,067,597. Final expenses are projected to be 6.9% at year end.

Total Encumbrances as of September 30, 2013

| | |
|-------------------|--------------|
| Healthy Children | \$19,338,745 |
| Strong Families | \$2,315,555 |
| Early Learning | \$6,577,404 |
| Capacity Building | \$1,995,009 |
| Admin. Functions | \$897,104 |

Revenue and Cash Balance Update

The Commission's total Tobacco Tax Revenue through August 2013 as reported by First 5 California is \$4,693,168. Prop 10 revenues for July and August are .5% lower than the same period in the prior year. As of September 30, 2013, tobacco revenue has been received through July 2013.

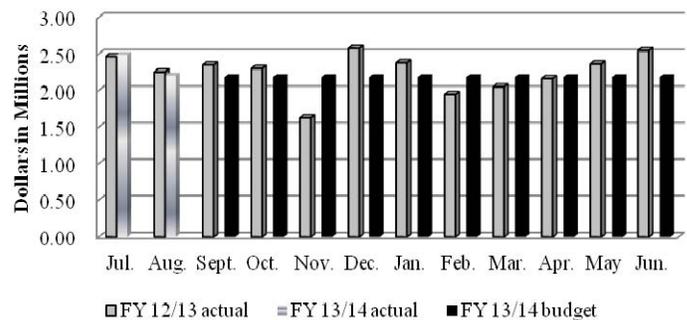
Interest earnings for July 2013 through September 2013 are \$43,747.

Catalytic Funding Update

\$4,629,302 in Catalytic Funding was expensed in FY 2012-13. Another \$5,331,238 was transferred to program contractors but has not yet been recognized as expenses.

As of September 30, 2013, \$30,600,855 is encumbered for Round 1 programs and \$2,294,622 for Round 3.

Fiscal Year 2012-13 & 2013-14 Tobacco Monthly Revenues



Forecasted Fiscal Year 2013-14 Ending Fund Balance

From Commission Long Term Financial Plan

| | |
|---|----------------------|
| Beginning Fund Balance, July 1, 2013 | \$71,964,399 |
| Forecasted Revenue | 32,152,670 |
| Budgeted Program Expenses | (34,516,295) |
| Budgeted Administrative Expenses | (2,551,302) |
| Catalytic Projects | <u>(50,723,463)</u> |
| Projected June 30, 2014 Fund Balance | \$16,326,009* |

*based on Commission action through October 2013

Supporting Children's Health in Orange County Policy Brief Follow-up

Recent research data related to current trends and potential causes

The Centers for Disease Control and Prevention (CDC) estimates that about 1 in 88 children has been identified with an autism spectrum disorder (ASD). This estimate marks a 23% increase since 2009, and a 78% increase since 2007, when the Autism and Developmental Disabilities Monitoring (ADDM) Network began estimating these rates.

While some of the increase in autism may be a matter of shifting diagnoses, a March 2013 CDC report indicates that earlier and better diagnostic tools may be one factor driving the increase.¹ While researchers continue to unfold the causes and triggers of autism, progress toward earlier and better diagnoses typically translate to more targeted and effective treatments and interventions.

In addition, CDC researchers recently developed a model to estimate how changes in six pregnancy and birth factors might have contributed to the increase in ASD prevalence: Preterm and very preterm delivery; Low and very low birthweight; Multiple birth; Cesarean delivery; Breech presentation; and In vitro fertilization or other assisted reproductive technologies. The study found that it is very unlikely that any of the pregnancy and birth factors included in the study could have been responsible for such a large increase in ASDs from 2002 through 2006.²

Another study that is looking at causes of ASD is the National Children's Study (NCS) — a longitudinal observational birth cohort study to evaluate the effects of chronic and intermittent exposures on child health and human development in U.S. children. As part of its charge, the NCS is collecting observations, data, biospecimens, and environmental samples to answer one of their core hypotheses regarding Autism, that:

"Exposure to chemicals interacts with the genetics of the fetus/infant/child and other environmental factors to influence adverse outcomes in neuropsychological function including executive function (attention, impulsivity, vigilance, and distractibility), cognition, sensory, motor, social and emotional development, and difficulties in behavioral adjustment (antisocial behavior, poor school achievement, or school failure). Alterations in these functions may express themselves in disorders like autism spectrum disorder (ASD), attention deficit hyperactivity disorder (ADHD), mental illnesses such as schizophrenia, mental retardation, and violent criminal behavior."

This research may provide a better understanding of the impact the environment may play on the increasing rates of autism.

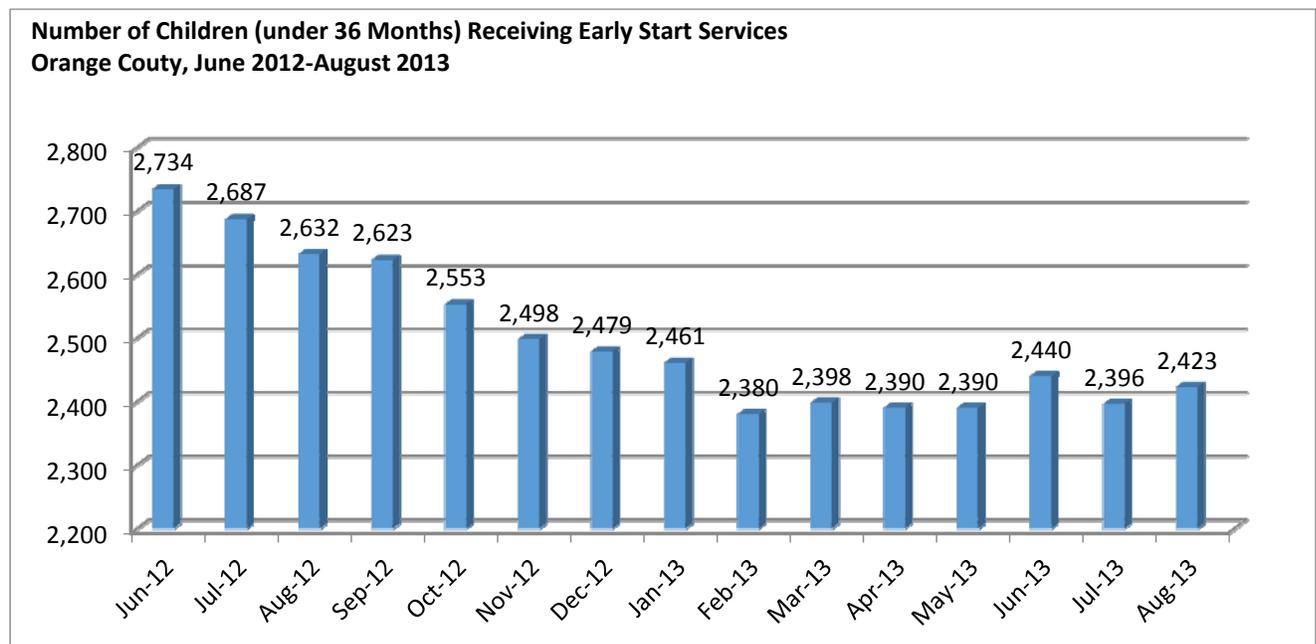
¹ Centers for Disease Control and Prevention (<http://www.cdc.gov/nchs/data/nhsr/nhsr065.pdf>)

² Workshop on U.S. Data to Evaluate Changes in the Prevalence of Autism Spectrum Disorders (ASDs). February 1, 2011. Centers for Disease Control and Prevention: http://www.cdc.gov/NCBDDD/autism/documents/EvaluatingChanges_WorkshopSummary.pdf

The number of children served by the Regional Center increased 39% yet the number in Special Education students remained stable

In the 10-year period between 2002 and 2011, the number of children receiving services through the Regional Center of Orange County (RCOC) increased 39%. However, the number of children receiving special education services through the school districts has remained relatively stable over the past 10 years (about 51,000 children each year) as has the percent of children receiving special education services (about 10%).

There has been a decrease in the number of children younger than 3 receiving early intervention programs through Regional Center / Early Start program (see chart below) and this decrease is likely reflected in the school district special education data. The overall increase in the number of children served by RCOC is thus likely due to an increase in services for older children (3 years and above). RCOC has been receiving an increased number of calls from families for their children who are older than 3. Also, as Applied Behavioral Analysis (ABA) therapy—a behavioral intervention, for children with autism or similar conditions—becomes more widely used with children who have autism, there are more children receiving services.



Source: Regional Center of Orange County

Who is eligible to receive special education services?

Another question that is frequently asked is who is eligible to receive special education services. The table below lays out this eligibility, by age.

| Age Group | Program Eligibility |
|---|---|
| Birth to 36 months (IDEA/ IDEIA Part C) | <ul style="list-style-type: none">• Early Start program in California• Early intervention in home and community settings• Regional Center provides most of the services with school districts as partners |
| Preschool for 3 to 5 years (IDEA / IDEIA Part B) | <ul style="list-style-type: none">• Eligibility criteria is educationally related• Services provided by school district or SELPA in the least restrictive environment |
| Children over age 5 | <ul style="list-style-type: none">• May still be eligible for IDEIA services |

It is important to note that there are children who may have a medical diagnosis for a disability (such as an autism diagnosis) but may not meet the restricted eligibility criteria for Regional Center or Special Education services. For example, children with a diagnosis of autism or pervasive disorders must first utilize their private insurance plans for payment of therapy (including Applied Behavioral Therapy Services). Regional Center will pay copayments and coinsurance associated with health care service plans and health insurance policies under certain specified conditions. (19th Annual Report on the Conditions of Children in Orange County, 2013).



Proposition 10 Briefings October 2013

Association Meeting October 23, 2013

Committee Updates

Program Committee – Christina Arrostuto reported on the following activities:

- In 2014, the Program Committee will focus on developing content for the Association meetings and identifying topics for quarterly webinars.
- The Association is hosting a Paid Family Leave webinar on November 14 at 10am, which will provide information on trainings available to commissions and partners regarding PFL benefits.

Evaluation Committee – Jamie Henderson reported on the following activities:

- Counties are successfully implementing the new Annual Report definitions, and First 5 California is looking at how to formally adopt these.
- In 2014, the Committee will be focusing on two projects: common indicators that county commissions can use to better tell our story and common questions to use in community and grantee surveys.

Fiscal Workgroup – Janice LeRoux reported that there is now an updated list of fiscal and contract staff. The workgroup will be meeting to update the Financial Management Guide and will report out as needed.

Affordable Care Act Enrollment Campaign Update

Melissa Vargas, All In Campaign Manager for The Children’s Partnership, provided an overview of their partnership with Covered California and The California Endowment to increase enrollment of children under the Affordable Care Act. Their focus is on schools and childcare. Melissa discussed ways in which the campaign can support county efforts to increase enrollment.

- All In provides on-site enrollment assistance for agencies interested in hosting on-site enrolment events.
- Agencies can become Certified Enrollment Entities (CEEs), while individuals can become Certified Enrollment Counselors (CECs).

Association membership discussed the need for information regarding health care access for undocumented and mixed status families; the Partnership will create a fact sheet for this segment of the population.

County commissions with translation resources can also contact The Children’s Partnership, as they are looking to expand the number of languages in which their information is provided.

All campaign materials are available on the All In website at <http://www.allinforhealth.org/>.

First 5 California Communications Updates

Renee Fraser of Fraser Communications presented an overview of proposed communications activities for First 5 California for 2014. Their media strategy,

if approved, would incorporate new messaging focusing on inspiring and empowering families. Proposed strategies include:

- Broadcast and cable TV spots running from March through June
- Continued use of the First 5 California Pandora station for children and families
- Continued use of social media
- Publication of a new cookbook in Spanish and English.

County commissions expressed the importance of collaborating with the State Commission around implementation of strategies, and conducting focus groups in order to enhance county initiatives and build on local relationships.

The presentation is available at [this link](#).

15th Anniversary Campaign

Moira Kenney opened the conversation by emphasizing that as First 5s prepare to celebrate the anniversary of voters passing Prop. 10 next month, county commissions are able to customize components of the Communications Toolkit as needed.

Components of the Toolkit (available at <http://tinyurl.com/15yearsforkids>) include:

- A logo, photos, and fact sheets
- A website (www.first5association.org/15years)
- How-to guides
- Templates, including op-eds and a letter to the editor
- Media resources, including a video about First 5 created by First 5 Bay Area
- Social media resources

Julie Gallelo (Yolo) discussed her commission’s anniversary plans, including:

- Hosting a breakfast honoring the work of their first commission chair, second chair, and current chair;
- Compilation of 20 highlights of First 5 Yolo’s first 15 years;

- Their six largest funded partners will write letters to the editor in various regions;
- Three past and present commission chairs are writing op-eds;
- Weekly social media postings incorporating 15th anniversary messaging; and
- Using the logo on their website and materials.

Local Control Funding Formula Overview

Debra Brown, Associate Director of Education Policy with Children Now, provided an overview of the history of the LCFF, and its implications for school funding. This weighted school formula has been four decades in the making.

- The investment will include \$10 billion for high-need students once LCFF is fully implemented.
- Funding increases each year based on how many Prop. 98 dollars are available until the target is reached.
- Each year, school districts will be required to adopt, with community input, a district-wide Local Control and Accountability Plan (LCAP), which must meet state and local priorities.
- Districts and communities have opportunities to focus on long-term, multiyear planning; implement ongoing community engagement, and leverage the requirement to link planning efforts to the entire district budget.

Children Now is working with First 5 LA on a toolkit for districts. In addition, the Association will discuss the possibility of a webinar with more detailed information and resources for county commissions.

The presentation is available at [this link](#).

Report from the State Commission

George Halvorson, Chair of the State Commission, discussed early childhood data points, focusing on the importance of language and words in helping children to reach their full potential, and parents as their children’s first teacher. Among the key points were the following:

- Children with lower reading scores in the early years are 40% more likely to be a teen parent and 70% more likely to be arrested of a violent crime.
- Children with lower reading proficiency in third grade are 8 times more likely to drop out of high school.
- The U.S. has more people in jail, per capita, than any industrialized country, and our school dropout rates are now among the worst in the world.
- We are on a path to have both of those adverse outcomes grow significantly in this country.
- Children in low-income neighborhoods and homes:
 - Have lower access to books in the home
 - Spend far fewer hours with picture books
 - Hear fewer words per hour in the home
 - Have as many as 15,000 fewer words in their vocabulary at kindergarten entry

The presentation is available at [this link](#).

State Commission Meeting October 24, 2013

Commissioners Present:

George Halvorson, Chair
Conway Collis
Kathryn Icenhower, Ph.D.
Casey McKeever
Ex Officio Member: Jim Suennen

Opening Remarks

Commissioner Halvorson presented the slides he shared with the Association on Wednesday, to provide context for the Commission meeting and deliberation. Commissioner Halvorson talked about the level of ignorance among policy and business leaders across the country on the power of early child development and the research on early brain development.

The Commissioners engaged in the conversation, agreeing that there was a need to focus on engaging partners with the research, the messaging, and the impact of First 5 investments.

Both Commissioner Halvorson and Commissioner Collis commented that the return on investment argument for early learning does not resonate, either for business people (who are on quarterly cycles) or elected officials (who are on an election cycle).

Commissioner Collis commented on the role of early intervention programs, particularly those with wrap-around services, in changing the trajectory for the families George Halvorson described. He highlighted that there are investments in California that should be considered for expansion to ensure success for families. He mentioned a conference in December on child poverty, cosponsored by The California Endowment and Grace Health Care Services, which will focus in part on early intervention and wrap-around services.

Commissioner Icenhower urged that First 5 CA take advantage of what some of the First 5 counties are doing – particularly targeted home visitation – that focuses on family centered practices, to ensure that we are meeting families’ needs and building on proven practices here in the state.

Commissioner Suennen commented on the power of leaders agreeing on a single action that all partners can support, like 10,000 steps for health.

All the Commissioners agreed on the need to focus on actionable things that link parent practice, program investments, and public education.

Executive Director Report

Camille Maben provided the following updates to the State Commission:

New Staff

- Frank Furtek will be joining the commission as general counsel on November 6th.
- Maria Rodriguez is the commission’s new receptionist.
- Erin Dubey will be returning as Child Development Program Consultant.

Research and Evaluation

- The CARES Plus data system has been tested and will be implemented in December.
- The CLASS Score analysis is ongoing, with interesting results.
- CSP 1 data collection was completed at the end of July, and will be reported out in the near future.

Communications and 15th Anniversary

- Chair Halvorson will be drafting an Op-Ed piece for the anniversary.
- The new First 5 CA website went live last week.

Association Report

Following up on the presentation on the word gap made by Chair Halvorson, Moira Kenney reported that commissions across the state have prioritized “reading to your child” as an indicator of local

impact. She presented details on county investments in evidence-based programs that acknowledge and fortify the parent’s role as the child’s first and best teacher. She focused on Southern California investments, to acknowledge the Commission’s annual visit to Los Angeles County:

- Reach Out and Read is a partnership between First 5 commissions and pediatricians, where pediatricians “prescribe” – and provide – books for young children at every doctor’s visit. Across the country, 4 million children are served annually at 5000 sites. In California, there are 589 Reach Out and Read Project, serving 628 thousand children. Orange County’s commission has been a leader in rolling out the program across the county and the state, with 42 ROAR programs developed through Commission support and led by a key local partner, AAP Chapter 4.
- First 5 LA’s 10-year investment in family literacy in targeted communities included intensive parent-child activities to address the achievement gaps between native English speakers and English language learners. The program sought to both improve early literacy in children as well as parent involvement in early elementary school. Children in the program had lower absence rates throughout elementary years, higher English language score both at Kindergarten entry and through elementary school, and higher mathematics testing scores across the period as well.
- Parents as Teachers – an intensive evidence based home visiting program with proven results – showed in their most recent evaluation that 82% of low-income children participating in the program scored ready for kindergarten at the end of the program, compared to 62% of their peers. Twelve counties, primarily smaller and rural counties with lower preschool access, invest in this program.
- Nurse Family Partnership – another intensive evidence based home visitation program, for first time low-income mothers – has shown both improvements in school readiness and

lasting impact on school success throughout elementary school. Nine counties invest in NFP.

- Finally, many commissions have also invested in other support systems for early reading. El Dorado is just one of many counties – again, primarily in smaller counties – that has forged strong partnerships with local libraries, which have been hit hard by budget cuts. El Dorado First 5 funds “ready to read” programs at all county libraries – and a mobile book van – and has trained library staff on supporting parents to be regular readers with their children.

Moira then presented the three policy areas where the Association has developed specific work plans for 2014:

Early Learning

- We will be focusing on the need for alignment of California’s training and technical assistance investments (First 5, CDE, and DSS) for providers and programs with the Race to the Top design and local investments to reduce duplication and ensure alignment with long-term goals for quality.
- We will be encouraging California’s early care leaders to develop a research-based approach to implement tiered reimbursement using California’s Race to the Top standards.
- As an Association, we will work to support adoption of the Race to the Top framework by all county commissions as a guide for their local efforts.
- And, finally, we support coordination of any state-level data collection efforts with the databases already developed by regional RTT consortia.

Oral Health

- We will continue to focus on the two major changes to the systems of care for young children – the transition to Healthy Families and the roll-out of Covered California, and are particularly focused on conversations about integrated pediatric dental benefit within the Exchange.
- We are in conversation with oral health advocates about the possible restoration of the

California Dental Disease Prevention Program, and will be highlighting First 5’s role as a powerful partner before the program was eliminated and an important funder of services in the interim.

- We are participating in conversations about the Department of Health Care Service’s Dental Action Plan, and are pleased the local commissions’ commitment to oral health is clearly stated in the plan, and indicates that the state’s Medi-Cal Services Division will meet with First 5 commissions to develop strategies/outreach activities relevant to each non-dental office setting aimed at increasing the delivery of preventive services in non-dental office settings.

Early Intervention

- The Association – working with Children Now and Help Me Grow - has developed a State Action Plan to ensure that California meets the goals set in the Affordable Care Act for universal screenings of all children, and meets the needs of those children identified as needing further assessment, referral and treatment. We will be working to share this plan in early 2014 with other early childhood advocates, state leaders, and others.
- We are interested in working with public health officials at both the state and county levels to improve data collection on private and public coverage, utilization, and follow-up as a result of developmental screenings. We are ready to launch the first phase of this work in the Southern Region.
- We want to build on the investments of local commissions to increase access to the Help Me Grow approach of early identification and referral to enhance communication and care coordination to ensure children are connected to needed services as quickly as possible.

Commissioners had a number of comments on the presentation.

- Commissioner Suennen encouraged Association staff to follow up with his office to coordinate with DPH on home visitation.

- Commissioner Collis asked Camille Maben to agendize an Association presentation on early intervention activities, including wrap-around services. He encouraged support from the Research and Evaluation staff to collect information on early intervention efforts.
- Commissioner McKeever asked that Association staff present any plans for sponsoring legislation on developmental screening to the Commission’s Legislative Committee.

Race to the Top – Early Learning Challenge

Camille Maben and Sarah Neville-Morgan provided an overview of California’s Race to the Top – Early Learning Challenge Grant activities. The handout for that item is available at [this link](#).

Transitional Kindergarten Study

Camille Maben reported on a possible joint evaluation of Transitional Kindergarten, partnering with the Packard Foundation. The evaluation will address the impact of the additional year of Kindergarten and will cost \$7 million. The handout for that item is available at [this link](#).

Commissioners asked for additional information on the specific research questions, and had a number of suggestions for additional items. They also asked for clarification on the assessments that will be used.

Public Comment:

Christina Arrostuto (Solano) supported the evaluation and asked that the study also compare TK students with preschool students.

Laurel Kloomok (San Francisco) encouraged the state Commission to consider a robust kindergarten observational assessment, which would support analysis of the investments being made by First 5 county commissions.

CARES Plus Participant Survey

David Dodds made a presentation on the results of an online survey of participants in the CARES Plus

program during FY 2012-13. The handout for that item is available at [this link](#).

Commissioner Icenhower asked for information on the population of children served by CARES Plus participants, specifically children with special needs.

Financial Update

Jennifer Clark reported on the end-of-year financial status of the Commission.

- The total Proposition 10 tobacco tax revenue collected by the BOE in FY 2011-12 (prior to BOE adjustments) was \$499 million. The total revenue received in FY 2012-13 was \$481 million, representing a 3.61 percent decrease in revenue from FY 2011-12.
- The FY 2012-13 backfill totaled \$15 million, a decrease of 9.09 percent from FY 2011-12. Adjustments for BOE operational costs for tax collection and enforcement activities totaled \$15.8 million, an increase of 0.76 percent from FY 2011-12. The BOE’s administration costs for FY 2012-13 were projected at \$17.1 million. The actual costs ended up being \$15.8 million – \$1.3 million lower than projected due to reduced personnel costs, resulting from state furloughs.
- The State Commission’s fund balance increased from \$112 million at the close of FY11-12 to \$136 at the close of FY12-13.

Jennifer then presented information on the unexpended funds in three programs, as follows:

- Educare has an estimated \$5.6 million balance in this program due to delays in implementation.
- The Child Signature Program has approximately \$40.7 million remaining in the Commission’s authorization for county grant disbursements due to less-than-expected participation in the program.
- CARES Plus Round 2 has an estimated \$8 million remaining in the Commission’s authorization for county grant disbursements due to less-than-expected participation in the program.

Diane Levin presented possible options for utilizing these funds, and a fuller plan will be presented to the Commission in January.

Commissioners Icenhower and Collis encouraged staff to consider keeping these remaining funds available, to be allocated once the Strategic Plan has been completed.

Strategic Planning Update

The Glen Price Group presented the Statement of Strategic Direction, which was developed through a very open process, including two strategic planning regional workshops, three participatory planning meetings with First 5 California staff, a participatory planning meeting with the First 5 Association and its Executive Committee, Chair Halvorson, and Commissioner Icenhower, as well as regular meetings of the Core Planning Team.

The Statement of Strategic Direction is available at [this link](#).

The next stage of the process is the development of the Statement of Objectives and Results, which will be brought to the Commission meeting in January.