



**Executive Officer's Report  
June 5, 2013 Meeting**

**DATE:** May 22, 2013  
**TO:** Children and Families Commission of Orange County  
**FROM:** Christina Altmayer, Executive Director   
**SUBJECT:** Executive Officer's Report

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The following is the Executive Officer's Report for June 5, 2013.

**A. Informational Items –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 6.96 percent below the prior year. The revenue decrease built into the financial plan for FY 2012-13 is 3.5 percent. The most recent First 5 California projection, based on forecasts from the Board of Equalization and the State Department of Finance, is a 3.85 percent decline. The final quarter of tobacco tax revenue will be reconciled with the Commission budget and financial plan once available. Final financial results will be presented to the Commission along with any adjustments to future year projections as necessary. Staff will continue to monitor the revenue receipts carefully and will prepare any recommended budget actions for the Commission consideration.

**B. Strategic Communications Report for May 2013**

Curt Pringle & Associates provides strategic communications services in the areas of legislative advocacy, community partnership, and public awareness. Their report on strategic communications activities for May 2013 is attached as Attachment 2.

**C. May Commission Meeting Follow-Up**

An update on the Pediatric Vision Program was presented in May and staff is implementing the countywide program and prioritizing high-need communities. The vision care planning committee groups are meeting to discuss data and evaluation, standards of care, and sustainability. An update on the program is scheduled for the September Commission meeting. The biannual strategic communications report was also presented and the implementation of governmental advocacy, community partnership, and public awareness activities are continuing. Based on Commission direction we have modified the membership policy to notify the Commissioners of annual memberships and will include the update in the July agenda.

**D. Audit Update - Southern California Alcohol and Drug Programs Report**

**Commissioners**

**Executive Director**

The Commission has engaged KNL Support Services, an accounting and audit firm, to conduct an audit of the invoices for Agreement F10-SF-06 with Southern California Alcohol and Drug Programs, Inc. (SCADP) for the period of July 1, 2011 through June 30, 2012. The Commission's Compliance team identified this program with potential risk issues due to delays in invoicing and issues noted during site visits. SCADP was notified on March 1, 2013 of the audit and following the entrance meeting on March 15, 2013, the auditor provided a detailed list of documents to be provided by SCADP during the week of March 18, 2013. Thereafter, SCADP requested and was granted an extension of time through April 26, 2013 to provide the requested documents. As of the beginning of May, the auditor reported that many of the requested documents had not been provided by SCADP.

On May 10, 2013, Commission staff sent a letter to SCADP confirming the list of outstanding documents to be provided to the Commission's auditor and requesting that the documents be provided no later than May 31, 2013. The letter further informed SCADP that failure to meet this deadline will mean that their contract is in non-compliance and pending the successful resolution of this issue, we will be unable to proceed with the contract amendment for FY 13/14 approved at the March 2013 Commission meeting, and will hold payment on any further invoices submitted for this current year.

**ATTACHMENTS:**

1. Financial Highlights
2. Strategic Communications Monthly Report

# Financial Highlights As of April 30, 2013

## Comparison of Budget vs. Actual Fiscal Year 2012-13 Unaudited Period Ending 04/30/13

	<u>FY 2012-13 Amended Budget</u>	<u>FY 2012-13 Actual Expenses</u>	
<b><u>Financing Sources</u></b>			
Tobacco Tax Revenue	\$27,971,800	\$18,509,712	66.2%
Interest Earnings	150,000	256,762	171.2%
Other Revenue	<u>1,448,126</u>	<u>1,281,880</u>	88.5%
<b>Revenue Total</b>	<b>\$29,569,926</b>	<b>\$20,048,354</b>	
<b><u>Expenses</u></b>			
Healthy Children	\$18,497,394	\$8,240,413	44.5%
Strong Families	3,619,500	2,410,188	66.6%
Early Learning	6,841,025	1,587,311	23.2%
Capacity Building*	<u>3,165,355</u>	<u>1,685,331</u>	53.2%
<b>Program Services</b>	<b>\$32,123,274</b>	<b>\$13,923,243</b>	
Admin. Functions**	<u>3,212,908</u>	<u>2,362,316</u>	
<b>Total Operating Exp.</b>	<b>\$35,336,182</b>	<b>\$16,285,559</b>	

\*Includes Evaluation costs of \$524,059

\*\*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 \$2,362,316 and encumbrances of \$512,781 were 8.14% of the Fiscal Year 2012-13 Amended Budget of \$35,336,182 and are projected to be 8.95% at year end.

### **Total Encumbrances as of April 30, 2013**

Healthy Children	\$19,575,495
Strong Families	\$2,061,838
Early Learning	\$5,324,013
Capacity Building	\$2,605,222
Admin. Functions	\$512,781

## Revenue and Cash Balance Update

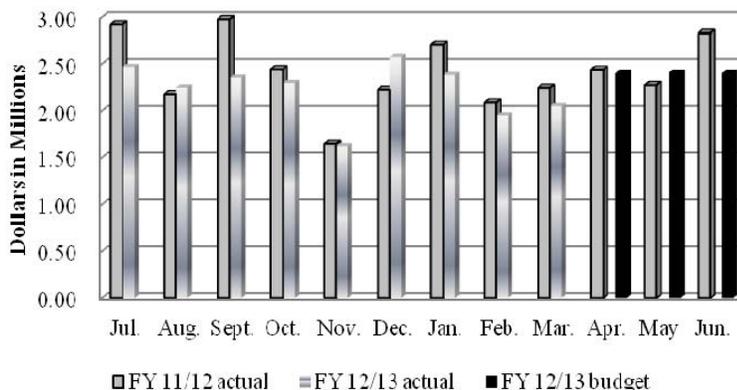
The Commission's total Tobacco Tax Revenue through March 2013 as reported by First 5 California is \$19,950,864. Prop 10 revenues for July - February are now 4.91% lower than the estimated budget plan of \$20.98 million. As of April 30, 2013, tobacco revenue has been received through February 2013.

Interest earnings for July 2012 through February 2013 are \$256,762. Other revenue of \$1,281,880 includes grant revenues for the VISTA program, CARES Plus, MAA, ARRA Health Research reimbursements, and other miscellaneous revenue items.

## Catalytic Funding Update

As of April 30, 2013, \$8.6 million has been disbursed and \$32 million was encumbered.

## Fiscal Year 2011-12 & 2012-13 Tobacco Monthly Revenues



## Forecasted Fiscal Year 2012-13 Ending Fund Balance

*From Commission Long Term Financial Plan*

Beginning Fund Balance, July 1, 2012	\$78,716,844
Forecasted Revenue	29,569,926
Budgeted Program Expenses	(32,123,274)
Budgeted Administrative Expenses	(3,212,908)
Catalytic Projects	<u>(55,000,000)</u>
<b>Projected June 30, 2013 Fund Balance</b>	<b>\$17,950,588*</b>

\*based on Commission action through March 2013



**To:** Kelly Pijl, External Affairs Director  
Children and Families Commission of Orange County

**From:** Todd Priest, Vice President

**Date:** May 17, 2013

**Subject:** May 2013 Strategic Communications Monthly Report

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Below is a list of monthly activities, based on the contracted Scope of Work, that were provided to the Children and Families Commission of Orange County by Curt Pringle & Associates during the month of May 2013:

**Legislative Advocacy**

- Curt Pringle & Associates continues to monitor State Legislation and activity that could impact the Children and Families Commission of Orange County. This includes the State Budget and Legislation impacting children’s services and the California Children and Families First Trust Fund.
  - One significant piece of legislation that we are monitoring is Senate Bill 768. This bill would impose an additional tax on cigarettes under the Cigarette and Tobacco Products Law. It would increase the tax upon the distribution of tobacco products. This bill would establish the 2014 Tobacco Act which imposes an additional cigarette tax at a rate of \$2 per pack. The bill currently contains a provision that requires the Board of Equalization to back-fill funds to the California Children and Families First Trust Fund.
- Curt Pringle & Associates is working to schedule a briefing with the City of Garden Grove. The briefing with the City of Garden Grove will highlight the Commission-funded programs in the City, including Healthy Smiles.
- Curt Pringle & Associates has provided Commission staff with the monthly state budget/legislative update that may be included in a weekly update to the Commission. The budget/legislative update for May included an overview of Governor Brown’s May-Revise.

## **Community Partnership**

### *Essential for Young Lives*

#### Community Luncheon

- Curt Pringle & Associates drafted and distributed a media alert and press release to Orange County media to highlight the *Essentials for Young Lives* campaign and the Community Partner Luncheon. In addition, CP&A created press kits to be made available if requested by a member of the media.
- Curt Pringle & Associates coordinated the *Essentials for Young Lives* Community Partner Luncheon that was held at the Village of Hope in Tustin on May 2, 2013.
- Curt Pringle & Associates secured Vons as the corporate sponsor for the luncheon. Vons provided sandwiches, pasta salad, fruit, desserts, sodas, waters, ice, paper products, utensils, and pop-up tents for the event.
- Curt Pringle & Associates, with the assistance of the Orange County Sheriff's Department, secured Michele Gile of KCBS/KCAL to serve as Master of Ceremonies for the event.
- Curt Pringle & Associates coordinated logistics related to the event, including drafting the event outline and talking points for the speakers. CP&A secured the speakers for the event which included:
  - Jim Palmer, Orange County Rescue Mission
  - Scott Larson, HomeAid Orange County
  - Supervisor Janet Nguyen, Children and Families Commission of Orange County
  - Jenna Watkinson, Vons
  - Oliver Jones, UPS
  - Captain Bob Peterson, Orange County Sheriff's Department
  - Ericka Metoyer, Village of Hope resident/Essentials recipient
  - Theresa Murphy, Precious Life Shelter
- The luncheon was attended by approximately 90 individuals, including representation for the following elected officials:
  - Supervisor Janet Nguyen
  - Representative for Supervisor John Moorlach
  - Representative for Senator Lou Correa
  - Representative for Senator Mimi Walters
  - Representative for Assemblyman Tom Daly
  - Representative for Assemblyman Don Wagner
  - Representatives for Orange County Sheriff Sandra Hutchens

The luncheon was also attended by representatives from several corporate sponsors of the campaign that Curt Pringle & Associates secured for the campaign including Vons, UPS, and the Koll Company.

- CP&A assisted HomeAid and the Village of Hope in the set-up for the event and worked to ensure that the event ran smoothly.

#### Sacramento Donation Drive

- Curt Pringle & Associates staff traveled to Sacramento on Friday, May 3 to deliver baskets and posters to legislative offices.
- Curt Pringle & Associates drafted and distributed a media alert and press release to highlight the *Essentials for Young Lives* donation drive in the State Capitol and inform the media of the press conference that was held on May 6. In addition, CP&A created press kits to be made available if requested by a media outlet.
- Curt Pringle & Associates coordinated the *Essentials for Young Lives* press conference in the State Capitol which was held on May 6, 2013. CP&A secured the following legislators to speak at the press conference:
  - Senator Lou Correa, D-Santa Ana
  - Senator Cathleen Galgiani, D-Modesto
  - Senator Mimi Walters, R-Irvine
  - Assemblyman Tom Daly, D-Anaheim
  - Assemblyman Roger Dickinson, D-Sacramento
  - Assemblyman Curt Hagman, R-Chino Hills
  - Assemblyman Richard Pan, D-Sacramento
  - Assemblywoman Sharon Quirk-Silva, D-Fullerton

In preparation for the event, CP&A drafted the event agenda and talking points for each legislator, tailored to their interests and background. CP&A traveled to Sacramento to manage the press conference. CP&A, through the sponsorship of Vons, purchased *Essentials* items to create the stage for the press conference.

- Curt Pringle & Associates staff traveled to Sacramento on Friday, May 10 to pick up the baskets and deliver the donations to a representative from First 5 Yolo County.

#### Pathways of Hope Press Event

- Curt Pringle & Associates coordinated the logistics for the May 22 press event that will be held at Pathways of Hope in Fullerton. Pathways of Hope was selected by the *Essentials for Young Lives* Steering Committee as the location for the close of the campaign press event because, not only are they a recipient agency of the *Essentials* campaign, but they are also going to be breaking ground soon on a new transitional housing project that is funded in part by the Commission.
- Curt Pringle & Associates secured the participation of UPS, Vons, and the Orange County Sheriff's Department for this press event.
- Curt Pringle & Associates coordinated the logistics for the event, including talking points for the speakers. CP&A also assisted HomeAid with the set-up for the event.

- Curt Pringle & Associates drafted and distributed a media alert and press release for the event. In addition, CP&A created press kits to be made available if requested by a member of the media.

#### General Support

- Curt Pringle & Associates developed an op-ed on the Essentials campaign authored by Orange County Sheriff Sandra Hutchens. CP&A worked with the Sheriff's department to edit the piece. In addition, CP&A distributed the op-ed to the Orange County Register.
- Curt Pringle & Associates assisted HomeAid Orange County with the development and printing of collateral materials for the 2013 *Essentials* campaign.
- Curt Pringle & Associates delivered bins to approximately 20 County of Orange departments. There were over 90 bins distributed to County departments. In addition, CP&A assisted in the coordination with the County of Orange and HomeAid to pick-up the *Essentials* items that were collected by County departments.
- Curt Pringle & Associates delivered a bin to the City of Fullerton for city staff to participate in the *Essentials* drive.

#### *Other Community Partnership Opportunities*

- Curt Pringle & Associates continues to communicate with Allergan about future partnership opportunity involvement in the pediatric vision program.

#### Public Awareness

- Curt Pringle presented the Strategic Communications Bi-Annual Report at the Commission's May meeting. The purpose of this report was to discuss in more detail the activities undertaken by Curt Pringle & Associates with regard to the Commission's Strategic Communications contract. Mr. Pringle highlighted the firm's work through April 2012 and discussed upcoming activities and initiatives. The presentation also served as an opportunity for Commissioners to dialogue with Mr. Pringle in order to discuss expectations for future strategic communications services.
- Following the Commission's May meeting, Curt Pringle & Associates wrote and distributed a press release regarding the Commission's action to invest \$1.5 million in a pediatric vision program. This program was especially important to highlight as it shows the Commission's continuing commitment to support new programs that will have a direct impact on young children's ability to learn. Our firm distributed the press release to over fifteen media outlets, including the Orange County Register, Los Angeles Times, Orange Coast Magazine, Orange County Business Journal, and OC Metro. CP&A was contacted by the OC Register and anticipates that the piece will run in late May.
- Curt Pringle & Associates drafted media alerts and press releases for the following *Essentials for Young Lives* campaign events:

- Community Partner Luncheon
- Sacramento Press Conference
- Pathways of Hope Press Event

The *Essentials* campaign was highlighted in the following outlets:

- Assemblyman Tom Daly press release
- Assemblywoman Sharon Quirk-Silva press release/YouTube video
- Laguna Beach Patch
- JDTP Law website
- Orange County Register

**Upcoming Activities and Focus:**

- Additional Legislative office visits, as needed
- BOE Administrative Fees
- Further engagement with Allergan
- City briefing, City of Garden Grove
- City briefing, City of Irvine
- City briefing, City of Huntington Beach
- City briefing, City of San Juan Capistrano
- Planning efforts for the 2014 *Essentials for Young Lives* campaign