Children & Families
Commission of Orange County

Executive Officers Report
October 3, 2007 Meeting

DATE: September 25, 2007

TO: Children and Families Commission of Orange County

FROM: Michael M. Ruane, Executive Director

SUBJECT: Executive Officer Report

The Executive Officers Report for October, 2007 will include the following items.

A. Informational Items *(Report)*

1. State Association and State Commission Meetings
2. The Financial Highlight report is not included this month since Agenda Item No. 7 includes the Annual Report information.

B. Receive report on Early Developmental Index (EDI) *(Report)*
At your September meeting, your Board received a presentation on the Early Developmental Index (EDI) and its potential application to Orange County. A summary of the EDI is included as Attachment 1. Based upon the discussion at the meeting the initial pilot effort in Orange County will be deferred pending the review by a working group, including school district representatives. We will form a work group and include Commissioners to participate, and will return with a progress report at your November meeting.

C. Partnership with OC Moms Website – Orange County Register *(Report and Action)*
The Orange County Register plans on launching a new website: *OC Moms*, later this month. This website will serve as a resource for new moms and expectant mothers, and will also link to other community resources.

We have met with representatives from the OC Register and they are very interested in a partnership similar to our current effort with OC Family Magazine. With OC Family, we provide content for a page in their monthly publication along with community resource and expert links. Although this partnership with the OC Register would not involve any direct financial contribution by the Commission, formal approval is requested since in-kind and consultant resources will be utilized for this partnership.

D. Community Event Sponsorships *(Report)*
Staff will provide an update on the upcoming events sponsored or co-sponsored by your Commission:

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October, 2007	Toothbrush Distribution – Angels Baseball Foudation
October 27, 2007	Child ID Event at Mission Viejo Mall
October, 2007	Conditions of Children Forum
October 23, 2007	Governor and First Lady's Conference for Women
November 7, 2007	Early Literacy Events at Barnes and Noble Stores
January, 2008	Grantee Summit

E. Outside Strategic Assessment of Commission

The Bridgespan Group plans on initiating its work on October 15, 2007. There will be a standing agenda item for future meetings on the progress of the strategic assessment. A copy of the work plan and budget approved at your August 1, 2007 meeting is also included for reference.

Attachments:

1. Implementing the Early Development Index (EDI) Proposed Key Tasks
2. Strategic Assessment Work Plan for The Bridges Group

IMPLEMENTING THE EARLY DEVELOPMENT INDEX (EDI)

What is the Early Development Instrument (EDI)?

1 The EDI measures the status of children's early development.

2 The EDI is a 120-item questionnaire filled out by kindergarten teachers on every child in their class after observation for at least one month. The checklist requires approximately 20 minutes to complete for each child.

3 Information collected using the EDI is analyzed at a *group* level (for a school or a neighborhood, for example) and is not used as a diagnostic tool for individual children.

What does the EDI measure?

4 Kindergarten teachers use the EDI to describe each child's level of development in five domain areas:

- Physical Health and Well-Being
- Social Competence
- Emotional Maturity
- Language and Cognitive Development
- Communication Skills and General Knowledge

Has the EDI been tested for validity and reliability?

5 Canadian and Australian researchers have found that the EDI is a psychometrically sound tool to assess outcomes of early development.

6 The EDI has undergone extensive pilot testing and has been compared with direct assessment results and with parent reports.

7 It has also been repeated on the same group of children within a short space of time. It has demonstrated reliability in all these tests.

8 In the process of the development, the EDI has also been streamlined, using detailed input from teachers.

What are the benefits of using the EDI in Orange County?

9 The EDI project can help to fill a major information gap about children's development in Orange County. As in most counties throughout the US, early development in kindergarten is not consistently measured across schools, school districts or communities.

10 The EDI both informs the policies and programs for young children and their families during the early years prior to kindergarten and gives school districts and other key sectors information to help develop policies and programs for children as they move through the school years.

11 One significant incentive for school districts to implement the EDI on an annual basis for their incoming kindergarteners is that it helps districts to prepare for and improve results of the mandatory standardized testing, which normally begins a few years later.

- It also helps to explain those results particularly with regards to the challenges that children faced developmentally as they entered school.

12 Information from the EDI is presented using data mapping technologies as a tool to inform program and policy development. For instance, the various domains of children's development can be compared:

- Geographically to identify key target populations;
- To other available census data such as crime rates, socio-economic indicators to help understand what leads to good and poor outcomes for children; and
- Over time to see how changes in the system may are impacting children as they enter kindergarten.

13 EDI information is collected on *all* children in a given region so that it represents a census of all children's development. This is more accurate than a sampling approach because it is much less likely to miss the hardest to reach, highest risk children.

14 By tracking children's development at kindergarten entry over time, the EDI will give policy makers the tools they need to help children prepare for and succeed in school and beyond.

What outcomes can be expected with the EDI project?

15 *Short term*—to develop and refine a process for collecting multi-site data on early development in Orange County kindergarten classrooms and to demonstrate the value of systematic school readiness assessment at the population level.

16 M*id-term*—to demonstrate a reproducible process and to show the value of using population-level school readiness data to engage communities and mobilize assets on behalf of young children.

17. *Long-term*—to develop a fully functioning school readiness assessment, mapping and community engagement and improvement process that can be used in all Orange County school districts and replicated in other local communities throughout California and nationally so that the EDI becomes a well-accepted component of a region-wide, data driven early development and school success policy.

Proposal to Support the Children and Families Commission of Orange County
The Bridgespan Group

Our Understanding of the Situation

The Children and Families Commission of Orange County was created as a result of Proposition 10, the California Children and Families Act of 1998. The proposition added a 50-cent sales tax on tobacco products sold in California and requires that funds raised be used to support education, health and child development programs for children from the prenatal stage through age five. The Commission was established in December, 1998; the first meeting was held in September, 1999; and a process and budget for the development of the original strategic plan was approved in November, 1999.

The Commission's mission is to "provide leadership, funding and support for programs that achieve the vision that all children are healthy and ready to succeed when they enter school" and the Commission's activities are aligned under four goals: healthy children, strong families, ready to learn, and quality services. From its inception, the Commission has been politically independent and focused on promoting and funding services that are results-oriented and evidence-based.

As a result, the Commission has been highly successful in achieving results for the children and families of Orange County and in operating as an adaptive, performance-oriented organization. Despite, or perhaps because of, this success, the Commission now seeks to answer three related questions:

1. Are we maximizing our impact within Orange County? If not, what changes can we make to our strategic plan and business plan in order to have greater impact?
2. While continuing to focus our direct efforts within Orange County, how can we best have beneficial impact on the lives of children and families beyond Orange County?
3. Are there ways that we can improve the effectiveness of our organization?

To answer these questions, the Commission desires:

- An assessment of the relative impact of its various programs and services,
- An external perspective on the effectiveness of the organization relative to best practice organizations within, and outside, the sector, and
- A refreshed strategic plan to guide the next level and phase of impact.

The Commission is looking for an objective and trusted partner to support this process and will value a fact-based, rigorous approach to guide the resulting decisions.

Background on Bridgespan

Bridgespan's mission is to build a better world by strengthening the ability of nonprofit organizations to achieve breakthrough results in addressing society's most important challenges and opportunities.

The Bridgespan Group (www.bridgespangroup.org) was launched in January 2000, after being incubated at Bain & Company, Inc., the global, for-profit strategy consultancy. Our founding was motivated by the desire to provide nonprofits with access to the same sort of high quality, data-driven, strategic and organizational advice commonly available to for-profit organizations.

Our mission, strategy, and belief in the power of "bridging" the best ideas and people across the sectors have led us to build an organization with some distinctive characteristics. Chief among them is the fact that Bridgespan is organized as an independent 501(c)(3) nonprofit organization. Our mission and charter enable us to focus on organizations with the greatest potential for impact and to generate knowledge that can be shared widely rather than be treated as proprietary. The fact that we have a staff comprised mostly of people who are dedicated to the sector, rather than being an organization of people who are engaged in this work briefly or part-time on a pro bono basis, is crucial to our effectiveness.

In the years since our launch, we have demonstrated the power of applying cutting-edge strategic thinking and analysis to the challenges facing nonprofits and foundations in a variety of settings. We have worked with more than 100 clients (our clients: www.bridgespangroup.org/con_clients.html), and these clients report that Bridgespan is having a significant impact on their organizations' performance: strengthening their capabilities, introducing new ways of thinking, and improving their ability to maximize their social impact.

Our clients come from many parts of the sector (e.g., youth development, education, environment, community development) and face many types of strategic issues. Bridgespan's consulting relationships focus on results. Put simply, we seek opportunities to help high-performing organizations maximize the impact of their work. Our consulting engagements with nonprofits involve strategic and organizational issues ranging from questions of focus and growth, to effective performance measurement, the challenge of balancing mission and economic sustainability, and the use of technology for social change.

Every engagement is highly customized, focusing on the unique challenges and opportunities of each client we serve. Our work centers around framing the key questions, bringing data and analysis to bear on those questions, facilitating values-based discussion about important strategic and organizational choices, and laying out an implementation plan that encompasses the economic and organizational implications of the plan (case examples: www.bridgespangroup.org/kno_casestudies.html).

The Proposed Areas of Focus

1. The Assessment of the Impact of Current Programs and Services

In our view, the "impact assessment" is, first and foremost, a means of reinforcing the Commission's principle of being as results-driven and evidence-based as possible in its decisions and actions. The assessment reinforces this principle by bringing additional information to bear and by itself serving as a process of evaluation and adaptation. Accordingly, the assessment is both a standalone stream of work and a core input into the refreshed strategic plan.

Multiple methods will be used to assess the impact of the various programs and services and judgment will be used to integrate the results. Among the methods envisioned to assess impact are:

- The degree to which the program / service is aligned with the Commission's mission, intended impact, and desired role in the Orange County system of providers (i.e., even if successful, does it fit well with what we're trying to achieve?)
- The degree to which the program / service provider has executed on the plan that was funded (i.e., before we look at outcomes, did the right activities occur?)
- The estimated "return on investment" from the program / service based on quantified estimates of benefits and/or avoided costs relative to the investment (i.e., what are the benefits of an incremental dollar invested, relative to the other programs and services?)
- The degree to which the programs, individually and collectively, have resulted in material progress against the Commission's objectives (i.e., are we making sufficient progress against our community indicators?)

Multiple information sources will be tapped to inform the assessment, including existing CFCOC information and performance systems, internal interviews, interviews and information requests from grantees, reviews of existing estimates in third-party literature and case studies, and principled, transparent economic analysis conducted by Bridgespan.

While there will be implications for specific programs and services, our expectation is that there also will be significant value in thinking at the level of the "portfolio" of programs and services. For example, the assessment will enable the development of alternative portfolios of programs and services, each organized around certain investment themes or principles. This will not only serve as a useful input to the refresh of the strategic plan, but also will ensure that the results of the impact

assessment will be used in a strategic manner, and not merely as a set of financial inputs that result in pruning programs in a non-strategic manner.

Finally, where "proven models" are identified, the assessment will create a platform upon which the Commission can achieve broader impact by demonstrating results to other counties and states – and this will feed well into the parallel initiative with the White House Writers Group.

2. The Organizational Assessment

The organizational assessment presents an opportunity to conduct a thoughtful review of the organization, now several years after its inception, with an eye toward asking "what can we do better?" When combined with the impact assessment and the refresh of the strategic plan, the organizational assessment will enable a holistic view of what it required for the Commission to deliver the next level of impact it seeks in the coming years.

The scope of inquiry will be focused on those aspects of the organization most likely to have significant influence on the Commission's impact on children and families. Specifically, we envision that the organizational assessment will span:

- The Commission's goals and intended impact, given its mission
- The degree to which programs and services are aligned with the intended impact
- The decision-making principles and processes employed
- How decisions are executed and how results are monitored and managed
- Organizational capabilities, roles, and structure

The information to support the organizational assessment will come from multiple sources, including interviews (with staff, Commission members, and external sources), benchmarking relative to other organizations (other First 5 organizations, other high-performing non-profit organizations, other high-performing organizations), leverage of Bridgespan and Bain research on organizational effectiveness, reviews of internal documents and processes, and analysis of how particular decisions were made.

The organizational assessment will provide the Commission with concrete recommendations on how to improve organizational effectiveness. In addition, by clarifying the linkages between organizational effectiveness and beneficiary impact, the organizational assessment will ensure that the Commission benefits from greater clarity regarding the capabilities, processes, and structure required to achieve the next level of impact captured in the refreshed strategic plan.

3. The Strategic Plan

The impact assessment will flow naturally into the development of a set of choices to be made amongst alternative investment themes or portfolios. Similarly, the organizational assessment will inform the changes that can be made to create the organization best capable of supporting the next phase of the Commission's operations.

The strategic plan phase of the initiative will facilitate the strategic and organizational decisions that need to be made, determine the organizational and financial implications of the decisions, and result in the development of a new strategic plan.

The Bridgespan team will facilitate the decision-making through a series of fact-based and alternatives-based dialogues, first with staff members and then with the Commission itself. The Bridgespan team also will lead the development of the new strategic plan with the support of the CFCOC staff.

Overview of Work Phases and Timeline

The initiative will be structured around three phases of work, the first focused on assessment, the second focused on agreeing upon a set of changes to the portfolio and to the organization (each as warranted by the assessment), and with the third phase focused on the integration of any changes into a revised strategic plan to guide the focus of the Commission over the next phase of its operations.

In our experience, and based on our current understanding of your needs and situation, the phasing and associated timetable imply an engagement of five months, which will be sequenced as follows, with some overlap in phases:

- **Phase I: Assessment** (3 months)
  - Assess the Impact of Current Programs and Services
  - Assess the Effectiveness of the Organization
- **Phase II: Design** (2 months)
  - Evaluate Changes in the Portfolio of Programs and Services
  - Evaluate Changes to the Organization to Support the Next Level of Impact
- **Phase III: Develop the Refreshed Strategic Plan** (1 month)

Leadership, Resources, and Cost

While it is important to the Commission that the assessment represents an independent, external perspective on the impact and organization, we propose that the process be as interactive and collaborative as possible.

We recommend the formation of a Steering Committee to meet monthly during the engagement to review work in progress and to provide overall direction on the initiative. The Steering Committee will be led jointly by Mike Perigo from Bridgespan and Mike Ruane from the Commission, and will include members of the management team, senior members of the Bridgespan team, and perhaps select members of the Commission itself, as warranted.

We also recommend the formation of a Working Group, comprised of staff members who will work with the Bridgespan team on a part-time basis. We will meet regularly with the Working Group to discuss key questions, discuss relevant analyses, and structure alternatives for review with the Steering Committee.

Mike Perigo, a Partner from Bridgespan's San Francisco office, will lead the Bridgespan team. In addition, Bridgespan will provide an engagement manager and a team of three to four additional consultants.

Based on our experience in conducting assessments and developing business plans for similar organizations, we recommend that the engagement span six months. The total cost of a five-month engagement would be $325,000, and would be billed in equal installments at the end of each month of the engagement. Travel and other direct expenses will be billed at cost and would be in addition to the fees quoted above.

Bridgespan could provide the team required for a start in mid-October.