



**Interim Executive Officer's Report
November 7, 2012 Meeting**

DATE: October 31, 2012
TO: Children and Families Commission of Orange County
FROM: Christina Altmayer, Interim Executive Director 
SUBJECT: Interim Executive Officer's Report

The following is the Interim Executive Officer's Report for November 7, 2012.

A. State Budget and Legislative Update (*Report and Action*)

We are monitoring Propositions 30 and 38, on the November 6 statewide ballot, and the potential impact to the 0-5 population. Proposition 30 proposes to create the "Education Protection Account" to support schools and community colleges. Proposition 38 proposes to create the "California Education Trust Fund" to pay debt service on school facility bonds. The excess revenues would primarily support K-12 education with some support for child care and preschool programs. The California Budget Project posted analyses of both Propositions that discuss what each measure would do and the policy issues they raise on their website www.cbp.org.

B. Receive Update on the Prevent All Cigarette Trafficking (PACT) Act (*Report*)

At the October meeting the Commission received public comments about how the PACT Act ensures tax collection on Internet and remote sellers of cigarettes and smokeless tobacco but that cigars are exempt from the provision. This exemption may represent an impact on Proposition 10 revenues from the loss of tobacco surtax collections. In follow-up to the public comment, Commission Counsel reviewed the language of the Act and has confirmed that cigars were specifically exempt from the legislation. The Federal PACT Act would need to be amended to remove the exemption in order to require remote sellers to register their sales with the Board of Equalization. Staff has also looked at the issue of cigar smoking prevalence, regulations and taxation (Attachment 1). Since remote sellers are not currently required to register, current specific data is not available. Proxy data has been used to guesstimate the magnitude of the concern. In reviewing available data, there was a significant shift in imports of large cigars at the same time that the Federal tobacco excise tax was increased to fund the Child Health Insurance Program expansion, known as Healthy Families in California.

C. Quarterly Investment Report (*Report*)

As required by California Government Code Section 53646, and the Commission's Investment Policy Statement dated May 2, 2012, the Commission Treasurer submits the Quarterly Investment Report (Attachment 2) to the Commission. The Report summarizes Commission investments in the Orange County Investment Pool (OCIP) Money Market Fund

Commissioners

Interim Executive Director

for the period July 1 through September 30, 2012. The Report also contains information on market conditions during the reporting period.

D. Update on September and December Commission Planning Meetings (*Report*)

The following is an update on the Text4baby program and the Vision planning discussion from the September planning meeting, and a summary of the December Planning meeting:

Text4baby Program

In follow-up to Dr. Diana Ramos' September presentation on innovative mobile technologies, Commission staff continues to review Text4baby to explore the feasibility of partnering with the national project. The Text4baby service is a free, viable strategy to reach non-traditional populations and includes over 250 messages with the most critical information that experts want pregnant women and new moms with infants under one to know. Dozens of Federal agencies (Center for Disease Control, US Department of Health and Human Services), national (American Academy of Pediatrics, Alliance for Hispanic Health, Johnson and Johnson), State (California Department of Social Services) and local organizations provided input into the content development. Staff is working with the vendor to explore the ability to personalize messages and resources for Orange County women. Also, over the next few months, Text4baby will be adding interactive surveys and mobile web pages which will allow funders to track the outcomes of the referrals to resources.

Vision Planning

At the October Commission meeting Dr. Marc Lerner provided a follow-up presentation on supporting the vision needs of young children in response to the presentation from Dr. Stuart Brown at the September workshop. At the Commissioners' request, Dr. Lerner has been involved in continued discussions about pediatric vision programming. In October, Dr. Lerner participated in a site visit with Commission staff and other representatives to see Dr. Brown and the mobile vision program in San Diego. An update and recommendations will be incorporated into an agenda item on funding options that will be presented at the Commission's January 2013 meeting.

In response to Commissioner's questions at the October meeting, staff has investigated vision screening tools and the validity of tools to be used with 3-year-olds, given limitations on recognizing shapes and letters. Staff has conducted a review of literature and also posed this question to Dr. Raymond Chu, OD, MS, FAAO, Chief Pediatric Vision Services, Southern California College of Optometry. Dr. Chu and the literature confirm that, "The Lea Symbols have been found in a screening to have the highest testability for 3-year-olds. This test can be done as a matching task or verbally – calling out the symbols and asking the child to point to the symbol." Strategies for outreaching to 3-year-olds and expanding vision screening to the youngest children possible will be included in the January report.

December Planning Meeting

The planning meeting scheduled for December 5, 2012 will focus on the Commission's investments in early literacy and math programs. The agenda includes presentations on three programs, the OC STEM Initiative, MIND Research Institute early math program, and the countywide implementation of early literacy programs. Representatives from the OC STEM

Initiative will present the recently completed Strategic Plan, status of the funding partners, and an update on a successful early action program. The MIND Research Institute will debut the final product that was developed for preschool-aged children through a Commission investment. Representatives from the early literacy program will present an update on the countywide expansion of early literacy and the status of the Reach Out and Read program. The meeting will conclude with discussion and direction to staff with follow-up expected at the January 2013 Commission meeting. The meeting is scheduled to take place at CalOptima, 505 City Parkway West, Orange.

ATTACHMENTS:

1. Prevent All Cigarette Trafficking (PACT) Act
2. Quarterly Investment Report
3. Vision Screening

Prevalence-United States

While consumption of cigarettes decreased 32.8% from 2000 to 2011, consumption of loose tobacco and cigars increased 123.1% over the same period. The data suggest that certain smokers have switched from cigarettes to other combustible tobacco products (including cigars), most notably since a 2009 increase in the federal tobacco excise tax that created tax disparities between product types. In addition, significant changes also were observed in consumption of small and large cigars.

Tobacco Product	Year Prior to 04/01/09	Year Following 04/01/ 09	% Increase in Federal Excise Tax
Large Cigars	47.5%	88.7%	155%
Small Cigars	52.5%	11.3%	2653%

Substantial and steady increases in cigar smoking were observed during the 1990s and early 2000s in the U.S. among both adults and adolescents. Data suggest that cigar usage among young adult males increased threefold during the 1990s; a 1999–2000 survey of 31,107 young adult U.S. military recruits found that 12.3% smoked cigars, and a 2003–2004 survey of 4,486 high school students in a Midwestern county found that 18% smoked cigars.

Excise Taxes – Large Differences in Rates for Smoking Products Trigger Market Shifts

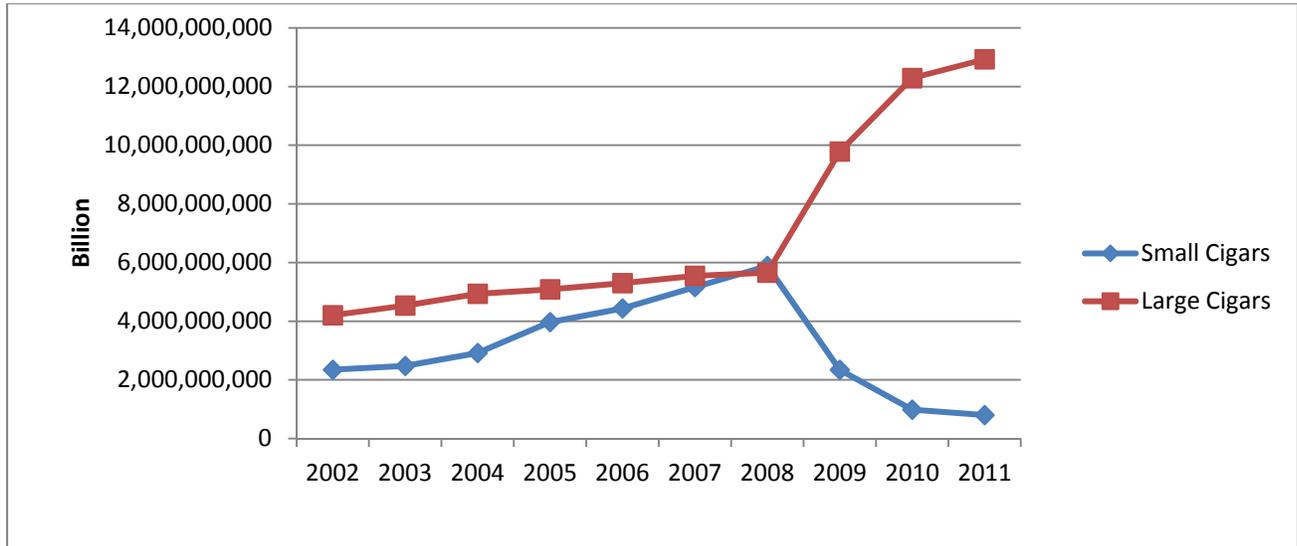
Despite continued decreases in cigarette smoking in the United States, consumption of pipe tobacco and large cigars has increased substantially since the federal tobacco excise tax was increased in 2009, creating tax disparities that made large cigars less heavily taxed than small cigars and manufactured cigarettes. The Tobacco Control Act, passed in June 2009, grants the Food and Drug Administration (FDA) authority to regulate the manufacture, distribution, and marketing of tobacco products. The FDA does not presently regulate small and large cigars.

The collection of taxes for goods sold over the Internet is becoming increasingly problematic for state and local governments. Recent studies project that States and counties are losing tens of billions of dollars annually because many internet cigar sales evade taxation, including sales through businesses outside of the United States. California law states, if you purchase cigars from an out of state company you must pay the current state tobacco tax rate, which is currently 45.13%. The California State Board of Equalization audits personal income tax returns in conjunction with out of state cigar retailers/mail order warehouse records. Currently, no method exists for measuring or estimating illicit or untaxed tobacco trade in the United States. While enforcement efforts in CA have improved tobacco tax collections, a concerted effort on cigars is more challenging?

Recent analysis of excise tax data for small and large cigars reveals that the tobacco industry is adapting the marketing and production of cigars to minimize federal excise tax and thus reduce these tobacco products' prices compared with cigarettes. The Government Accountability Office (GAO) recommends modifying federal tobacco taxes to eliminate large tax differentials between small and large cigars.

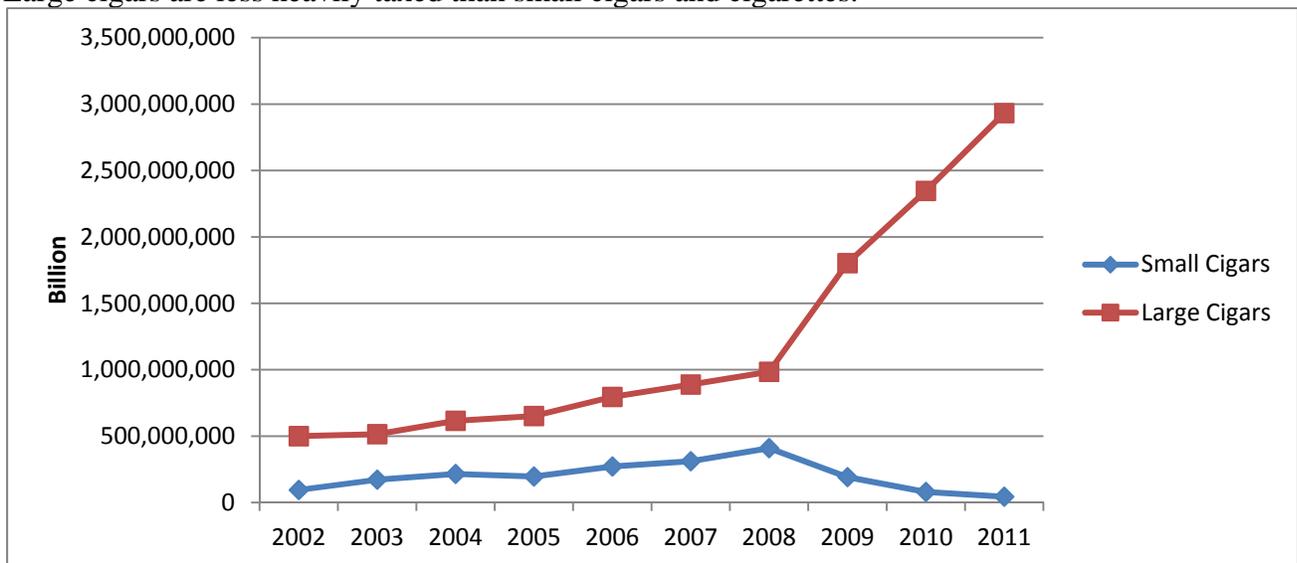
Cigar Consumption and Imports 2002-2011

Cigar Consumption - Since 2000, there has been an increase of large cigar consumption of 233.1%. The 2009 increase in the Federal tobacco excise tax affected the sales of small cigars and led to a dramatic increase in the sale of large cigars. In 2011, 12.9 billion large cigars were consumed in the United States.



Source: Consumption of Cigarettes and Combustible Tobacco - United States, 200 to 2011. (2012, August 3) *MMWR: Morbidity and Mortality Weekly Report*, 61(30), 565-569. Retrieved from <http://www.cdc.gov/mmwr/preview/mmwrhtml/mm6130a1.htm>

Cigar Imports - In 2011, there were over 2.9 billion large cigars imported into the United States. Large cigars are less heavily taxed than small cigars and cigarettes.



Citation: Department of Treasury, Alcohol and Tobacco Tax and Trade Bureau. Statistical Report –Tobacco. Retrieved from <http://www.ttb.gov/tobacco/tobacco-stats.shtml>

*Estimated Revenue Lost (and Potential) from “Tax Avoidance”**

Proxy Indicator	Estimated Impact	Comments / Data Source
<p>Estimated Federal Revenue Lost from Tax Avoidance</p> <p><i>* Tax Avoidance – Sales of lower-taxed pipe tobacco / large cigars instead of higher taxed products.</i></p>	\$615 million - \$1.1 billion	The Government Accountability Office (GAO) reported to the Congressional Committees on the large excise tax disparities among tobacco products related to Children’s Health Insurance Program Reauthorization Act (CHIPRA) of 2009. <i>GAO Report: Tobacco Taxes: Large Disparities in Rates for Smoking Products Trigger Significant Market Shifts to Avoid Higher Taxes, April 2012</i>
California as Percent of US Adult Population	12.0%	The financial impact of the estimated Federal revenue lost on each state is unknown however California represents 12% of the US adult population. <i>U.S. Department of Census (2011 - California Adult Population 28,419,702).</i>
California Board of Equalization Estimate of Implied Cigar Shop Evasion	\$192 million	<i>Board of Equalization Revenue Estimate, Cigarette and Tobacco Products Tax Evasion, FY 2005-6 data (prior to 2009 CHIPRA).</i>
Estimated California Prop 10 Tax Loss Related to Tax Avoidance	Unknown	The financial impact of the estimated California revenue lost is unknown however <i>Revenue and Taxation Code 30131.2 establishes wholesale cost and tax rate mechanisms with the Board of Equalization; currently 52.75% of sales price, maximum of .40 per large cigar.</i> This does not take into account nuances of funding such as “Backfill” for Proposition 99 or funding for Board of Equalization.
Orange County’s Prop 10 Distribution of Tax Avoidance as a Percent of State	Unknown	The financial impact of the estimated revenue lost on Orange County is unknown however the Commission’s FY 2012/13 revenue allocation is 7.5% of the 80% county share, based on 2010 birth rates.

In addition to the referenced data citations, the analysis of the cigar consumption rates was based on a review of the following reports:

- US Department of Health and Human Services. Preventing tobacco use among youth and young adults, 2012: a report of the Surgeon General. Atlanta, GA: US Department of Health and Human Services, CDC; 2012. Available at <http://www.surgeongeneral.gov/library/reports/preventing-youth-tobacco-use/index.html>. Accessed July 30, 2012.
- Government Accountability Office. Tobacco taxes: large disparities in rates for smoking products trigger significant market shifts to avoid higher taxes. Washington, DC: Government Accountability Office; 2012. Available at <http://www.gao.gov/products/gao-12-475>. Accessed July 30, 2012.
- Mariolis P, Rock VJ, Asman K *et al.* (2006). "Tobacco use among adults—United States, 2005". *MMWR Morb Mortal Wkly Rep* **55** (42): 1145–8.
- Delnevo CD (2006). "Smokers' choice: what explains the steady growth of cigar use in the U.S. " (PDF). *Public Health Rep* **121** (2): 116–9.
- Vander Weg MW, Peterson AL, Ebbert JO, Debon M, Klesges RC, Haddock CK (2008). "Prevalence of alternative forms of tobacco use in a population of young adult military recruits". *Addict Behav* **33** (1): 69–82.
- Brooks A, Gaier Larkin EM, Kishore S, Frank S (2008). "Cigars, cigarettes, and adolescents". *Am J Health Behav* **32** (6): 640–9.

Children and Families Commission of Orange County
Quarterly Investment Report
July 1, 2012 through September 30, 2012

OVERVIEW

Pursuant to the Commission's Investment Policy Statement dated May 2, 2012, the Treasurer submits this Quarterly Investment Report to the Commission. This Investment Report summarizes investment activities for the Commission for the three-month period from July 1 through September 30, 2012.

The Commission has invested 100% of its fund in the Orange County Investment Pool (OCIP). All funds are managed by the Orange County Treasurer's Office.

Orange County Investment Pool

The funds in the OCIP are invested for safety of principal and liquidity. The Commission's investment in the OCIP as of September 30, 2012 totaled \$78,838,435.87.

SPECIFIC LONG-TERM INVESTMENT PROGRAM (SLTIP)

No funds were invested in the SLTIP at the close of the quarter on September 30, 2012.

PORTFOLIO PERFORMANCE SUMMARY

The following table presents an overview of the OCIP for the months ending July 31, August 31, and September 30, 2012.

Month Ended	Market Value	Monthly Gross Yield	Average Days to Maturity
July 31	\$2,912,574,307	0.51%	373 days
August 31	\$2,953,672,656	0.49%	349 days
September 30	\$2,892,837,359	0.50%	334 days

MARKET CONDITIONS

U.S. Treasury Yields: The Federal Open Market Committee meetings and a third round of quantitative easing have helped both U.S. short-term and long-term interest rates remain low. Continuation of the slow economic recovery in the U.S., as well as further deterioration in other major industrial countries, has also increased demand for U.S. Treasuries, which are considered a safe haven.

The yield on 3-month T-bills began and ended the quarter at 0.09%. The yield on 5-year Treasury bonds began the quarter at 0.72% and closed the quarter at 0.63%. The yield on 10-year

Treasury bonds began the quarter at 1.65% and closed the quarter at 1.63%. The yield on 30-year Treasury bonds began the quarter at 2.75% and closed the quarter at 2.82%.

Spreads between the two- and five-year U.S. Treasury yields widened five basis points after the September Federal Open Market Committee meeting, as the financial markets anticipated more aggressive action by the Federal Reserve.

U.S. Treasury Yield Curve: Treasury yields for the current and previous quarter are reflected below:

	Quarter Ending September 30, 2012	Quarter Ending June 30, 2012
3-Month	0.09%	0.09%
2-Year	0.23%	0.22%
5-Year	0.63%	0.72%
10-Year	1.63%	1.65%
30-Year	2.82%	2.75%

Source: Bloomberg World Markets

ECONOMIC UPDATE

The September U.S. economic data produced mixed results. While retail sales and housing data continued to show modest economic growth, most of the industrial production numbers indicated slowing economic growth. The economy only added 96,000 jobs in August which, along with other factors, prompted the Federal Reserve to announce a third round of quantitative easing. They stated they would purchase \$40 billion of agency mortgage-backed securities per month for as long as it is needed.

COMPLIANCE MONITORING

The investment portfolios had no compliance exceptions for the month of September 2012. In August, the Auditor-Controller Internal Audit unit issued their Report on Audit of the Statement of Assets Held by the County Treasury as of December 31, 2011. They opined that the Statement of Assets Held by the County Treasury presents fairly, in all material respects, the amount and type of assets in the County Treasury as of December 31, 2011, on the basis of accounting described in the notes to the financial statement. In addition, the Internal Audit Department issued the First Follow-up Audit of Treasury Cost Allocations to Pool Participants as of August 8, 2012 and found the Treasurer-Tax Collector and County Executive office fully implemented six of the recommendations, have in process six recommendations, and closed one recommendation.

SUMMARY STATEMENTS

Attached for further information and reference is the OCIP Statement of Activity for the months ended July 31, August 31 and September 30, 2012.

- A. Statement of Activity: This Statement reports the beginning and ending balances of the Commission's funds invested in the OCIP. All deposits, withdrawals, investment earnings, and administrative fees for the reporting period are also posted. The Commission's September 30, 2012 ending balance was \$78,838,435.87. The estimated treasury administrative fee is 8.2 basis points and year to date net yield is 0.42%.

APPORTIONMENT OF INTEREST EARNINGS

Each month, the County Treasurer apportions the accrued interest earnings to each pool participant. As of the first business day of the following month accrued, but unpaid, interest earnings are added to pool participants' average balances in determining a participant's relative share of the pool's monthly earnings. The actual cash distribution will generally be paid in the months following. The September 2012 interest apportionment is expected to be paid by November 30, 2012.

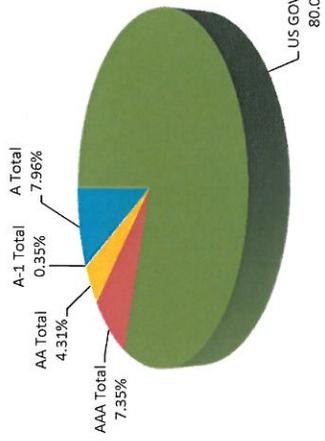
Attachments:

- A. Orange County Investment Pool Summary
- B. Statement of Activity for the months of July 31, August 31, September 30, 2012

ORANGE COUNTY TREASURER-TAX COLLECTOR
 ORANGE COUNTY INVESTMENT POOL
 INVESTMENT POOL SUMMARY
 AT SEPTEMBER 30, 2012

CREDIT QUALITY BY MARKET VALUE

Orange County Investment Pool



US GOV Includes Agency & Treasury Debt
 AA Includes AA+, AA- & AA
 A Includes A+, A- & A
 A-1 Includes A-1+, F-1+, P-1, A-1 & F-1

PORTFOLIO COMPOSITION

Security Type	Market Value	Book Value	Unrealized Gain(Loss)	% of Market Value
CERTIFICATES OF DEPOSIT	\$ 94,282,220	\$ 94,173,826	\$ 108,395	3.26%
COMMERCIAL PAPER	9,985,300	9,985,300	-	0.35%
U.S. GOVERNMENT AGENCIES	2,040,658,254	2,037,791,721	2,866,534	70.54%
MONEY MARKET FUNDS	212,661,276	212,661,276	-	7.35%
MEDIUM - TERM NOTES	173,270,137	172,208,551	1,061,586	5.99%
MEDIUM - TERM NOTES - FDIC	23,328,961	23,327,769	1,193	0.81%
MUNICIPAL DEBT	87,557,943	86,993,182	564,761	3.03%
U.S. TREASURIES	251,093,267	250,921,968	171,299	8.68%
TOTAL	\$ 2,892,837,359	\$ 2,888,063,591	\$ 4,773,768	100.00%

SUMMARY OF INVESTMENT DATA

INVESTMENT TRENDS

	SEPTEMBER 2012	AUGUST 2012	INCREASE (DECREASE)	NET CHANGE %	SEPTEMBER 2011	INCREASE (DECREASE)	NET CHANGE %
Orange County Investment Pool							
End Of Month Market Value*	\$ 2,892,837,359	\$ 2,953,672,656	(60,835,297)	-2.06%	\$ 2,927,969,744	\$ (35,132,385)	-1.20%
End Of Month Book Value	\$ 2,888,063,592	\$ 2,948,569,302	(60,505,710)	-2.05%	\$ 2,922,306,216	\$ (34,242,624)	-1.17%
Monthly Average Balance	\$ 2,899,142,278	\$ 2,872,223,187	26,919,091	0.94%	\$ 3,012,824,272	\$ (113,681,994)	-3.77%
Year-To-Date Average Balance	\$ 2,938,226,057	\$ 2,957,767,947	(19,541,890)	-0.66%	\$ 3,054,975,816	\$ (116,749,759)	-3.82%
Monthly Accrued Earnings	\$ 1,181,913	\$ 1,199,807	(17,894)	-1.49%	\$ 1,311,915	\$ (130,002)	-9.91%
Monthly Net Yield	0.41%	0.41%	0.00%	0.53%	0.43%	-0.02%	-4.19%
Annual Estimated Gross Yield**	0.38%	0.38%	0.00%	0.00%	0.54%	-0.16%	-29.65%
Weighted Average Maturity (WAM)	334	349	(15)	-4.30%	318	16	5.03%

* Market values provided by Bloomberg and Northern Trust.

** Annual Estimated Gross Yield for September 2011 is reported at the actual annual gross yield for FY 2011-12. During FY 2011-12, the OCIP held higher yielding securities, which over time have matured and were reinvested in lower yielding securities. As a result, the actual yield in OCIP has dropped, and we have adjusted the estimated gross yield for FY 2012-13 accordingly.



COUNTY OF ORANGE
OFFICE OF THE TREASURER-TAX COLLECTOR

Shari L. Freidenrich, CPA, CCMT, CPFA, CPFIM
P. O. BOX 4515
SANTA ANA, CA 92702-4515

<http://bos.ocgov.com/ocinvestments>

October 30, 2012

ORANGE COUNTY CHILDREN AND FAMILIES COMMISSION

Attn: Michael Ruane, Executive Director
17320 Redhill Avenue, #200
Irvine, CA 92614

Monthly Apportionment Gross Yield: 0.500%
Administration Fee: -0.082%
Monthly Apportionment Net Yield: 0.418%

Fund Number : 225

JULY 2012 STATEMENT

CASH IN TREASURY

Transactions

Transaction Date	Transaction Description	Tran Type	Authorized Signer	Amount
07/02/12	June 2012 Admin Fee	AF		\$ (5,123.19)
07/25/12	May 2012 Interest	IN		3,878.44
07/25/12	May 2012 Interest	IN		34,173.21
07/26/12	2010-2011 Rebate Interest	IN		123.13
07/27/12	2009-2010 Rebate Interest	IN		183.86

Summary

Total Deposit:	\$ 85,507,468.26	Beginning Balance:	\$ 82,996,211.24
Total Withdrawal:	\$ (83,367,026.73)	Ending Balance:	\$ 85,136,652.77

ACCRUED INVESTMENT INCOME

Transactions

Transaction Date	Transaction Description	Tran Type	Authorized Signer	Amount
08/01/12	July 2012 Interest	IN		\$ 35,692.66

Summary

Total Accrual:	\$ 35,692.66	Beginning Balance:	\$ 71,733.15
Total Payment:	\$ -	Ending Balance:	\$ 107,425.81



COUNTY OF ORANGE
OFFICE OF THE TREASURER-TAX COLLECTOR

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October 30, 2012

ORANGE COUNTY CHILDREN AND FAMILIES COMMISSION

Attn: Michael Ruane, Executive Director
17320 Redhill Avenue, #200
Irvine, CA 92614

Monthly Apportionment Gross Yield: 0.488%
Administration Fee: -0.082%
Monthly Apportionment Net Yield: 0.406%

Fund Number : 225

AUGUST 2012 STATEMENT

CASH IN TREASURY

Transactions

Transaction Date	Transaction Description	Tran Type	Authorized Signer	Amount
08/01/12	July 2012 Admin Fee	AF		\$ (5,849.32)
08/28/12	June 2012 Interest	IN		33,681.50
08/30/12	July 2012 Interest	IN		35,692.66

Summary

Total Deposit:	\$	3,101,065.40	Beginning Balance:	\$	85,136,652.77
Total Withdrawal:	\$	(7,774,496.43)	Ending Balance:	\$	80,463,221.74

ACCRUED INVESTMENT INCOME

Transactions

Transaction Date	Transaction Description	Tran Type	Authorized Signer	Amount
07/25/12	May 2012 Interest	IN		\$ (38,051.65)
08/28/12	June 2012 Interest	IN		\$ (33,681.50)
08/30/12	July 2012 Interest	IN		\$ (35,692.66)
09/03/12	August 2012 Interest	IN		\$ 35,314.14

Summary

Total Accrual:	\$	35,314.14	Beginning Balance:	\$	107,425.81
Total Payment:	\$	(107,425.81)	Ending Balance:	\$	35,314.14



COUNTY OF ORANGE
OFFICE OF THE TREASURER-TAX COLLECTOR

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October 30, 2012

ORANGE COUNTY CHILDREN AND FAMILIES COMMISSION

Attn: Michael Ruane, Executive Director
17320 Redhill Avenue, #200
Irvine, CA 92614

Monthly Apportionment Gross Yield: 0.494%
Administration Fee: -0.082%
Monthly Apportionment Net Yield: 0.412%

Fund Number : 225

SEPTEMBER 2012 STATEMENT

CASH IN TREASURY

Transactions

Transaction Date	Transaction Description	Tran Type	Authorized Signer	Amount
09/03/12	August 2012 Admin Fee	AF		\$ (5,937.44)
09/25/12	August 2012 Interest	IN		35,314.14

Summary

Total Deposit:	\$ 2,569,725.92	Beginning Balance:	\$ 80,463,221.74
Total Withdrawal:	\$ (4,194,511.79)	Ending Balance:	\$ 78,838,435.87

ACCRUED INVESTMENT INCOME

Transactions

Transaction Date	Transaction Description	Tran Type	Authorized Signer	Amount
09/25/12	August 2012 Interest	IN		\$ (35,314.14)
10/01/12	September 2012 Interest	IN		\$ 33,429.03

Summary

Total Accrual:	\$ 33,429.03	Beginning Balance:	\$ 35,314.14
Total Payment:	\$ (35,314.14)	Ending Balance:	\$ 33,429.03

Vision Screening & 3 yr old Children

Question: Is there a vision screening tool that includes shapes that are recognizable to 3 yr old children, since many may not recognize shapes that are included in the LEA symbols (house, heart, circle, square) test at that age?

Conclusions: Based on a discussion with Dr. Raymond Chu, OD, MS, FAAO (Chief Pediatric Vision Services, Southern California College of Optometry) and supporting documentation provided through a review of literature, the Lea Symbols have a high rate of reliability and is an effective screening tool for Visual Acuity in young children. Follow up assessment by an Optometrist is required for any concerns raised by this screening for the preschool child.

“The Lea Symbols have been found in a screening to have the highest testability for 3 year olds. This test can be done as a matching task or verbally – calling out the symbols and asking the child to point to the symbol.”

Related studies have addressed the question, as identified through the four following studies:

- Effect of Age Using Lea Symbols or HOTV for Preschool Vision Screening
Vision in Preschool Study Group
Optometry and Vision Science, Vol. 87, No. 2, February 2010
 - ✓ This study compared testability of Lea Symbols and HOTV letters in a group of 777 preschool children (ages 3 to 5) and found that testability rates improved significantly with age for both tests.
 - ✓ The testability difference between the two charts was statistically significant only for 3-year old children, more of whom were testable with Lea Symbols (92%) than with the HOTV test (85%).
 - ✓ Data provided an indication that for 3-yr old children, the Lea Symbols test might be easier than the HOTV test.
 - ✓ Children in the youngest group (mean age range 41 – 47.9 months) found that visual acuity testing with the Lea Symbols easier than the HOTV test.
- Preschool Vision Screening Tests Administered by Nurse Screeners Compared with Lay Screeners in the Vision in Preschoolers Study
Investigative Ophthalmology & Visual Science, August 2005, Vol. 46, No. 8
 - ✓ This was a phased study in multicenter and multidisciplinary sites, to evaluate vision screening tests for identifying preschool children who would benefit from a comprehensive eye examination.
 - ✓ When sensitivity was examined for conditions judged to be most important to detect and treat conditions, four tests showed the highest sensitivity, ranging from 0.90 for the Lea Symbols Visual Acuity test.
 - ✓ Conclusions drawn from this phased study for preschool children indicated that two of the best-performing tools for vision screening are the Retinomax, the

SureSight Vision Screener, and the Linear Lea Symbols VA screening. The Lea Symbols was one of the most effective screening tools when used by optometrists and ophthalmologists and less effective when used by nurse screeners and lay screeners. When the test distance was reduced from 10 to 5 feet, and the test format was modified from linear presentation to single, crowded symbols there was marked improvement in the testing results.

- Preliminary Report: Examination of Young Children with Lea Symbols
Strabismus 2000 Sep;8 (3): 209-213 by Becker, RH, Subsch SH, Graf MH, KaufmannH. University of Giessen, Giessen, Germany
 - ✓ Lea symbols are highly sensitive for detection of amblyopia in cooperative patients and favorable for visual acuity assessment in childhood. This study assessed age-related normal values and intraocular differences of Lea symbol visual acuity.
 - ✓ Examined 50 children, ages 21 months to 7 yrs using the Lea symbols acuity.
 - ✓ Results: all of the children older than 30 months (except for one 3 yrs old) could be tested with the single Lea symbols.
 - ✓ The youngest child whose visual acuity could be assessed with Lea symbols was 23 months old and almost every child older than 30 months could be tested with Lea symbols.
- Is vision screening in 3-year-old children feasible? Comparison between the Lea Symbol chart and the HVOT chart.
Acta Ophthalmol Scand. 2005 Feb;83(1):76-80 by Kvarnstrom G, Jakobsson P. Division of Ophthalmology, Linkoping University Hospital, Linkoping, Sweden
 - ✓ Prospective study to compare visual screening at the age of 3 year with screening at 4 years using two different charts
 - ✓ 478 three year old children were tested at four child health care centers and 440 were tested again at the age of four years. All children were tested with both the HVOT chart and the Lea Symbol chart
 - ✓ Testability rates for 3-year-olds were almost the same with the Lea Symbol chart and the HVOT chart (82.8% and 84.8%). The corresponding rates for the same children tested at 4 years of age were 96.5% and 97.0%.
 - ✓ Conclusion: 3-yr-old children co-operative well in visual acuity testing. The examination time is a little longer and the testability rate is 10% lower than at 4 years. Both 3 and 4-year-old children can be tested equally well with the HVOT and the Lea Symbol charts.