

Memo

To: Commission Members
From: Alexander Khu
Date: Monday April 3, 2017
Re: April 3, 2017 Commission Meeting

Enclosed are the materials for the April 3, 2017 Commission meeting which will take place as follows:

Time: 6:00 PM
Location: 1485 Civic Court Suite 1200, Concord, CA
925-771-7300

A light dinner will be provided.

Please let me know if you have any questions.

Kind Regards,

Alexander Khu, Executive Assistant
First 5 Contra Costa
1485 Civic Court
Suite 1200
Concord, CA 94520
925-771-7342 Direct
925-771-6083 Fax



Commission Meeting Agenda

Monday, April 3, 2017, 6:00 pm
1485 Civic Court, Suite 1200
Large Conference Room
Concord, CA

1.0 Call to Order and Roll Call

2.0 Public Comment

The public may comment on any item of public interest within the jurisdiction of the First 5 Contra Costa Children and Families Commission. In accordance with the Brown Act, if a member of the public addresses an item not on the posted agenda, no response, discussion, or action on the item may occur.

3.0 Approval of Consent Calendar

Action

A Commissioner or member of the public may ask that any of the following consent items be removed from the consent calendar for consideration under Item 4.

3.1 Approve the minutes from the February 6, 2017 meeting.

3.2 Accept the Executive Committee Report from the February 6, 2017 meeting.

3.3 Approve the Contracts Docket

3.3.1 APPROVE and AUTHORIZE the Executive Director to execute a contract with Better World Advertising, Inc. to implement media buys for the Quality Matters and Sugar Bites campaigns in an amount not to exceed \$140,000 for term April 15, 2017 to June 30, 2018. FY2016-17 budget line: Community Information and Engagement Initiative: Public Information (\$680,157). \$40,000 of funds is from CA Infant and Toddler (I/T) Quality Rating and Improvement System (QRIS) Block Grant Project and \$100,000 is from First 5 Prop 10 funding.

3.3.2 APPROVE and AUTHORIZE the Executive Director to execute a contract amendment with Applied Survey Research, Inc. to increase the payment limit by \$101,536 (from \$50,300 to \$151,836) to conduct a special study of children's readiness for kindergarten in Contra Costa County to extend the term from June 30, 2017 to June 30, 2018. FY 2016-17 budget line: Evaluation: Professional Services (\$490,329). (\$20,288 FY 2016/17), (\$81,248 FY 2017/18).

4.0 Consider for discussion any items removed from the consent calendar.

5.0 Public Hearing on the First 5 California 2015-16 Annual Report

The report is found at:

http://www.ccfc.ca.gov/pdf/annual_report_pdfs/Annual_Report_15-16.pdf

5.1 Consider accepting the First 5 California 2015-16 Annual Report

Action

- | | | |
|-------------|---|-------------------|
| 6.0 | ADOPT a position of “Support” on AB 60 (Santiago and Gonzalez), which would set a 12-month eligibility standard for all state subsidized child care programs and update the eligibility threshold for purposes of promoting continuity of care. | Action |
| 7.0 | ADOPT a position of “Support” on AB 435 (Thurmond), a child care subsidy pilot bill that would authorize Contra Costa County to develop an individualized child care subsidy plan, with the flexibility to adjust local eligibility for subsidized child care, increase reimbursement rates to providers, and maximize funding allocated by the state for use at the county level. | Action |
| 8.0 | Consider approving proposed First 5 Contra Costa Budget FY 2017-2018 | Action |
| 9.0 | Policy and Advocacy Report | Discussion |
| | <ul style="list-style-type: none"> • Draft Statement on First 5’s Role in Advocacy and Policy Change | |
| 10.0 | Executive Director’s Report | Discussion |
| 11.0 | Communications
None Received | |
| 12.0 | Commissioner F.Y.I. Updates | Discussion |
| 13.0 | Adjourn | |

The First 5 Contra Costa Children and Families Commission will provide reasonable accommodations for persons with disabilities planning to participate in Commission meetings who contact the Commission’s offices, at least 48 hours before the meeting, at (925) 771-7300.

Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the First 5 Contra Costa Children and Families Commission to a majority of members of the First 5 Contra Costa Children and Families Commission less than 96 hours prior to that meeting are available for public inspection at 1485 Civic Court, Suite 1200, Concord, CA 94520 during normal business hours.

In consideration of those who may suffer from chemical sensitivities or who may have allergic reactions to heavy scents, First 5 Contra Costa requests that staff and visitors refrain from wearing perfume, cologne, or the use of strongly scented products in the work place. We thank you for your consideration of others.



Monday April 3, 2017

Agenda Item 3.1

Approve the minutes from the February 6, 2017 Commission Meeting.



**Commission Meeting
MINUTES**

Monday, February 6, 2017, 6:00 pm
1485 Civic Court, Suite 1200
Large Conference Room
Concord, CA

1.0 Call to Order and Roll Call

The meeting was called to order at 6:08 PM.

Chairwoman Kathy Gallagher began the meeting with introductions from all attendees.

Commissioners in attendance were: Maria Fort, Barbara Cappa, Gareth Ashley, John Jones, Dr. William Walker and Kathy Marsh, interim director for the Children & Families Services.

Alternates present were: Lee Ross and Katharine Mason.

Absent were: PJ Shelton, Marilyn Lucey, Matt Regan, Supervisor Federal Glover, Supervisor Candace Andersen and Wanda Session.

2.0 Public Comment

First 5 Center Directors Natalie Webster (Delta First 5 Center in Brentwood) and Maya Gutierrez (Monument First 5 Center, Concord) reported that both their centers created community awareness meetings called "Circles Of Hope" in response to the current political climate. The meetings provide families with accurate information to help alleviate speculation and fear. Many families have concerns about immigration and about their children's overall emotional and physical well-being at home, schools and in public. Some of the meetings included presentations from the Concord Police Department who explained what they do to protect the community, as well as Catholic Charities, providing information on "Know Your Rights" and how to protect themselves and their families.

Kathy Gallagher thanked both for their report and mirrored the ongoing concerns in the County. She reported that as the director of our county's Employment & Human Services Department (EHSD), she has been made aware that families are choosing to leave the county and/or discontinue their benefits based. The fear of having their immigration status compromised is the primary reason. Having more organizations such as the First 5 Centers take the lead and partner with other agencies is helpful for getting accurate information to the community.

3.0 Approval of Consent Calendar

A motion was made by Maria Fort and seconded by Dr. William Walker to approve the consent calendar.

AYES: Maria Fort, Barbara Cappa, Gareth Ashley, John Jones, Dr. William Walker and Kathy Marsh, interim director for the Children & Families Services.

NOES: None

ABSTAIN: None

Motion was **APPROVED**.

5.0 Presentation of Conflict of Interest laws pertinent to Commissioners and staff

Chief Assistant County Counsel Mary Ann Mason presented the current laws addressing conflict of interest for members of public agencies and commissions. She explained the Political Reform Act and how it helps prevent public officials from using their official positions to influence governmental

decision-making and outlined the types of interests that could be a basis for a conflict. She also updated the Commission and staff on Government Code 1090. She discussed what it means to recuse, described how to recuse, and noted when a disclosure is required.

Executive Assistant Alex Khu informed the Commission that he will help them to file their Form 700s by April 3, 2017.

6.0 Presentation of early findings from the 2016 Kindergarten Readiness Assessment

Sean Casey introduced Lisa Colvig-Niclai and Kim Carpenter, from First 5's evaluation contractor, ASR. We commissioned ASR in 2016 to carry out our first Kindergarten Readiness assessment process, using methodology they have employed in numerous counties across California. We see this first round as a chance to see what we can learn from the process and how we can tweak it if necessary for future rounds in more districts.

Lisa Colvig-Niclai gave the report of the principal findings. The purpose of the assessment is to profile readiness among kindergarteners in Contra Costa County and create a better understanding of the factors that influence readiness.

This is the first year of assessment and the focus was on schools in First 5 service areas. ASR conducted the study in three districts (Antioch Unified, Mt. Diablo Unified and Pittsburg Unified), at 19 schools. These schools tended to have lower 3rd grade reading proficiency and higher poverty rates relative to other schools in their respective districts. One teacher from each school used the Kindergarten Observation Form to assess students in their class at the beginning of the school year. Additionally 71% of parents completed a Parent Information Form which provided data on additional family and child factors often associated with Kindergarten readiness.

The study found that 32% of the children assessed scored as "Fully Ready" while 35% were identified as "Partially Ready" and 33% "Not Ready".

The assessment identified the following factors associated significantly with readiness in the 19 schools:

- Health & Well-being: Children whose teachers say they come to school hungry, tired, or sick on at least some days were less ready than those who do not.
- Age: Older children were more ready
- Child Concerns: Children whose parents reported fewer concerns for their child's behavior or needs were more ready.
- Family Characteristics: Children whose mothers had more than a high school education, family income at least \$35,000 and who came from multi-parent households had higher readiness.
- Parent Support Activities: Children of parents who participated in activities for support and information (e.g. home visits from a nurse or community worker, First 5 Centers, books, parenting websites) were more ready.
- Gender: Girls were more ready than boys.
- Formal ECE: Having attended a pre-K program (e.g. family child care, center-based program or Transitional Kindergarten) was related to higher levels of readiness.

Lisa responded to numerous questions from the Commission regarding the findings and the methodology. Staff will continue to work with ASR to analyze the data in greater detail.

7.0 Policy and advocacy report



Beginning this month, the Commission will have a standing item on the agenda on its Advocacy and Policy activities. Sean provided the following updates

Governor’s budget:

The Governor released his initial 2017-18 budget a few weeks ago, which many people consider even more of a placeholder than usual because of possible shifts in federal spending in multiple areas. Two things stand out for First 5. First, the Department of Finance projects a 17% drop in Prop 10 revenue in the next fiscal year due to the recently passed \$2.00 cigarette tax. Although the tax initiative included a backfill provision for Prop 10 and others, it will not go into effect until the 2018-19 year when it is applied retroactively for the previous year. This means that we will have a one-time revenue dip of around \$1 million next fiscal year with the following year returning to our previously projected levels. Fortunately, we have budgeted conservatively the last few years, and revenues have been slightly higher than projections, so our overall spending for this strategic planning period should remain as anticipated.

The Governor has also proposed a “pause” in the four-year plan agreed to in this year’s budget to increase spending for child care early education by \$750 million. This means that \$226 million slated to be added to early education in FY 2017-18 is now on hold. The Governor claims concern of a potential drop in state revenues. The LAO is more optimistic about the overall revenues for the state, and advocates are clamoring for reinstatement of the promised child care expansion dollars.

Advocacy Day:

Among those advocates were 100 First 5 Commissioners and staff last Tuesday at the First 5 Association’s annual Advocacy Day at the Capitol. I am happy to say we were well represented, by Commission member Lee Ross and by staff Tracy Irwin, Sarah Crow and I. Unfortunately, the Assembly Democrats chose that day for their annual retreat, but we had good meetings nonetheless with the staffs of Assemblymembers Tim Grayson, Jim Frazier, Tony Thurmond and Catherine Baker, and Senator Steve Glazier. Senator Nancy Skinner was the sole member we were able to meet with. With my First 5 Association colleagues, we met with Senate President Pro Tem Kevin De Leon’s staff and with Glen Price, State Education Superintendent Tom Torlakson’s Chief of Staff.

The Association held a reception the night before for members of the legislature and friends that was extremely well-attended – Tony Thurmond represented Contra Costa in the crowd. We honored Assemblymember Adrin Nazarian for his championship of legislation last term that corrected the Board of Equalization’s handling of Proposition 10 revenues.

Thurmond bill:

Speaking of Tony Thurmond, he has agreed to carry a bill for Contra Costa that will provide more flexibility in the handling of state funds coming to our county each year for early learning programs. Called a Child Care Subsidy Pilot, it is modeled on similar efforts being implemented in San Mateo, San Francisco and Alameda Counties. Like those bills, our pilot would maximize allocated funding to provide more children with quality child care and increase stability of child care placements for children. We would have more flexibility in determining eligibility standards and reimbursement rates as well as the opportunity to transfer funds among participating state contractors to ensure that all contracted funds are expended in the year. Last year, Contra Costa County left over 7% of its total state contracts on the table at the end of the year, a figure that is expected to rise. Our Early Learning Leadership Alliance has been working with Thurmond’s staff on the bill language. It may be introduced later this week.

Other items:

Two weeks ago members of our Community Engagement Groups joined a march at the County Administration to voice their concerns about the Sheriff's involvement in ICE activities, recently recounted in the East Bay Express and others. They joined other social justice groups making their voice heard on this growing concern in our community.

On February 8, the Board of Supervisors will consider a proposal by the Sheriff to apply for state funds to expand the West County jail. According to the proposal, \$15 million from the County's reserve fund would be used to meet the requirements for a local match. Operation of the new facility is pegged at over \$5 million annually. This poses an opportunity to speak up about public investment priorities and how investments in early childhood have been shown to reduce involvement in the criminal justice system.

Lastly, at our retreat in October, I said that I would return with a summary framework for our advocacy activities. As you can hear, we've been busy in this arena, and a lot is happening very quickly. I plan to take a little more time with staff to create this framework and will discuss it with you at our April meeting. In the meantime, we have formed an internal Advocacy Team that is planning a convening this spring for our contractors and other agencies serving children as a call to action to support families who feel threatened in the current political climate. You will be hearing more about this.

8.0 Executive Director's Report

Sean circulated a sign-up sheet for Commissioners to participate in upcoming site visits being arranged by the Grants and Contracts department.

He also formally introduced Sarah Crow, recently hired as First 5's new Strategic Information and Planning Manager. She was previously with the Opportunity Institute where she developed the agency's policy reports and advocacy efforts. Before that she spearheaded Next Generation's policy work on early education and programs affecting working families. And she is no stranger to the public sector either, have spent 8 years at the San Francisco Human Services Agency conducting strategic planning efforts, working on program design and evaluation and developing communication efforts. We are very happy to have her with us. She will be a great addition.

9.0 Communications

Kathy Gallagher noted that there are two articles included in the packet this month:

- Over 1.2 Million California Children Eligible for Subsidized Child Care Did Not Receive Services From State Programs in 2015, California Budget and Policy Center
- State must make early education a top priority, Kim Belshe and Camille Maben

10.0 Commissioner F.Y.I. Updates

John Jones announced that the Contra Costa Child Care Council is hosting the 23rd Annual Early Learning Conference , training for Child Care Providers called "Recognizing Trauma: The Art of Helping One Another Heal" on Saturday March 25, 2017 at DVC in Pleasant Hill.

<https://www.cocokids.org/learning-institute/training-conferences/>

11.0 Adjourn

The meeting was adjourned at 7:25 PM



Monday April 3, 2017

Agenda Item 3.2

Accept the Executive Committee Report from February 6, 2017 meeting.



Executive Committee MINUTES

February 6, 2017

4:00 p.m.

Small Conference Room,
1485 Civic Court, Suite 1200, Concord, CA

1.0 Call to Order

The meeting was called to order at 4:00 pm

Present Commission members: Vice Chair Gareth Ashley, John Jones, Marilyn Lucey

Staff Sean Casey, Cally Martin, Marnie Huddleston

2.0 Public Comment

There was none.

3.0 Staff Updates

Cally Martin provided the program update:

We held an ECE Quality Matters Community Meeting in January with presentations by participating QRIS providers on the panel. Special recognition went to the Cohort I sites and to the multi-agency coaching staff. We welcomed back Coach Coordinator Kim Stadlander from her medical leave.

In January, Family Support staff from the First 5 Centers and Home Visiting Programs, came together to talk about the impact the changing political landscape has had on them personally and for the families they serve. The importance of self-care, credible information, recognizing the signs and symptoms of stress in both adults and children, and helping families get connected to the community resources were reviewed.

The first Help Me Grow Café will take place later in February, with 35 participants from 19 organizations signed up to attend. Dr. Ronald Ma will be the presenting '*Building it together: Building a healthy System*'. These cafes are designed to increase knowledge of early childhood issues, provide networking opportunities for improved collaboration, enhance access to resources, and promote HMG.

The Regional Groups engaged in strategic planning throughout the month of January to assess our progress and current priorities in light of the sociopolitical climate. Group members are particularly concerned about the impact of federal and local immigration policies on families. The Regional Groups will continue to advocate for equitable access to parks and safe housing while also promoting public policies that protect immigrant families and young children.

We welcomed the new Strategic information and Planning Manager. Sarah Crow, to our staff in January. She comes to us with a wide background in policy analysis and evaluation, most recently with the Opportunity Institute. We're very happy to have her on our team.

4.0 Commission Updates

Sean noted that the agenda for tonight's Commission meeting includes a new standing item for advocacy activities, per the Commission's suggestion at last fall's retreat. Also, staff will have an advocacy statement from that retreat at the April meeting.

5.0 Statewide Updates

Sean updated the Committee on Commission participation in the First 5 Association's Advocacy Day in Sacramento, January 31. Lee Ross represented the Commission with staff Sean Casey, Tracy Irwin and Sarah Crow. We were able to meet with staff members of the entire Contra Costa delegation; Sean was part of a First 5 Association meeting with staff of the Senate President Kevin De Leon. There were also First 5 posters on the walls of the Capitol annex and in many of the members' offices.

Sean informed the Committee that he was elected to a second term as First 5 Association President at the January Association meeting.

6.0 Items for Consideration

6.1 Review 2017 Commission scheduled activities

The Committee reviewed its meeting calendar for 2017.

6.2 Review and discuss preparation of the 2017-2018 budget for Commission approval in April

Marnie Huddleston reviewed the high-level aspects of the budget for next fiscal year. Because of the new state \$2.00 tobacco tax, there will be a one-year dip in Prop. 10 revenue before the backfill provision kicks in. Fortunately, because of our conservative estimates in the past, we don't feel we will be adversely affected in the long run. Marnie reviewed expected adjustments to program contracts. Retirement and health benefits will increase slightly, though we continue to benefit from the prepayment the Commission made in previous years. The Committee accepted a recommended 3% increase in staff salaries, in line with projected County staff increases next year.

6.3 Review the process for the Executive Director performance review

The Committee discussed the current process for the Executive Director performance review. Although chair Kathy Gallagher could not attend the meeting she proposed coming up with a simpler alternative. Staff will bring a proposal to the next meeting.

7.0 Review agenda items for upcoming Commission meetings

The Committee reviewed potential items for the next two meetings:

April: Approve the budget for 17-18; public hearings on strategic plan and CA F5 report.

June: Approve contracts for 17-18, closed session re ED performance review

8.0 Adjourn

The meeting adjourned at 5:20



Monday April 3, 2017

Agenda Item 5.0

Public Hearing on the First 5 California 2015-16 Annual Report



**Staff Report
April 3 , 2017**

ACTION: X
DISCUSSION:

TITLE: Public Hearing on the First 5 California 2015-16 Annual Report

Introduction:

First 5 California prepares an annual report each year, based in part on fiscal, program and participant information provided by each of the 58 county commissions. County Commissions are required by statute to hold an annual public hearing on First 5 California's annual report.

The report may be found online at:

http://www.cafc.ca.gov/pdf/annual_report_pdfs/Annual_Report_15-16.pdf

A short summary of Contra Costa program highlights appears on page 35.



Monday April 3, 2017

Agenda Item 6.0

ADOPT a position of "Support" on AB 60 (Santiago and Gonzalez), which would set a 12-month eligibility standard for all state subsidized child care programs and update the eligibility threshold for purposes of promoting continuity of care.

AB 60 (Santiago & Gonzalez Fletcher)

The Child Care Protections for Working Families Act

Bill Summary

AB 60 establishes 12-month child care assistance and a graduated phase out that allows for tapered assistance to families whose income has increased at the time of re-determination, but still does not exceed the federal income limit of 85% of State Median Income (SMI).

Existing Law

Title V of the California Code of Regulations requires families to report, within 5 days, any changes in family income, family size, or activities requiring child care. A parent who is a student must report any request for a change in class schedule within 5 days, and progress reports within 10 days. Families authorized for a "variable schedule" due to unpredictable days and hours of employment must also, every 4 months, submit pay stubs, written statements from their employers, or other records of their time for the prior 4 months. Child care may be terminated for failure to report, or for purported lack of eligibility based on new information.

Current law states that families may not receive child care assistance for more than 12-months without redetermination of eligibility, but offers no protection from repeated reporting or termination prior to 12 months.¹

Existing law allows families in state child care programs to earn no more than 70% of a derived SMI based on income data from a decade ago.²

¹ Cal. Educ. Code § 8263 (a)(state has general authority to adopt rules and regulations on eligibility, enrollment); Cal. Code Regs. tit. 5, § 18103(a)(3)("[F]amilies shall be recertified at least once each contract period and at intervals not to exceed twelve (12) months.").

Background

The federal Child Care Development Block Grant Act of 2014 requires states immediately to implement a number of policies to promote stable child care assistance. California is not in compliance with the stable child care provisions of the federal law.

In California, burdensome reporting rules cause eligible families to churn between child care programs and long waiting lists for the programs. Churning disrupts children's school readiness and development; makes it impossible for child care providers to balance ledgers or plan for quality investments; and burdens employers and education providers to sign off on endless paperwork.

While a low-income working family that never underwent even small changes in income or activities might experience 12-months of uninterrupted child care assistance, extensive reporting requirements mean that, effectively, few families have this guarantee.

California does not have a statewide policy of graduated phase out. County pilots in cities such as San Francisco and San Mateo allow families to remain eligible up to 80% of SMI. Phase-out allows for moderate wage growth, such as through minimum wage increases, without the sudden withdrawal of support that can undermine a family's pathway to financial stability.

There is broad consensus among child care administrators, advocates, and parents that the

² Cal. Educ. Code §§ 8263.1(a)-(c)(setting income limits based on SMI in use for the 2007-08 fiscal year, which was based on data collected in 2005).

state's current reporting rules are harmful, and that establishing more stability within the child care system will create better outcomes for children.

Need for AB 60

AB 60 will bring the state into compliance with the federally required 12-months of child care assistance by relaxing the unrealistic reporting timelines that harm families the most.

Specifically, this bill protects families eligible for child care by:

- Updating the SMI income threshold for entering families to 70% of the current SMI;
- Updating income threshold at which families exit to 85% of the current SMI;
- Guaranteeing eligibility for child care for 12 months upon receiving a child care subsidy; and
- Eliminating required interim reporting during the 12 month-eligibility period unless:
 - family income exceeds 85% SMI; or
 - initial certification is under seeking employment, in which case the family must report at 6 months.

Support

For More Information

Jaspreet Johl
Assembly Member Miguel Santiago
916.319.2053 | jaspreet.johl@asm.ca.gov



Monday April 3, 2017

Agenda Item 7.0

ADOPT a position of "Support" on AB 435 (Thurmond), a child care subsidy pilot bill that would authorize Contra Costa County to develop an individualized child care subsidy plan, with the flexibility to adjust local eligibility for subsidized child care, increase reimbursement rates to providers, and maximize funding allocated by the state for use at the county level.



Assemblymember Tony Thurmond, 15th Assembly District

AB 435 – Contra Costa Child Care Subsidy Pilot

IN BRIEF

AB 435 would authorize Contra Costa County to develop and implement an individualized county child care subsidy plan. The authorization would sunset January 1, 2022.

BACKGROUND

In 2003, AB 1326 (Simitian) authorized San Mateo County to develop and implement an individualized county child care subsidy plan to respond to challenges that the state child care subsidy system (with its single statewide income eligibility criteria, reimbursement and fund restrictions) presents to children, working families and providers in a county where the cost of living is well beyond the state median.

The plan was designed by the diverse members of the local child care planning council and subsequently approved by the San Mateo County Board of Supervisors and the San Mateo County Superintendent of Schools in 2004. The California Department of Education approved the plan for implementation on October 1, 2004.

In 2005, SB 701 (Migden) authorized the City and County of San Francisco to develop and implement its own individualized county child care subsidy plan, modeled on San Mateo County's pilot project. San Francisco's plan was developed and approved for implementation on September 8, 2005. Due to the success of the plans, the Legislature made the San Mateo and San Francisco county pilots permanent last year.

Also, last year AB 833 (Bonta) authorized the Alameda County to develop its own individualized county child care subsidy plan, which would sunset January 1, 2021. Following Alameda, San Francisco and San Mateo's footsteps, in 2016, AB 2368 (Gordon) authorized Santa Clara County to develop its own individualized child care subsidy plan until January 1, 2022.

The fiscal reality of living in a high-cost county means that many families are deemed ineligible for subsidized child care and that provider reimbursement rates are insufficient to cover the cost, as a result, child care subsidy funds allocated to

Contra Costa County are not fully utilized or expended.

In fact, according to Contra Costa County's Local Early Education Planning Council, approximately \$3.8 million under the Title 5 state subsidized child care contracts has been returned to the state for fiscal year 2015-16.

Further, Contra Costa County has lost subsidized child care contractors. For example, last year, Kids Club in Antioch ended its State Preschool contract. This provider shut down its child care program due to lack of available child care facilities to continue operating a program that for years had been located at an elementary school district site.

Other State Preschool contractors continue to report challenges with operating their programs due to the low state reimbursement rates paid to provide high quality child care which inadequately cover their operational costs, therefore concluding that it is no longer cost effective to offer subsidized child care.

SOLUTION

Without taking funds from other counties, or increasing state costs, this pilot (as did the previous ones) would permit waivers of specific state rules: 1) family eligibility criteria, 2) family fees, 3) reimbursement rates, and 4) methods of maximizing the efficient use of subsidy funds.

SUPPORT

FOR MORE INFORMATION

Isabella Gonzalez Potter, Office of Asm. Tony Thurmond
916-319-2015 | Isabella.GonzalezPotter@asm.ca.gov



Monday April 3, 2017

Agenda Item 8.0

Consider approving proposed First 5 Contra Costa Budget FY 2017-2018



**Staff Report
April 3, 2017**

ACTION: X
DISCUSSION:

TITLE: Proposed First 5 Contra Costa Budget, FY 2017-18

Introduction

The FY 2017-18 budget represents “year two” of the Commission’s 2016-20 Strategic Plan. First 5’s initiatives will continue to blend both Proposition 10 tobacco tax revenues and outside funding in the next several years. Prop. 10 revenues are expected to continue to fall, while outside funding is projected to decrease 15%. The \$14,200,603 budget is \$641,000 less than its predecessor, and draws down \$4.57 million of unrestricted fund balance.

Summary

Particular features of the FY2017-18 budget include the following:

Revenue:

- Projected Proposition 10 tax revenue is 7% less than the previous year’s budget, based on projections from the state Department of Finance. The projection includes the effects of the additional \$2.00 tobacco tax approved by voters last November. The backfill for Prop10 revenues will go into effect FY 2018-19, when Prop 10 revenues are projected to increase again.
- Revenue includes the second year of spending in First 5 California’s five-year IMPACT (Improve and Maximize Programs so All Children Thrive) initiative (\$1,040,852) and continued funding for the State Preschool Quality Block Grant (\$412,431) to sustain and deepen early learning quality systems throughout the state.
- The budget includes the second of three annual \$100,000 payments from the Sunlight Giving Foundation and the third year of the Thomas J. Long Foundation grant to expand Help Me Grow (\$700,000).
- The budget calls for using \$4.57 million of the Commission’s unrestricted fund balance to make up the difference between revenue and expenditures; this use of the unrestricted fund balance continues the drawdown anticipated in the Commission’s strategic planning.

Program:

- Early Childhood Education Initiative programs continue at similar levels as FY16/17, with IMPACT and CSPP funding. The local community colleges receive a 3% COLA.

- The Family Support Initiative includes an adjustment for the anticipated mid-year RFQ for First 5 Centers when the new multi-year contracts will be set at a higher funding level. The facility line item is also increased to reflect the need for additional technical support for real estate and leases.
- Early Intervention Initiative programming includes sustaining funds for mental health wraparound services for uninsured children; continuing work in the Help Me Grow system; and reducing funding to direct services programs, as outlined in the strategic plan.
- Public Information activities include ongoing funding of the public awareness campaign to promote Help Me Grow, supported by grant funds.
- Additional program funds are allocated for program and grant development to continue the Commission's acquisition of external funds in future years.

Wages and Benefits

- External funding sources support staff salaries and benefits, including a new Community Engagement Coordinator position. Other positions funded by grants include a QRIS coach coordinator, two QRIS coaches, the Help Me Grow coordinator and program assistant, and a portion of the Community Engagement liaisons.
- A 3% cost of living increase for staff is recommended by the Executive Committee, based on the Bay Area consumer price index increase of 3.5% for the last 12 months. The increase would go into effect July 1, 2017. Cost: \$79,775, of which \$16,165 is supported by grant funding.
- The Commission's retirement contribution rates increased .98% for legacy members and 2.05% for PEPRAs members from the prior fiscal year. Due to the prepayment made to CCCERA several years ago, First 5 saves \$277,000 in FY17/18.
- Health benefits increased slightly due to increases in some health plan premiums, additional staff, and staff changes in participation and plan preference. Cost: \$17,877

Strategic Information and Planning

Strategic Information and Planning, formerly Evaluation, expenses increased slightly over the prior year, reflecting anticipated costs for a broader kindergarten readiness assessment and other activities. Overall costs are 7.9% of total budget.

Administrative Costs

Overall administration costs increased slightly to 9.8% of total budget.

Recommendation:

That the Commission adopt the proposed First 5 Contra Costa Budget for FY 2017-18.



FY16/17 Budget

Proposed FY17/18 Budget

	Prop 10 Funds	Other Funds	Total Budget	Prop 10 Funds	Other Funds	Total Budget	Variance
REVENUE							
1	7,514,958		7,514,958	7,022,011		7,022,011	(492,947)
2	-	733,569	733,569	-	1,040,852	1,040,852	307,283
3	-	366,631	366,631	-	412,431	412,431	45,800
4	-	381,527	381,527	-	-	-	(381,527)
5	-	1,290,000	1,290,000	-	700,000	700,000	(590,000)
6	-	-	-	-	100,000	100,000	100,000
7	-	-	-	-	77,250	77,250	77,250
8	115,000	-	115,000	165,000	-	165,000	50,000
9	-	93,250	93,250	-	90,000	90,000	(3,250)
10	3,962,057	384,372	4,346,429	4,570,884	22,175	4,593,059	246,630
11	11,592,015	3,249,349	14,841,364	11,757,895	2,442,708	14,200,603	(640,761)
PROGRAM EXPENSES							
12	7,423,647	1,966,969	9,390,616	7,100,447	1,399,628	8,500,075	(890,541)
13	Initiatives						
14	Early Childhood Education Initiative						
15	885,006	140,000	1,025,006	911,556	140,000	1,051,556	26,550
16	64,000	653,114	717,114	64,000	736,278	800,278	83,164
17	212,080	50,000	262,080	244,942	25,000	269,942	7,862
17	1,161,086	843,114	2,004,200	1,220,498	901,278	2,121,776	117,576
18	Family Support						
19	2,328,718		2,328,718	2,483,710		2,483,710	154,992
20	1,255,015		1,255,015	1,200,000		1,200,000	(55,015)
21	25,200		25,200	25,200		25,200	-
22	3,608,933		3,608,933	3,708,910		3,708,910	99,977
23	Early Intervention						
24	227,250	77,250	304,500	172,250	77,250	249,500	(55,000)
25	993,177		993,177	1,022,972		1,022,972	29,795
26	345,000	886,605	1,231,605	352,350	360,600	712,950	(518,655)
27	397,294		397,294	173,412		173,412	(223,882)
28	25,000		25,000	23,555		23,555	(1,445)
29	1,987,721	963,855	2,951,576	1,744,539	437,850	2,182,389	(769,187)
30	Systems Change						
31	520,157	160,000	680,157	261,500	50,000	311,500	(368,657)
32	140,750		140,750	160,000	10,500	170,500	29,750
33	5,000		5,000	5,000		5,000	-
34	665,907	160,000	825,907	426,500	60,500	487,000	(338,907)
35	Program Expenses						
36	1,116,390	602,658	1,719,048	1,195,699	632,799	1,828,498	109,450
37	583,136	342,176	925,312	651,606	327,457	979,063	53,751
38	356,370	39,900	396,270	386,456	1,450	387,906	(8,364)
39	2,055,896	984,734	3,040,630	2,233,761	961,706	3,195,467	154,837
40	9,479,543	2,951,703	12,431,246	9,334,208	2,361,334	11,695,542	(735,704)
STRATEGIC INFORMATION & PLANNING							
41	307,284	48,091	355,375	349,991	12,167	362,158	6,783
42	166,099	26,014	192,113	181,524	6,965	188,489	(3,624)
43	410,286	80,043	490,329	474,748	22,500	497,248	6,919
44	27,596		27,596	31,118		31,118	3,522
45	37,470		37,470	38,447		38,447	977
46	948,735	154,148	1,102,883	1,075,828	41,632	1,117,460	14,577
ADMINISTRATIVE EXPENSES							
47	521,209	94,726	615,935	618,444	23,845	642,289	26,354
48	257,073	48,772	305,845	343,463	15,897	359,360	53,515
49	133,000		133,000	133,000		133,000	-
50	182,645		182,645	179,299		179,299	(3,346)
51	69,810		69,810	73,653		73,653	3,843
52	1,163,737	143,498	1,307,235	1,347,859	39,742	1,387,601	80,366
53	11,592,015	3,249,349	14,841,364	11,757,895	2,442,708	14,200,603	(640,761)

FY16/17 Budget

Program	83.8%
SIP	7.4%
Administrative	8.8%
	100%

FY17/18 Budget

Program	82.4%
SIP	7.9%
Administrative	9.8%
	100%



Monday April 3, 2017

Agenda Item 9.0

Policy and Advocacy Report

First 5 Contra Costa
Draft Statement on First 5's Role in Advocacy and Policy Change
April, 2017

In its role as an advocate, First 5 will be an assertive voice for children 0-5 in Contra Costa County, by seeking policy changes and increased funding to ensure that all children achieve their full developmental potential.

In the next year, we will continue to build on existing advocacy efforts and expand our advocacy role in the following ways:

- Build First 5's reputation as a policy advocate and, where necessary, a "disrupter" for children and families.
- Step up our efforts in collaboration with county agencies and school districts to ensure systems of care embrace and meet families' needs.
- Mobilize community residents on behalf of the needs of local families.
- Increase our capacity for developing strategic data and information to inform advocacy and policy efforts.

Ongoing, First 5's advocacy efforts will be directed primarily in the following areas:

1. Seeking new and additional funding streams for programs that support Contra Costa children and families, particularly in program areas that First 5 may no longer be able to support as resources decline.
2. Support systems that meet the needs of young children and families, such as Help Me Grow, QRIS and others.
3. Support policies and activities that reduce poverty and stabilize low-income families.
4. Support services, systems and policies that address equity and disproportionate need, prevention and early intervention.
5. Call attention to the needs of young children and families in all policies.

We will implement the following tactics to address children's needs:

Legislator education – Ensure legislators and staff are knowledgeable about the needs of Contra Costa's young children and families and understand the potential local effects of legislation and policy.

Policy monitoring – With local and state partners, tracking legislation and policies affecting young children and proposing policies when possible.

Systems-building – Convening multiple agencies around particular activities such as Help Me Grow, QRIS and other systems and building agency will for sustainability.

Provider education – Training and professional education around best practices as well as building knowledge and expertise in the needs of young children and families across disciplines

Partnerships and Coalition-building – Convening and participating with agency partners around particular needs and issues such as EITC (FESP), poverty reduction (Ensuring Opportunity), early learning systems (Early Learning Leadership Group), etc.

Social marketing – Broad community campaigns to change knowledge, attitudes and behavior around major issues affecting children families, such as nutrition, early learning, health, and poverty

Parent and community education and organizing – educating and training community volunteers to respond to local conditions affecting families with children – such as nutrition, access to safe places for recreation, housing, access to health care, immigration – and working to educate local elected officials on policies affecting families and children

Communication – Keeping First 5's program participants, contractors, and other County constituents and residents informed of issues affecting young children and families in our communities, and policy solutions for ensuring all children thrive.

Strategic Information – Developing data and information to raise awareness of particular Contra Costa needs and encourage action to support policy change

Funding – Allocating First 5 resources to support efforts addressing emergent issues and policies, as necessary and feasible

Finally, the Commission will serve as a public forum to address and consider First 5's role in the ever-changing policy arena, hear from the public on policy issues, and support staff efforts. Commission members are encouraged to carry First 5's messages and policy interests in their professional and community roles as well.