

*** PUBLIC HEARING MEETING NOTICE***

FIRST 5 SAN MATEO COUNTY COMMISSION MEETING

DATE: Monday, October 23, 2017

TIME: 4:00 PM – 6:00 PM

ADDRESS: San Mateo County Office of Education
101 Twin Dolphin Drive, 1st Floor Conference Room
Redwood City, CA 94065

AGENDA	
<p>Call to Order and Preliminary Business</p> <ol style="list-style-type: none"> 1. Roll Call 2. Action to Set Agenda for October 23, 2017 Meeting and Approve Consent Agenda Items <i>(This item is to set the final consent and regular agenda, and for the approval of the items listed on the consent agenda. All items on the consent agenda are approved by one action.)</i> 3. Public Comment 4. Commission Announcements 5. Storytelling: First 5 Work / Impact: 	4:00 – 4:10
<p>Discussion Items</p> <ol style="list-style-type: none"> 6. First 5 Association Policy Update by Margot Grant Gould, First 5 Association Policy Director <i>(See Attachment 6A – 6B)</i> 	4:10 – 5:00
<p>Action Item</p> <ol style="list-style-type: none"> 7. Approval of FY 2016 – 2017 Budget Closeout <i>(See Attachments 7 – 7C)</i> 8. Approval of Annual Financial Audit and Submission to the California State Controller’s Office, and First 5 California for 2016 – 2017 <i>(See Attachments 8 – 8B)</i> 9. Approval of FY 2016 – 2017 First 5 San Mateo County Annual Program Report and Submission to First 5 California <i>(See Attachments 9 – 9B)</i> 10. Approval of Contract for QRIS Communications Consultation Services with VIVA Strategy and Communications <i>(See Attachments 10 – 10A)</i> 	5:00-5:40
<p>Informational Items</p> <ol style="list-style-type: none"> 11. Communications Update <i>(See Attachments 11 – 11.1)</i> 12. Report of the Executive Director <i>(See Attachments 12 – 12.5)</i> 13. Committee Updates <i>(See Attachments 13 – 13C)</i> <p>Adjourn</p>	5:40-6:00

* **Public Comment:** This item is reserved for persons wishing to address the Commission on any Commission-related matters that are as follows: 1) Not otherwise on this meeting agenda; 2) Listed on the Consent Agenda; 3) Executive Director's Report on the Regular Agenda; or 4) Subcommittee Members' Reports on the Regular Agenda. Public comments on matters not listed above shall be heard at the time the matter is called.

Persons wishing to address a particular agenda item should speak during that agenda item. If you wish to speak to the Commission, please fill out a speaker's slip located in the box on the sign in table as you enter the conference room. If you have anything that you wish to be distributed to the Commission and included in the official record, please hand it to Natasha Dinis who will distribute the information to the Commissioners and staff. Speakers are customarily limited to two minutes, but an extension may be provided to you at the discretion of the Commission Chair.

Public records that relate to any item on the open session agenda for a regular Commission meeting are available for public inspection. Those records that are distributed less than 72 hours prior to the meeting are available for public inspection at the same time they are distributed to all members, or a majority of the members of the Commission. The Commission has designated the First 5 San Mateo County office located at 1700 S. El Camino Real, Ste. 405, San Mateo, CA, 94402, for making those public records available for inspection. The documents are also available on the First 5 Internet Web site at www.first5.smcgov.org.

IN COMPLIANCE WITH THE CALIFORNIA GOVERNMENT CODE AND THE AMERICANS WITH DISABILITIES

ACT: First 5 San Mateo County Commission meetings are accessible to individuals with disabilities. Contact Myra Cruz at (650) 372-9500 ext. 232, or at ecruz@smcgov.org as soon as possible prior to the meeting, if (1) you need special assistance or a disability-related modification or accommodation, including auxiliary aids or services, in order to participate in this meeting; or (2) you have a disability and wish to receive the meeting notice, agenda packet or other writings that may be distributed at the meeting in an alternative format. Notification in advance of the meeting will enable First 5 San Mateo County to make reasonable arrangements to ensure full accessibility to this meeting and the materials related to it.

First 5 San Mateo County Commission Meeting

CONSENT AGENDA

October 23, 2017

All items on the consent agenda are approved by one roll call motion unless a request is made at the beginning of the meeting that an item be withdrawn or transferred to the regular agenda. Any item on the regular agenda may be transferred to the consent agenda.

- 2.1 Approval of the August 28, 2017 Commission Meeting Minutes
(See Attachment 2.1)

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**First 5 San Mateo County (F5SMC)
Commission Meeting Minutes
August 28, 2017**

Call to Order & Roll Call

1. Roll Call

Commission Members: Anne Campbell, David Canepa, Pam Frisella, Michael Garb,
Lee Michelson, Neel Patel, Iliana Rodriguez, Louise Rogers,
Sandra Phillips-Sved

Staff: Kitty Lopez

Absent: None

Commissioner Rodriguez called the meeting to order at 4:01 PM; roll call was taken.

2. Action to Set Agenda for August 28, 2017 Meeting and Approve Consent Agenda

Commissioner Garb motioned to remove the minutes from the June 26th meeting from the consent agenda due to corrections that need to be made. Otherwise move for approval of the agenda.

MOTION: GARB / SECOND: FRISELLA

AYES: CAMPBELL, CANEPA, FRISELLA, GARB, MICHELSON, PATEL,
RODRIGUEZ, ROGERS, PHILLIPS-SVED

NOES: NONE

ABSTAIN: NONE

ABSENT: NONE

Correction of minutes from the June 26th meeting to be made on Page 3, Item # 15, under Committee Updates: Early Childhood Evaluation Advisory Committee, June 19, 2017, mentions previous Commissioner Frasier, but should mention Commissioner Rogers instead.

Commissioner Campbell also stated that she was not present at the last meeting, but the minutes had reflected that she was both present and absent.

Motion for approval of minutes as amended:

MOTION: GARB/SECOND: FRISELLA

AYES: CAMPBELL, CANEPA, FRISELLA, GARB, MICHELSON, PATEL,
RODRIGUEZ, ROGERS, PHILLIPS-SVED

NOES: NONE

ABSTAIN: NONE

3. Introduction of Invited Guests

None

4. Public Comment (Not on the Agenda)

None

5. Commission Announcements

Supervisor Canepa was congratulated on his newborn son.

Commissioner Campbell shared that she attended the Friday Family CAFÉ (Community and Family Engagement). A flyer was passed around with future dates (it takes place on the last Friday of each month). The CAFÉ is supported by First 5 and focuses on early care and education. It is also a great networking opportunity and was highly recommended by Commissioner Campbell.

6. Storytelling: First 5 Work/Impact

Commissioner Patel shared a presentation on the recent policy statement that was released by The American Academy of Pediatrics. The policy statement emphasizes the importance of quality early learning education and childcare from birth to kindergarten. Whether it is in a classroom or at home, every experience for a child is an educational one. Every experience effects a child's brain development during these crucial years. To view the policy statement, click on <http://pediatrics.aappublications.org/content/140/2/e20171488>

Discussion Items

7. Presentation: Strategic Plan Progress and Indicator Update

Jennifer Clark presented on the strategic plan indicators update from 2015-2020. The goal of the strategic plan was to identify indicators that would help measure the success of the program. The data that was presented was based on number of people served.

Commissioner Michelson commented that the data does not clearly reflect the goals, and that it is difficult to determine the numbers and success from the data that was presented. He suggested that in the future to present the information as *on target*, *ahead of target*, or *behind target* so that we can easily determine the goals and success. The presentation can be viewed by clicking [here](#)

8. Update: SPIP Funding Carry Over to Fiscal Years 2018-2020

Informational data was presented to the group regarding the SPIP Funding Carry Over for the next 3 years. The available funds have increased from \$1.1 to \$1.825 million. In the agenda packet, table 8.B details where the monies are being rolled over, and Table 8.C shows the updated long term financial plan. A revised financial plan will be released in January.

Kitty Lopez provided a summary of the Strategic Plan Indicators Update before moving forward with the voting and approval process. To view the presentation, click [here](#)

Attachment 9.2 has the Master Strategic Plan Implementation Plan Funding Recommendations for 2018-2020 with all the details listed for reference.

Action Items

9. Approval of Phase 2 SPIP for Fiscal Years 2018-2020

Public Comments before moving for approval on Attachment 9.3

StarVista CEO, Sarah Mitchell, wanted to thank the Commission for the support that they have given them for over 10 years. The First 5 funding has enabled StarVista to help hundreds of lives throughout San Mateo County. StarVista has been able to change the lives of vulnerable young people, families who have experienced domestic violence, immigration trauma, and other loss. The communication between StarVista and First 5 has always been open, and First 5 has always been transparent. She thanked the Commission Committee for giving ample notice of the decrease in funding. It encouraged StarVista to think more strategically and thoughtfully and to be more innovative and creative with fundraising etc. Sarah encouraged First 5 staff to move forward with their funding recommendations and allowing StarVista to enter into contract negotiations with them.

Wendy Lair is the Program Manager at Healthy Homes. She wanted to share how the *Parents as Teachers* grant enabled their entire staff of family partners to be trained in a strong, evidence based curriculum that they could bring to families. They are able to bring the developmental education to the families that they work with by teaching families how to engage with their children through play in a way that supports their development. It also teaches families how to advocate for their children's needs in the community. She brought one of the staff members from healthy homes, Andrea Avena, to share a story of a family who was supported through First 5 funding.

Andrea Avena has been working with a family who was victim of domestic violence for the past 6 months. The family has been engaged with StarVista services on and off since 2014. The mother has three children who have special needs. StarVista has been assisting the family and connecting them with resources because the father is no longer providing financial support. The mother was very close to being homeless and sleeping with three children in her car. However, because Andrea and her co-worker were able to help her find temporary housing that she qualified for (regardless of immigration status), they were able to help one more family from being homeless.

David Fleshman, Executive Director of 4Cs of San Mateo County wanted to thank the staff and Commission of First 5 for the funding that they have received over the years. They have been able to do so much work with the funding they have received for their programs, including offering support to family childcare homes

Attachment 2.1

and including them in such initiatives as QRIS, as well as well as being able to provide services for children with special needs.

Heather Cleary is the Executive Director of Peninsula Family Services. She also wanted to thank the staff and Commission for allowing Peninsula Family Services to serve children at two homeless shelters in the county. The First 5 funding not only allows children to have the access to quality early learning services, but also provides help for parents so they can be advocates, help with behavioral health support, occupational therapy and much more. What they are able to do with the support of First 5 is life changing for the families served.

Jean Marie Houston from the San Mateo County Office of Education wanted to thank First 5 for all of their work. It is an honor and privilege to work together.

- a. Move to authorize staff to negotiate and execute continuation contracts with a 5% variance on attachment 9.3

MOTION: GARB/ SECOND: FRISELLA

AYES: CAMPBELL, CANEPA, FRISELLA, GARB, MICHELSON, PATEL, RODRIGUEZ, ROGERS, PHILLIPS-SVED

NOES: NONE

ABSTAIN: NONE

ABSENT: NONE

Motion passed.

Public Comments before moving for approval on Attachment 9.4 Line 1
Gabriella Buendia is one of the Coordinators for the Early Childhood Mental Health Consultation Program at StarVista, and she wanted to thank First 5 for supporting their work. They are very fortunate to always be included in conversations about increasing quality in preschools. Having mental health consultation in preschools does make a difference and has a huge impact on expulsion rates.

- b. Move to authorize staff to negotiate and execute continuation contracts with a 5% variance on attachment 9.4 Line 1

MOTION: GARB/ SECOND: FRISELLA

AYES: CAMPBELL, CANEPA, FRISELLA, GARB, PATEL, RODRIGUEZ, PHILLIPS-SVED

NOES: NONE

ABSTAIN: MICHELSON, ROGERS

ABSENT: NONE

Motion passed.

Attachment 2.1

- c. Move to authorize staff to negotiate and execute continuation contracts with a 5% variance on attachment 9.4, Line 2

MOTION: GARB/ SECOND: FRISELLA

AYES: CAMPBELL, CANEPA, FRISELLA, GARB, PATEL, ROGERS,
PHILLIPS-SVED

NOES: NONE

ABSTAIN: MICHELSON, RODRIGUEZ

ABSENT: NONE

No public comment; the Motion passed

- d. Move to authorize staff to negotiate and execute continuation contracts with a 5% variance on attachment 9.4, Line 3-6

MOTION: GARB/ SECOND: FRISELLA

AYES: CANEPA, FRISELLA, GARB, PATEL, ROGERS, PHILLIPS-SVED,
MICHELSON, RODRIGUEZ

NOES: NONE

ABSTAIN: CAMPBELL

ABSENT: NONE

No public comment; the Motion passed

- e. Move to authorize staff to negotiate and execute continuation contracts with a 5% variance on attachment 9.5

MOTION: ROGERS/ SECOND: FRISELLA

AYES: CAMPBELL, CANEPA, FRISELLA, GARB, PATEL, ROGERS,
PHILLIPS-SVED, MICHELSON, RODRIGUEZ

NOES: NONE

ABSTAIN: NONE

ABSENT: NONE

No public comment; the Motion passed

- f. Move to authorize staff to negotiate and execute continuation contracts with a 5% variance on attachment 9.6, Line 1

MOTION: GARB/ SECOND: PHILLIPS-SVED

AYES: CAMPBELL, CANEPA, FRISELLA, GARB, PATEL, ROGERS,
PHILLIPS-SVED, MICHELSON

NOES: NONE

ABSTAIN: RODRIGUEZ

Attachment 2.1

ABSENT: NONE

No public comment; the Motion passed

- g. Attachment 9.7 is a table of discontinued grants that will not be continued in fiscal year 2018-2020 for reference.

10. Communications Update

Communication planning meeting with RSE took place on August 17th to review the previous 2 years and to review the scope of services for the implementation of communication work for year 3. The website needs to be ADA compliant, so it is taking a little longer than expected, but should be launched within the next week. The website will be on a different platform than the previous one; we will have links to San Mateo County.

Attachment 10.1 shows the First 5 Social Media Platforms. We will have training with the commissioner and staff as requested. There has been an increase in our social media platforms: Twitter had the highest increase in engagement and Instagram had the highest increase in followers. We are continuing increase our presence in social media. The attachment shows some of the comments that people post.

Report of the Executive Director

None (Posted for Informational Purposes)

Committee Updates

Commissioner Campbell discussed the importance of having the communications consultant support the Commissioners in effective use of social media platforms.

Commissioner Patel brought up the future work with the Gardner Center. There will be a formal meeting scheduled in September regarding the possibilities of data-linkage. The hesitation is how to safely share information across agencies.

Iliana Rodriguez adjourned the meeting at 5:36

Attachment 6A



First 5 Policy Update

First 5 San Mateo
Commission Meeting
October 23, 2017



FIRST 5
ASSOCIATION
OF CALIFORNIA

Presentation Overview

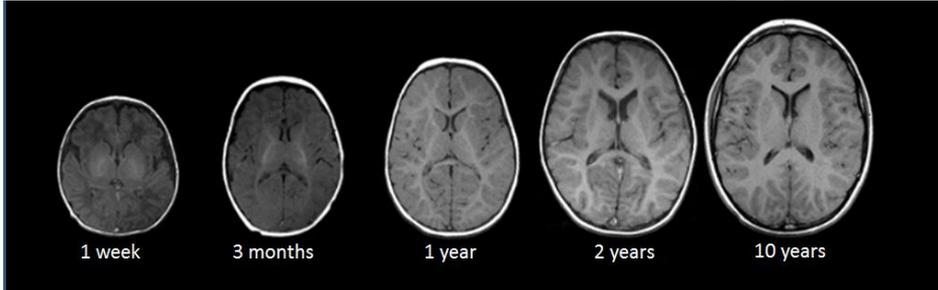
- Why First 5
- Quality Early Learning → Healthy Development → Family Resiliency
- What's ahead



FIRST 5
ASSOCIATION
OF CALIFORNIA

WHY 0-5

~90% of the architecture of the brain is developed by age 5



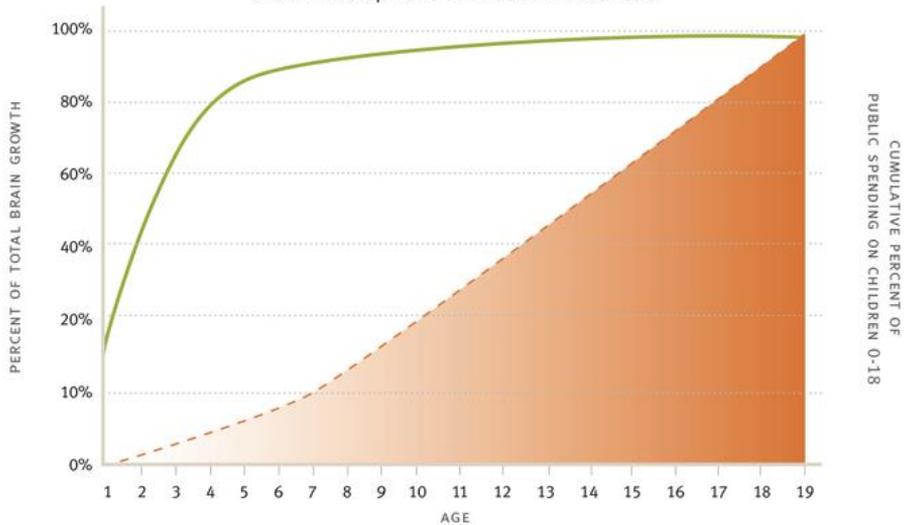
Early experiences affect the development of the brain which in turn provides the **foundation for all future learning, behavior, and health**

The Center for the Developing Child at Harvard University



WHY 0-5

Brain Development vs. Public Investment



Source: RAND Corp.

— Brain Development - - - Current Public Investment



Attachment 6A

First 5 in a Nutshell



- Voter approved tax on Tobacco products (Prop 10, 1998)
- Mandate to build a "system of care" for children ages 0-5
- 58 county commissions; 1 state agency

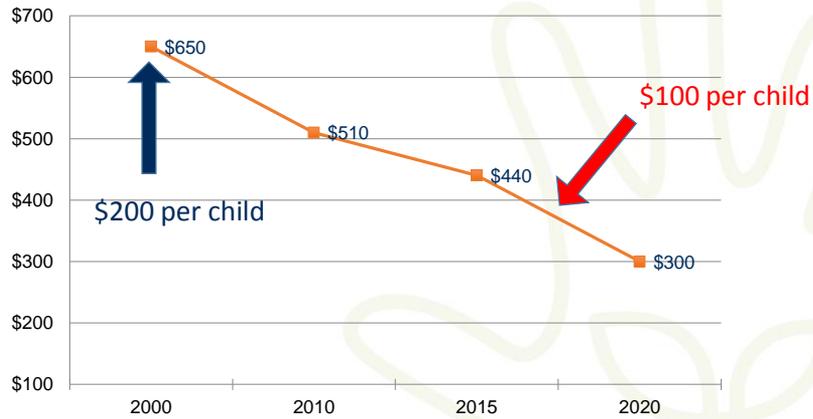


First 5 Funding Supports...



Attachment 6A

First 5 revenues have declined by more than 40% percent since 2000



Quality Early Learning



Attachment 6A

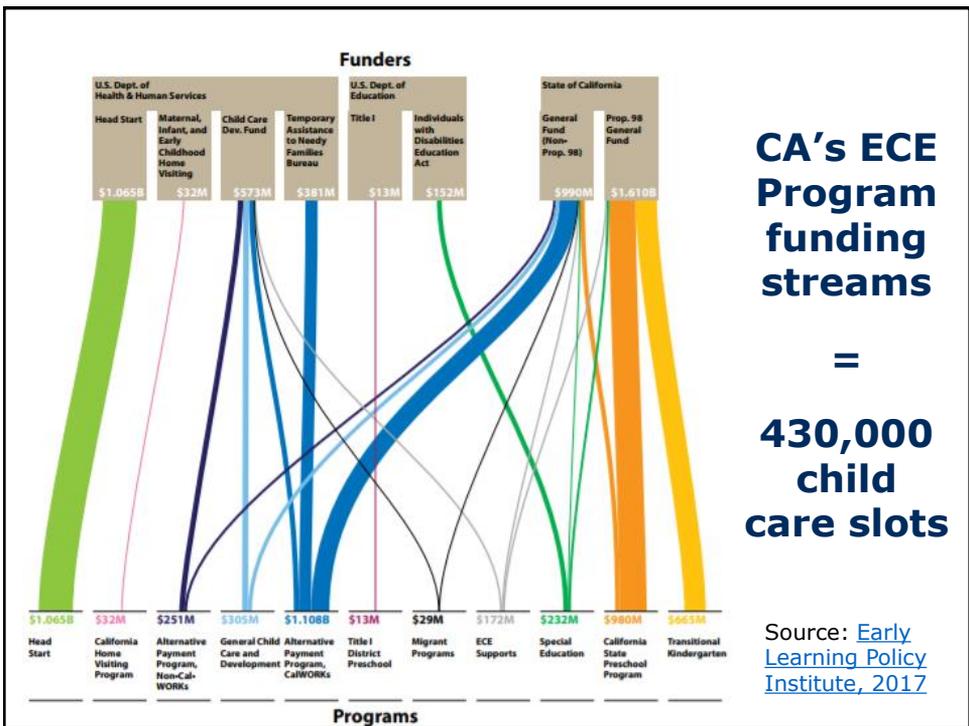
Quality Early Learning

Narrative:

Child care slots = Access to child care

First 5 Approach:

- Emphasis on **quality**
- Bolstered **parent engagement**
- Connected system of **care**



Attachment 6A**Gaps in the System**

- 1.2 million income-eligible children in CA are NOT enrolled in child care, practically in Infant-Toddler care (0-2)
- ECE workforce struggles
- Families' complex and evolving needs (e.g.: drug addition, housing, immigration, poverty/ deep-poverty, toxic stress, etc.)
- Fewer than 1 in 3 children receive developmental screening
- Only 25% of kids living in poverty get coordinated care



Attachment 6A

Healthy Development

- **Problem:** 70% of developmental delays are not ID'ed until kindergarten, which can have lasting effects on learning, behavior, and health.
- Screen early and often (9 mon, 18 mon, 24/30 mon) – Mandated under ACA, yet happens infrequently
- Existing early intervention systems have long waitlists and lack capacity to see and/or treat children
- Many of these children are tracked into special education once they reach K-12



Healthy Development

First 5's Approach:

- Care coordination & referrals
- Centralized intake
- Parent education on developmental milestones
- Professional outreach & training



Attachment 6A



Family Resiliency

Home Visiting

Strong families = happy, healthy babies

- Home Visiting is:
 - In-home parent coaching
 - Connections to services (e.g.: job training, housing, drug and alcohol treatment, developmental services, etc.)
 - Tailored to the needs of parents and culturally appropriate
 - Always voluntary
 - **Arguably the most evidenced-based intervention to child abuse neglect prevention**

Attachment 6A**Vulnerability of Home Visiting Programs**

- Unlike the vast majority of states, CA does not invest general fund dollars in home visiting programs
- Federal funding is up for reauthorization September 30th (MIECHV)
- First 5 is the largest investor in HV in CA; ~\$87 M annually (and declining), in 44 Counties

**What's Ahead for First 5**

- Push for increased access to Infant-Toddler care
- Family strengthening supports (paid & job-protected family leave, Earned Income Tax Credits, secure scheduling, health care, etc.)
- Home visiting funding diversification, AB 992
- Developmental screening training, education, and care coordination



Attachment 6A



Margot Grant Gould
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(510) 227-6968



2017 First 5 Association Bill Tracker

Updated: October 16, 2017

Questions? Contact Margot Grant Gould at margot@first5association.org or 510.227.6968.

Family Strengthening				
Bill Number	Author	Description	Status	Association Position
AB 5	Gonzalez Fletcher	<i>Employers: Opportunity to Work Act.</i> Would require an employer with 10 or more employees to offer additional hours of work to an existing nonexempt employee before hiring an additional employee or subcontractor.	Held in Asm Appropriations	Support
AB 60	Santiago/ Gonzalez Fletcher	<i>Subsidized Child Care and Development Services: 12 month Eligibility Period</i> Would require eligibility redetermination periods for subsidized child care to be set for not less than 12 months and limit mandatory reports during the eligibility period. The bill would also update eligibility rules to the most recent state median income (SMI) data published by the Census Bureau.	Passed through State Budget	Support
SB 63	Jackson	<i>Unlawful Employment Practice: Parental Leave</i> This bill would prohibit an employer from refusing to allow an employee to take up to 12 weeks of parental leave to bond with a new child within one year of the child's birth, adoption, or foster care placement. The bill would also prohibit an employer from refusing to maintain and pay for coverage under a group health plan for an employee who takes this leave. Applies to business with at least 20 employees within a 75 miles radius.	Signed by Gov	Support
AB 164	Arambula	<i>Food assistance.</i> Would establish a new chapter in Welfare and Institutions code which would provide for a state funded anti-hunger CalFresh benefit to be issued under prescribed circumstances, such as drought, disaster or in the case of federal SNAP ineligibility, and to be issued using the EBT system.	Held in Sen Appropriations	Support
AB 273	Aguiar-Curry	<i>Child Care Services Eligibility</i> To receive a child care subsidy, families must meet at least one requirement in each of 2 specified areas, including why the family has a need for the child care service. This bill would include in the area relating to need, as a requirement that may be satisfied for purposes of eligibility, that the family needs the child care services because the parents are engaged in an educational program for English as a second	Signed by Gov	Support

Attachment 6B

		language learners or to attain a high school diploma or general educational development certificate.		
AB 480	Gonzalez Fletcher	<i>Diaper Assistance for CalWORKs Families</i> This bill would amend the Welfare and Institutions Code to clarify that diapers for infants and toddlers are reimbursable ancillary expense under existing law for CalWORKs participants with young children in the Welfare to Work program. Current ancillary expenses include “the cost of books, tools, clothing specifically required for the job, fees, and other necessary costs.”	Signed by Gov	Support
AB 992	Arambula	<i>CalWORKs: Baby Wellness and Family Support Home Visiting Program</i> This bill would establish the Baby Wellness and Family Support Home Visiting Program that would require the State Department of Social Services to award funds to counties for the purpose of implementing or contracting with specified early home visiting programs to provide voluntary maternal, infant, and early childhood home visiting programs approved by the department and would authorize the funds to be used to coordinate early home visiting services with, among others, diaper bank services.	Held in Senate Human Services (Two-year bill)	Support
AB 1164	Thurmond	<i>Funding For Foster Care Placement</i> This bill would establish the Child Care Bridge Program for Foster Children (bridge program). The bill would authorize, contingent upon an appropriation of \$22,000,000 annually, county welfare departments to administer the bridge program and distribute vouchers to children between birth and 4 years of age, placed with an approved resource family or the child of a young parent involved in the child welfare system.	Passed through State Budget	Support
AB 1268	Reyes	<i>Domestic Violence</i> This bill would, on or before January 1, 2019, require would create the California Domestic Violence Prevention Fund to provide grants to nonprofit organizations, local education agencies, and local governments for the purpose of funding initiatives to educate communities on domestic violence and the available resources for victims of domestic violence. The bill would require grants to be awarded by the Office of Emergency Services’ Underserved Victims Unit. The bill would require grants to be 3 years in length and for a minimum amount of \$250,000.	Held in Sen Appropriations	Support
AB 1520	Burke	<i>Lifting Children and Families Out of Poverty Act of 2017.</i> Would make legislative findings and declarations regarding child poverty in California. The bill would state the intent of the Legislature to move toward reducing child poverty in this state	Signed by Gov	Support

Attachment 6B

		by 50% over a 20-year period, commencing with the 2018–19 fiscal year and ending with the 2038–39 fiscal year. The bill would also state the intent of the Legislature to use a specified framework as guiding and nonbinding recommendations for purposes of enacting future legislation to fund programs or services that have been proven to reduce child poverty in California and to fund future innovations that are shown to achieve similar outcomes.		
Early Identification & Intervention				
Bill Number	Author	Description	Status	Association Position
SB 192	Bealle	<i>Mental Health</i> This bill would amend the MHSA by instead requiring that any funds allocated to a large or medium county, as defined, that have not been spent for the authorized purpose within 3 years, and any funds allocated to a small county, as defined, that have not been spent for their authorized purpose within 5 years, to revert to the state for deposit into the newly established Mental Health Services Reversion Fund.	Held in Asm Health *needs 2/3 vote	Support
AB 340	Arambula	<i>Early and Periodic Screening, Diagnosis, and Treatment Program: trauma screening</i> The bill would require, consistent with federal law, that screening services under the EPSDT program include screening for trauma, as defined by the bill and as specified. The bill also would require the department, in consultation with the State Department of Social Services and others, to adopt, employ, and develop, as appropriate, tools and protocols for screening children for trauma and would authorize the department to implement, interpret, or make specific the screening tools and protocols by means of all-county letters, plan letters, or plan or provider bulletins, as specified.	Signed by Gov	Support
AB 1340	Maienschein	<i>Continuing medical education: mental and physical health care integration.</i> This bill would require the board to consider including in its continuing education requirements a course in integrating mental and physical health care in primary care settings, especially as it pertains to early identification of mental health issues and exposure to trauma in children and young adults and their appropriate care and treatment.	Signed by Gov	Support

Attachment 6B

Oral Health				
Bill Number	Author	Description	Status	Association Position
AB 15	Maienschein	<i>Denti-Cal Reimbursement Rates Increases.</i> This bill would require the State Department of Health Care Services to increase Denti-Cal provider reimbursement rates for the 15 most common prevention, treatment, and oral evaluation services to the regional average commercial rates.	Held in Asm Appropriations	Support
SB 379	Atkins	<i>SB 379: Oral Health Assessments</i> This bill would add caries experience to the data collected during the kindergarten oral health assessments. This bill would also allow for passive parental consent during the oral health exam, while still requiring active consent for treatment.	Signed by Gov	Support
AB 753	Caballero	<i>Denti-Cal Improved Access</i> Would appropriate \$191 million to Denti-Cal services from Proposition 56 funding. Funding would increase reimbursements rates for the 20 most common pediatric diagnostic and restorative services.	Held in Asm Health (Two-Year Bill)	Support
Quality Early Learning				
Bill Number	Author	Description	Status	Association Position
AB 258	Arambula	<i>Fresno County's Child Care Subsidy Program</i> Would Fresno County with the flexibility needed to utilize their unearned child care funding. Flexibilities are allowed in: 1) family eligibility; 2) family fees; 3) reimbursement rates; 3) methods of maximizing the efficient use of subsidy dollars & contracts.	Signed by Gov	Support
AB 300	Caballero	<i>Monterey, Santa Cruz, and San Benito's Counties' Child Care Subsidy Program</i> Would allow counties with the flexibility needed to utilize their unearned child care funding. Flexibilities are allowed in: 1) family eligibility; 2) family fees; 3) reimbursement rates; 3) methods of maximizing the efficient use of subsidy dollars & contracts	Signed by Gov	Support
AB 377	Frazier	<i>Solano and San Diego Counties' Child Care Subsidy Program</i> Would allow Solano and San Diego County with the flexibility needed to utilize their unearned child care funding. Flexibilities are allowed in: 1) family eligibility; 2) family fees; 3) reimbursement rates; 3) methods of maximizing the efficient use of subsidy dollars & contracts.	Signed by Gov	Support
AB 435	Thurmond	<i>Contra Costa, Marin, Sonoma County's Child Care Subsidy Program</i> Would allow Contra Costa, Marin, and Sonoma Counties with the flexibility needed to utilize their unearned child care funding.	Signed by Gov	Support

		Flexibilities are allowed in: 1) family eligibility; 2) family fees; 3) reimbursement rates; 3) methods of maximizing the efficient use of subsidy dollars & contracts.		
AB 752	Rubio	<i>Child care: expulsion.</i> Would, under the Child Care and Development Services Act, prohibit a contracting agency from expelling or unenrolling a child because of a child's behavior unless the contracting agency has explored and documented all possible steps to maintain the child's safe participation in the program and determines, in consultation with the parents or legal guardians of the child, the child's teacher, and, if applicable, the local agency responsible for implementing the Individuals with Disabilities Education Act, and that the child's continued enrollment would present a continued serious safety threat to the child or other enrolled children.	Signed by Gov	Support
AB 1106	Weber	<i>Child care and development services: alternative payment programs:</i> This bill would require an alternative payment program to have no less than 36 months to expend funds allocated to that program in any fiscal year, and would require the Superintendent of Public Instruction to develop a contracting process that provides alternative payment programs no less than 36 months to expend funds allocated to that program in any fiscal year.	Signed by Gov	Supports
System Sustainability and Reach				
Bill Number	Author	Description	Status	Association Position
SB 18	Pan	<i>Bill of Rights for Children and Youth in CA:</i> (1) The right to parents, guardians, or caregivers who act in their best interest. (2) The right to form healthy attachments with adults responsible for their care and well-being. (3) The right to live in a safe and healthy environment. (4) The right to social and emotional well-being. (5) The right to opportunities to attain optimal cognitive, physical, and social development. (6) The right to appropriate, quality education and life skills leading to self-sufficiency in adulthood. (7) The right to appropriate, quality health care. Would determine and obtain the revenue necessary to fund evidenced-based policy solutions that fulfill the bill of right by 2022.	Held in Sen Rules (Two-Year Bill)	Support

Attachment 6B

AB 43	Thurmond	<i>Taxation: prison contracts: goods and services</i> Levies a tax on private companies that contract with the corrections industry to provide goods and services. Directs funding a Prevention Fund to support programs that prevent incarceration, including preschool, higher education, and poverty reduction.	Held in Asm Appropriations (Two-Year Bill) *needs 2/3 vote	Support
Sustainability & Reach; Tobacco & Marijuana Regulation				
Bill Number	Author	Description	Status	Association Position
AB 175	Chau	<i>Adult-use marijuana: marketing: packaging and labeling.</i> Requires the Bureau of Marijuana Control to determine whether the edible marijuana packaging and labeling are in compliance with the requirements of this division, including the requirements that the packaging be child resistant and not attractive to children	Held in Sen Appropriations	Support
AB 350	Salas	<i>Marijuana edibles: appealing to children</i> Edibles Appealing to Children - specifies that a marijuana product is deemed to be appealing to children or easily confused with commercially sold candy if it is in the shape of a person, animal, insect, fruit, or in another shape normally associated with candy, but would not prohibit a licensee from making an edible marijuana product in the shape of the licensee's logo.	Vetoed by Gov	Support
AB 1250	Jones-Sawyer	<i>Counties: contracts for personal services</i> This bill would establish specific standards for the use of personal services contracts by counties. Beginning January 1, 2018, the bill would allow a county or county agency to contract for personal services currently or customarily performed by employees, as applicable, when specified conditions are met. Among other things, the bill would require the county to clearly demonstrate that the proposed contract will result in actual overall costs savings to the county or city and also to show that the contract does not cause the displacement of county or city workers.	Held in Senate Rules	Oppose

DATE: October 23, 2017
TO: First 5 San Mateo County Commission
FROM: Kitty Lopez, Executive Director
RE: Approval of the FY 2016-2017 Budget Close-Out

ACTION REQUESTED

Approval of the FY 2016-2017 Budget Close-Out

BACKGROUND

- At the June 27, 2016 Commission Meeting, Commission approved F5SMC FY 2016-2017 Budget.
- In February 227 2017 Commission Meeting, Commission approved F5SMC FY 2016-2017 Revised Budget.

FY 2016-2017 BUDGET CLOSE-OUT HIGHLIGHTS

- The FY 2016-2017 Budget Close-Out is presented in detail in **Attachments 7A** and **7B** and some key Budget Close-Out highlights are presented in the table below:

FY 2016-2017 BUDGET CLOSE-OUT HIGHLIGHTS <i>(July 1, 2016 – June 30, 2017)</i>	
REVENUE	<ul style="list-style-type: none"> • Interest Revenue (\$156,475) produces a 37% positive variance or \$42,428 higher than the planned budget as a result of higher interest earning rate in the County investment pool. • Prop 10 Tax Revenue (\$5,846,431) is closely matched with the planned budget (99.9%). • Additional revenue streams (\$690,026) from various grants and reimbursements including IMPACT grant (\$427,551) and federal refund for the CHI program (\$237,000) • Total Actual Revenues of \$6,693,967 represents a 4% positive variance or \$267,920 higher than the planned budget.
EXPENDITURES	<ul style="list-style-type: none"> • Total Program Expenditures (\$6,690,770) produce a 20% positive variance or \$1,714,544 below the planned budget. Major contributions to this positive variance are associated with underspending in various grants, IMPACT grant, Evaluation, and pending planning of the PAC-Unallocated Fund. • Total Administrative Expenditures (\$926,420) produce a 10% positive variance or \$98,832 below the planned budget. Major contributions to this positive variance are associated with underspending in the Professional Services, various administrative areas, Audit and County Counsel services charges, and salary savings. . • Total Expenditures of \$7,617,190 represents a 19% positive variance or \$1,813,376 below the planned budget.

ENDING FUND BALANCE	<ul style="list-style-type: none">• FY 2016-2017 Ending Fund Balance of \$14,922,528 represents 16% positive variance or \$2,081,296 higher than the Ending Fund Balance of the planned budget.
----------------------------	--

At the Finance and Administration Committee Meeting on October 16, 2017, Finance and Administration Committee has reviewed and recommended approval of the FY2016-2017 Budget Close-Out at the Commission Meeting October 23, 2017.

FISCAL IMPACT

Admin Cost rate of 12% is within the Commission's approved Admin Cost Rate Policy (15%)

RECOMMENDATION

Approval of the FY 2016-2017 Budget Close-Out.

YTD Benchmark Percentage :100%

	ORG/ACCT#	FY16-17 Revised Budget	YTD Actuals	YTD Accruals *	FY16-17 Budget Close-Out	FY16-17 Budget Close-Out versus Revised Budget (%)	NOTES
REVENUE							
FUND BALANCE (Beginning)		15,845,751	15,845,751		15,845,751	100%	Adjusted Beginning Fund Balance as per the FY15-16 Audit Report.
Interest	19510-1521	114,047	156,475		156,475	137%	Higher interest revenue from county investment pool.
Tobacco Tax - Prop 10	19510-1861	5,854,000	5,846,431		5,846,431	100%	
IMPACT Grant	19510-1861	458,000	160,971	266,580	427,551	93%	\$266K is Q3 & Q4'17 accruals
Wellness Grant	19510-2545	-	1,035	-	1,035		-
Miscellaneous Reimbursements	19510-2647	0	262,475	0	262,475		\$237K are Federal refund for CHI program for the period FY14-16
TOTAL REVENUE		6,426,047	6,427,387	266,580	6,693,967	104%	Positive variance due to higher Interest revenues and CHI Federal refund.
TOTAL AVAILABLE FUNDS		22,271,798	22,273,138	266,580	22,539,718		-
APPROPRIATIONS							
1. PROGRAMS							
Family Engagement	19540-6125	2,308,072	2,105,686	-	2,105,686	91%	
Kit for New Parent KNP (KNP)	19540-6266	41,000	24,965		24,965	61%	Part of the KNP orders will be delivered and recorded in FY17-18.
Child Health & Development	19540-6156	1,846,186	1,475,137		1,475,137	80%	Underspend fund of the CHI program is carried over to FY18-20 funding allocation; delayed contracting of Mental Health System strategy to Q3/Q4; underspending in SHEC new grant (Faith In Action)
Early Learning	19540-6263	2,140,406	1,654,593		1,654,593	77%	EQ+IP grant spending is 80% in the fiscal year; grant is anticipated with fully execution in FY17-18.
Early Learning - Regional Cost Sharing	19540-6263	30,000	-		-	0%	-
IMPACT Grant		550,122	325,706		325,706	59%	Delayed IMPACT grant execution (4Cs spending of 30% and SMCOE spending of 77%). 4Cs is delayed as we roll out foundational QRIS communication activities and SMCOE is expected to fully spend the contract amount.
Policy Advocacy, Communications & Systems Change	19540-6814	411,379	331,094		331,094	80%	Underspending in Pre-K to 3rd Grade grant (63%). Program Coordinator hiring process was delayed the first 6 months. It is anticipated that contract will be fully executed.
Unallocated Fund - Policy Advocacy, Communications & Systems Changes (PAC)		160,000	-		-	0%	Pending planning of the Policy Advocacy, Communications, System Changes - Unallocated Fund.
Other Communications - Sponsorship		10,000	7,000	-	7,000	70%	Saving in Sponsorship budget.
Program Salary & Benefits		488,065	441,784	-	441,784	91%	Saving due to an Extra-Help vacancy in Q4 of the fiscal year.
Evaluation	19540-6265	273,620	181,571		181,571	66%	Pending planning and approval of the Evaluation fund by the Evaluation Committee.
Evaluation - Salaries & Benefits		146,464	143,235	1	143,235	98%	

Attachment 7B

	ORG/ACCT#	FY16-17 Revised Budget	YTD Actuals	YTD Accruals *	FY16-17 Budget Close-Out	FY16-17 Budget Close-Out versus Revised Budget (%)	NOTES
TOTAL PROGRAM APPROPRIATIONS		8,405,314	6,690,770	0	6,690,770	80%	Positive variance due to underspending in IMPACT grant, Evaluation, various grants, and pending planning of the PAC-Unallocated Fund.

Attachment 7B

	ORG/ACCT#	FY16-17 Revised Budget	YTD Actuals	YTD Accruals *	FY16-17 Budget Close-Out	FY16-17 Budget Close-Out versus Revised Budget (%)	NOTES
2. ADMINISTRATIVE							
Salaries and Benefits		636,702	625,529	-	625,529	98%	Staff job reclassification was completed.
Services and Supplies							
Outside Printing & Copy Svc	19510-5191	4,000	1,535	-	1,535	38%	Underspending in Outside Printing associating with printing of Marketing and Outreach Materials.
General Office Supplies	19510-5193	11,400	6,394		6,394	56%	Delayed purchase of \$2K budget for the standing desk purchases and workstation ergonomic improvements are carried over to FY17-18.
Photocopy Lease & Usage	19510-5196	2,500	1,187		1,187	47%	Lower spending during office reconstruction
Computer Supplies	19510-5211	10,000	2,545	-	2,545	25%	Underspend in Statistic software used for Evaluation activities.
County Memberships - (e.g. F5 Assn Dues)	19510-5331	17,500	14,766	-	14,766	84%	
Auto Allowance	19510-5712	11,000	10,884	-	10,884	99%	-
Meetings & Conference Expense	19510-5721	13,000	7,231	-	7,231	56%	Saving due to the F5CA Staff Summit held in Sacramento with lower travel costs.
Commissioners Meetings & Conference Exp	19510-5723	1,000	432	-	432	43%	
Other Business Travel expense	19510-5724	5,000	4,650	-	4,650	93%	
Dept. Employee Training Expense	19510-5731	5,000	2,665	-	2,665	53%	
Wellness grant	19510-5856		1,276	-	1,276		
Other Professional Services	19510-5858	30,000	1,463	-	1,463	5%	Saving due to MAA initial exploring phase.
Sub Total - Services & Supply		110,400	55,027	-	55,027	50%	Positive variances due to under spending in Professional Services, Computer Supplies, and other Admin areas.
Other Charges							
Telephone Service Charges	19510-6712	3,800	4,538		4,538	119%	Higher telephone charges are due to estimated allocation among Telephone and ISD Automation charges.
Automation Services - ISD	19510-6713	42,000	34,284		34,284	82%	Higher Telephone charges are offset by lower ISD Automation Service charges; both items are included in a combined ISD budget.
Annual Facilities Lease	19510-6716	105,000	98,796		98,796	94%	Delayed purchase of \$7K budget for smaller size office furniture are carried over to FY17-18
General Liability Insurance	19510-6725	7,200	5,885		5,885	82%	-
Official Bond Insurance	19510-6727	300	205		205	68%	-
Human Resources Services	19510-6733	5,350	2,769		2,769	52%	Saving associated with Employee Training and Development by HR.
Countywide Security Services	19510-6738	500	456	-	456	91%	
All Other Service Charges	19510-6739	48,000	33,055		33,055	69%	Underspending in Audit and County Counsel services charges.
A-87 Expense	19510-6821	66,000	65,877		65,877	100%	
Sub Total - Other Charges		278,150	245,865	-	245,865	88%	Saving in Human Resources, audit, and county counsel service charges.

Attachment 7B

	ORG/ACCT#	FY16-17 Revised Budget	YTD Actuals	YTD Accruals *	FY16-17 Budget Close-Out	FY16-17 Budget Close-Out versus Revised Budget (%)	NOTES
TOTAL ADMINISTRATIVE APPROPRIATIONS		1,025,252	926,420	0	926,420	90%	Saving in Other Professional Services, services charges of HR, audit, and county counsel.

Attachment 7B

	ORG/ACCT#	FY16-17 Revised Budget	YTD Actuals	YTD Accruals *	FY16-17 Budget Close-Out	FY16-17 Budget Close-Out versus Revised Budget (%)	NOTES
Administrative Cost %		11%	12%		12%		-
							-
TOTAL APPROPRIATIONS		9,430,566	7,617,190	0	7,617,190	81%	Positive variances due to underspending in both Program and Administrative Budget.
							-
FUND BALANCE (ENDING)		12,841,232	14,655,948	266,580	14,922,528	116%	Positive variances due to higher Interest Revenue and the disbursement of CHI Federal refund and under spending in both Program and Admin Appropriations.
			-	-	-		-
Program Staff		488,065	441,784		441,784	91%	Saving due to an Extra-Help vacancy in Q4 of the fiscal year.
Evaluation Staff		146,464	143,235		143,235	98%	-
Admin Staff		636,702	625,529		625,529	98%	Staff job reclassification is completed.
Total Salaries and Benefits		1,271,231	1,210,548	0	1,210,548	95%	Positive variances due to delayed hiring of an Extra-Help

YTD Benchmark Percentage :100%

	FY16-17 Revised Budget	YTD Actuals	YTD Accruals *	FY16-17 Budget Close-Out	FY16-17 Budget Close-Out versus Revised Budget (%)	NOTES
REVENUE						
FUND BALANCE (Beginning)	\$ 15,845,751	\$ 15,845,751	\$ -	\$ 15,845,751		Adjusted Beginning Fund Balance as per the FY15-16 Audit Report.
Interest	114,047	156,475	-	156,475	137%	Higher interest revenue from county investment pool.
Tobacco Tax - Prop 10	5,854,000	5,846,431	-	5,846,431	100%	-
IMPACT grant	458,000	160,971	266,580	427,551	93%	\$266K is Q3 & Q4'17 accruals
Wellness Grant	-	1,035	-	1,035		-
Miscellaneous Reimbursements	-	262,475	-	262,475		\$237K are Federal refund for CHI program for the period FY14-16
TOTAL REVENUE	6,426,047	6,427,387	266,580	6,693,967	104%	Positive variance due to higher Interest revenues and CHI Federal refund.
TOTAL AVAILABLE FUNDS	22,271,798	22,273,138	266,580	22,539,718		
APPROPRIATIONS						
1. PROGRAMS						
Family Engagement	2,308,072	2,105,686	0	2,105,686	91%	-
Kit for New Parent KNP (KNP)	41,000	24,965	0	24,965	61%	Part of the KNP orders will be delivered and recorded in FY17-18.
Child Health & Development	1,846,186	1,475,137	0	1,475,137	80%	Underspend fund of the CHI program is carried over to FY18-20 funding allocation; delayed contracting of Mental Health System strategy to Q3/Q4; underspending in SHEC new grant (Faith In Action)
Early Learning	2,140,406	1,654,593	0	1,654,593	77%	EQ+IP grant spending is 80% in the fiscal year; grant is anticipated with fully execution in FY17-18.
Early Learning - Regional Cost Sharing	30,000	0	0	0	0%	
IMPACT Grant	550,122	325,706	0	325,706	59%	77%). 4Cs is delayed as we roll out foundational QRIS communication activities and SMCOE is expected to fully spend the contract amount.
Policy Advocacy, Communications & Systems Change	411,379	331,094	0	331,094	80%	Underspending in Pre-K to 3rd Grade grant (63%). Program Coordinator hiring process was delayed the first 6 months. It is anticipated that contract will be fully executed.
Unallocated Fund - Policy Advocacy, Communications & Systems Changes (PAC)	160,000	0	0	0	0%	Pending planning of the Policy Advocacy, Communications, System Changes - Unallocated Fund.
Other Communications	10,000	7,000	0	7,000	70%	Saving in Sponsorship budget.
Program Salary & Benefits	488,065	441,784	-	441,784	91%	Saving due to an Extra-Help vacancy in Q4 of the fiscal year.
Evaluation	273,620	181,571	-	181,571	66%	Pending planning and approval of the Evaluation fund by the Evaluation Committee.
Evaluation - Salaries & Benefits	146,464	143,235	-	143,235	98%	-
TOTAL PROGRAM APPROPRIATIONS	8,405,314	6,690,770	0	6,690,770	80%	Positive variance due to underspending in IMPACT grant, Evaluation, various grants, and pending planning of the PAC-Unallocated Fund.
2. ADMINISTRATIVE						
Salaries and Benefits	636,702	625,529	0	625,529	98%	
Sub Total - Services & Supply	110,400	55,027	-	55,027	50%	Positive variances due to under spending in Professional Services, Computer Supplies, and other Admin areas.
Sub Total - Other Charges	278,150	245,865	-	245,865	88%	Saving in Human Resources, audit, and county counsel service charges.
			-	-		
TOTAL ADMINISTRATIVE APPROPRIATIONS	1,025,252	926,420	0	926,420	90%	Saving in Other Professional Services, services charges of HR, audit, and county counsel.
Administrative Cost %	11%			12%		
TOTAL APPROPRIATIONS	9,430,566	7,617,190	0	7,617,190	81%	Positive variances due to underspending in both Program and Administrative Budget.
FUND BALANCE (ENDING)	12,841,232	14,655,948	266,580	14,922,528	116%	Positive variances due to higher Interest Revenue and the disbursement of CHI Federal refund and under spending in both Program and Admin Appropriations.

Total Salaries and Benefits	1,271,231	1,210,548	0	1,210,548	95%	Positive variances due to delayed hiring of an Extra-Help
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Date: October 23, 2017
To: First 5 San Mateo County Commission
From: Kitty Lopez, Executive Director
Re: Approval of First 5 San Mateo County's Basic Financial Statements for Year Ending June 30, 2017 Audit Report and Submission to the California State Controller's Office and First 5 California

ACTION REQUESTED

Approval of First 5 San Mateo County's Basic Financial Statements for Year Ending June 30, 2017 Audit Report and Submission to the California State Controller's Office and First 5 California

BACKGROUND

In accordance with California Health & Safety Code Sections 130140 and 130150, County Commissions are required to conduct an audit of their financial operations for each fiscal year and present the audit at a public hearing prior to submitting the report to First 5 California.

Each County Commission's audit should be performed in accordance with generally accepted auditing standards of Institute of Certified Public Accountants and generally accepted governmental auditing standards issued by the United States General Accounting Office for financial and compliance audits. In addition, effective FY2006-2007, all County Commission audits must be in accordance with the California State Controller's Standards and Procedures for Audits of California Counties Participating in the California Children and Families Program. County Commission audits must be submitted to both First 5 California and the California State Controller's Office by November 1st of each year.

New Implementation of GASB 82, statement that covered payroll is based on payroll contributions.

Continuing implementation of GASB 68:

- Financial reporting impact only; GASB 68 ushers in changes to the reporting of pension assets and liabilities, requiring immediate recognition of the net long-term liability of future pension benefits in excess of accumulated plan assets.
- No change to cash flow, current contribution rates, and/or to the budget
- Will include a year-end entry to pension expense from cash basis during the year to year-end accrual basis.

FY2016-2017 FINANCIAL AUDIT REPORT - OUTCOMES

In accordance with the above requirements, an audit of First 5 San Mateo County's (F5SMC) FY2016-2017 Financial Statements was conducted by an independent auditor, R. J. Ricciardi, Inc. San Rafael, California (RJR). Please see the F5SMC's Basis Financial Statements for the Year Ending June 30, 2017 Audit Report (**Attachments 8A**) and Communication Letter to the Board of Commission (**Attachment 8B**).

Highlights of the Basic Financial Statements for the year ending June 30, 2017 Audit Report include:

- Independent Auditor's Report Financial Statements: Unmodified – clean opinion.
- Government Auditing Standards: No significant deficiencies. No instances of noncompliance and other matters are identified.

- State Compliance Standards: F5SMC complied in all material respects with the compliance requirements. There were no current year findings.

FISCAL IMPACTS

Impacts of SamCERA GASB 68 implementation:

- No fiscal impacts to cash flow, current contribution rates, and or to the Budget.
- Consider GASB 68 implication to Fund Balance Projection in the F5SMC's Long-Term Financial Plan.

Impacts of GASB 72 implementation: None.

RECOMMENDATION

Approval of First 5 San Mateo County's Basic Financial Statements for Year Ending June 30, 2017 Audit Report and Submission to the California State Controller's Office and First 5 California

September 15, 2017

Board of Commissioners
First 5 San Mateo County
San Mateo, California

We have audited the financial statements of the governmental activities and the major fund of First 5 San Mateo County for the year ended June 30, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 21, 2017. Professional standards also require that we communicate to you the following information related to our audit.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by First 5 San Mateo County are described in Note 2 to the financial statements. As described in Note 2K to the financial statements, First 5 San Mateo County changed accounting policies related to the following: In March 2016, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 82, *Pension Issues – an amendment of Statements No. 67, No. 68, and No. 73*. This Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting for Financial Reporting for Pensions*, and No. 73, *Accounting for Financial Reporting for Pensions and Related Assets That Are Not within the Scope of Statement 68, and Amendments to Certain Provisions of Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. As of July 1, 2016, First 5 San Mateo County implemented this Statement.

We noted no transactions entered into by First 5 San Mateo County during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. We evaluated the key factors and assumptions used to develop the accounting estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 15, 2017.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to First 5 San Mateo County's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as First 5 San Mateo County's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Board of Commissioners and management of First 5 San Mateo County and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

R.J. Ricciardi, Inc.

R.J. Ricciardi, Inc.
Certified Public Accountants

**FIRST 5 SAN MATEO COUNTY
(A DISCRETELY PRESENTED COMPONENT
UNIT OF THE COUNTY OF SAN MATEO)**

SAN MATEO, CALIFORNIA

BASIC FINANCIAL STATEMENTS

JUNE 30, 2017

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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
First 5 San Mateo County
San Mateo, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of First 5 San Mateo County, a discretely presented component unit of the County of San Mateo, California, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise First 5 San Mateo County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these basic financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of First 5 San Mateo County as of June 30, 2017, and the respective changes in financial position, and the respective budgetary comparisons included as part of the basic financial statements, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 6, the schedule of proportionate share of the net pension liability, the schedule of First 5's contributions - pension plan, and the schedule of funding progress - other postemployment benefits, on pages 29 through 31, listed as required supplementary information in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 15, 2017 on our consideration of First 5 San Mateo County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering First 5 San Mateo County's internal control over financial reporting and compliance.

R.J. Ricciardi, Inc.

R.J. Ricciardi, Inc.
Certified Public Accountants

San Rafael, California
September 15, 2017

First 5 San Mateo County
(A Discretely Presented Component Unit of the County of San Mateo)
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2017

In November 1998, voters passed a statewide ballot initiative, Proposition 10, to fund programs that promote the physical, cognitive and emotional development of children ages 0-5. Proposition 10 funds are generated by a tax on tobacco products and are intended to facilitate the creation and implementation of an integrated and collaborative system of care for young children in the areas of health, family support and early learning. All revenue generated is collected in the California Children and Families (First 5 California) Trust Fund Account and allocations are made to each of the 58 counties in the State based on the number of births recorded in the relevant county in proportion to the number of births recorded in California. Each county must establish a local First 5 Commission to oversee the use of these funds in accordance with their strategic plan.

This Management's Discussion and Analysis is intended to serve as a narrative overview and analysis of the financial activities of First 5 San Mateo County (First 5) for the year ended June 30, 2017. The information presented should be read in conjunction with the information furnished in the financial statements and notes to the financial statements.

Financial Highlights

During the fiscal year ended June 30, 2017, First 5 contributed over \$6 million in a wide variety of local programs and services for young children and their families.

Government-wide Financial Analysis

- The assets of First 5 exceeded its liabilities as of June 30, 2017 by \$14,745,489 (*net position*). The remaining balance may be used to meet First 5's ongoing obligations to grantees and creditors.

Fund Financial Analysis

- Total fund balance as of June 30, 2017 was \$14,938,670. Of this amount, \$8,318,846 was committed for current executed grants and contracts and for contract amendments not yet executed (obligated); and the remaining \$6,619,824 was set aside for future programs, projects, and activities. All funding awards were in accordance with First 5's Strategic Plan and Long-Term Financial Plan.
- Contributions to local projects increased by \$82,047 or 1.4% from the previous fiscal year.

Overview of the Financial Statements

This discussion and analysis serves as an introduction to First 5's basic financial statements which include three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the basic financial statements

Government-wide financial statements provide readers with a broad overview of First 5's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of First 5's assets and liabilities, with the difference between the two reported as net position.

First 5 San Mateo County
 (A Discretely Presented Component Unit of the County of San Mateo)
MANAGEMENT'S DISCUSSION AND ANALYSIS
 For the Year Ended June 30, 2017

The *statement of activities* presents information showing how First 5's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus revenues and expenses are reported in this statement for some items that will only result in cash flows in a future fiscal period (e.g. earned but unused vacation leave).

The *government-wide financial statements* can be found on pages 7 and 8 of this report.

Fund financial statements are groupings of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. Fund financial statements report essentially the same functions as those reported in the government-wide financial statements; however they focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year.

The *fund financial statements* can be found on pages 9 and 10 of this report.

Notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The *notes* can be found on pages 12 through 28 of this report.

Government-wide Financial Analysis

As of June 30, 2017, First 5 assets exceeded liabilities by \$14,745,489.

Net Position

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total assets	\$ 17,492,146	\$ 18,092,801	\$ 20,210,464
Total deferred outflows of resources	\$ 599,924	\$ 208,495	\$ 203,366
Total liabilities	\$ 3,225,226	\$ 2,632,557	\$ 3,879,848
Total deferred inflows of resources	\$ 121,355	\$ 21,125	\$ 240,810
Net position	\$ 14,745,489	\$ 15,647,614	\$ 16,293,172

Governmental Accounting Standards Board (GASB) Statement No. 68 – Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27, and GASB Statement No. 71 - Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68. The GASB issued these statements to improve accounting and financial reporting by state and local governments for pensions. As of July 1, 2014, First 5 implemented this Statement and restated the beginning net position by \$569,886 and recognized \$204,061 of beginning deferred outflow of resources for its pension contributions to establish beginning pension liabilities of \$773,947.

Fiscal Year 2017 Compared to Fiscal Year 2016

- At the end of fiscal year 2017, total assets decreased by \$600,655 (3.3%) when compared to fiscal year 2016. The decrease was primarily due to the decrease in cash and cash equivalents for grant and vendor payments made during the year.
- Total deferred outflows of resources increased by \$391,429 (187.7%) due to a change in deferred pension actuarial assumptions.

First 5 San Mateo County
 (A Discretely Presented Component Unit of the County of San Mateo)
MANAGEMENT'S DISCUSSION AND ANALYSIS
 For the Year Ended June 30, 2017

Fiscal Year 2017 Compared to Fiscal Year 2016 (concluded)

- Total liabilities increased by \$592,669 (22.5%). The increase was mainly due to more grant and vendor payments due and payable at year end.
- Total deferred inflows of resources increased by \$100,230 (474.5%) due to a change in deferred pension actuarial assumptions.
- Net position decreased by \$902,125 (5.8%). Net position is money received that is set aside for programs, projects, and activities to be conducted in the future according to a documented plan, budget or financial forecast formally approved by First 5.
- For the year ended June 30, 2017, the beginning net position has been adjusted by \$55,699 to increase the net position balance as of the beginning of the period. The net pension liability was overstated in the previous year by \$55,699.

Fiscal Year 2016 Compared to Fiscal Year 2015

- At the end of fiscal year 2016, total assets decreased by \$2,117,663 (10.5%) when compared to fiscal year 2015. The decrease was primarily due to the decrease in cash and cash equivalents for grant and vendor payments made during the year.
- Total deferred outflows of resources increased by \$5,129 (2.5%).
- Total liabilities decreased by \$1,247,291 (32.1%). The decrease was mainly due to less grant and vendor payments due and payable at year end.
- Total deferred inflows of resources decreased by \$219,685 (91.2%) due to a change in deferred pension actuarial assumptions.
- Net position decreased by \$645,558 (4.0%). Net position is money received that is set aside for programs, projects, and activities to be conducted in the future according to a documented plan, budget or financial forecast formally approved by First 5.

Changes in Net Position

	2017	2016	2015
Program revenues	\$ 6,275,018	\$ 6,586,370	\$ 6,886,591
General revenues	392,750	248,706	236,513
Program expenses	<u>(7,625,592)</u>	<u>(7,480,634)</u>	<u>(10,225,219)</u>
Change in net position	(957,824)	(645,558)	(3,102,115)
Net position, beginning of period (as restated)	<u>15,703,313</u>	<u>16,293,172</u>	<u>19,395,287</u>
Net position, end of period	<u>\$ 14,745,489</u>	<u>\$ 15,647,614</u>	<u>\$ 16,293,172</u>

Fiscal Year 2017 Compared to Fiscal Year 2016

- Program revenues decreased by \$311,352 (4.7%) and general revenues increased by \$144,044 (57.9%). The decrease in program revenue was primarily due to decreases in tobacco tax and other grants. The increase in general revenue was primarily due to a Federal Refund of Child Health Initiative program.
- Program expenses increased by \$144,958 (1.9%). The majority of the increase was due to an increase in contributions to local projects.

First 5 San Mateo County
(A Discretely Presented Component Unit of the County of San Mateo)
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2017

Fiscal Year 2016 Compared to Fiscal Year 2015

- Program revenues decreased by \$300,221 (4.4%) and general revenues increased by \$12,193 (5.2%). The decrease in program revenue was primarily due to decreases in tobacco tax and other grants. The increase in general revenue was primarily due to more investment gains.
- Program expenses decreased by \$2,744,585 (26.8%). The majority of the decrease was due to a decrease in contributions to local projects.

Fund Financial Analysis

First 5 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. As of June 30, 2017, First 5 reported a fund balance of \$14,938,670, a decrease of \$992,553 (6.2%) from the prior year. The decrease was mainly due to spending of First 5's fund balance committed to grantees and contractors through contractual obligations. Of the total, \$8,318,846 of the fund balance was committed to grantees and contractors through contractual obligations in accordance with First 5's Strategic Plan and Long-Term Financial Plan. These plans are reviewed and approved by the First 5 Commission on an annual basis.

Budgetary Highlights

First 5 operating budget for FY16-17 totaled \$9.4 million. The budget closeout revealed an estimated savings of \$1.8 million, which is the excess of approved budgeted expenditures compared to actual expenditures. A key factor accounting for the \$1.8 million positive budget variance was contributions to local projects which were attributed to under spending in grantee's contracts.

The budgetary comparison information can be found on page 11 of this report.

Requests for Information

This financial report is designed to provide a general overview of First 5's finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to Kitty Lopez, Executive Director, First 5 San Mateo County, 1700 S. El Camino Real, Suite 405, San Mateo, CA 94402-3050.

First 5 San Mateo County
(A Discretely Presented Component Unit of the County of San Mateo)

STATEMENT OF NET POSITION

June 30, 2017

	Governmental Activities
<u>ASSETS</u>	
Cash and cash equivalents	\$ 16,396,056
Intergovernmental receivable, net	886,830
Interest receivable, net	43,892
Net OPEB asset	165,368
Total assets	17,492,146
 <u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred outflows of resources	599,924
Total deferred outflows of resources	599,924
 <u>LIABILITIES</u>	
Accounts payable	2,329,933
Salaries and benefits payable	58,175
Long-term liabilities:	
Net pension liability	770,981
Compensated absences:	
Payable in less than one year	52,427
Payable in more than one year	13,710
Total liabilities	3,225,226
 <u>DEFERRED INFLOWS OF RESOURCES</u>	
Deferred inflows of resources	121,355
Total deferred inflows of resources	121,355
 <u>NET POSITION</u>	
Unrestricted	14,745,489
Total net position	\$ 14,745,489

The accompanying notes are an integral part of these financial statements.

First 5 San Mateo County
(A Discretely Presented Component Unit of the County of San Mateo)

Exhibit B

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2017

	<u>Governmental Activities</u>
Program expenses:	
Salaries and wages	\$ 633,754
Employee benefits	221,261
Pension expenses	363,749
General office supplies	26,428
Professional services	246,050
Other administrative expenses	28,598
Contributions to local projects	<u>6,105,752</u>
Total program expenses	<u>7,625,592</u>
Program revenues:	
Operating grants and contributions:	
Tobacco tax	6,273,983
Other grants	<u>1,035</u>
Total program revenues	<u>6,275,018</u>
Net program revenues (expenses)	<u>(1,350,574)</u>
General revenues:	
Investment earnings (losses)	87,330
Other revenue	<u>305,420</u>
Total general revenues	<u>392,750</u>
Change in net position	(957,824)
Net position, beginning of period	15,647,614
Restatement	<u>55,699</u>
Net position, end of period	<u>\$ 14,745,489</u>

The accompanying notes are an integral part of these financial statements.

First 5 San Mateo County
(A Discretely Presented Component Unit of the County of San Mateo)

GOVERNMENTAL FUNDS BALANCE SHEET

June 30, 2017

ASSETS

Cash and cash equivalents	\$ 16,396,056
Intergovernmental receivable, net	886,830
Interest receivable, net	<u>43,892</u>
Total assets	<u>\$ 17,326,778</u>

LIABILITIES AND FUND BALANCES

Liabilities:

Accounts payable	\$ 2,329,933
Salaries and benefits payable	<u>58,175</u>
Total liabilities	<u>2,388,108</u>

Fund balances:

Committed	8,318,846
Assigned	<u>6,619,824</u>
Total fund balances	<u>14,938,670</u>

Total liabilities and fund balances	<u>\$ 17,326,778</u>
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Reconciliation of the Governmental Funds Balance Sheet with the Governmental Activities Statement of Net Position:

Total Governmental Funds Fund Balances	\$ 14,938,670
Amounts reported in the Statement of Net Position are different because:	
Long-term assets are not available to pay for current period expenditures, and long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental fund:	
Net OPEB asset	165,368
Deferred pension contributions	599,924
Net pension liability	(770,981)
Deferred pension actuarial	(121,355)
Compensated absences	<u>(66,137)</u>
Net Position of Governmental Activities	<u>\$ 14,745,489</u>

The accompanying notes are an integral part of these financial statements.

First 5 San Mateo County
(A Discretely Presented Component Unit of the County of San Mateo)

GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 2017

Revenues:	
Tobacco tax	\$ 6,273,983
Investment earnings (losses)	87,330
Other grants	1,035
Other revenue	262,475
Total revenues	<u>6,624,823</u>
Expenditures:	
Salaries and benefits	1,210,548
Services and supplies	301,076
Contributions to local projects	6,105,752
Total expenditures	<u>7,617,376</u>
Excess of revenues over (under) expenditures	(992,553)
Fund balance, beginning of period	<u>15,931,223</u>
Fund balance, end of period	<u>\$ 14,938,670</u>

Reconciliation of the Net Change in Fund Balances with the Change in Net Position of Governmental Activities:

Net Change in Fund Balances	\$ (992,553)
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Amounts reported in the Statement of Activities are different because:

Change in long-term portion of assets and liabilities do not provide or require the use of current financial resources and therefore are not reported in the governmental fund:

Change in net OPEB asset	(697)
Change in deferred pension contributions	391,429
Change in net pension liability	(198,562)
Change in deferred pension actuarial	(100,230)
Change in compensated absences	(1,512)
Restatement	(55,699)
Change in Net Position of Governmental Activities	<u>\$ (957,824)</u>

The accompanying notes are an integral part of these financial statements.

First 5 San Mateo County
(A Discretely Presented Component Unit of the County of San Mateo)

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

Budget and Actual
For the Year Ended June 30, 2017

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget
Revenues:				
Tobacco tax	\$ 5,821,000	\$ 6,312,000	\$ 6,273,983	\$ (38,017)
Investment earnings (losses)	94,047	114,047	156,475	42,428
Other grants	-	-	1,035	1,035
Other revenue	-	-	262,475	262,475
Total revenues	<u>5,915,047</u>	<u>6,426,047</u>	<u>6,693,968</u>	<u>267,921</u>
Expenditures:				
Salaries and benefits	1,251,201	1,271,231	1,210,548	60,683
Services and supplies	418,550	388,550	300,892	87,658
Contributions to local projects	<u>7,486,000</u>	<u>7,770,785</u>	<u>6,105,752</u>	<u>1,665,033</u>
Total expenditures	<u>9,155,751</u>	<u>9,430,566</u>	<u>7,617,192</u>	<u>1,813,374</u>
Excess of revenues over (under) expenditures	<u>\$ (3,240,704)</u>	<u>\$ (3,004,519)</u>	(923,224)	<u>\$ 2,081,295</u>
Fund balance, beginning of period			<u>15,845,751</u>	
Fund balance, end of period			<u>\$ 14,922,527</u>	

The accompanying notes are an integral part of these financial statements.

First 5 San Mateo County
(A Discretely Presented Component Unit of the County of San Mateo)
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 1 - GENERAL

Under the authority of the California Children and Families First Act of 1998 and sections 130100, et seq. of the Health and Safety Code, the Children & Families First Commission of San Mateo County (Commission) was established in March 1999. The Commission set up the Children and Families First Trust Fund with the County of San Mateo (County) in March 1999 to account for the receipts and disbursements of California Children and Families Trust Fund allocations to the Commission. On January 7, 2003, the County Board of Supervisors passed an ordinance changing the Commission's name to First 5 San Mateo County (First 5).

The financial transactions of First 5 are accounted for in a special revenue fund, as monies received by it are legally restricted or committed to specific use. Moneys allocated and appropriated to First 5 can be expended only for purposes authorized by the California Children and Families First Act of 1998 (Proposition 10) and in accordance with the First 5 Strategic Plan and Long-Term Financial Plan approved by the First 5 Commission and approved through the County budget process.

The County Board of Supervisors appoints all the members of the First 5 Commission. Therefore, the financial activities of First 5 are included in the basic financial statements of the County as a discretely presented component unit.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIESA. Measurement Focus, Basis of Accounting, & Financial Statement Presentation

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) are reported using the *economic resources measurement focus* and the *accrual* basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Contributions to local grantee organizations are recognized as expenditures when criteria for grant payments are met by the grantee organizations. When both restricted and unrestricted net position is available, restricted resources are generally depleted first before the unrestricted resources are used.

The Statement of Net Position presents First 5's financial position in a net position approach. The Statement of Activities report the change in net position in a net program cost format to demonstrate the degree to which the expenses of First 5 are offset by its program revenues - tobacco tax and private grants. First 5 has no business-type activities.

The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

First 5 San Mateo County
(A Discretely Presented Component Unit of the County of San Mateo)
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Measurement Focus, Basis of Accounting, & Financial Statement Presentation (concluded)

Governmental fund financial statements, presented after the government-wide financial statements, are reported using the *current financial resources measurement focus* and the *modified accrual* basis of accounting. With this measurement focus, only current assets and current liabilities are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in current assets. Revenues are recognized as soon as they are both measurable and available. "Measurable" means that the amount of the transaction can be determined. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Revenues from reimbursement type programs are considered to be *available* when they are collectible within six months of the end of the current fiscal period in order to properly match revenues with related expenditures. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable.

The emphasis of fund financial statements is on major governmental funds. All remaining governmental funds are aggregated and reported as non-major funds, regardless of their fund type. Major funds are those that have assets, liabilities, revenue or expenditures equal to ten percent of their fund-type total. The General Fund is always a major fund. First 5 may also select other funds it believes should be presented as major funds.

First 5 reports the following major governmental fund types: the General Fund is First 5's primary operating fund. It is used to account for all activities, except those required to be accounted for in another fund.

B. Program Revenues

Program revenues in the financial statements include tobacco tax and other funding from First 5 California, other grants, and private grants.

C. Net Position

The government-wide financial statements utilize a net position presentation. Net position is categorized as invested in capital assets (net of related debt), restricted and unrestricted.

Invested in Capital Assets, Net of Related Debt - This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

Restricted Net Position - This category presents external restrictions imposed by creditors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position - This category represents net position of First 5 not restricted for any project or other purpose.

First 5 San Mateo County
(A Discretely Presented Component Unit of the County of San Mateo)
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, First 5 recognized deferred outflows and inflows of resources.

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period and will not be recognized as an outflow of resources (expense/expenditure) until then. First 5 has one such item which is reported in note 7.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. A deferred inflow of resources is defined as an acquisition of net position by the government that is applicable to a future reporting period and will not be recognized as an inflow of resources (revenue) until then. First 5 has one such item which is reported in note 7.

E. Use of Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results based on subsequent events could differ from those estimates.

F. Budgetary Information

First 5 adopts an annual budget, which can be amended by First 5 throughout the year. The basis used to prepare the budget is the same as the basis used to reflect actual revenues and expenditures, except that liability for compensated absences, postemployment benefits other than pensions and unrealized gains and losses are not included in the budget.

G. Other Postemployment Benefits (OPEB)

First 5 employees participate in the defined benefit post employment healthcare plan administered by the County. The County is not obligated to pay for unused sick leave if employees terminate employment prior to retirement, except for those individuals who are laid off. Upon retirement, unused sick leave can be converted to postemployment healthcare benefits. The amount and duration of the County-paid benefits vary, depending on the bargaining units to which the employee belongs. The public safety employees are eligible to retire after attaining age 50 with at least ten years of service or at any age with 20 years of service. Others must retire from the County on or after attaining age 50 with at least ten years of service.

First 5 San Mateo County
 (A Discretely Presented Component Unit of the County of San Mateo)
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

H. Risk Management

First 5 is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County of San Mateo, through its self-insurance program, provides First 5 with Worker's Compensation and Employer Liability Insurance. First 5 compensates the County for maintaining such insurance. The County Counsel provides legal representation for any claims or litigation for First 5.

Claims have not exceeded coverage in the past fiscal year and there has not been a significant reduction in coverage in the current fiscal year.

I. Economic Dependency

First 5 has a significant economic dependency on tobacco tax allocations from the State, as these allocations represent a substantial portion of First 5's revenue. During the year ended June 30, 2017, First 5 received \$6,273,983, which amounts to 94% of total revenue for the year. First 5's ability to continue operations depends primarily on the continuance of this funding source. Tobacco tax allocations from the State do not have a termination date but are vulnerable to changes in legislation.

J. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of First 5's pension plan and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by SamCERA. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

K. Implementation of Governmental Accounting Standards Board (GASB) Statements

GASB Statement No. 82 – Pension Issues

In March 2016, the GASB issued GASB Statement No. 82, *Pension Issues – an amendment of Statements No. 67, No. 68, and No. 73*. This Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting for Financial Reporting for Pensions*, and No. 73, *Accounting for Financial Reporting for Pensions and Related Assets That Are Not within the Scope of Statement 68, and Amendments to Certain Provisions of Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. This Statement is effective for First 5's fiscal year ending June 30, 2017.

First 5 San Mateo County
 (A Discretely Presented Component Unit of the County of San Mateo)
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 3 - CASH AND CASH EQUIVALENTSCash and Cash Equivalents

Cash and cash equivalents are pooled with other funds in the San Mateo County Investment Pool (County Pool). The County Pool includes both voluntary and involuntary participants from external public entities. First 5 is a voluntary participant in the County Pool. Interest earned is received quarterly. Cash and cash equivalents in the County Pool are reported at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. The change in fair value for the year is recorded as unrealized gain or loss and reported as part of investment earnings. Fair value is based on information provided by the County Treasurer.

The County Pool is a governmental investment pool managed and directed by the elected San Mateo County Treasurer (Treasurer). The County Pool is not registered with the Securities and Exchange Commission as an investment company. California Government Code and the County's Investment Policy govern the County Pool activities. The objectives of this policy, in order of priority, are: safety, liquidity, yield, and public trust. The pool attempts to match maturities with planned outlays and maximize the return on investment over various market cycles. Yield is considered only after safety and credit quality have been met, consistent with limiting risk and prudent investment principles. The County Board reviews the County's Investment Policy annually, and all amendments to the policy must be approved by the County Board.

The fair value of cash and cash equivalents of First 5's investment in the County Pool is reported in the accompanying financial statements at amounts based upon First 5's pro-rated share of the fair value provided by the Treasurer for the County Pool portfolio. First 5's cash and cash equivalents in the pool totaled \$16,396,056 as of June 30, 2017. The contractual withdrawal values (book values) were \$16,414,448 as of June 30, 2017.

Fair Value of Investments

First 5 categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

First 5 has the following recurring fair value measurements as of June 30, 2017:

San Mateo County Investment Pool (Level 2 inputs)	<u>\$ 16,396,056</u>
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First 5 San Mateo County
(A Discretely Presented Component Unit of the County of San Mateo)
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 3 - CASH AND CASH EQUIVALENTS (continued)Authorized Investments of the County Pool

The County's Investment Policy and the California Government Code allow the County Pool to invest in the following, provided the credit ratings of the issuers are acceptable to the County Pool. The following also identifies certain requirements of the County Pool and California Government Code that address interest rate risk, credit risk, and concentrations of credit risk.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Minimum Credit Quality</u>	<u>Maximum % Allowed in Portfolio</u>	<u>Maximum % Investment in One Issuer</u>
U.S. Treasury obligations	7 years	N/A	100	100
Obligations of U.S. agencies or government sponsored enterprises	7 years	AA or A-1	100	40
U.S. agencies callables	7 years	AA	100	25
Commercial paper	270 days or less	A1/P-1/F1	40	5
Negotiable certificates of deposit	5 years	A1/P-1/F1	30	5
Bankers acceptances	180 days	A1/P-1/F1	15	5
Collateralized time deposits within the State of California	1 year	A1/P-1/F1	15	5
Mortgage backed securities/CMO's	5 years	A or AA	20	5
Asset backed securities	5 years	AAA	20	5
Corporate bonds, medium term notes and covered bonds	5 years	AA/A	30	5
U.S. Instrumentalities	5 years	AA	30	N/A
CA Municipal Obligations	5 years	AA	30	5
Repurchase agreements secured by U.S. Treasury of agency obligation	92 days	A-1	100	See limitation for Treasuries and Agencies above
Local Agency Investment Fund (LAIF)	N/A	N/A	N/A	Up to the current state limit
Shares of beneficial interest	N/A	A1/P1	10	5
Local Government Investment Pools (LGIPs)	N/A	N/A	10	5

At June 30, 2017, the County Pool was invested in the following securities:

<u>Investment Type</u>	<u>Interest Rate</u>	<u>Maturities</u>	<u>Weighted Average Maturity (Years)</u>	<u>Rating</u>
Certificates of deposit	1.10%-1.35%	7/7/17-3/5/18	0.31	A-1+
Commercial paper	0.00%	7/7/17-3/2/18	0.26	A-1, A-1+
LAIF	1.01%	7/3/17	0.08	NR
Repurchase agreements	1.08%	7/3/17	0.08	AA+
U.S. Treasury bills	0.00%	7/20/17-10/19/17	0.17	AA+
U.S. Treasury notes	0.63%-1.88%	9/30/17-10/31/23	3.31	AA+
Federal agency floating rate securities	1.13%-1.22%	1/11/18-5/26/20	1.85	AA+
Federal agency securities	0.00%-1.80%	7/14/17-8/17/21	1.16	AA+
U.S. Instrumentalities	0.00%-2.00%	7/24/17-7/15/22	1.65	AAA
Floating rate securities	1.25%-2.11%	7/7/17-5/16/22	1.65	AA-, A, AA, A+, AA+
Corporate bonds	0.88%-2.15%	7/21/17-4/7/21	1.18	AA-, AA, AAA, A+, AA+

First 5 San Mateo County
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NOTE 3 - CASH AND CASH EQUIVALENTS (concluded)County Pool: Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. State law and the County's investment policy limit the County's investments in commercial paper to the rating of A-1 or better by Standard & Poor's, or P-1 or better by Moody's Investors Service; and corporate bonds to the rating of A or higher by both Standard & Poor's and Moody's Investors Service. No limits are placed on the U.S. government agency securities and U.S. Treasuries. The County's Investment pool was unrated.

County Pool: Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the County Pool's investment in a single issuer of securities. For each authorized investment type, state law restricts the maximum percentages allowed in the portfolio and per issuer. As of June 30, 2017, the investment pool has five percent or more of its total investments with the following issuers: 37.3% in Government Agencies, 17.5% in Commercial Paper, 17.0% in U.S. Treasuries (notes, t-bills and cash management bills), 13.8% in Corporate Securities, and 5.5% in Repurchase Agreements.

County Pool: Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County Pool manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to three years or less in accordance with its investment policy. As of June 30, 2017, the County Pool had a weighted average maturity of 1.01 years and its investment in floating rate securities were \$321 million which are tied to the three-month London Interbank Offered Rate (LIBOR) index.

County Pool: Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. The County investment policy does not include specific provisions to address foreign currency risk because the County's investment pool does not invest in foreign securities.

NOTE 4 - INTERGOVERNMENTAL RECEIVABLE

Intergovernmental receivable represents revenues that were received after the fiscal year June 30, 2017:

Proposition 10 allocation - May	\$	207,233
Proposition 10 allocation - June		364,312
Surplus Money Investment Fund (SMIF)		4,758
Child Signature Program (CSP) #3		43,947
Impact Grant		<u>266,580</u>
Total	\$	<u><u>886,830</u></u>

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NOTE 5 - ACCOUNTS PAYABLE

Accounts payable is comprised of funding due to grantees and amounts due to vendors for services and supplies at the fiscal year ended June 30, 2017:

Funding due to grantees	\$ 2,074,077
Services and supplies	<u>255,856</u>
Total	<u>\$ 2,329,933</u>

NOTE 6 - COMPENSATED ABSENCES

First 5 accrues for compensated absences in the government-wide financial statements to pay its employees for unused vacation, compensatory time, and holiday. The accrual for compensated absences includes First 5's share of social security and Medicare contributions payable on behalf of the employees. Unused vacation, compensatory, and holiday time are cashed out upon separation.

The changes in the compensated absences balance for the fiscal year ended June 30, 2017 were as follows:

Balance – beginning of year	\$ 64,625
Additions	39,099
Retirements	<u>(37,587)</u>
Balance – end of year	<u>\$ 66,137</u>
Due within a year	<u>\$ 52,427</u>

NOTE 7 - EMPLOYEES' RETIREMENT PLANPlan Description

General. The San Mateo County Employees' Retirement Association (SamCERA) is a cost-sharing multiple-employer, defined benefit pension plan that provides benefits for substantially all permanent employees of the County, and two special districts. SamCERA was founded in 1944 under the authority granted by Article XVI of the Constitution of the State of California and the County Employees' Retirement Law of 1937 (the 1937 Act), and is not subject to the provisions of the Employee Retirement Income Security Act of 1974. SamCERA is a Pension Trust Fund of the participating employers.

Management of SamCERA is vested in the Board of Retirement consisting of nine members. SamCERA is governed by the California Constitution, the 1937 Act and the by-laws, procedures, and policies adopted by the Board of Retirement. Pursuant to the County Employees Retirement Law of 1937, board members include the County Treasurer, two general members of SamCERA elected by their peers, four members appointed by the County Board, one member from SamCERA's safety members, and one member from the retired membership.

The Board of Retirement undertakes the administrative and fiduciary responsibility over the pension plan. SamCERA issues a publicly available financial report that can be obtained by writing to the San Mateo County Employees' Retirement Association, 100 Marine Parkway, Suite 125, Redwood Shores, California 94065.

First 5 San Mateo County
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June 30, 2017

NOTE 7 - EMPLOYEES' RETIREMENT PLAN (continued)

Benefit Provisions. SamCERA provides service retirement, disability, and death benefits to plan members and beneficiaries based on defined benefit formulas using final average compensation, years of service, and age factors to calculate benefits payable. SamCERA has seven tiers that cover members classified as general, safety, or probation, and provides annual cost-of-living adjustments upon retirement to members of Tiers 1, 2, 4, 5, 6, and 7. The benefits of Tier 3 are reduced by a portion of Social Security benefits received by the member. The 1937 Act vests the County Board with the authority to initiate benefits, while Government Code Section 31592.2 empowers the Board of Retirement to provide certain ad hoc benefits when the Section 31592 reserve exceeds 1% of assets.

SamCERA has seven tiers covering members classified as general, safety or probation. Members in Tiers 1, 2, 4, 5, and 6 with 10 years of continuous service (permanent part-time employees need equivalent of 5 years of full-time service and 10 years of membership) may retire at age 50. Members in Tier 3 with 10 years of continuous service may retire at age 55. Members in Tier 7 with 5 years of service may retire at age 52.

General members in Tiers 1, 2, 4, 5, and 6 may retire at any age after 30 years of service. Safety members and Probation members may retire at any age after 20 years of service. A member who leaves county service may withdraw his or her contributions, plus any accumulated interest. Members with five years of service, permanent part-time employees with five years of full-time service, or non-contributory members (Tier 3) with 10 years of service, may elect a deferred retirement when terminating their employment with the County.

In addition to the basic member and the cost sharing contributions, certain plan members (except those in Tier 3) are required to make contributions to fund the Cost of Living Adjustments (COLA). Certain members in Tiers 1, 2 and 4 contribute a specific percentage of the retirement COLA cost. All members in Tiers 5 and 6 contribute 50% of the COLA. Members in Tier 7 contribute 50% of the aggregate normal cost rate for their plan.

Contributions. The 1937 Act established the basic obligations for employers and members to make contributions to the pension trust fund. The employer and member contribution rates are based on recommendations made by an independent actuary and adopted by the Board of Retirement. The participating employers are required by statutes to contribute the amounts necessary to fund the estimated benefits accruing to SamCERA members not otherwise funded by member contributions or expected investment earnings. Employer contribution rates for each tier are determined pursuant to Government Code Section 31453 of the 1937 Act. Contribution rates are actuarially determined using the entry age normal method and consist of an amount for normal cost (the estimated amount necessary to finance benefits earned by members during the year) and an amount required to amortize the unfunded actuarial accrued liability. Contributions to the plan from First 5 were \$176,870 for the year ended June 30, 2017.

For the fiscal year ended June 30, 2017, the contributions recognized as part of pension expense for the plan were as follows:

Contributions – employer	\$ 176,870
Contributions – employee	47,500

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NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 7 - EMPLOYEES' RETIREMENT PLAN (continued)Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2017, First 5 reported \$770,981 of net pension liabilities for its proportionate share of the net pension liability. The net pension liability of the plan is measured as of June 30, 2016, and the total pension liability for the plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016. First 5's proportion of the net pension liability was based on statutory contributions. First 5's proportionate share of the net pension liability was 0.11% as of June 30, 2016, which was an increase of 0.01% from its share measured as of June 30, 2014.

For the year ended June 30, 2017, First 5 recognized pension expense of \$139,466. At June 30, 2017, First 5 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected pension experience	\$ 47,861	\$ 12,542
Changes in pension-related assumptions	88,374	-
Differences between projected and actual earnings on pension investments	284,151	108,176
Change in proportionate share of net pension liability	1,562	-
Difference in actual and proportionate share of pension contributions	1,106	637
Pension contributions subsequent to measurement date	<u>176,870</u>	<u>-</u>
Total	<u>\$ 599,924</u>	<u>\$ 121,355</u>

First 5 reported \$176,870 as deferred outflows of resources related to contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Fiscal Year Ended</u>	
6/30/18	\$ 59,443
6/30/19	59,447
6/30/20	111,570
6/30/21	71,239
6/30/22	-
Thereafter	-

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NOTE 7 - EMPLOYEES' RETIREMENT PLAN (continued)

The total pension liabilities in the June 30, 2016 actuarial valuation were determined using the information below.

Actuarial Methods and Assumptions:

Valuation Date	June 30, 2016
Actuarial Cost Method	Entry Age Normal
Actuarial Experience Study	July 1, 2011 to April 30, 2014
Amortization Method	Level percentage of projected payroll
Amortization Period	UAAL as of June 30, 2008, is amortized over a closed 15-year period ending June 30, 2023. Subsequent changes in the UAAL are amortized over separate closed 15-year layers which are determined annually.
Asset Valuation Method	5-year smoothed recognition of asset gains and losses (determined as the difference of the actual fair value to the expected fair value), which cannot vary more than 20% from the fair value.

Actuarial Assumptions:

Investment Rate of Return	7.00%
Inflation Rate (CPI)	2.75%
Payroll Growth Rate	3.25%
Mortality	Rates are primarily based on RP-2000 mortality tables. See the valuation report as of June 30, 2016, for details.

The actuarial assumptions used to determine the liabilities for the June 30, 2016 valuation are based on the results of the actuarial experience study for the period ending April 30, 2014.

The long-term expected rate of return on pension plan investments was determined using a building-block approach in which a median (or expected) geometric rate of return is developed for each major asset class. The median rates are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and estimates of the median geometric rates of return for each major asset class are shown in the table below. The asset class return assumptions are presented on a nominal basis, and all assumptions include a base inflation rate assumption of 2.75%.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Rate of Return</u>
Equity	48%	7.8%
Fixed Income	18%	4.0%
Alternatives	12%	8.3%
Risk Parity	8%	5.6%
Inflation Hedge	14%	6.2%
Cash	-%	1.5%
Total	<u>100%</u>	

First 5 San Mateo County
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NOTE 7 - EMPLOYEES' RETIREMENT PLAN (concluded)

Discount Rate

The investment rate of return assumption used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that employer and member contributions will be made at the funding requirements under SamCERA's funding policy and the legal requirements under the County Employees Retirement Law of 1937. In addition, San Mateo County intends to contribute additional amounts over the next 10 years to accelerate the elimination of the unfunded actuarial accrued liability. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return, gross of administrative expenses.

Sensitivity of the Proportionate Share of Net Pension Liability to Changes in the Discount Rate

The following presents First 5's proportionate share of the net pension liability of SamCERA, calculated using the discount rate for SamCERA, as well as what First 5's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease: 6.00%	Current Discount Rate 7.00%	1% Increase: 8.00%
Total pension liability	\$ 5,236,122	\$ 4,601,676	\$ 4,079,837
Fiduciary net position	3,830,695	3,830,695	3,830,695
Net pension liability	1,405,427	770,981	249,142

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued SamCERA financial report.

NOTE 8 - OTHER POSTEMPLOYMENT BENEFITS (OPEB)

First 5 employees are also participants of the postemployment benefit (OPEB) sick leave conversion Retiree Health Plan (a single-employer defined benefit plan) administered by the County. The County's Retiree Health Plan is being managed through the California Employers' Retiree Benefits Trust (CERBT), an irrevocable trust fund that allows public employers to prefund the future cost of their retiree health insurance benefits and other postemployment benefits for their covered employees or retirees.

The CERBT's administrator, the California Public Employees' Retirement System (CalPERS), issues a publicly available financial report consisting of financial statements and required supplementary information for CERBT in aggregate. The report may be obtained by writing to CalPERS, Lincoln Plaza North, 400 Q Street, Sacramento, CA 95811.

First 5 San Mateo County
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 June 30, 2017

NOTE 8 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (concluded)

Contribution requirements for the members and the County are established and may be amended through negotiations between the County and the bargaining units. First 5 participates in the County's Retiree Health Plan on a cost-sharing basis, and contributed \$42,945 for the fiscal year ended June 30, 2017. The following table shows the components of annual OPEB costs, the amounts contributed to the plan, and changes in First 5's net OPEB assets:

Annual required contribution	\$ <u>42,945</u>
Annual OPEB cost	\$ (43,642)
Contribution made	<u>42,945</u>
Decrease in net OPEB asset	(697)
Net OPEB asset – beginning of year	<u>166,065</u>
Net OPEB asset – end of year	<u>\$ 165,368</u>

First 5's annual OPEB cost (AOC), the percentage of AOC contributed to the plan, and the net OPEB asset for the past three years are as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of AOC Contributed</u>	<u>Net OPEB Asset</u>
6/30/15	\$ 34,940	101%	\$ 166,309
6/30/16	40,922	99%	166,065
6/30/17	43,642	98%	165,368

Additional information relating to the County's Retiree Health Plan and required OPEB disclosures can be obtained from the County's publicly available Comprehensive Annual Financial Report that may be obtained by writing to County of San Mateo Controller's Office, 555 County Center, 4th Floor, Redwood City, California 94063.

NOTE 9 - FUND BALANCE

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which First 5 is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. First 5's fund balances were comprised of the following:

Restricted Fund Balance - includes amounts that can be spent only for specific purposes stipulated by external resources providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of the resource provider.

Committed Fund Balance - includes amounts that can only be used for specific purposes determined by a formal action of First 5's highest level decision-making authority, the First 5 Commission. Commitments may be changed or lifted only by First 5 taking the same formal action that originally imposed the constraint.

First 5 San Mateo County
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 June 30, 2017

NOTE 9 - FUND BALANCE (concluded)

Assigned Fund Balance - comprises amounts intended to be used by First 5 for specific purposes that are neither restricted nor committed. Intent is expressed by (1) First 5's Commission or (2) a body (for example: a budget or finance committee) or official to which First 5's Commission has delegated the authority to assign amounts to be used for specific purposes.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed and assigned.

At fiscal year-end, fund balance reported on the Statement of Revenues, Expenditures and Changes in Fund Balance includes:

Committed

Contracts and amendments to executed contracts:

Grantees	\$ 7,843,372
Others	475,474

Assigned

Total fund balance	<u>\$ 14,938,670</u>
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NOTE 10 - REVENUESTobacco Tax and Other Funding

First 5 receives a proportionate share of Proposition 10 money from First 5 California (formerly California Children and Families Commission) based on the number of live births in the county in comparison to the number of live births statewide. Proposition 10 money received by First 5 also includes Surplus Money Investment Fund allocations and the Impact Grant allocations by First 5 California.

The Surplus Money Investment Fund allocations represent distributions of interest accrued on statewide Proposition 10 money.

Tobacco tax and other revenues are comprised of:

Proposition 10:

Monthly allocations	\$ 5,841,674
Surplus Money Investment Fund	4,758
Impact Grant	<u>427,551</u>
Total	<u>\$ 6,273,983</u>

Other Grants

Other grants are comprised of:

Wellness Grant	<u>\$ 1,035</u>
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NOTE 10 - REVENUES (concluded)Investment Earnings (Losses)

Investment earnings of \$87,330 for the year ended June 30, 2017, comprise of quarterly interest received from the County Treasurer on investments made by First 5 in the County Pool and the change in fair value of the investments. Interest is recorded in the year earned and is available to pay current liabilities.

Interest on investments	\$ 156,475
Change in fair value of investments	<u>(69,145)</u>
Total	<u>\$ 87,330</u>

NOTE 11 - PENSION EXPENSES

Pension expenses are comprised of:

County retirement contribution	\$ 180,642
OPEB cost	43,642
Pension expense (changes in net pension liability)	<u>139,466</u>
Total	<u>\$ 363,750</u>

NOTE 12 - CONTRIBUTIONS TO LOCAL PROJECTS

Over the years from FY 2000-01 to FY 2008-09, First 5 awarded two types of grants to local projects that promote, assist, and improve the early development of children prenatal through age five: planning grants and implementation grants.

Planning grants were designed to allow applicants time and resources to develop an innovative intervention to address a significant opportunity or problem, for which a response did not currently exist or was still evolving. Planning grants ranged from \$5,000 to \$35,000 annually. Implementation grants were for agencies and groups that were clear about their goals, objectives, and strategies and were ready to implement their proposed project. Implementation grants ranged from \$30,000 to \$500,000 annually.

Starting in FY 2009-10, First 5 awarded \$20,167,000 in Cycle One funding to local projects. Cycle One has a three-year term from FY 2009-10 to FY 2011-12. First 5 awarded \$26,188,072 in Cycle Two funding to local projects. Cycle Two has a three-year term from FY 2011-12 to FY 2013-14 and has been extended through December 31, 2015. During the year ended June 30, 2016, First 5 awarded \$16,767,506 in Cycle Three funding to local projects. Cycle Three funding has been increased to \$20,054,964. Cycle Three has a five-year term from FY 2015-16 to FY 2019-20.

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NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 12 - CONTRIBUTIONS TO LOCAL PROJECTS (concluded)

Grant contributions for the year ended June 30, 2017 include:

Cycle Three Funding:

Child Care Coordinating Council (IMPACT)	\$ 45,750
Community Gatepath (Special Needs Family Eng. Project)	35,318
Community Gatepath (Watch Me Grow)	1,095,486
Daly City Peninsula Partnership (SHEC Community Host Agency)	14,658
Faith in Action Bay Area (SHEC Consultation Services)	12,935
Family Connections (Nurturing Family Intensive Supports)	164,351
Family Connections (Parent Participatory Preschool TA to Puente Program)	20,160
Family Connections (Nurturing Pre-K Families)	86,564
Family Health Services (Staffing for Oral Health System Planning)	50,000
Peninsula Family Services (Therapeutic Child Development Centers)	278,445
Puente de la Cost Sur (Suenos Unidos Parent Participatory Preschool)	43,276
Ravenswood Family Health Center - South (Oral Health Initiative)	295,167
Redwood City (Socios for Success)	26,247
San Mateo County Office of Education (EQ+IP)	1,589,938
San Mateo County Office of Education (IMPACT)	268,421
San Mateo County Office of Education (Family Eng. Prof Development)	192,985
Silicon Valley Community Foundation (PreK-3 rd Grade Articulation and Alignment)	122,182
Star Vista (Parents as Teachers)	99,977
Star Vista (Early Childhood Services)	1,158,362
Contractors:	
Dental Elite (Kit For New Parents)	19,200
First 5 Santa Clara (Potter Book)	4,005
Lafrance Associate (Mental Health System)	6,525
Francesca Wright (IMPACT)	9,450
Persimmony International (Online Grant Mgt and Client Data Collection)	79,625
Runyon Saltzman Einhorn (Communications Consultation Services)	148,900
Sarah Kinahan Consulting (Cocoa Data System Mgt Consultation Services)	9,425
Sarah Kinahan Consulting (IMPACT)	2,850
The Leland Stanford Jr. University (Big Data Project)	101,696
Viva Strategy + Communications (QRIS Communications Consultation)	55,230
Viva Strategy + Communications (Strategic Consultation)	49,983
Other	18,641
Total	<u>\$ 6,105,752</u>

NOTE 13 - GRANT COMMITMENTS

First 5's commitments to grantees as of June 30, 2017 were as follows:

Cycle Three Funding	<u>\$ 8,318,846</u>
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First 5 San Mateo County
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NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 14 - PROGRAM EVALUATION

First 5 spent \$324,556 on program evaluation during the fiscal year ended June 30, 2017.

NOTE 15 - LEASE OBLIGATIONS

First 5 leases office facilities and other equipment categorized as noncancelable operating leases expiring on October 31, 2021. Total costs for such leases were \$84,905 for the year ended June 30, 2017. The future minimum lease payments for the office facilities lease are as follows:

Fiscal year ending June 30, 2018	\$	84,566
Fiscal year ending June 30, 2019		87,103
Fiscal year ending June 30, 2020		89,716
Fiscal year ending June 30, 2021		92,408
Fiscal year ending June 30, 2022 (through October 31, 2021)		<u>31,105</u>
Total	\$	<u>384,898</u>

NOTE 16 - RESTATEMENT

For the year ended June 30, 2017, the beginning net position has been adjusted by \$55,699 to increase the net position balance as of the beginning of the period. The net pension liability was overstated in the previous year by \$55,699.

NOTE 17 - BUDGETARY ACCOUNTING AND ENCUMBRANCES

First 5 adopts an annual operating budget, which can be amended by First 5 throughout the year. The basis used to prepare the budget is the same as the basis used to reflect actual revenues and expenditures, except the budget excludes unrealized gains and losses and changes to the liabilities for compensated absences and postemployment benefits other than pensions (OPEB). The financial statements record unrealized gains and losses, compensated absences, and OPEB as required by generally accepted accounting principles (GAAP).

First 5 uses an encumbrance system in the County's general ledger system, IFAS, to assist in controlling expenditures. Purchase orders, contracts, and other commitments for the expenditures of monies are recorded under this system in order to reserve applicable appropriations. Any encumbrances outstanding at year-end are included in committed fund balance as they do not constitute expenditures or liabilities.

The net change in fund balance under budgetary basis on page 11 is reconciled to the net change in fund balance under GAAP basis on page 10 as follows:

Deficiency of revenues over expenditures/net change in fund balance – budgetary basis	\$	923,224
Changes in unrealized (gain)/loss on cash equivalents		69,145
Minor expense adjustments not accounted for in the budget		<u>184</u>
Deficiency of revenues over expenditures/net change in fund balance – GAAP basis	\$	<u>992,553</u>

(A Discretely Presented Component Unit of the County of San Mateo)

REQUIRED SUPPLEMENTARY INFORMATION**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

For the Year Ended June 30, 2017

	<u>2017</u>
First 5's proportion of the collective net pension liability (asset)	0.11%
First 5's proportionate share of the collective net pension liability (asset)	\$ 770,981
First 5's covered-employee payroll* (2016)	\$ 756,154
First 5's proportionate share of the collective net pension liability as a percentage of covered payroll	101.96%
Plan fiduciary net position as a percentage of the total pension liability	83.25%
	<u>2016</u>
First 5's proportion of the collective net pension liability (asset)	0.11%
First 5's proportionate share of the collective net pension liability (asset)	\$ 572,419
First 5's covered-employee payroll* (2015)	\$ 598,404
First 5's proportionate share of the collective net pension liability as a percentage of covered payroll	95.66%
Plan fiduciary net position as a percentage of the total pension liability	87.53%
	<u>2015</u>
First 5's proportion of the collective net pension liability (asset)	0.10%
First 5's proportionate share of the collective net pension liability (asset)	\$ 409,823
First 5's covered-employee payroll* (2014)	\$ 623,983
First 5's proportionate share of the collective net pension liability as a percentage of covered payroll	65.68%
Plan fiduciary net position as a percentage of the total pension liability	88.88%

The schedules present information to illustrate changes in First 5's proportionate share of the net pension liability over a ten year period when the information is available.

*In accordance with Statement No. 82 of the GASB, Covered Employee Payroll is the payroll on which contributions are based. Thus, these amounts may be different than shown in fiscal year ended 2016 and earlier reports.

(A Discretely Presented Component Unit of the County of San Mateo)

REQUIRED SUPPLEMENTARY INFORMATION**SCHEDULE OF FIRST 5'S CONTRIBUTIONS - PENSION PLAN**

For the Year Ended June 30, 2017

	<u>2017</u>
Contractually required contribution	\$ 176,870
Contributions in relation to the contractually required contribution	<u>176,870</u>
Contribution deficiency (excess)	<u>\$ -</u>
Covered payroll*	\$ 808,645
Contributions as a percentage of covered payroll	21.87%
	 <u>2016</u>
Contractually required contribution	\$ 182,614
Contributions in relation to the contractually required contribution	<u>182,614</u>
Contribution deficiency (excess)	<u>\$ -</u>
Covered payroll*	\$ 756,154
Contributions as a percentage of covered payroll	24.15%
	 <u>2015</u>
Contractually required contribution	\$ 170,517
Contributions in relation to the contractually required contribution	<u>170,517</u>
Contribution deficiency (excess)	<u>\$ -</u>
Covered payroll*	\$ 598,404
Contributions as a percentage of covered payroll	28.50%
	 <u>2014</u>
Contractually required contribution	\$ 178,665
Contributions in relation to the contractually required contribution	<u>178,665</u>
Contribution deficiency (excess)	<u>\$ -</u>
Covered payroll*	\$ 623,983
Contributions as a percentage of covered payroll	28.63%

The schedules present information to illustrate changes in First 5's contributions over a ten year period when the information is available.

*In accordance with Statement No. 82 of the GASB, Covered Employee Payroll is the payroll on which contributions are based. Thus, these amounts may be different than shown in fiscal year ended 2016 and earlier reports.

(A Discretely Presented Component Unit of the County of San Mateo)

REQUIRED SUPPLEMENTARY INFORMATION**SCHEDULE OF FUNDING PROGRESS - OTHER POSTEMPLOYMENT BENEFITS**

For the Year Ended June 30, 2017

NOTE - The table below presents historical information about the funding status of First 5's OPEB plan with the CERBT. The CERBT's administrator, the California Public Employees' Retirement System (CalPERS), issues a publicly available financial report consisting of financial statements and required supplementary information for CERBT in aggregate. The report may be obtained by writing to CalPERS, Lincoln Plaza North, 400 Q Street, Sacramento, CA 95811.

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll* (c)	UAAL as a % of Covered Payroll (b-a)/c
6/30/2013	\$ 384,622	\$ 637,135	\$ 252,513	60.4%	\$ 903,256	28.0%
6/30/2014	312,082	516,971	204,889	60.4%	732,901	28.0%
6/30/2015	345,618	566,872	221,254	61.0%	684,116	32.3%
6/30/2016	337,418	553,423	216,004	61.0%	667,885	32.3%

*In accordance with Statement No. 82 of the GASB, Covered Employee Payroll is the payroll on which contributions are based. Thus, these amounts may be different than shown in fiscal year ended 2016 and earlier reports.

INDEPENDENT AUDITORS' REPORT ON
INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

Board of Commissioners
First 5 San Mateo County
San Mateo, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of First 5 San Mateo County, a discretely presented component unit of the County of San Mateo, California, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise First 5 San Mateo County's basic financial statements as listed in the table of contents, and have issued our report thereon dated September 15, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered First 5 San Mateo County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of First 5 San Mateo County's internal control. Accordingly, we do not express an opinion on the effectiveness of First 5 San Mateo County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether First 5 San Mateo County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

R.J. Ricciardi, Inc.

R.J. Ricciardi, Inc.
Certified Public Accountants

San Rafael, California
September 15, 2017

INDEPENDENT AUDITORS' REPORT ON
 STATE COMPLIANCE

Board of Commissioners
 First 5 San Mateo County
 San Mateo, California

Compliance

We have audited First 5 San Mateo County's compliance with the requirements specified in the State of California's *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act*, issued by the State Controller's Office, applicable to First 5 San Mateo County's statutory requirements identified below for the year ended June 30, 2017.

Management's Responsibility

Management is responsible for compliance with the requirements of the laws and regulations applicable to the California Children and Families Act.

Auditor's Responsibility

Our responsibility is to express an opinion on First 5 San Mateo County's compliance with the requirements referred to above based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the State of California's *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act*, issued by the State Controller's Office. Those standards and the State of California's *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the requirements referred to above that could have a direct and material effect on the statutory requirements listed below occurred. An audit includes examining, on a test basis, evidence about First 5 San Mateo County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance. However, our audit does not provide a legal determination of First 5 San Mateo County's compliance with those requirements. In connection with the audit referred to above, we selected and tested transactions and records to determine First 5 San Mateo County's compliance with the state laws and regulations applicable to the following items:

<u>Description</u>	<u>Audit Guide Procedures</u>	<u>Procedures Performed</u>
Contracting and Procurement	6	Yes
Administrative Costs	3	Yes
Conflict-of-Interest	3	Yes
County Ordinance	4	Yes
Long-range Financial Plans	2	Yes
Financial Condition of the Commission	1	Yes
Program Evaluation	3	Yes
Salaries and Benefit Policies	2	Yes

Opinion

In our opinion, First 5 San Mateo County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the California Children and Families Program for the year ended June 30, 2017.

R.J. Ricciardi, Inc.

R.J. Ricciardi, Inc.
Certified Public Accountants

San Rafael, California
September 15, 2017

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Date: October 23, 2017
To: First 5 San Mateo County Commission
From: Kitty Lopez, Executive Director
Re: Approval of First 5 San Mateo County's FY 2016-17 Annual Program Report and Submission to First 5 California

BACKGROUND

As part of First 5 California's (F5CA) Annual Report requirements, all First 5 County Commissions provide detailed information on fiscal and programmatic progress to the First 5 State Commission each year. Client data and program expenditure information from the First 5 San Mateo County (F5SMC) Annual Report for FY 2016-17 will be presented at today's meeting.

CONSIDERATIONS

- F5SMC's Annual Report to First 5 California for FY 2016-17 summarizes progress in meeting local Strategic Plan objectives in the format required by the State Commission. The report includes Finance, Evaluation, and Funded Strategy information on all First 5 San Mateo County projects.
- F5SMC is required to report fiscal and programmatic information based on F5CA's four Service Result Areas: Child Development, Child Health, Family Functioning and Improved Systems of Care.
- The F5SMC Service Result Areas spreadsheet and Evaluation Narrative are attached to this memo (**See Attachments: 9A Client Data Summary, and 9B Evaluation Summary**).
- The financial information included in this report was developed based on our annual audit, which is presented for approval to the Commission at the October 23, 2017 meeting.
- The report is due to First 5 California by November 1, 2017, and will be submitted online to the State Commission after approval by the F5SMC Commission at the October 23, 2017 meeting.
- Presentation of the First 5 California Annual report will be provided at the October 23, 2017 Commission meeting.

FISCAL IMPACT

None.

RECOMMENDATION

Approval of First 5 San Mateo County's FY 2016-17 Annual Program Report and Submission to First 5 California.

F5SMC FY 2016-17
Annual Report to First 5 California
Client Data

	Child Development		Child Health		Family Functioning (no KNP)		Total	
Children under 3	# Served	Children	# Served	Children	# Served	Children	# Served	Children
Children 3 to 5	121	331	1,083	3,661	297	1,723	1,501	5,715
Children - Ages Unknown	150	Parents/Guardians	1,466	Parents/Guardians	1,028	Parents/Guardians	2,644	Parents/Guardians
Parents/Guardians	60	120	1,112	2,131	398	2,586	1,570	4,837
Other Family Members	120	Providers	1,904	Providers	2,344	Providers	4,368	Providers
Providers	0	1,968	227	1,240	242	693	469	3,901
Providers	1,968		1,240		693		3,901	
TOTAL	2,419		7,032		5,002	KNP: 2,934	14,453	KNP: 2,934
Primary Language	#Children	#Parents/Guardians	#Children	#Parents/Guardians	#Children	#Parents/Guardians	#Children	#Parents/Guardians
English	49	0	1,055	578	420	429	1,524	1,007
Spanish	216	0	2,335	1,388	992	1,387	3,543	2,775
Cantonese	2	0	7	3	48	230	57	233
Mandarin	2	0	23	15	29	154	54	169
Vietnamese	0	0	0	0	6	7	6	7
Korean	0	0	0	0	3	7	3	7
Unknown	61	120	116	52	131	265	308	437
Other	1	0	125	95	94	107	220	202
TOTAL	331	120	3,661	2,131	1,723	2,586	5,715	4,837
Race/Ethnicity	#Children	#Parents/Guardians	#Children	#Parents/Guardians	#Children	#Parents/Guardians	#Children	#Parents/Guardians
Alaska Native/American Indian	0	0	1	2	1	1	2	3
Asian	4	0	212	145	201	509	417	654
Black/African-American	0	0	29	29	13	10	42	39
Hispanic/Latino	234	0	2,620	1,619	1,076	1,467	3,930	3,086
Pacific Islander	0	0	41	25	29	32	70	57
White	9	0	245	114	145	162	399	276
Multiracial	24	0	201	48	67	2	292	50
Unknown	60	120	249	109	166	309	475	538
Other	0	0	63	40	25	94	88	134
TOTAL	331	120	3,661	2,131	1,723	2,586	5,715	4,837
	Expenditures		Expenditures		Expenditures		Expenditures	
	\$1,868,765		\$1,861,704		\$1,947,975		\$5,678,444	

F5SMC FY 2016-17
Annual Report to First 5 California
Client Data

RESULT AREA: CHILD DEVELOPMENT		
Service Area: ECE Provider Education Program		
	# Served	
Children Less than 3		
Children 3 to 6th birthday		
Children - Ages Unknown (birth to 6th Birthday)		
Parents/Guardians/Primary Caregivers		
Other Family Members		
Providers	863	
TOTAL	863	
Primary Language Spoken in the Home (Children and Families)	#Children	#Parents/Guardians/Primary Caregivers
English		
Spanish		
Cantonese		
Mandarin		
Vietnamese		
Korean		
Unknown		
Other		
Specify Other		
TOTAL	0	0
Ethnic Breakdown of Population Served (Children and Families)	#Children	#Parents/Guardians/Primary Caregivers
Alaska Native/American Indian		
Asian		
Black/African-American		
Hispanic/Latino		
Pacific Islander		
White		
Multiracial		
Unknown		
Other		
Specify Other		
TOTAL	0	0
Grant Programs Included in Service Area	Expenditures	
SMCOE: SMCCCD EQ+IP Subcontract	\$	149,680
SMCOE: WestEd PITC Subcontract	\$	16,753
TOTAL	\$	166,433
TOTAL	\$166,433	

F5SMC FY 2016-17
Annual Report to First 5 California
Client Data

RESULT AREA: CHILD DEVELOPMENT

Service Area: Infants, Toddlers, and All-Age Early Learning Programs

	# Served
Children Less than 3	121
Children 3 to 6th birthday	62
Children - Ages Unknown (birth to 6th Birthday)	60
Parents/Guardians/Primary Caregivers	120
Other Family Members	
Providers	
TOTAL	363

Primary Language Spoken in the Home (Children and Families)	#Children	#Parents/Guardians/Primary Caregivers
English	32	
Spanish	146	
Cantonese	2	
Mandarin	2	
Vietnamese		
Korean		
Unknown	61	120
Other		
Specify Other		
TOTAL	243	120

Ethnic Breakdown of Population Served (Children and Families)	#Children	#Parents/Guardians/Primary Caregivers
Alaska Native/American Indian		
Asian	4	
Black/African-American		
Hispanic/Latino	156	
Pacific Islander		
White	6	
Multiracial	17	
Unknown	60	120
Other		
Specify Other		
TOTAL	243	120

Grant Programs Included in Service Area	Expenditures
Family Connections: Nurturing Families Intensive Supports	\$ 194,912
PFS/LifeMoves TCDC Child Care Centers	\$ 98,611
Puente: Suenos Unidos	\$ 21,638
	<u>\$315,161</u>

TOTAL	\$315,161
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F5SMC FY 2016-17
Annual Report to First 5 California
Client Data

RESULT AREA: CHILD DEVELOPMENT		
Service Area: Preschool for 3 & 4 Year-Olds		
	# Served	
Children Less than 3		
Children 3 to 6th birthday	88	
Children - Ages Unknown (birth to 6th Birthday)		
Parents/Guardians/Primary Caregivers		
Other Family Members		
Providers		
TOTAL	88	
Primary Language Spoken in the Home (Children and Families)	#Children	#Parents/Guardians/Primary Caregivers
English	17	
Spanish	70	
Cantonese		
Mandarin		
Vietnamese		
Korean		
Unknown		
Other	1	
Specify Other: English and Spanish		
TOTAL	88	0
Ethnic Breakdown of Population Served (Children and Families)	#Children	#Parents/Guardians/Primary Caregivers
Alaska Native/American Indian		
Asian		
Black/African-American		
Hispanic/Latino	78	
Pacific Islander		
White	3	
Multiracial	7	
Unknown		
Other		
Specify Other		
TOTAL	88	0
Grant Programs Included in Service Area	Expenditures	
Family Connections: Nurturing PreK Families	\$ 51,938	
	<u>\$51,938</u>	
TOTAL	\$51,938	

F5SMC FY 2016-17
Annual Report to First 5 California
Client Data

RESULT AREA: CHILD DEVELOPMENT

Service Area: Early Learning Systems Improvement

	# Served
Children Less than 3	
Children 3 to 6th birthday	
Children - Ages Unknown (birth to 6th Birthday)	
Parents/Guardians/Primary Caregivers	
Other Family Members	
Providers	1,105
TOTAL	1,105

Primary Language Spoken in the Home (Children and Families)	#Children	#Parents/Guardians/Primary Caregivers
English		
Spanish		
Cantonese		
Mandarin		
Vietnamese		
Korean		
Unknown		
Other		
Specify Other		
TOTAL	0	0

Ethnic Breakdown of Population Served (Children and Families)	#Children	#Parents/Guardians/Primary Caregivers
Alaska Native/American Indian		
Asian		
Black/African-American		
Hispanic/Latino		
Pacific Islander		
White		
Multiracial		
Unknown		
Other		
Specify Other		
TOTAL	0	0

Grant Programs Included in Service Area	Expenditures
Close the Gap PreK-3rd Articulation and other Systems Work	\$ 122,182
StarVista ECMH QI Consultation to Preschools	\$ 22,300
IMPACT	\$ 326,471
VIVA QRIS Communications	\$ 55,230
SMCOE EQ+IP QRIS work	\$ 799,625
Sarah Kinahan EQ+IP Cocoa	\$ 9,425
TOTAL	\$ 1,335,233

TOTAL	\$1,335,233
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F5SMC FY 2016-17
Annual Report to First 5 California
Client Data

RESULT AREA: CHILD HEALTH		
Oral Health Services		
	# Served	
Children Less than 3	77	
Children 3 to 6th birthday	551	
Children - Ages Unknown (birth to 6th Birthday)		
Parents/Guardians/Primary Caregivers	372	
Other Family Members		
Providers	0	
TOTAL	1000	
Primary Language Spoken in the Home (Children and Families)	#Children	#Parents/Guardians/Primary Caregivers
English	254	150
Spanish	369	220
Cantonese		
Mandarin		
Vietnamese		
Korean		
Unknown		
Other	5	2
Specify Other: Tagalog		
TOTAL	628	372
Ethnic Breakdown of Population Served (Children and Families)	#Children	#Parents/Guardians/Primary Caregivers
Alaska Native/American Indian		
Asian	46	32
Black/African-American	8	4
Hispanic/Latino	467	261
Pacific Islander	10	4
White	32	32
Multiracial	14	9
Unknown	46	25
Other	5	5
Specify Other		
TOTAL	628	372
Grant Programs Included in Service Area	Expenditures	
Ravenswood Oral Health Initiative	\$ 295,167	
Oral Health Strategic Plan	\$ 50,000	
	<u>\$345,167</u>	
TOTAL	\$345,167	

F5SMC FY 2016-17
Annual Report to First 5 California
Client Data

RESULT AREA: CHILD HEALTH		
Service Area: Developmental Screenings and Assessments		
	# Served	
Children Less than 3	566	
Children 3 to 6th birthday	533	
Children - Ages Unknown (birth to 6th Birthday)	540	
Parents/Guardians/Primary Caregivers		
Other Family Members		
Providers		
TOTAL	1,639	
Primary Language Spoken in the Home (Children and Families)	#Children	#Parents/Guardians/Primary Caregivers
English	414	
Spanish	1047	
Cantonese	5	
Mandarin	10	
Vietnamese		
Korean		
Unknown	106	
Other	57	
Specify Other: Tagalog		
TOTAL	1,639	0
Ethnic Breakdown of Population Served (Children and Families)	#Children	#Parents/Guardians/Primary Caregivers
Alaska Native/American Indian	0	
Asian	81	
Black/African-American	8	
Hispanic/Latino	1105	
Pacific Islander	15	
White	131	
Multiracial	111	
Unknown	158	
Other	30	
Specify Other		
TOTAL	1,639	0
Grant Programs Included in Service Area	Expenditures	
WMG	\$ 273,872	
ASQ Screenings Completed by All Programs	\$ -	
TOTAL	\$273,872	

F5SMC FY 2016-17
Annual Report to First 5 California
Client Data

RESULT AREA: CHILD HEALTH

Service Area: Intensive Intervention for Identified Special Needs

	# Served
Children Less than 3	440
Children 3 to 6th birthday	382
Children - Ages Unknown (birth to 6th Birthday)	572
Parents/Guardians/Primary Caregivers	1,532
Other Family Members	227
Providers	47
TOTAL	3,200

Primary Language Spoken in the Home (Children and Families)	#Children	#Parents/Guardians/Primary Caregivers
English	387	428
Spanish	919	1,168
Cantonese	2	3
Mandarin	13	15
Vietnamese	0	0
Korean	0	0
Unknown	10	52
Other	63	93
Specify Other: Tagalog		
TOTAL	1,394	1,759

Ethnic Breakdown of Population Served (Children and Families)	#Children	#Parents/Guardians/Primary Caregivers
Alaska Native/American Indian	1	2
Asian	85	113
Black/African-American	13	25
Hispanic/Latino	1,048	1,358
Pacific Islander	16	21
White	82	82
Multiracial	76	39
Unknown	45	84
Other	28	35
Specify Other		
TOTAL	1,394	1,759

Grant Programs Included in Service Area	Expenditures
Gatepath WMG Care Coordination	\$ 547,743
Gatepath Special Needs F.E. project	\$ 17,659
Star/Vista ECMHC	\$ 295,413
4Cs Enhanced Referrals	\$ 73,860
TOTAL	\$934,675

F5SMC FY 2016-17
Annual Report to First 5 California
Client Data

RESULT AREA: CHILD HEALTH		
Service Area: Health Systems Improvement		
	# Served	
Children Less than 3		
Children 3 to 6th birthday		
Children - Ages Unknown (birth to 6th Birthday)		
Parents/Guardians/Primary Caregivers		
Other Family Members		
Providers	1,193	
TOTAL	1,193	
Primary Language Spoken in the Home (Children and Families)	#Children	#Parents/Guardians/Primary Caregivers
English		
Spanish		
Cantonese		
Mandarin		
Vietnamese		
Korean		
Unknown		
Other		
Specify Other: Tagalog		
TOTAL	0	0
Ethnic Breakdown of Population Served (Children and Families)	#Children	#Parents/Guardians/Primary Caregivers
Alaska Native/American Indian		
Asian		
Black/African-American		
Hispanic/Latino		
Pacific Islander		
White		
Multiracial		
Unknown		
Other		
Specify Other		
TOTAL	0	0
Grant Programs Included in Service Area	Expenditures	
Gatepath W/MG	\$	273,872
LFA Mental Health Systems	\$	6,525
Faith in Action SHEC	\$	14,658
Daly City Partnership SHEC	\$	12,935
TOTAL		\$307,990

F5SMC FY 2016-17
Annual Report to First 5 California
Client Data

RESULT AREA: FAMILY FUNCTIONING		
Service Area: Family Literacy		
	# Served	
Children Less than 3		
Children 3 to 6th birthday	691	
Children - Ages Unknown (birth to 6th Birthday)		
Parents/Guardians/Primary Caregivers	692	
Other Family Members		
Providers	259	
TOTAL	1,642	
Primary Language Spoken in the Home (Children and Families)	#Children	#Parents/Guardians/Primary Caregivers
English	138	147
Spanish	460	444
Cantonese	11	14
Mandarin	1	2
Vietnamese	4	4
Korean		
Unknown	16	21
Other	47	46
Specify Other: Tagalog	14	14
TOTAL	691	692
Ethnic Breakdown of Population Served (Children and Families)	#Children	#Parents/Guardians/Primary Caregivers
Alaska Native/American Indian	1	1
Asian	70	77
Black/African-American	11	5
Hispanic/Latino	497	480
Pacific Islander	13	13
White	35	43
Multiracial	32	0
Unknown	27	23
Other	5	50
Specify Other		
TOTAL	691	692
Grant Programs Included in Service Area	Expenditures	
EQ+IP: Raising a Reader	\$	103,146
	<u>\$103,146</u>	
TOTAL	\$103,146	

F5SMC FY 2016-17
Annual Report to First 5 California
Client Data

RESULT AREA: FAMILY FUNCTIONING		
Service Area: General Parenting Education & Family Support		
	# Served	
Children Less than 3	222	
Children 3 to 6th birthday	140	
Children - Ages Unknown (birth to 6th Birthday)	397	
Parents/Guardians/Primary Caregivers	1,105	
Other Family Members	222	
Providers		
TOTAL	2,086	
Primary Language Spoken in the Home (Child)	#Children	#Parents/Guardians/Primary Caregivers
English	204	210
Spanish	337	560
Cantonese	37	167
Mandarin	28	150
Vietnamese	2	3
Korean	3	7
Unknown	115	195
Other	33	35
Specify Other: English-Spanish Bilingual	0	0
TOTAL	759	1,327
Ethnic Breakdown of Population Served (Child)	#Children	#Parents/Guardians/Primary Caregivers
Alaska Native/American Indian	0	0
Asian	125	420
Black/African-American	1	2
Hispanic/Latino	377	591
Pacific Islander	14	17
White	94	97
Multiracial	13	1
Unknown	127	184
Other	8	15
Specify Other	0	0
TOTAL	759	1,327
Grant Programs Included in Service Area	Expenditures	
EQ+IP: Early Childhood Language Development	\$ 82,899	
Family Connections: NF Intensive Supports	\$ 32,870	All clients included under Intensive supports
Family Connections: Nurturing PreK Families	\$ 17,313	
StarVista Parents as Teachers	\$ 49,989	
StarVista HH Groups	\$ 289,591	
RWC 2020 Socios for Success	\$ 26,247	
Gatepath Family Engagement	\$ 17,659	
TOTAL	\$516,568	

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RESULT AREA: FAMILY FUNCTIONING

Service Area: Intensive Family Support

	# Served
Children Less than 3	75
Children 3 to 6th birthday	197
Children - Ages Unknown (birth to 6th Birthday)	1
Parents/Guardians/Primary Caregivers	547
Other Family Members	20
Providers	0
TOTAL	840

Primary Language Spoken in the Home (Children and Families)	#Children	#Parents/Guardians/Primary Caregivers
English	78	72
Spanish	195	383
Cantonese	0	49
Mandarin	0	2
Vietnamese	0	0
Korean	0	0
Unknown	0	49
Other	0	12
Specify Other	0	0
TOTAL	273	567

Ethnic Breakdown of Population Served (Children and Families)	#Children	#Parents/Guardians/Primary Caregivers
Alaska Native/American Indian	0	0
Asian	6	12
Black/African-American	1	3
Hispanic/Latino	202	396
Pacific Islander	2	2
White	16	22
Multiracial	22	1
Unknown	12	102
Other	12	29
Specify Other	0	0
TOTAL	273	567

Grant Programs Included in Service Area	Expenditures
Star/Vista Healthy Homes	\$ 868,772
Family Connections: Nurturing Families Intensive Supports	\$ 32,870
Family Connections: Nurturing PreK Families	\$ 17,313
Puente: Suenos Unidos	\$ 21,638
PFS/LifeMoves Wrap-Around Supports	\$ 83,534
	\$1,024,127

TOTAL	\$1,024,127
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RESULT AREA: FAMILY FUNCTIONING		
Service Area: Kits for New Parents		
	# Served	
Children Less than 3		
Children 3 to 6th birthday		
Children - Ages Unknown (birth to 6th Birthday)		
Parents/Guardians/Primary Caregivers	2,934	
Other Family Members		
Providers		
TOTAL	2,934	
Primary Language Spoken in the Home (Children and Families)	#Children	#Parents/Guardians/Primary Caregivers
English		1,994
Spanish		728
Cantonese		97
Mandarin		102
Vietnamese		8
Korean		5
Unknown		
Other		
Specify Other		
TOTAL	0	2,934
Ethnic Breakdown of Population Served (Children and Families)	#Children	#Parents/Guardians/Primary Caregivers
Alaska Native/American Indian		
Asian		212
Black/African-American		
Hispanic/Latino		728
Pacific Islander		
White		
Multiracial		
Unknown		1,994
Other		
Specify Other		
TOTAL	0	2,934
Grant Programs Included in Service Area	Expenditures	
Kits for New Parents	\$41,000	
	\$41,000	
TOTAL	\$41,000	

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RESULT AREA: FAMILY FUNCTIONING		
Service Area: Systems Improvement		
	# Served	
Children Less than 3		
Children 3 to 6th birthday		
Children - Ages Unknown (birth to 6th Birthday)		
Parents/Guardians/Primary Caregivers		
Other Family Members		
Providers		434
TOTAL		434
Primary Language Spoken in the Home (Children and Families)	#Children	#Parents/Guardians/Primary Caregivers
English		
Spanish		
Cantonese		
Mandarin		
Vietnamese		
Korean		
Unknown		
Other		
Specify Other		
TOTAL	0	0
Ethnic Breakdown of Population Served (Children and Families)	#Children	#Parents/Guardians/Primary Caregivers
Alaska Native/American Indian		
Asian		
Black/African-American		
Hispanic/Latino		
Pacific Islander		
White		
Multiracial		
Unknown		
Other		
Specify Other		
TOTAL	0	0
Grant Programs Included in Service Area	Grant Programs Included in Service Area	
SMCOE: Family Engagement Professional Development	\$	192,985
Star/Vista: Parents as Teachers	\$	49,989
Family Connections; TA to Puente	\$	20,160
TOTAL	\$	263,134

First 5 San Mateo County Evaluation Summary FY 2016-17

A. Description of Evaluation Activities:

In FY 2016-17, First 5 San Mateo County (F5SMC) supported multiple research projects and completed the transition to an online data and evaluation system. Activities included:

- **Client Data Collection:** During this fiscal year, grantees reported aggregated service numbers for different service modalities by child age, and by child and parent race/ethnicity, and language.
- **The Big Data Pilot Project:** This project uses administrative data from public agencies and non-profit organizations supporting low-income pregnant women and families with children ages 0-3 to examine the array of services used by this population, how programs and sectors work together to support these families, locate gaps in the service array, and identify opportunities for improved collaboration and integration across programs, agencies, and sectors. The information generated through this project has the potential to serve as a critical piece in evaluating the impact of public investments in our youngest children. It will be possible to link this data to preschool- and elementary-level data, allowing a much more detailed examination of the resources required from birth to third grade to help all children thrive.
- **The Early Learning Facilities (ELF) Needs Assessment:** In partnership with the Human Services Agency, County Office of Education, and our Local Planning Council, F5SMC has supported a comprehensive look at the need for early learning facilities in our County, with the goal of ensuring that all San Mateo County children have access to high quality child care, including two years of preschool. During last fiscal year, the ELF Needs Assessment completed a child care supply and demand analysis, a survey of center-based early learning providers, and an Early Learning Stakeholder survey. This fiscal year, the project conducted case studies on several potential sites for new or expanded child care, as well as determining the cost of meeting the additional need for spaces and analyses of different funding mechanisms. Findings are discussed below under “Policy Impact of Evaluation Activities”.
- **Transition to an Online Contracts Management and Client Data System:** This fiscal year we transitioned to managing our grants via the Persimmony online data system. Grantees now submit invoices and budget revision requests electronically, as well as reporting on programmatic progress and tracking client data. F5SMC staff are able to review and approve these requests and reports via the same system.

B. Selected Evaluation Findings

Results of local Quality Rating and Improvement System

Over 1,000 early learning providers and preschool teachers were funded by F5SMC to participate in our local QRIS program, receiving services including program assessments and ratings, consultation and coaching, training/workshops and technical assistance, and unit-bearing coursework.

Provider Characteristics:

Asian: 16%

Black/African-American: 3%

Hispanic/Latino: 43%

Pacific Islander: 2%

White: 15%
 Multiracial: 3%
 Other: 4%
 Unknown: 15%

English: 35%
 Spanish: 33%
 Cantonese: 1%
 Mandarin: 2%
 Tagalog/Filipino: 5%
 Other: 11%
 Unknown: 13%

As of July 2017, 93 Early Learning programs (including licensed center-based care, licensed family child-care homes, and license exempt migrant programs and parent co-ops) have QRIS data entered into the Bay Area Regional WELS data system. Each year since the inception of QRIS in our county, F5SMC has successfully increased the percentage of early learning programs participating in this critical work. Out of the approximately 930 licensed and license-exempt programs in San Mateo County in 2017, 10% participated in QRIS. This is an increase from the 5.9% of programs participating in 2015.

The 83 programs which have received their ratings achieved the following QRIS tiers:

Programs in Each QRIS Rating Tier (n=83):

Highest Rating	Tier 5: 3 (3.6%)
	Tier 4: 40 (48.2%)
	Tier 3: 26 (31.3%)
	Tier 2: 13 (15.7%)
	Tier 1: 0 (0%)

Virtual Dental Home Service Delivery

The Virtual Dental Home model brings oral health care to young children where they are--in their early learning environments. Partnering with Head Start and California State Preschool Programs, the F5SMC VDH program sends dental providers into preschool settings where they provide oral health care to children on DentiCal. Treatments offered on-site include oral health examinations, x-rays, cleaning, fluoride varnish, and minimally-invasive treatment not requiring anesthesia. X-ray images and photographs are sent to local dentists electronically, allowing the dentist to communicate with the hygienist and determine whether more extensive intervention is required. In FY 17-18, 628 children received 956 oral health examinations and preventive treatments. Of these, 163 children were referred to local dentists for immediate oral health needs. These referrals were monitored by VDH staff to ensure that the families were able to access services. As of the end of the school year, necessary dental work for 80 of these children had been completed; VDH staff note that there is typically a surge of appointments scheduled at the beginning of the following school year. Another service provided by the VDH program is connecting children who are graduating from preschool to dental homes for ongoing care. During this fiscal year, 224 preschool graduates were connected to a dental home. Finally, the VDH program also provides parent education on oral

health. This year, 628 parents whose children received VDH services participated in trainings, workshops, or individualized education and information sessions.

C. Policy Impact of Evaluation Activities

One of the areas where we have had a policy impact based on our research and evaluation activities has been around Early Learning Facilities. As outlined above, for the past two fiscal years we have supported a comprehensive look at the role that a shortage of facilities plays in our county's child care gap. In addition to the needs assessment, we have funded an Early Learning Facilities Task Force to explore policy approaches, identify existing properties that may be able to house early learning facilities, propose funding mechanisms to support facilities, and build relationships across sectors that facilitate a common understanding and sense of purpose around this issue.

Per the supply and demand portion of the Needs Assessment, in 2015 we had a shortfall of 3,006 infant/toddler spaces, and 7,783 preschool spaces. However, according to the survey of center-based providers, nearly all (97%) of full-time infant/toddler programs and 88% of full-time preschool programs reported being at their target enrollment. Over two thirds (69%) of programs had waitlists, which in total held 642 infants or toddlers and 2,814 preschoolers. When asked if they would be interested in expanding to serve additional children, 54% of providers reported that they would. They identified a number of challenges however, the most common of which were: Difficulty finding a site (55%); lack of funding for expansion (48%); lack of qualified staff (33%); and planning, zoning, and permitting (20%).

The Early Learning stakeholder survey was developed to serve a number of purposes, including: building awareness of the EL facilities shortage; understanding existing approaches to this issue; seeking perceptions of where responsibilities lie; and identifying specific properties which may be used for early learning programs. Respondents were sought from multiple sectors, including: education; faith-based organizations; local government; community-based organizations; business; developers; and interested community members. Among the most interesting findings of this part of the EL Facilities Needs Assessment was the consensus that this is a complex problem requiring cooperation among multiple sectors to find a solution. When asked "Who is responsible for ensuring a continued supply of quality early learning and child care in San Mateo County?", respondents identified an average of 7 entities. Over three-quarters indicated that State and County governments hold some responsibility; around 60% cited the child care sector, city governments, and First 5 Commission; and half identified faith-based organizations, the non-profit sector, and large employers. Each of these sectors has representation on the EL Facilities Task Force, which is working to raise awareness of this issue and to generate policy and funding solutions. Building on work begun during FY 2015-16, this year the task force members have continued producing Op Ed pieces and engaging with city councils, school districts, planning commissions, and developers who have active development projects in the approvals process. The goal of these conversations is to get purpose-built early learning facilities included in these projects. Developers are being asked to lease this center space to providers at below-market rates as a public benefit.

In FY 2016-17, the fiscal forecasting and analysis aspect of the project was completed. Not including the price of land, costs for creating one child care space ranged from \$25,000 (for portables) to \$53,800 (for repurposing existing commercial space), with an average cost per space of \$40,717. This is comparable to the cost of creating a new parking space in Silicon Valley and San Francisco, which costs anywhere from \$25,000 to \$48,000. With a shortage of over 10,000 spaces as of 2015, this cost estimate suggests that it would take over \$400 million to meet the current need for child

care in this county. The Child Care Facilities Task Force is currently considering multiple mechanisms for funding and creating this critical infrastructure, including: encouraging large employers to offer on-site child care; parcel taxes; sales-tax add-ons; developer impact fees for child care; development agreements; and working with school districts to dedicate some Local Control Funding Formula dollars to Early Learning.

D. Improved Systems of Care Narrative

Policy & Broad Systems Change Efforts

Who is the primary audience for this service?

The primary audience for the implementation of an online contracts management and data system is F5SMC staff and funded partners.

What were the types of services provided?

Services provided to staff and grantees included translating the content of budgets, invoices, scopes of work, and programmatic details into an electronic format; programming business processes and protocols for reporting and approval into the system, and training and technical assistance.

What was the intended result of the service? What was the community impact of the service?

The intended results of moving to an online system include the following: 1) Reduce paper waste; 2) Minimize issues with version control by enabling grantees and F5SMC staff from different departments to access the same grant information online; 3) Streamline and expedite the internal review and approval process for invoices, budget revisions, and programmatic reporting. 4) Implement common individual-level data collection and indicator tracking requirements for grantees who provide direct services to children and families. The community impact of the service has been variable. Some aspects of reporting and review have been made more challenging by the switch to an electronic format. For example, the Scope of Work forms that F5SMC has been using with grantees felt overly-burdensome within the new system. However, invoicing and fiscal tracking is more streamlined and this information is now easier for both staff and grantees to access.

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Date: October 22, 2017

To: Finance and Administration Committee

From: Kitty Lopez, Executive Director

Re: Approval of Contract for QRIS Communications Consultation Services with VIVA Strategy + Communications, in the amount of \$145,500, Contract Term from November 1, 2017 to June 30, 2018

ACTION REQUESTED

Approval of Contract for QRIS Communications Consultation Services with VIVA Strategy + Communications, in the amount of \$145,500, Contract Term from November 1, 2017 to June 30, 2018.

BACKGROUND

At its October 2014 meeting, the First 5 San Mateo County (F5SMC) Commission approved the Strategic Planning Implementation Plan (SPIP) for the 2015-2020 Strategic Plan, which includes proposed activities slated for rollout as well as their annual allocation by activity. The SPIP includes an activity in the Early Learning focus area intended to “Increase parents' understanding of the importance of quality care environments, and their knowledge and ability to choose quality care”. Activities may include: supporting the creation of a publically available and user-friendly online directory of early learning program quality ratings. The Commission approved an allocation of \$300,000 over fiscal years 2016-17 and 2017-18 (Line 10 - SPIP) for the Strengthen Understanding of High Quality Early Learning Settings activity.

At its October 2016 Commission, the F5SMC Commission, approved Phase 1 of the Strengthen Understanding of High Quality Learning Settings- SMC QRIS Communications Consultation services in the amount of \$75,000 to VIVA Strategy + Communications. VIVA in collaboration with SMCOE, 4Cs and F5SMC have developed branding and communications materials (i.e. initial web-site hub analysis, brochures, provider and parent development etc. Marketing materials, logo, ratings scale design etc.). Additional QRIS communication efforts are being leveraged through F5CA IMPACT.

We thought we would only utilize \$75,000 now but do need to utilize \$145,500 of the remaining \$225,000 of this SPIP allocation. Pending approval of this contract, the remaining budget allocation for this Early Learning activity (2015-2018 SPIP) is \$80,000 and will be discontinued for FY 18-19 and 19-20. (At the August 2017 Commission meeting, we proposed discontinuing this strategy at a budget allocation of \$150,000).

The F5SMC Finance and Administration Committee on October 16, 2017 reviewed and discussed this agenda item and recommended approval of the VIVA QRIS Communications Consultation services contract.

OVERVIEW

San Mateo County has made a significant investment in its early learning system through the development of a quality rating and improvement system (QRIS). F5SMC and early learning partners SMCOE, 4Cs. and the Child Care Partnership Council have developed a strong QRIS infrastructure and programming. The next phase is to clearly communicate QRIS opportunities to educators, parents, and other key stakeholders as well as publish QRIS quality ratings in the winter of 2018 and fully implement a Quality Count QRIS digital Hub. The requirement to publish ratings poses a significant opportunity for outreach to parents, educators and the larger community around quality early learning and the QRIS effort. Effective communications will be

essential to fully achieving the goals of QRIS and to communicate ratings in a clear and meaningful way.

Additionally, San Mateo County's early learning system is a collaborative effort composed of many partners and initiatives. In order to ensure that QRIS communications are aligned with local initiatives and effectively use local resources, and that all entities are communicating about QRIS consistently, it is important that all partners understand how QRIS intersects with other early learning efforts, recognize their role within the larger system of quality improvement, and understand QRIS communications goals and strategies.

VIVA'S UNIQUE AND SOLE SOURCE QUALIFICATIONS

VIVA's QRIS consulting team has cultivated a unique expertise in QRIS and built capacity to design coordinated and integrated systems for quality early learning and to communicate effectively about QRIS to key audiences. In addition to consultation outside California, VIVA has worked extensively with counties across the state to design, implement, and communicate about county and regional QRISs. To date, they have provided strategic design and communications support in 10 of the 17 Race to the Top Consortia (RTT) over the past four years. VIVA's QRIS clients include Orange, Santa Barbara, Alameda, Monterey, Santa Clara, San Bernardino, Riverside, Los Angeles, and Fresno counties. In addition, VIVA has provided strategic consultation to the Bay Area Regional QRIS Partnership since 2012, which includes San Francisco, Alameda, Contra Costa, Santa Clara, Santa Cruz, and San Mateo Counties.

At the state level, VIVA has provided consultation to the First 5 Association and regularly collaborates with First 5 California. As part of VIVA's QRIS work, VIVA staff have attended every California Department of Education Early Education and Support Division (CDE-EESD) Consortia meeting for RTT since inception (2012) and have in-depth understanding of California's QRIS.

At the national level, VIVA Managing Partner Christina Bath Collosi participated in an invitation only June 2016 National QRIS Think Tank in Washington D.C. This was convened by the BUILD Initiative and included 25 thought leaders across the country to discuss public policy, financing, and QRIS systems development. Christina was one of only two California invited participants; the second was Camille Maben, Executive Director First 5 CA. At the think tank, Christina Bath Collosi was a speaker for the focused study "Elevating QRIS Communications: Building Effective Messaging Frames for Policy Audiences." Christina also presented at the national QRIS conference in July 2016 for the session "QRIS Communications: Advocacy Frameworks."

Additionally, VIVA is very familiar with San Mateo County's QRIS efforts, having facilitated the inclusion of San Mateo as a Bay Area Region QRIS mentee for California's Early Learning Race to the Top Early Learning Challenge Grant (RTT). This work occurred between 2014-2016 and included leadership support, onboarding to RTT including preparing local partners to rate a program with the RTT matrix and implementation guide, and a national QRIS communications scan. In addition to regional and local QRIS consultation to First 5 San Mateo County and its partners, VIVA has a long history of working successfully with the Commission on a range of projects, including the 2015-2020 Strategic Plan.

According to F5SMC's Procurement Policy: "The Competitive Proposal process may only be waived by the Commission upon a finding that it would be in the best interests of the Commission.

- The criteria for choosing the contractor and/or grantee may include particular criteria are important and appropriate to the project/grant, and may include:
- Experience of the agency and specific staff assigned to complete the work, including description of experience with similar projects
- Proposed methodology, work plan and timeline to complete the scope of work
Proposed cost to complete the work

Attachment 10

- Payment terms (when payment is due to the contractor and/or grantee throughout the timeframe of the contract)
- Start date and completion date of the work/service.”

VIVA PROJECT BUDGET AND SCOPE OF WORK

The following is an overview of the proposed project budget and scope of work for VIVA. For QRIS Communications Consultation Services.

The desired outcomes of the project are to: develop a document of common understanding of the integrated systems that support QRIS implementation; develop a strategic communications plan to support QRIS communications and orientation of key communicators to the plan, and communications strategies and execution support for priority communications needs. VIVA's consultation will include:

Scope of Work and Budget Synopsis	
Implementation of phase Quality Counts communications plan including:	
<ol style="list-style-type: none"> 1. Digital Hub Development: Site map and Content creation, including: Info on elements of quality; Educator recognition; Links to existing tools (for parents and educators); Searchable ratings information; Provider portal and Website design and development 2. Educator Kit Production :Sourcing and purchasing of all educator kit materials and additional marketing materials (eg., banner); Printed materials for parents and educators; Branded marketing items, conversation sparkers, and educator support items 3. Educator Collateral for Portal :Content creation and graphic design of 5-7 printables for educators related to elements of quality 4. Early Educator Recognition Event Support: Development and design of marketing materials (print and email) and event program 5. QRIS Marketing and Promotion: 2-3 local newspaper advertisements; 6 months of weekly partner social media content; Launch and maintenance of QRIS-specific social media platforms and social media content (6 months of content 	

FISCAL IMPACT

No impact. The recommended contract award for QRIS Communications Consultation Services to VIVA Strategy + Communications is in accordance with the approved funding allocations of the SPIP and the Long Term Financial Plan. The updated LTFP and FY 17-18.

ACTION REQUESTED

Approval of Contract for QRIS Communications Consultation Services with VIVA Strategy + Communications, in the amount of \$145,500, Contract Term from November 1, 2017 to June 30, 2018

Proposal

First 5 San Mateo County

QRIS Communications Consultation

September 13, 2017

Submitted to:

Kitty Lopez
Executive Director
First 5 San Mateo County
1700 S El Camino Real # 405
San Mateo, CA 94402

Submitted by:



Overview

San Mateo County has made a significant investment in its early learning system through the development of a quality rating and improvement system (QRIS). At this stage, San Mateo County has a strong QRIS infrastructure and programming in place. The next phase is to clearly communicate QRIS opportunities to educators, parents, and other key stakeholders as well as publish QRIS quality ratings in the spring of 2017. The requirement to publish ratings poses a significant opportunity for outreach to parents, educators and the community around quality early learning and the QRIS effort. Effective communications will be essential fully achieving the goals of QRIS and to communicate ratings in a clear and meaningful way.

Over the past year, San Mateo County has developed the foundation for successful communications and outreach through the development of a QRIS name, brand identity, communications plan, rating symbol and rating communications strategy, and initial outreach materials for educators, partners, and parents. The QRIS partners, First 5 San Mateo County, the San Mateo County Office of Education, and 4Cs San Mateo County, would now like support to achieve their QRIS communications and outreach goals.

About VIVA

VIVA Strategy + Communications (VIVA) is a San Mateo County-based, women-owned strategy consulting firm specializing in large-scale collective impact projects that improve the lives of children, families, and communities. VIVA provides innovative, results-focused strategy, powerful coalition building, and smart communications services to public, non-profit, and philanthropic organizations. VIVA is led by Managing Partners Christina Bath Collosi, M.A., and Nicole O. Tanner, Ph.D. Laura Bowen, MA, oversees VIVA's communications work. VIVA's staff comes from a variety of research, policy, education, and management backgrounds. All are mission-driven and have previous work experience in non-profit and/or public agencies serving children, youth, families, and communities. Years of community planning and facilitation experience enable our team to help clients clarify their vision, articulate priorities, and gain transformative outcomes.

Unique Qualifications

VIVA's QRIS consulting team has cultivated a unique expertise in QRIS and built capacity to design coordinated and integrated systems for quality early learning and to communicate effectively about QRIS to key audiences. In addition to consultation outside California, VIVA has worked extensively with counties across the state to design, implement, and communicate about county and regional QRISs. To date, we have provided strategic design and

communications support in 10 of the 17 Race to the Top Consortia (RTT) over the past four years. VIVA's QRIS clients include San Francisco, Orange, Santa Barbara, Alameda, Monterey, Santa Clara, San Bernardino, Riverside, Los Angeles, and Fresno counties. In addition, VIVA has provided strategic consultation to the Bay Area Regional QRIS Partnership since 2012, which includes San Francisco, Alameda, Contra Costa, Santa Clara, Santa Cruz, and San Mateo Counties.

At a state level, VIVA has provided consultation to the First 5 Association and regularly collaborates with First 5 California. As part of VIVA's QRIS work, VIVA staff have attended every California Department of Education Early Education and Support Division (CDE-EESD) Consortia meeting for RTT since inception (2012) and have in-depth understanding of California's QRIS.

VIVA's QRIS communications expertise has been recognized at the state and national levels. VIVA Managing Partner Christina Bath Collosi, Managing Partner Nicole Tanner, and Communications Director Laura Bowen have each presented on QRIS communications at several state and national conferences, including the First 5 California Child Health, Education, and Care Summit, the BUILD National QRIS Meeting, and an invitation-only National QRIS Think Tank in Washington D.C.

The following is a comprehensive list of VIVA's unique experience specifically related to QRIS communications strategy and implementation:

- **QRIS Communications Plans**
 - Orange
 - San Bernardino
 - Fresno
 - Santa Clara
 - Santa Barbara
 - Monterey
 - Riverside
 - San Mateo

- **QRIS Brand Identities** (including brand platforms, names, logos, and style guides)
 - Orange
 - Fresno
 - San Bernardino
 - Santa Clara
 - Monterey
 - Riverside

- San Mateo
- **Communications Outreach and Marketing Materials**
 - Orange
 - San Bernardino
 - Fresno
 - Monterey
 - Bay Area Region
 - Riverside
 - San Francisco
 - San Mateo
- **County and Regional QRIS Websites (Design and Content)**
 - Fresno
 - Los Angeles
 - Orange
 - San Bernardino
 - Bay Area Region
 - Riverside
 - San Francisco
- **QRIS Convenings and Events (design, facilitation, communications)**
 - Fresno County (QRIS Statewide Summit, Educator Recognition Event)
 - Bay Area Region (Regional Higher Education Convening, Regional Stakeholder Convenings)

Additionally, VIVA is very familiar with San Mateo County's QRIS efforts, having facilitated the inclusion of San Mateo as a Bay Area Region QRIS mentee for California's Early Learning Race to Top Early Learning Challenge Grant (RTT). This work occurred between 2014-2016 and included leadership support, onboarding to RTT including preparing local partners to rate a program with the RTT matrix and implementation guide, and a national QRIS communications scan.

VIVA utilized this extensive QRIS communications expertise and experience working with First 5 San Mateo County to develop the communications plan, brand identity, rating approach, and other supporting materials for San Mateo County's QRIS from November 2016 to September 2017.

Project Desired Outcomes

VIVA’s understanding of the desired outcomes of this engagement are:

1. Successful implementation of phase 1 of the Quality Counts communications plan
2. Begin successful implementation of phase 2 of the Quality Counts communications plan

Scope of Work

<i>Proposed VIVA Support</i>	<i>Timing</i>	<i>Budget Estimate</i>
<p>Digital Hub Development</p> <ul style="list-style-type: none"> ● Site map ● Content creation, including: <ul style="list-style-type: none"> ○ Info on elements of quality ○ Educator recognition ○ Links to existing tools (for parents and educators) ○ Searchable ratings information ○ Provider portal ● Website design and development 	<p>November 2017 - December 2018</p>	<p>\$25,000</p> <p>Invoiced as milestone payments (50% at beginning of work, 25% at delivery of website content, and 25% at delivery)</p>
<p>Educator Kit Production</p> <ul style="list-style-type: none"> ● Sourcing and purchasing of all educator kit materials and additional marketing materials (eg., banner) <ul style="list-style-type: none"> ○ Printed materials for parents and educators ○ Branded marketing items, conversation sparkers, and educator support items 	<p>November 2017 - January 2018</p>	<p>\$72,000</p> <p>This is a placeholder fixed cost which includes materials and VIVA production time. First 5 San Mateo County will approve kit items and quantities prior to purchase and production.</p> <p>Invoiced as milestone payments (50% at beginning of work, 25% at approval of items and quantities, 25% at delivery)</p>

<p>Educator Collateral for Portal</p> <ul style="list-style-type: none"> Content creation and graphic design of 5-7 printables for educators related to elements of quality 	January - March 2018	<p>\$9,500</p> <p>Invoiced based on hourly time</p>
<p>Early Educator Recognition Event Support</p> <ul style="list-style-type: none"> Development and design of marketing materials (print and email) and event program 	March - June 2018	<p>\$9,000</p> <p>Invoiced based on hourly time</p>
<p>QRIS Marketing and Promotion</p> <ul style="list-style-type: none"> 2-3 local newspaper advertisements 6 months of weekly partner social media content Launch and maintenance of QRIS-specific social media platforms and social media content (6 months of content) 	November 2017 - June 2018	<p>\$30,000</p> <p>Invoiced based on hourly time</p>

Budget

Consultation Budget (billed hourly; see rate schedule below.)	\$47,500
Deliverable Budget (billed at project milestones)	\$97,000
Expenses, including meeting costs and translation. Excludes costs related to items billed as deliverables.	\$1000
Total	\$145,500

Rates and Reimbursement Schedule

VIVA Staff Rates:

Managing Partner	\$185
Communications Director/Senior Consultant	\$175
Communications Manager/Consultant	\$165
Communications Specialist/Senior Associate Consultant	\$150
Associate Consultant/Project Administration	\$125

VIVA charges a 10% indirect rate on consulting hours.

VIVA Reimbursement Schedule:

Mileage	.54/mile
Per Diem for Food during travel	According to California per diem rates
Travel & Meeting Materials Costs	Reimbursement for direct costs (printing, materials, etc.)

Project Staff

Laura Bowen, MA, Communications Director, will serve as project lead and client contact. Laura develops outcomes-focused communications and brand strategies and manages social, digital, and traditional marketing campaigns. She has developed communications plans, brand identities, and communications materials for multiple county-based QRISs in California, including for San Mateo County and the Bay Area Region. She developed Fresno and San Bernardino Counties' QRIS communications plans and she developed strategic brand identity platforms for Santa Clara and San Bernardino Counties' QRISs. She has also led the development of QRIS communications and outreach materials in Los Angeles, Orange, and San Bernardino Counties, and the development of a suite of QRIS policy outreach materials for the Bay Area Region. Laura has a Master of Arts in Global Communications from the American University of Paris and a Bachelor of Arts in English and French from Lafayette College.

Fariyah Hossain, JD, Senior Associate Consultant, will serve as project manager and lead content development. Fariyah provides project management, content development, and strategy support to a range of QRIS projects at VIVA, including managing the development of a QRIS communications plan in LA County and managing a QRIS strategic planning process in Monterey County. Fariyah is a former Pre-K and Transitional Kindergarten teacher in low-income communities in New York and the Bay Area and, as a teacher and site director, participated in QRIS in California. In addition to holding a Multiple Subjects Teaching

Credential and a Site Supervisor permit, Farihah is a barred attorney, with a focus in Family Law. She has also studied the effects of media campaigns on children's development. She received a Juris Doctorate from Albany Law School of Union University and a Bachelor of Science from Rensselaer Polytechnic Institute.

Iris Elent, MSW, Senior Associate Consultant, will provide project management support on the project. Iris has extensive project management and coordination experience, working on QRIS-related projects in San Bernardino and Alameda Counties and for the Bay Area Regional Hub. Prior to joining VIVA, Iris developed and managed several programs in the nonprofit sector serving underserved communities, and provided program evaluation support for a startup education technology company. She holds Bachelor of Arts degrees in both Sociology and Feminist Studies from the University of California, Santa Barbara, and received her Master of Social Work degree from the University of Southern California.

Candice Tanu, MA, Communications Specialist, will provide graphic design and content development support on the project. Candice has contributed graphic design to San Mateo County's QRIS communications work thus far. She has also provided graphic design for San Francisco, Monterey, and Riverside Counties. She has extensive experience as a talented and flexible graphic designer, as well as in marketing and communications in a range of industries. She has a Master of Arts in Graphic Design from the Academy of Art University, San Francisco, and a Bachelor of Science in Marketing from Arizona State University.

DATE: October 23, 2017
TO: First 5 San Mateo County Commission
FROM: Kitty Lopez, Executive Director
RE: Communications Update

ACTION REQUESTED

None; this agenda item is for information only.

COMMUNICATIONS / YEAR 3: 2017- 2018 SCOPE OF WORK AND BUDGET

Staff is in the process of evaluating the recommended Year 2 Scope and Budget from Runyon Saltzman (RSE) and will update the Program, Planning and Operations Committee (POP) and Commission at their next meetings.

WEBSITE

- Revisions to the website content based on First 5's staff audit of the finalized website are in process.
- Daddy's Tool Bag webpage is scheduled to be up and running the week of October 23rd.
- Completion of the Spanish translation of the website is scheduled for the end of October.
- RSE is developing a series of training videos for use by Staff for the management of website updates.
- RSE is developing a timeline for a website ADA Compliance audit. Once compliance items are identified, RSE will make the necessary changes and Staff website editors will maintain ADA accessibility guidelines. Staff will coordinate the status of ADA compliance updates with POP and provide monthly updates to the Commission.
- RSE is in the process of developing website monthly newsletters and additional blog posts.

SOCIAL MEDIA

See **Attachment 11.1** for the social media update for the month of September.

THOUGHT LEADERSHIP

- RSE is identifying key influencers, talking points, and customized impact reports in preparation for First 5 Listening Tours & Champion Cultivation, a series of meetings with city officials and business leaders that will be scheduled later this year.

FUNDED PARTNER COMMUNICATIONS

- RSE will be scheduling the next Grantee Communications Workgroup Meeting to continue the development of the Grantee Resource Field Guide which will assist in facilitating the collaborative generation of communications tools and resources that partners value and want to disseminate.

First 5 San Mateo County Social Media Report September 2017

Overview

We continue to see growth, interaction and engagement in First 5 San Mateo social media platforms. Twitter and Instagram, in particular, showed strong increases in followers. Engagement was highest on Facebook, with a 75% increase in likes and comments over last month.

All activity continues to be organic, although RSE will be incorporating paid social efforts in the upcoming months. RSE we will continue to post relevant content, participate in Twitter chats, find new ways to engage fans on Facebook and Instagram, and will work with F5SMC to promote the LinkedIn page.

Activity by Platform

The following report provides engagement statistics by social media platform.



Facebook

777 Followers (+3 from last month)
272 Total Engagements – Likes and Comments (+117 from last month)
1.5K Highest Organic Post Reach (in Sept)
11% Highest Engagement Percentage (in Sept)

In September we saw a limited increase in followers, but a significant jump in engagement. This is positive, since our posts receive higher reach as engagement grows. Engagement for the month consisted of 272 comments, likes and shares, a 75% increase over August with 117 more interactions. The post that had the highest engagement, at 11%, was a post that linked to Redwood City Council member Shelly Masur's op-ed in the San Mateo Daily Journal regarding the child care shortage. The post with the highest reach was the announcement of our website launch, which reached 1,497 people.

Below are the posts with the highest organic reach and engagement.

Highlights:

First 5 San Mateo County
 Published by Leslie Valdivia Fuentes [?] · September 8 at 2:24pm · 🌐

We are thrilled to announce the launch of our NEW and IMPROVED site. We have lots of information and resources for parents, families and caregivers. Check it out today by visiting [http://www.first5sanmateo.org!](http://www.first5sanmateo.org)

FIRST 5
 Success for Every Child

1,497 People Reached
 11 Reactions, Comments & Shares

6 Like	6 On Post	0 On Shares
2 Love	2 On Post	0 On Shares
2 Comments	2 On Post	0 On Shares
1 Shares	0 On Post	1 On Shares

14 Post Clicks
 2 Photo Views | 5 Link Clicks | 7 Other Clicks 📊

NEGATIVE FEEDBACK
 0 Hide Post | 0 Hide All Posts
 0 Report as Spam | 0 Unlike Page

Reported stats may be delayed from what appears on posts

Get More Likes, Comments and Shares
 Boost this post for \$20 to reach up to 5,700 people.

1,497 people reached [Boost Post](#)

8 reactions | 1 Comment

Like Comment Share

First 5 San Mateo County Social Media Report September 2017

First 5 San Mateo County
Published by Leslie Valdivia Fuentes [?] · September 6 at 1:28pm · 🌐

"Child care is a necessity and must be considered critical infrastructure for Redwood City so we can continue to be a community for all ages."

www.smdailyjournal.com

SMDAILYJOURNAL.COM

🌱 **Get More Likes, Comments and Shares**
Boost this post for \$20 to reach up to 5,600 people.

265 people reached [Boost Post](#)

👍👍 Rita Mancera Hernandez, Kristen Anderson and 9 others · 3 Comments

👍 Like 💬 Comment ➦ Share

265 People Reached		
24 Reactions, Comments & Shares		
15 Like	9 On Post	6 On Shares
2 Love	2 On Post	0 On Shares
5 Comments	5 On Post	0 On Shares
2 Shares	0 On Post	2 On Shares
35 Post Clicks		
0 Photo Views	10 Link Clicks	25 Other Clicks
NEGATIVE FEEDBACK		
3 Hide Post	1 Hide All Posts	
0 Report as Spam	0 Unlike Page	



Twitter

191 Followers (to date) (+17 from last month)
56 Total Engagements- Retweets/Likes/Mentions (+6 from last month)
4.9K Tweet Impressions

Twitter continues to see steady growth with increased engagement and followers with larger audiences. The account continues to be tagged in content and tweets. During the month of September, most of the visibility came from a tweet by Shelly Masur linking to her editorial that mentioned @first5sanmateo and our tweet recognizing Sheriff Bolanos. In September, the account received 56 retweets, mentions and likes – up 6 since last month. The top follower this month is a young adult author, Aaron Denius, who has a following of 130K twitter users. Some highlighted tweets from the month are shown below:

Shelly Masur @skmasur [Following](#)

My editorial on expanding child care options
[@RedwoodCity](#)
[smdailyjournal.com/opinion/guest_ ...](http://smdailyjournal.com/opinion/guest_...)
[@first5sanmateo](#) [@4Ccommunity](#) [@4CsSMC](#)
[@AFSCMECouncil57](#)

11:45 AM - 5 Sep 2017

3 Retweets 11 Likes

1 Comment 3 Retweets 11 Likes

Tweet your reply

First 5 San Mateo County Social Media Report September 2017



Instagram

119
102
60

Followers (+19 from last month)
Total Engagements- Likes and Comments
Following (+7 from last month)

The Instagram account continues to see steady growth in followers with 19 additional people following in September. Followers continue to include parents, teachers, early education and health community organizations, other First 5's and public officials. We published 8 posts this month, and engagement stayed consistent with 102 likes and comments. The two most popular post are shown below:



First 5 San Mateo County Social Media Report September 2017



LinkedIn

RSE continued to post content during the month of September to the First 5 San Mateo County LinkedIn business page; however we have not been able to generate the type of activity we'd like to see. RSE and F5SMC will continue to work together to find ways to engage internal staff and other county individuals on this platform.

Posted by Leslie Valdivia • 9/6/2017 • Sponsor now

First 5 San Mateo County
1mo

"Child care is a necessity and must be considered critical infrastructure for Redwood City so we can continue to be a community for all ages."

Redwood City needs child care
smdailyjournal.com

3 Likes

Like Comment

Organic Reach: 174 Impressions Show stats

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**FIRST 5 SAN MATEO COUNTY (F5SMC)
REPORT OF THE EXECUTIVE DIRECTOR
OCTOBER 2017**

OVERVIEW

Bills Endorsed by First 5 San Mateo County and Signed by Governor Jerry Brown

- **New Parent Leave Act, SB 63**

This bill requires employers to allow qualifying employees to take up to 12 weeks of parental leave to bond with a new child within one year of the child's birth, adoption or foster care placement. SB 63 would make job-protected parental leave available to an additional 2.7 million Californians. Under pre-existing law, only parents working for a large employers have a right to take up to 12 weeks of parental leave. Now parents working for medium-sized employers will have basic job protections and be able to invest that time in nurturing their newborn child.

<http://www.businesswire.com/news/home/20171012006275/en/>

- **Establishing the Lifting Children and Families Out of Poverty Task Force, AB 1520**

According to the most recent U.S. Census Bureau's Supplemental Poverty Measure, California has the highest rate of child poverty in the country. The AB1520 bill will create a task force consists of experts, leaders and stakeholders from inside and outside government to develop strategies for dramatically reducing California's child poverty rate such as investing in proven solutions like voluntary home visiting; high – quality, affordable early childhood education; after school and summer programs; earned income tax credits for working families; and job training.

<https://www.childrennow.org/index.php?cID=547>

- **Informing Students of Other Means of Intervention Before Suspension, AB 667**

This bill requires that a student be informed of required alternative means of correction that occurred prior to being suspended. AB667 is needed to ensure that students are not being suspended before more productive and restorative alternatives are employed, that suspension is a last resort. <https://www.childrennow.org/index.php?cID=546>

- **Child Care Subsidy Pilots for Marin, Sonoma, Alameda and Contra Costa Counties.**

This Bill supports working families by helping families access child care in area with high cost of living. San Mateo County was the first county over 13 years ago approved for a child care subsidy pilot. <https://a15.asmdc.org/press-releases/governor-brown-signs-thurmond-childcare-subsidy-bill>

STRATEGIC INVESTMENT FOCUS AREAS – UPDATE

Early Learning

- **Build Up for SMC Kids- Early Learning Facilities:** Advocacy and work plan implementation activities continue by the planning committee to address the large gap in early learning facilities. Build- Up planning committee members include: Jean Marie Houston- SMCOE, David Fleishman- 4Cs, Kristen Anderson- LPC Coordinator/City of RWC, Michelle Sioson Hyman SVCF-CEL, Kitty Lopez, Michelle Blakely and Sarah Kinahan - F5SMC. F5SMC is the backbone agency of this collective impact work providing initial seed funding and TA support for coordination and consultation services to implement the work plan. See attached Early Learning Facilities Developments and Activities (Attachment 12.2).

Recently, planning committee members participated in city council meetings in San Carlos, San Mateo and Burlingame. Click here to see an article about the San Carlos city council meeting. http://www.smdailyjournal.com/news/local/making-way-for-child-care-in-san-carlos/article_548d9a0e-b09a-11e7-825a-e7aface4b7b4.html (Attachment 12.3) A one page document is being developed for cities to use to take initial steps to addressing the childcare shortage within their communities. Ongoing technical assistance to cities is a key component of the Build-up work plan. A full presentation on Build-Up will be provided to the Commission with the next few months.

- **Child Care Partnership Council:** The Child Care Partnership Council (CCPC) met on September 26, 2017 for its' bi-monthly meeting took action on several items including:
 - Recommending and approving Michelle Blakely as Co-chair of the Policy, Advocacy, Communication and Outreach committee. (PACO). PACO regularly reviews and tracks local, state and federal public policy as it relates to child care, early care and education, and children and families.
 - Approval of the 2017 San Mateo County Child Care and Preschool Needs Assessment. Sarah Kinahan presented the data which is additional key information to support work in addressing early learning facilities shortage and workforce development issues. See attached synopsis of data (Attachment 12.4)
 - Hosting the 10th annual San Mateo Early Intervention Conference in 2018 (Infants thru 3rd grade). The conference will be held on Saturday May 5th at Skyline College for approximately 300 attendees. A call for presenters has been issued. The Conference is supported by SMCOE, 4Cs, F5SMC and additional partners.

Child Health and Development

- **F5SMC Mental Health Systems Initiative Steering Committee Meeting:** First 5 SMC staff in partnership with consultant Learning for Action (LFA) hosted the first Steering Committee meeting on September 6th as part of the newly undertaken Mental Health Systems Initiative process. Steering Committee members represent various sectors of the early childhood and mental health landscape and include F5SMC Commissioners Sandra Phillips-Sved and Dr. Neel Patel. The next Steering Committee Meeting will take



place on October 18th in preparation for an upcoming Community Input Session in late November.

- California Community Care Coordination Collaborative (5Cs): On October 3rd, Emily Roberts and Gatepath Help Me Grow Manager, Cheryl Oku, attended the 5Cs Round III meeting hosted by Lucile Packard Foundation for Children’s Health (LPFCH). This was the first statewide partner meeting of the most recent LPFCH funding cycle focused on improving care coordination for families of children with complex care needs. San Mateo County was previously funded in Rounds I and II of the 5Cs project and now attends the statewide gatherings as an unfunded partner.
- SMC Children’s Oral Health Workgroup Meeting: The Children’s Oral Health Workgroup met on October 11th to continue work on the implementation of the strategies identified in the SMC Oral Health Strategic Plan. The meeting in co-chaired by Eileen Espejo of Children Now and F5SMC Program Specialist, Emily Roberts.
- Systems Change for Children with Special Needs Meeting: On October 12th, the group held its regular quarterly meeting for stakeholders interested in early identification and special needs for young children. The agenda included a presentation from Dr. Anand Chabra, Medical Director for CCS, CHDP, and Family Health Services within the SMC Health System, who gave an overview of the current child health-focused efforts underway. Dr. Tina Buysse and Nancy Sugajski from Stanford Children’s Health also presented on recently identified barriers to care for children whose cases are presented as part of the monthly Watch Me Grow Roundtable focused on multidisciplinary care coordination for children with complex needs.

Family Support

- Immigration Learning Circle: In collaboration with Legal Aid, F5SMC will be hosting an Immigration Learning Circle for grantees and providers on November 6th (rescheduled from September 27th). The Learning Circle will be held at the Sobrato Center from 10:30 to 12:30 and will include:
 - A Legal Aid presentation on current Immigration law, changes from the new White House Administration (including executive orders and DACA), what hasn’t and what providers can do to help their clients;
 - An Introduction to “Care, Cope, Connect” the Flip Book created in by the First 5 Association in partnership with Sesame Street aimed at comforting kids during times of stress;
 - Possible showing of Abriendo Puerta’s video example of how to talk to kids about Immigration issues and deportation fears.
- Child Support Services (CSS) Collaborative Meeting: on September 21st F5SMC Program staff met with the leadership staff of the Department of Child Support Services to learn more about what they do and how we might collaborate. Although this conversation will be continuing, we’ve already identified several things we can do to start working together:
 - 1) Include CSS on the new F5SMC Website, possibly with a link to the CSS site and their child support calculator, and including a plug for their services (which are free!)



- 2) Provide CSS with a supply of Daddy's Toolkit for distribution to the fathers they serve as a way to help create positive relationships between CSS and fathers.
 - 3) CSS will order Kits for New Parents to have available to hand out to families as needed.
 - 4) Host a Brown Bag or Learning Circle for Grantees.
- Visitation Kit/Art Therapy Launch: On October 5th F5SMC Program staff met with the Children and Family Services (CFS) Central Support Staff (foster care unit) to introduce them to the newly created Visitation Kits and child-friendly art therapy strategies. This is a project F5SMC has undertaken in accordance with our Strategic Plan aimed at supporting children in the foster care system and supporting the Human Services Agency (HSA) staff who work with them. With the help of VIVA Consulting and in collaboration with CFS, F5SMC identified the need for the Central Support Staff to have a portable kit full of child-friendly items to help mitigate the trauma children face when being removed from home and/or facilitate positive interactions during visitations and while being transported. Two visitation kits were created, one for community care workers and one for transportation officers. The kits contain a variety of items including: soft sided books, puppets, stress balls, water-based coloring books (reusable), puzzles, stickers, legos and art bag. These items are packed in the backpack that has F5SMC branding.

The Child Support Services Staff also received an art therapy experiential training from Michelle Holdt, Coordinator of Performing and Visual Arts, from the San Mateo County Office of Education. CSS learned a variety of techniques to engage young children in a playful, non-threatening way that will make car drives, waiting for visitations to begin, and visitations themselves more comfortable, fun, and engaging.

Collaboration with CSS will continue in Spring 2018 with One-Degree Training (On-line resource and referral), Early Brain Development Primer for CSS and final experiential art training.

POLICY & ADVOCACY UPDATES

- Supervisor Dave Pine, Kitty Lopez, and Jenifer Clark attended the **Burlingame City Council Meeting** on September 18th, where Kitty presented findings from the **Early Learning Facilities Needs Assessment**. Council members were very engaged with the presentation and had a number of questions regarding the data. Members of the community, including a family child care provider, spoke in support of the study, providing personal stories of their difficulties in accessing or maintaining high-quality child care here in San Mateo County.
- Kitty Lopez and Commissioner Pam Frisella met with Joanne Bohigian of Gilead to discuss the Early Learning Facilities Needs Assessment in order to engage local businesses and leaders in early childhood issues.



ACCOUNTABILITY, RESEARCH AND EVALUATION

Oral Health Coalition Data Workgroup

On September 26th, Jenifer Clark attended a meeting of the **Oral Health Coalition Data Workgroup**. Much of the time was spent discussing how to establish a surveillance system for the oral health indicators established by the Countywide Oral Health Strategic Plan, including an assessment of children's oral health and access to dental care at kindergarten entry.

Bay Area Regional Evaluators meeting Jenifer Clark attended the **Bay Area Regional Evaluators meeting** on September 29th. The meeting included a discussion with Moira Kenney regarding revisions to the State Annual Report that will be implemented for the FY 17-18 reporting period. Attendees also discussed the upcoming F5 Association Staff Summit which will take place at Asilomar next month.

Silicon Valley Data Trust's DataZone project On October 2nd, Jenifer Clark and Michelle Blakely attended an informational meeting regarding the **Silicon Valley Data Trust's DataZone project**. Although this cross-sector data-linkage project currently focuses on children in the K-12 age range, there is potential for and interest in including preschool-aged children as well.

FIRST 5 CALIFORNIA & FIRST 5 ASSOCIATION UPDATES

California Wildfire

In response to the recent California wildfires, the First 5s across California and their early childhood partners are stepping up to aid impacted families with babies and young children. The First 5 California and First 5 Association established a relief fund to support the affected First 5 counties, and 100% of these funds will be directed for recovery services such as mental health supports for evacuated families, supplies for damaged family child care homes and preschools, additional family programs to support children affected by the fires, and temporary child care supports. To donate, visit <https://www.generosity.com/emergencies-fundraising/first-5-wildfire-recovery-effort>. See attached letter (Attachment 12.5).

COMMUNITY AND STATEWIDE EVENTS & UPDATES

Celebrating You!

First 5 San Mateo County will be receiving a Community Partner of Year award from Peninsula Family Service recognition event on October 18, 2017 at Riggs Showroom. F5SMC provides grant supports to Therapeutic Child Development Centers that Peninsula Family Service runs in collaboration with LifeMoves. This initiative provides early childhood education for homeless toddlers and preschool age children.

Peninsula Family Service mission is to strengthen the community by providing children, families, and older adults the support and tools to realize their full potential and lead healthy, stable lives.

New Parent Leave Act, SB 63 (Jackson), Signed by Governor Brown

advfn.com |

On October 12, 2017, Governor Jerry Brown signed Senate Bill 63 by Senator Hannah Beth Jackson, which extends job protections to 2.6 million more Californians when they become parents. Under pre-existing law, only parents working for very large employers have a right to take up to 12 weeks of parental leave. Now, parents working for medium-size employers will have basic job protections and be able to invest that time in nurturing their newborn child.

“Once again, California is leading the nation to strengthen policies in the key first months of each child's life. With his signature of SB 63 (Jackson), Governor Jerry Brown is acting on the science that proves parental leave for these first key months of a child’s life is not a luxury to debate—it’s a developmental necessity for each child,” said George Halvorson, former CEO of Kaiser Permanente and Chair of First 5 California. “Extending parental leave to 2.6 million Californians is an investment of parents' time in each child's success and our shared economic futures.”

The latest medical research reveals the very first days and months of a baby’s life are crucial to each child’s future. A baby’s brain development starts even before birth and accelerates during the first three months of life, as well as throughout the first five years. What parents and caregivers do for and with their babies in those first months give children both a strong learning start and emotionally secure underpinnings for life.

“This science is why First 5 California launched its Talk. Read. Sing.[®] campaign, which is currently on the airwaves,” said Camille Maben, Executive Director of First 5 California. “We want every parent to understand that their loving attention and interactions are the key to their child’s future success. Every parent needs this information to take action during the first months of their child’s life, and every parent needs the ability to take the TIME for action.”

A 2011 field poll found almost 2 out of 5 employees who were eligible to use California’s Paid Family Leave program did not apply for the state benefit because they feared losing their job or other negative consequences at work. This is a Paid Family Leave program that employees fund with deductions from their very own paychecks, and these parents didn’t get to access the benefit because they had no job protections.

Because no parent should have to choose between the well-being of their new child and their family’s financial security and health care coverage, First 5 California has partnered with Senator Jackson, Legal Aid at Work, the California Employment Lawyers Association, and the California Work and Family Coalition to sponsor and champion the passage of SB 63.

First 5 California was established in 1998 when voters passed Proposition 10, which taxes tobacco products to fund services for children ages 0 to 5 and their families. First 5 California

programs and resources are designed to educate and support teachers, parents, and caregivers in the critical role they play during a child's first five years – to help California kids receive the best possible start in life and thrive. For more information, please visit www.cafc.ca.gov.

View source version on businesswire.com:

<http://www.businesswire.com/news/home/20171012006275/en/>

First 5 California

Erin Gabel, 916-708-8895

CHILDREN NOW

Support for AB 667 - Informing students of other means of intervention before suspension

September 2017

Subject: Request for signature on AB 667 (Reyes)

Dear Governor Brown:

The undersigned organizations are writing in support of Assembly Bill 667 (Reyes) pertaining to pupil discipline and other means of correction. Specifically, AB 667 would require that a student be informed of the “other means of correction” that were attempted prior to a suspension.

Under current law, Education Code Section 48900.5 already requires an informal conference to be conducted by the principal, the principal’s designee, or the district superintendent, prior to the suspension of a student -- and a suspension may occur for specified offenses only after “other means of correction fail to bring about proper conduct.”

AB 667 is needed to ensure that students are not being suspended before more productive and restorative alternatives are employed. By simply requiring (during the existing conference) that the student be informed of the alternatives that were attempted, schools will be more likely to adhere to current law and students will at least have the benefit of knowing the “other means of correction” that were attempted prior to their suspension. Bottom line, exclusion from school should be a last resort, only after other means of correction as required by law.

Therefore, AB 667 adds a basic due process requirement to be “informed” during the existing conference of the “other means of correction that were attempted before the suspension” – aside from this basic due process right, the conference is a teachable moment and if a student is being excluded from school they should at least be advised of the actions and attempted interventions that led to the suspension.

Furthermore, the cost is negligible at best. The “other means of correction” requirement already exists and it is already the responsibility of the principal, the principal’s designee, or the district superintendent to verify other means were attempted prior to the decision to suspend under current law. We believe accurate cost estimates of AB 667 can only be attributed to the simple act of informing the student during the existing conference, as everything else is required under current law.

The undersigned organizations support AB 667, and we urge an “AYE” vote on this measure.

Sincerely,

ORGANIZATIONS IN SUPPORT - LISTED HERE

cc: Hon. Eloise Gómez Reyes, Assemblymember, 47th District
Camille Wagner, Secretary of Legislative Affairs, Office of the Governor
Karen Stapf Walters, Executive Director, State Board of Education
Jennifer Johnson, Deputy Legislative Secretary, Governor’s Office

Judy M. Cias, Chief Counsel, State Board of Education
Jeff Bell, Program Budget Manager, Department of Finance

[Sign Your Organization On In Support of AB 667](#)

[< Back to all The Children's Movement](#)

CHILDREN NOW

Support for AB 1520 - Lifting Children and Families Out of Poverty Task Force

September 2017

Subject: Request for Signature on AB1520 (Burke)

Dear Governor Brown:

We are writing in support of Assembly Bill 1520, the Lifting Children and Families Out of Poverty Act, which passed the Legislature with bipartisan support and without one dissenting vote. There was realization that AB 1520 is a necessary step in building on the measures that have been taken to reduce child poverty through the development of a comprehensive and data-driven plan.

There is a need for urgent action. California is the sixth largest economy in the world, yet it has the highest rate of child poverty in the country (20.6%), according to the most recent U.S. Census Bureau's Supplemental Poverty Measure. This is a human and fiscal crisis: California can and should do better for its children.

AB 1520 is a smart approach that brings together experts, leaders and stakeholders from inside and outside government to develop an overall plan that is the first necessary step in providing a foundation for action. That is why organizations throughout California support the bill, including children's organizations, local governments and business and religious groups.

Just as it has done on climate change and infrastructure, California can set a model for the nation in reducing poverty by creating this Task Force to establish a plan to invest in proven programs that will significantly reduce child poverty.

We strongly support this important legislation and hope you will sign it into law.

Yours sincerely,

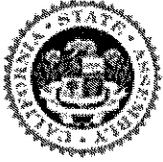
ORGANIZATIONS IN SUPPORT - LISTED HERE

cc: Assemblywoman Autumn Burke

[Sign Your Organization On In Support of AB 1520](#)

[< Back to all The Children's Movement](#)

Attachment 12.1



ASSEMBLY MEMBER [REDACTED]

[REDACTED] DISTRICT 15

(/)

Governor Brown Signs Thurmond Childcare Subsidy Bill



Print/817)

(<https://www.addthis.com/bookmark.php?v=300>)

(<https://www.addthis.com/bookmark.php?v=300>)

(<https://www.addthis.com/bookmark.php?v=300>)

Thursday, October 12, 2017

Sacramento, CA – AB 435 authored, by Assemblymember Tony Thurmond (D-Richmond), authorizes Contra Costa, Sonoma, Alameda, and Marin counties to develop and implement a child care subsidy pilot. The bill was signed by the Governor today.

“Living in a high cost area has made it difficult for our families to qualify for affordable child care,” said Thurmond. “Childcare subsidy pilots have proven to work in high-cost areas where families are ineligible for subsidized childcare. This bill helps families access child care where the high cost of living is a major barrier.”

According to Contra Costa Counties’ Local Early Education Planning Council, approximately \$3.8 million under the Title 5 state subsidized child care contracts were returned to the state for fiscal year 2015-16. This bill increases access to child care for working families by allowing providers to fully utilize allocated dollars going forward.

The Bay Area Council, Bay Area Hispano Institute for Advancement, Brion Economics, Inc., California Child Care Coordinators Association, Cambridge Community Center, Canal Welcome Center, Contra Costa County Board of Supervisors, Ensuring Opportunity Campaign to End Poverty in Contra Costa, and First 5 Association of California. The bill was sponsored by First 5 Contra Costa and the Alameda County Board of Supervisors.

RELEASE CONTACT: Ayodeji Taylor (916) 319-2015

Assemblymember Tony Thurmond represents the 15th Assembly District, comprised of the cities of Albany, Berkeley, El Cerrito, El Sobrante, Emeryville, Hercules, Kensington, Piedmont, Pinole, Richmond, San Pablo, Tara Hills, and a portion of Oakland.

###

CONTACT TONY (<https://lcmspubcontact.lc.ca.gov/PublicLCMS/ContactPopup.php?district=AD15>)

CASEWORK INTAKE FORM (</article/casework-intake-form>)



EARLY LEARNING FACILITIES DEVELOPMENTS & ACTIVITIES

TIMELINE UPDATED 9/28/17



http://www.smdailyjournal.com/news/local/making-way-for-child-care-in-san-carlos/article_548d9a0e-b09a-11e7-825a-e7aface4b7b4.html

Making way for child care in San Carlos

Officials peg developer fees, streamlined permits to increase facilities

By Anna Schuessler Daily Journal staff Oct 14, 2017

In light of a child care shortage documented across the county, San Carlos officials are hoping changes to the city's permitting process for those looking to provide in-home care and fees charged to developers will help meet the city's demand.

In a study session Monday, councilmembers favored reducing fees and streamlining the process to apply for permits required for homeowners wishing to provide at-home child care as strategies to help alleviate the shortage in the near term, and pegged fees charged to developers building new projects as a way to get ahead of future city needs.

Councilman Cameron Johnson expressed relief city officials were focusing on an issue he's heard a lot about from San Carlos residents.

"I am really happy that we're looking into this," he said. "I think this is a significant issue."

The item rose to the top of the council's agenda after a January presentation from a consultant to the county showing the city has an existing shortage of 640 child care spots. The scarcity of affordable facilities and difficulties with the city's regulations around providing child care were among the challenges residents and providers concerned with the shortage cited since the city focused on the issue, said Community Development Director Al Savay.

Resident Pranita Ballback expressed frustration with the stressful experience she had applying for a permit to operate a family home child care program for up to 14 students. Ashleigh Kanat, a consultant to the city with the firm Economic & Planning Systems, said family child care programs of eight students or less were allowed to operate by right and that San Carlos requires family home child care programs with up to 14 students to obtain a minor use permit.

Ballback said following the city's minor use permit process, which required her to engage with her neighbors and hire additional staff to ensure a limited number of cars were parked on the cul-de-sac where her house is located, caused her to wonder whether she should move to another city to be able to offer child care services at her home.

"It cost us money and time, but also emotionally it was draining," she said.

Though Ballback eventually opted to stay in San Carlos, she urged officials to consider easing the process for future applicants interested in providing the much-needed service in the city.

Several councilmembers voiced support for waiving fees associated with required permits, which Savay said could cost \$2,300 for a minor use permit and \$4,700 for a conditional use permit. Councilman Mark Olbert suggested the city look at developing a set of best practices for larger at-home child care providers that can be used as criteria for determining whether a permit could be issued to simplify the process.

Vice Mayor Matt Grocott was reluctant to relax the city's permitting requirements too much, acknowledging the importance of engaging neighbors who may be affected by the pick-up and drop-off of students and other events related to at-home child care. Mayor Bob Grassilli also noted that lifting parking requirements for at-home providers could play out differently depending on where a provider lives.

Grocott expressed interested in exploring whether child care, which Savay said is currently limited to residential and mixed-use zones in the city, could be provided in the city's industrial zone. He noted the changing makeup of the types of businesses in the city's industrial zones, which has skewed toward wineries and breweries in recent years and wondered if child care could be accommodated there.

Savay acknowledged the risks involved with locating a child care near businesses using industrial equipment and chemicals and predicted business owners with facilities in the zone might have questions about including child care facilities in industrial zones.

“The issue is that those people have put big investments into their building and their business and if a day care goes next door, then you have an inherent conflict,” he said.

Savay said stretches of El Camino Real and other retail areas might be a better fit for child care facilities, which could be allowed to operate in those areas through a conditional use permit.

Councilmembers agreed asking developers of future building projects in the city to include child care in their plans or pay into a fund the city could use toward new facilities was needed to address future needs.

“That’s not going to address everything,” said Olbert. “But we can at least take some steps in that direction and sort of keep it in front of us.”

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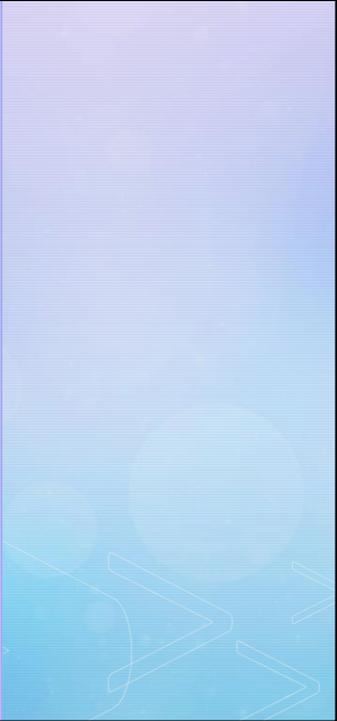
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San Mateo County Child Care and Preschool Needs Assessment 2017

*Prepared by Sarah Kinahan Consulting for the
San Mateo County Child Care Partnership Council*



Purpose of the Needs Assessment

- Fulfills mandate for LPC – must conduct every five years
- Informs CCPC's Strategic Plan, Policy Platform, and Priority Setting
- Provides data useful to the work of the CCPC Committees
- Guides use of resources and influences policies set by elected officials and community stakeholders

Attachment 12.4

Content of the Needs Assessment

- Demographics of Children and Families
- Children with Special Needs
- Family Incomes & Family Needs
- Supply, Demand, Surplus, Deficits of Child Care for All Families and Low-Income Families
- Cost of Care
- Quality of Care
- Child Care Workforce
- Key Findings

Primary Sources of Data

- California Department of Education
- US Census/American Community Survey
- Community Care Licensing
- Child Care Coordinating Council
- SMCOE's Surveys of Programs
- San Mateo County Human Services Agency

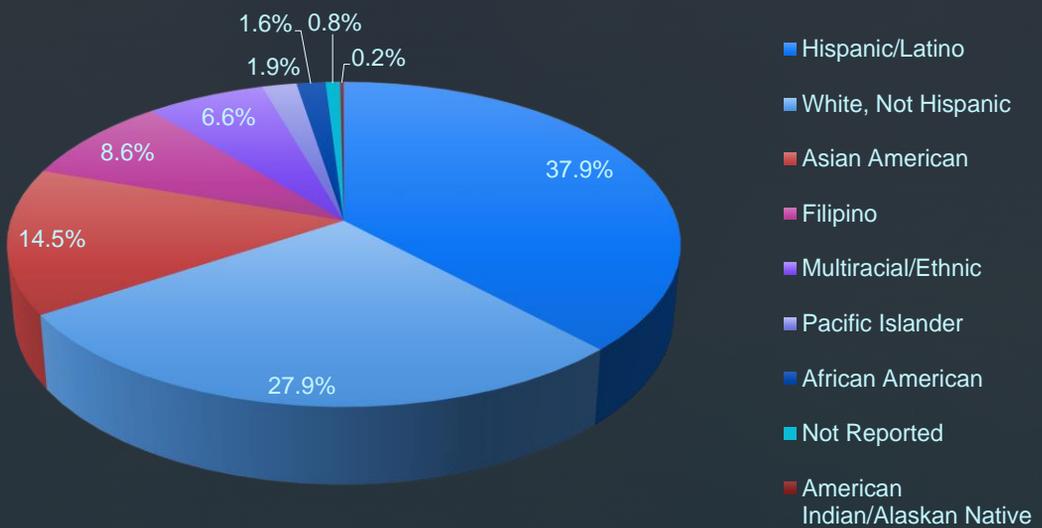
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Number of Children

Age in Years	Number
< 1	8,676
1	8,908
2	8,757
3	9,974
4	10,394
5	9,492
6 - 12	64,799
Total	121,000

Number in Age Cohorts	
Ages 0 - 1	17,584
Age 2	8,757
Ages 3 - 4	20,368
Ages 5 - 12	74,291

Child Race/Ethnicity (K-12 enrollment)



Attachment 12.4

Languages Spoken by English Language Learners (ELLs): K-12 enrollment

Language	Number	Percent of ELLs
Spanish	15,505	70.52%
Filipino	1,640	7.46%
Cantonese	842	3.83%
Mandarin	674	3.07%
Arabic	598	2.72%
Japanese	336	1.53%
Russian	306	1.39%
Portuguese	274	1.25%
Tongan	216	0.98%
Hindi	191	0.87%
Korean	131	0.60%
Burmese	128	0.58%

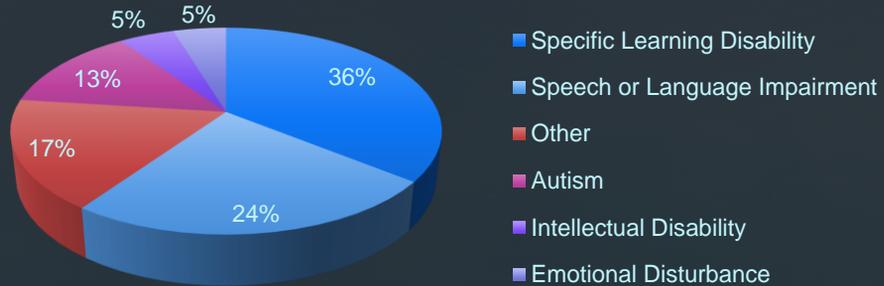
Immigrants in San Mateo County

- Between 2000 to 2016, the county's immigrant population increased from 25.5% to 34.6% of the general population
- Close to half (46.3%) of all people in the county speak a language other than English at home
- 761 children ages 0 – 12 years participated in the Migrant Education Program

Attachment 12.4

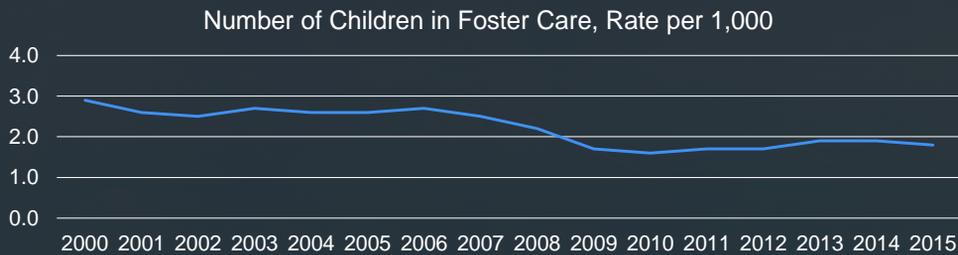
Children with Special Needs

Age Group	GGRC	School Districts	Total
0 – 2 years	1,576	-	1,576
3 – 5 years	-	1,189	1,189
6 – 22 years	3,345	8,815	12,160
Total	4,921	10,004	14,925



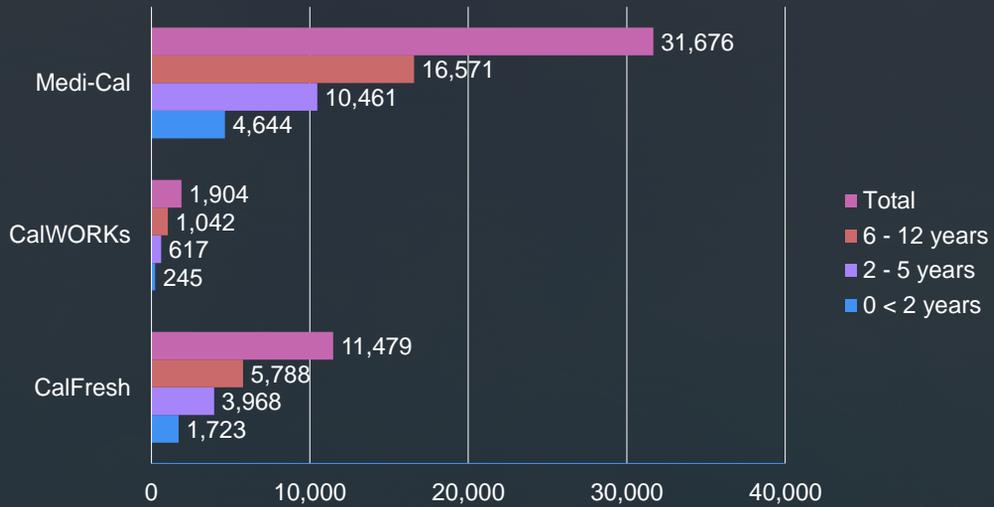
Child Protective Services and Foster Care

Age Cohort	In CPS System	Referred for Child Care
0 < 2 years	96	
2 – 5 years	222	
6 – 12 years	461	
Total	779	172



Attachment 12.4

Children Receiving Public Assistance



Children Using CalWORKs Child Care

Age Group	Stage 1	Stage 2	Stage 3	Total
0 - 2 years	24	74	35	133
3 - 4 years	98	51	69	218
5 - 12 years	44	94	233	371
Total	166	219	337	722

Attachment 12.4

Children's Literacy

Race/Ethnicity	Pct. of Third Graders Scoring At or Above Standard
All Students	55%
African American/Black	31%
Asian	78%
Filipino	57%
Hispanic or Latino	30%
Native American or Alaskan Native	61%
Native Hawaiian or Pacific Islander	29%
Two or More	78%
White	75%

Percent of 3rd-Graders At or Above Standard =

- 73% of non-economically disadvantaged students
- 26% of economically disadvantaged students
- 23% of English Language Learners

Family Incomes

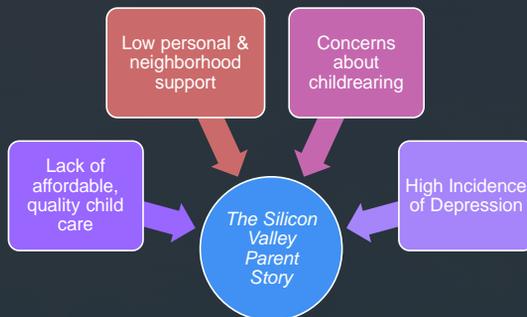
- San Mateo County's Unemployment is Low = 2.9%
 - 69% of families have all parents/guardians in the workforce
- Growing Income Disparities
 - Families in poverty increased from 6.9% to 7.5%
 - Highest paid workers earn 8 x more than lowest paid
 - 45% of families earn less than self-sufficiency
- Housing Costs are Pushing People Out
 - San Mateo County is the only one in the Bay Area to experience net migration loss

Attachment 12.4

Children by Income Levels

Age Group	At or Below FPL	Below 70% SMI	At or Above 70% SMI
0 – 2 years	2,335	6,969	19,372
3 – 4 years	1,816	5,146	15,222
5 – 12 years	6,865	18,440	55,851
Total	11,016	30,555	90,455

The Silicon Valley Parent Story



Due to the responsibilities of being a parent, in the prior year:

- One out of four parents had reduced the number of hours worked
- One out of ten parents had changed employers
- One out of five parents earning \$16,000/year or less changed employers
- 68% of parents making less than \$32,000/year left the workforce by choice
- 38% of those making less than \$32,000/year lost their job or were laid off

Attachment 12.4

Supply (all incomes)

Age Group	FCCH Total	Child Care Centers		All Sites Total
		Total	Subsidized	
Infant Spaces	2,332	1,478	246	3,810
Preschool Spaces	2,932	16,297	3,141	19,229
School-Aged Spaces	1,399	15,090	4,739	16,489
Total Number of Spaces	6,663	32,865	8,126	39,528
Total Number of Sites	626	546	97	1,172

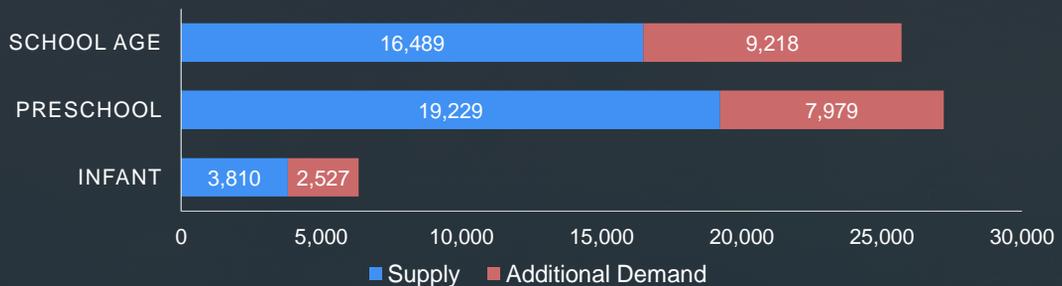
Demand (all incomes)

Age Cohort	No. Estimated to Need Child Care
0 – 1 year	6,337
2 – 4 years	27,208
5 – 12 years	25,707
Total	59,252

Attachment 12.4

Surplus/Deficit of Child Care (all incomes)

- Currently, there is care in centers or FCCs for 60% of all infants, 71% of preschoolers, and 64% of school age children in the county.



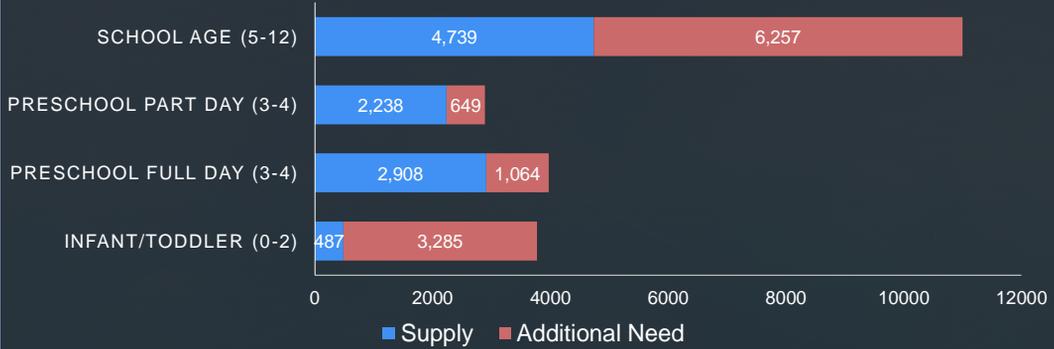
Changes in Supply and Demand Since 2009

- Transitional Kindergarten (TK) phased in
- Cal-SAFE eliminated
- The Big Lift™ launched
- Emergency Child Care Bridge for Youth in Foster Care beginning
- Increase in School Districts offering preschool
- Changes in the Subsidy Pilot
- Facilities Task Force and Build Up
- Existing providers losing space

Attachment 12.4

Child Care for Low-Income Families

- 8,126 subsidized spaces for children ages birth to twelve, representing just 21% of the total supply



Children Enrolled in Local, State and Federal Subsidized Programs

Funding / Program Type	Infant/Toddler (0-2)	Preschool (3 - 4)	School-Age (5-12)
Full-Day Center (CCTR)	219	0	274
CA State Preschool (CSPP) Full-day	0	1,109	0
CA State Preschool (CSPP) Part-day	0	1,189	0
CSPP Part-day blended w/Head Start (Full Day spaces)	0	280	0
California Alternative Payment (voucher)	108	74	166
CalWORKs Stage 1	24	98	44
CalWORKs Stage 2	74	51	94
CalWORKs Stage 3	35	69	233
Head Start (Part Day spaces)	0	360	0
Early Head Start	27	0	0
Other: After School Education & Safety (ASES)	0	0	3,928
Other: The Big Lift Full Day	0	163	0
Other: The Big Lift Part Day	0	40	0

Attachment 12.4

Cost of Care

Centers			
Age Group	Full-Time Maximum	Full-Time Average	Part-Time Maximum
Infant/Toddler	\$1,819	\$1,446	\$1,158
Preschool	\$1,347	\$1,077	\$841
School Age	N/A	N/A	\$499
Family Child Care Homes			
Age Group	Full-Time Maximum	Full-Time Average	Part-Time Maximum
Infant/Toddler	\$1,214	\$1,023	\$926
Preschool	\$1,169	\$971	\$886
School Age	N/A	N/A	\$646

Child Care in the Family Budget



San Mateo County's Quality Rating & Improvement System (QRIS): Initial Ratings

Tier	No. Programs	Pct. of Rated Programs at this Tier
2	14	15%
3	26	28%
4	43	47%
5	9	10%
Not yet rated	5	-
Not participating	1,075	-

- Rated: 100% of Head Start and Early Head Start Sites
95% of State-Funded Preschool & Infant Programs

Workforce

- In Facilities Needs Assessment, "lack of availability of qualified staff" was the 3rd most cited barrier to expansion
- ECE teachers' demographics and needs often mirror those of low-income families - UC Berkeley's Center for the Study of Child Care Employment estimates that 47% of child care workers in California participate in one or more income support program
- CCPC, SMCOE and First 5 San Mateo County finishing wage and benefits survey - understand compensation turnover

Attachment 12.4

Key Findings

1. Dramatic growth in income disparity - more than 30,000 children who qualify for subsidies.
2. Costs of Housing/Living are High! Need different income cutoffs for services.
3. Significant areas of unmet demand for families of all incomes – need full-time care for working families
4. Low-income families tend to have all parents/guardians in workforce - a gap in subsidized, full-day child care and preschool for all ages of low-income children

Key Findings, continued

5. San Mateo County's children and families are diverse.
 - Significant number of foreign-born residents and English Language Learners (ELLs).
 - English & Spanish most common languages, but Hispanics hold smaller share of population
 - Notable growing populations of Asian residents.

Attachment 12.4

Key Findings, continued

6. Special needs similar to 2009.
 - Most common diagnoses: Learning Disabilities, Speech & Language Delays or Autism.
 - Need more understanding of providers readiness to serve children with special needs and how to support parents in accessing natural environments for their children.
7. Low-wage earners & immigrants tend to work in service occupations, construction, maintenance, transportation, education and health services, and hospitality – often require parents to work non-traditional hours.

Key Findings Continued

8. New leadership at the state level presents opportunities for coordinated advocacy.
9. Pursue evidence-based methods to raise the quality.
10. Continue to address two key barriers to expansion:
 - Lack of suitable facilities space, and
 - Lack of qualified teaching staff.
11. Child care shortage impacts parent's employment opportunities & economic vitality of county - affordable, high quality child care is a solution to workforce issues such as work-life balance, absenteeism, employee retention, and productivity.

Attachment 12.4

◀
We want to hear from you!

- What are your thoughts about the findings?
- Do you know of other data that we should be looking at?
- Do the estimated surpluses or deficits of care estimated here make sense for your community?
- Please share your story as a parent or child care/preschool teacher, owner, etc.!

◀ Possible Next Steps

- City and School District Profiles
- Issue Briefs
- Delve Deeper into Supply
- Map Surpluses/Deficits
- Parent and Provider Impact Stories
- Explore the Results of the QRIS





October 13, 2017

Dear First 5 Partners:

In response to the recent and unprecedented wildfires in California counties, First 5s across California and their early childhood partners are stepping up to aid impacted families with babies and young children. These devastating fires have left families, schools, and child care providers without the basic necessities they need to care for our youngest children.

As you know, First 5 works in every county to improving the lives of children ages 0 to 5. Some of the services we support include family resource centers, parent education classes, home visits for newborns, and family child care homes and preschools. Deeply connected to their communities, the commissions are well positioned to address the needs associated with rebuilding support for young children and families.

The First 5 Association and First 5 California are already working together with the First 5s in each of the affected counties to address the immediate needs of families and providers. However, recognizing the fires have had an immense impact on the programs and services upon which families rely, we know rebuilding these services will require additional resources.

Thus, we have established a relief fund to support First 5 counties in these efforts. In the coming weeks and months, these funds will be directed (100%) to affected counties for recovery services such as mental health supports for evacuated families, supplies for damaged family child care homes and preschools, additional family programs to support children affected by the fires, and temporary child care supports. If you would like to make a donation, please visit our Generosity site at <https://igg.me/at/K3lyCTcSw4o>. Again, all donations to this specific fund will be used by First 5s in their communities for recovery efforts focusing on the needs of children 0 to 5 and their families. If you would like to make a donation and prefer another method, please contact Moira at the Association.

If you have any questions about this effort, please don't hesitate to reach out to either one of us. We appreciate all your support for the children and families of California.

In partnership,

A handwritten signature in blue ink that reads "Moira Kenney".

Moira Kenney, PhD
Executive Director, First 5 Association

A handwritten signature in blue ink that reads "Camille Maben".

Camille Maben
Executive Director, First 5 California

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DATE: October 23, 2017
TO: First 5 San Mateo County Commission
FROM: Kitty Lopez, Executive Director
RE: Committee Updates

Finance & Administration Committee, October 16, 2017

Commissioners Present: Iliana Rodriguez, Lee Michelson
Commissioner Absent: Michael Garb
Staff: Khanh Chau, Kitty Lopez

- FY2016-2017 Budget Close-Out

Kitty Lopez briefly presented key highlights of FY2016-2017 Budget Close-Out with higher Interest Revenue; lower Program Expenditures due to timing issues and pending planning in Evaluation and Policy Advocacy, Communications, and System Changes; and underspending in various Administrative areas. Year-End Close-Out produces an overall positive variance.

Committee members reviewed and recommended approval of the FY2016-2017 Budget Close-Out; and also suggested the inclusion of the current fiscal year Budget Monitoring Report to facilitate the Commission review.

- Contract for QRIS Communications Consultation Services with VIVA Strategy and Communications

Kitty Lopez cited that SPIP - Line 10 has a funding allocation of \$300,000 for the Strengthen Understanding of High Quality Early Learning Settings activities. We had the first QRIS contract with VIVA of \$75,000, which is currently executed. The presenting QRIS contract of \$145,500 is for FY2017-2018 and is proposed from the balance of SPIP - Line 10 (\$225,000), that was initially listed on the Discontinued Grants presented at the August '17 Commission Meeting. Kitty Lopez added that the contract Scope of Work and VIVA credentials as a sole sources vendor are included in the packet while a full contract will be presented at the Commission Meeting.

Committee members asked which vendor provides Communication services to the agency as a whole; Kitty Lopez responded that RSE delivers Communication services and we will have Communication update at the Commission Meeting.

Committee members reviewed and recommended approval of the QRIS contract with VIVA.

Next Meeting on Monday January 8, 2018 from 9:00am-10:00am at the F5SMC office.

DATE: October 23, 2017
TO: First 5 San Mateo County Commission
FROM: Kitty Lopez, Executive Director
RE: Budget Monitoring Report as of September 30, 2017

BUDGET MONITORING REPORT as of September 30, 2017 HIGHLIGHTS

The Budget Monitoring Report as of September 30, 2017 is presented in detail as **Attachment 13B** and in summary as **Attachment 13C** with key highlights below:

YTD Benchmark: 25%

REVENUES

- YTD Prop 10 Tax Revenue projections are \$1.388 million or 27%, that represents a positive variance or 2% higher than YTD Benchmark.
- YTD Total Revenues projections are \$1.544 million or 27%, that represents a positive variance or 2% higher than YTD Benchmark. Attributable factors to this positive variance are higher July'18 Prop 10 Tax revenue disbursement; however, full impacts of Prop 56 Tax implementation are unknown at this time.

APPROPRIATIONS

- Due to grantees' Q1 invoices being due on October 30, 2017, majority of grant expenditures are estimates at this time of reporting. However, most grants are expected to be fully executed in this FY17-18 as the last year of the contract terms.
- YTD Program Expenditures projections are \$1.961 million or 23%, that represents a positive variance or 2% below YTD Benchmark. Major contributions to this positive variance are attributable to pending planning and/or timing issues in Evaluation, and Policy Advocacy, Communications and System Changes-unallocated fund.
- YTD Administrative Expenditures projections of \$251K or 23% that represents a positive variance or 2% below YTD Benchmark. Major contributions to this positive variance are attributable to underspending in various administrative areas at the beginning of the fiscal year and saving due to delayed hiring of Extra-Help staff.
- YTD Total Appropriations projections are \$2.213 million or 23% that represents a positive variance or 2% below YTD Benchmark. Major contributions to this positive variance are attributable to under spending and/or timing issues in both Program and Administrative Appropriations.

ENDING FUND BALANCE

- At this time, we are projecting YTD Ending Fund Balance of \$12.456 million or 136%, that represents a positive variance of 36% or \$3.305 million higher than YTD planned budget.

Major contributions to this positive variance are attributable to higher Prop 10 Tax Revenue disbursement in July; under spending and/or timing issues in both Program and Administrative Appropriations at the beginning of the fiscal year.

CHALLENGES:

- None at this time.

YTD Benchmark Percentage :25%

	ORG/ACCT#	FY17-18 Budget	YTD Actuals	YTD Accruals *	YTD Combined	YTD Combined versus Planned Budget (%)	NOTES
REVENUE							
FUND BALANCE (Beginning)		13,125,202	13,125,202		13,125,202	100%	
Interest	19510-1521	105,002	-	26,251	26,251	25%	26K is Q1'18 Interest Revenue estimate
Tobacco Tax - Prop 10	19510-1861	5,086,486	540,953	847,748	1,388,701	27%	Though the July Prop 10 Tax revenue disbursement is slightly higher than expected, the full impacts of Prop 56 Tax implementation are unknown at this time. \$847K are Prop 10's Aug and Sept Revenue estimates
IMPACT Grant	19510-1861	517,304		129,326	129,326	25%	\$129K is Q1'18 Revenue estimates
Wellness Grant	19510-2545	-		-	-		-
Miscellaneous Reimbursements	19510-2647	0		0	-		
TOTAL REVENUE		5,708,792	540,953	1,003,324	1,544,277	27%	Positive variances are due to Prop 10 revenues estimates and the unknown impacts of the Prop 56 Tax implementation at this time.
TOTAL AVAILABLE FUNDS		18,833,994	13,666,155	1,003,324	14,669,479		-
APPROPRIATIONS							
1. PROGRAMS							
Family Engagement	19540-6125	2,196,667	-	549,167	549,167	25%	\$549K is Q1'18 Expenditure estimate
Kit for New Parent KNP (KNP)	19540-6266	41,000	21,919		21,919	53%	Part of FY16-17 KNP order is delivered in FY17-18
Child Health & Development	19540-6156	1,808,352	18,598	433,490	452,088	25%	\$433K is Q1'18 expenditure estimate
Early Learning	19540-6263	2,065,647	8,664	507,748	516,412	25%	\$507K is Q1'18 expenditure estimate
Early Learning - Regional Cost Sharing	19540-6263	30,000	-		-	0%	\$30K is place holder budget
IMPACT Grant	19540-6126	423,746	1,590	104,347	105,937	25%	\$104K is Q1'18 expenditure estimate
Policy Advocacy, Communications & Systems Change	19540-6814	505,959	-	126,490	126,490	25%	\$126K is Q1'18 expenditure estimate
Unallocated Fund - Policy Advocacy, Communications & Systems Changes (PAC)	19540-6814	371,500	-		-	0%	Pending planning of PAC - Unallocated fund.
Other Communications - Sponsorship	19540-6814	10,000	-	-	-	0%	
Program Salary & Benefits		538,098	107,013	-	107,013	20%	Saving due to delayed hiring of Extra Help staff

Evaluation	19540-6265	265,000	-		-	0%	Pending planning and approval of the Evaluation fund by the Evaluation Committee.
Grant Management and Big Data	19540-6265	189,170	-	47,293	47,293	25%	\$47K is Q1'18 expenditure estimate
Evaluation - Salaries & Benefits		154,057	35,142	-	35,142	23%	
TOTAL PROGRAM APPROPRIATIONS		8,599,196	192,926	1,768,533	1,961,459	23%	Due to grantees' Q1 invoices are due October 30, 2017, majority of grant expenditures are estimates at this time of reporting. However, most grants are expected to be fully executed in FY17-18 as the last year of the contract terms.
2. ADMINISTRATIVE			-	-	-		
Salaries and Benefits		660,222	155,708	-	155,708	24%	
Services and Supplies							-
Outside Printing & Copy Svc	19510-5191	4,000	-	-	-	0%	No outside printing activities at this time.
General Office Supplies	19510-5193	11,400	1,966		1,966	17%	\$2K of last year underspending fund for the purchases of standing desks and workstation ergonomic improvements are carried over to FY17-18.
Photocopy Lease & Usage	19510-5196	2,500	169		169	7%	
Computer Supplies	19510-5211	10,000	-	-	-	0%	
County Memberships - (e.g. F5 Assn Dues)	19510-5331	17,500	12,641	-	12,641	72%	Full year of F5CA Association Membership dues
Auto Allowance	19510-5712	11,000	2,502	-	2,502	23%	-
Meetings & Conference Expense	19510-5721	13,000	3,196	-	3,196	25%	\$3K expenditures are for the F5CA Staff Summit Registration which will be held in Monterey, CA.
Commissioners Meetings & Conference Exp	19510-5723	1,000	414	-	414	41%	
Other Business Travel expense	19510-5724	5,000	-	-	-	0%	No activities at this time
Dept. Employee Training Expense	19510-5731	5,000	-	-	-	0%	No activities at this time
Wellness grant	19510-5856		319	-	319		
Other Professional Services	19510-5858	30,000		-	-	0%	Q1 invoices are due October 30, 2017
Sub Total - Services & Supply		110,400	21,207	0	21,207	19%	Positive variance due to underspending in the first few months of the fiscal year.
Other Charges							1
Telephone Service Charges	19510-6712	4,000	1,043		1,043	26%	
Automation Services - ISD	19510-6713	48,000	9,689		9,689	20%	
Annual Facilities Lease	19510-6716	89,000	20,727		20,727	23%	
General Liability Insurance	19510-6725	7,500	1,589		1,589	21%	-
Official Bond Insurance	19510-6727	300	55		55	18%	-
Human Resources Services	19510-6733	5,350			-	0%	No HR training activities at this time

Countywide Security Services	19510-6738	500	449	-	449	90%	Full year service charges.
All Other Service Charges	19510-6739	60,000	974	15,826	16,800	28%	\$15.8K is expenditure estimate for the audit services.
A-87 Expense	19510-6821	97,700	-	24,425	24,425	25%	\$24K is Q1'18 expenditure estimate.
Sub Total - Other Charges		312,350	34,526	40,251	74,777	24%	
TOTAL ADMINISTRATIVE APPROPRIATIONS		1,082,972	211,441	40,251	251,692	23%	
Administrative Cost %		11%	52%	2%	11%		-
							-
TOTAL APPROPRIATIONS		9,682,168	404,367	1,808,784	2,213,151	23%	Positive variances due to underspending in both Program and Administrative Budget in the first few months of the fiscal year.
							-
FUND BALANCE (ENDING)		9,151,826	13,261,788	-805,460	12,456,328	136%	Positive variances are due to underspending in both Program and Administrative Appropriations in the first few months of the fiscal year.
			-	-	-		-
Program Staff		538,098	107,013	-	107,013	20%	Saving due to delayed hiring of Extra-Help staff.
Evaluation Staff		154,057	35,142	-	35,142	23%	County did not post the Retirement Healthcare cost yet.
Admin Staff		660,222	155,708	-	155,708	24%	County did not post the Retirement Healthcare cost yet.
Total Salaries and Benefits		1,352,377	297,863	0	297,863	22%	Positive variances due to delayed hiring of Extra-Help staff and delayed posting of the Retirement Healthcare cost by the County.

Note:

This Budget Monitoring Report is presented in a Hybrid Format as per suggestion of Finance and Administration Committee members.

The YTD Actuals column reflects Actual Revenues and Actual Expenditures reported in Countywide OFAS Accounting System.

The YTD Accruals* (with an asterisk) column is a hybrid presentation using Modified Accrual Accounting or Projections. When Revenue and Expenditures are not measurable in monetary terms or are not available, Committee members suggest to make a Projection for the reporting month.

Technical Terms

1. Modified Accrual

Under Modified Accrual, Revenue is recognized and recorded when measurable and available to finance the expenditures of the current period; Available, under Modified Accrual, means collectible within the current period or soon enough to be used to pay liabilities of the current period; Measurable means quantifiable in monetary terms. Per F5CA, Prop 10 Tax Revenue is recorded when the Prop 10 Tax Revenue is posted on the F5CA website.

Expenditures are recognized and recorded when the related liability incurred with some exceptions.

2. Internal Reporting

The Budget Monitoring Report is an internal report, typically is designed to accomplish two goals:

- (a) allows management to monitor compliance with legal and contractual provisions applicable to the management of public funds; and
- (b) provides management with the information on current performance that it needs to make future financial plans.

Because internal reports are designed to serve the needs of management, management is free to select the format and content it believes is most relevant, with timeliness being a key consideration for their use as monitoring or planning documents.

References

1. Modified Accrual: Becker CPA Review, Financial, 2009 Edition Textbook, page F8-12
2. Internal Reporting: First 5 Association of California - Financial Management Guide - Fifth Edition, 2015, Updated 12/15/15, page 51

FIRST 5 SAN MATEO COUNTY

BUDGET MONITORING REPORT AS OF SEPTEMBER 30, 2017

Attachment 13C

YTD Benchmark Percentage :25%

	FY17-18 Budget	YTD Actuals	YTD Accruals *	YTD Combined	YTD Combined versus Planned Budget (%)	NOTES
REVENUE						
FUND BALANCE (Beginning)	\$ 13,125,202	\$ 13,125,202	\$ -	\$ 13,125,202		0
Interest	105,002	-	26,251	26,251	25%	26K is Q1'18 Interest Revenue estimate
Tobacco Tax - Prop 10	5,086,486	540,953	847,748	1,388,701	27%	Though the July Prop 10 Tax revenue disbursement is slightly higher than expected, the full impacts of Prop 56 Tax implementation are unknown at this time. \$847K are Prop 10's Aug and Sept Revenue estimates
IMPACT grant	517,304	-	129,326	129,326	25%	\$129K is Q1'18 Revenue estimates
Wellness Grant	-	-	-	-		-
Miscellaneous Reimbursements	0	-	-	-		-
TOTAL REVENUE	5,708,792	540,953	1,003,324	1,544,277	27%	Positive variances are due to Prop 10 revenues estimates and the unknown impacts of the Prop 56 Tax implementation at this time.
TOTAL AVAILABLE FUNDS	18,833,994	13,666,155	1,003,324	14,669,479		
APPROPRIATIONS						
1. PROGRAMS						
Family Engagement	2,196,667	0	549,167	549,167	25%	\$549K is Q1'18 Expenditure estimate
Kit for New Parent KNP (KNP)	41,000	21,919	0	21,919	53%	Part of FY16-17 KNP order is delivered in FY17-18
Child Health & Development	1,808,352	18,598	433,490	452,088	25%	\$433K is Q1'18 expenditure estimate
Early Learning	2,065,647	8,664	507,748	516,412	25%	\$507K is Q1'18 expenditure estimate
Early Learning - Regional Cost Sharing	30,000	0	0	0	0%	\$30K is place holder budget
IMPACT Grant	423,746	1,590	104,347	105,937	25%	\$104K is Q1'18 expenditure estimate
Policy Advocacy, Communications & Systems Change	505,959	0	126,490	126,490	25%	\$126K is Q1'18 expenditure estimate
Unallocated Fund - Policy Advocacy, Communications & Systems Changes (PAC)	371,500	0	0	0	0%	Pending planning of PAC - Unallocated fund.
Other Communications	10,000	0	0	0	0%	-
Program Salary & Benefits	538,098	107,013	-	107,013	20%	Saving due to delayed hiring of Extra Help staff
Evaluation	265,000	0	0	0	0%	Pending planning and approval of the Evaluation fund by the Evaluation Committee.
Grant Management and Big Data	189,170	0	47,293	47,293	25%	\$47K is Q1'18 expenditure estimate
Evaluation - Salaries & Benefits	154,057	35,142	-	35,142	23%	-
TOTAL PROGRAM APPROPRIATIONS	8,599,196	192,926	1,768,533	1,961,459	23%	Due to grantees Q1 invoices are due October 30, 2017, majority of grant expenditures are estimates at this time of reporting. However, most grants are expected to be fully executed in FY17-18 as the last year of the contract terms.
2. ADMINISTRATIVE						

	FY17-18 Budget	YTD Actuals	YTD Accruals *	YTD Combined	YTD Combined versus Planned Budget (%)	NOTES
Salaries and Benefits	660,222	155,708	-	155,708	24%	
Sub Total - Services & Supply	110,400	21,207	-	21,207	19%	Positive variance due to underspending in the first few months of the fiscal year.
Sub Total - Other Charges	312,350	34,526	40,251	74,777	24%	-
			-	-		
TOTAL ADMINISTRATIVE APPROPRIATIONS	1,082,972	211,441	40,251	251,692	23%	
Administrative Cost %	11%	52%		11%		
TOTAL APPROPRIATIONS	9,682,168	404,367	1,808,784	2,213,151	23%	Positive variances due to underspending in both Program and Administrative Budget in the first few months of the fiscal year.
FUND BALANCE (ENDING)	9,151,826	13,261,788	-805,460	12,456,328	136%	Positive variances are due to underspending in both Program and Administrative Appropriations in the first few months of the fiscal year.
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