



**FIRST 5 SAN MATEO COUNTY
FINANCE AND ADMINISTRATION COMMITTEE MEETING**

As authorized by Governor Newsom's Executive Orders N-25-20 and N-29-20, dated March 12, 2020 and March 17, 2020 respectively, the meeting will be held via teleconferencing with members of the Commission attending from separate remote locations. The meeting will be held and live cast from the following location where members of the public shall have the right to observe and offer public comment:

DATE: Monday, May 11, 2020

TIME: 1:30 PM to 2:30 PM

Join Zoom Meeting

Online:

<https://smcgov.zoom.us/j/91642853893?pwd=MFJKSVRRbFU3eldLOVdiMINHVIQ4QT09>

Phone: +1 669 900 6833 US (San Jose)

Meeting ID: 916 4285 3893

Password: 855442

This altered format is in observance of the recommendation by local officials that certain precautions be taken, including social distancing, to address the threat of COVID-19.

MEMBERS: Rosanne Foust, Alexis Becerra, Pam Frisella

STAFF: Kitty Lopez, Khanh Chau

AGENDA

1.	Approval of the Finance and Administration Committee Agenda	Foust
2.	Approval of the February 10, 2020 Finance and Administration Committee Meeting Minutes (See Attachment 2)	Foust
3.	Budget Monitoring Report as of March 31, 2020 (See Attachment 3, 3A, 3B)	Lopez / Chau
4.	F5SMC's SPIP FY 2018-20 Carry Over and No-Cost Contract Extension due to COVID-19 - Verbal Discussion	Lopez/Blakely
5.	Review and Recommend Approval of F5SMC's Draft Budget FY 2020-21 (See Attachments 5, 5A, 5B, 5C, 5D)	Lopez / Chau
6.	Review and Recommend Approval of F5SMC's Bylaws and Policies (See Attachments 6, 6A-6H)	Lopez / Chau

Next Meeting: June 8, 2020

**FIRST 5 SAN MATEO COUNTY
FINANCE AND ADMINISTRATION COMMITTEE
MEETING MINUTES**

February 10, 2020

- Commission Member: Rosanne Foust, Pam Frisella
- Members Absent Alexis Becerra
- Staff: Kitty Lopez, Khanh Chau
- Minutes: Khanh Chau

1. Election of Finance and Administration Committee Chair

Commissioner Rosanne Foust was reelected as the Finance and Administration Committee Chair for the year 2020.

2. Approval of the Finance and Administration Committee Meeting Agenda

A Motion for Approval of the February 10, 2020 Finance and Administration Committee Meeting Agenda was made by Commissioner Frisella, seconded by Commissioner Foust. Unanimously approved.

3. Approval of the October 15, 2019 Finance and Administration Committee Meeting Minutes

A Motion for Approval of the October 15, 2019 Finance and Administration Committee Meeting Minutes was made by Commissioner Frisella, seconded by Commissioner Foust. Unanimously approved.

4. Budget Monitoring Report as of January 31, 2020

Committee members reviewed Budget Monitoring Report as of January 31, 2020; asked questions for clarification.

Committee members discussed and decided the frequency of the Budget Monitoring Report should be on a quarterly basis due to 85% budget spending are Program Expenditures and Program invoices are currently billed on quarterly basis.

5. Review and Recommend Approval of F5SMC's FY 2019-20 Revised Budget

Kitty Lopez briefly presented the FY 2019-20 Revised Budget Summary as presented in the Budget memo (Attachment 6). Kitty Lopez further explained Budget changes and details that are presented in accompanying Attachments 6A, 6B, 6C, and Schedule 1 and Schedule 2. FY 2019-20 Revised Budget changes results in a Budget Deficit of \$3,176,836. This represents \$25,000 less than Initial Adopted Budget Deficit for FY 2019-20. Therefore, we will draw from the Reserves in order to fund the Community Investments. The Administrative Cost Rate is 7% which remains below 12% of the approved Administrative Cost Policy for the FY2019-20.

Committee members reviewed FY 2019-20 Revised Budget; asked questions for clarification and provided few changes to the Notes of the Revised Budget worksheet for clarity.

A Motion for Recommend Approval of the F5SMC's FY 2019-20 Revised Budget was made by Commissioner Frisella, seconded by Commissioner Foust. Unanimously approved.

Commissioner Foust adjourned the meeting at 9:25 AM.

DATE: May 11, 2020
TO: First 5 San Mateo County Finance and Administration Committee
FROM: Kitty Lopez, Executive Director
RE: Budget Monitoring Report as of March 31, 2020

BUDGET MONITORING REPORT as of March 31, 2020 HIGHLIGHTS

Budget Monitoring Report as of March 31, 2020 Highlights

The Budget Monitoring Report as of March 31, 2020 is presented in **Attachments 3A and 3B**. Key Budget Monitoring Report highlights are as following:

YTD Benchmark: 75%

REVENUES

- YTD Interest Revenue projection is \$165K or 82%, that represents a positive variance or 7% higher than YTD Benchmark due to higher interest earning rate in the County investment pool.
- YTD Tobacco Tax Revenue projections are \$3.667 million or 70%, that represents a negative variance or 5% lower than YTD Benchmark due to lower Prop 10 Tax revenue disbursements in recent months.
- YTD F5CA IMPACT Grant Revenue estimate is \$372K or 65%, which is 10% lower than YTD Benchmark due to grant under spending in the first half of the fiscal year.
- YTD F5 San Francisco IMPACT HUB TA FY19-20 Revenue estimate is \$29K or 75%, which is in line with YTD Benchmark.
- YTD David Lucile Packard Foundation - Help Me Grow Grant Revenue estimate is \$75K.
- YTD San Mateo County Health System – Watch Me Grow Clinic Based Services Revenue estimate is \$273K or 75%, which is in line with YTD Benchmark.
- YTD Human Services Agency – Build Up Kids Facilities Revenue is \$65K that represents 100% of pass-through grant funding receipt.
- YTD Mental Health Services Act – Prop 63 Revenue estimate is \$50K that represents 100% of grant funding allocation to the fiscal year.
- YTD Total Revenues projections are \$4.751 million or 71%, that represents a negative variance or 4% lower than YTD Benchmark. Major attributable factors to this negative variance are lower Prop 10 Tax revenue disbursements in recent months.

APPROPRIATIONS

- YTD Program Expenditures projections are \$5.750 million or 63%, that represents a positive variance or 12% below YTD Benchmark. Major contributions to this positive variance are attributable to pending planning and contracting of PAC, Evaluation, and Emerging Project and pending new grant executions.
- YTD Admin Expenditures projections of \$474K or 65% that represents a positive variance or 10% below YTD Benchmark. Major contributions to this positive variance are attributable to under spending in Other Professional Services and various administrative areas.
- **YTD Total Appropriations (Net Appropriations*)** projections are 6.224million or 63%, that represents a positive variance or 12% below YTD Benchmark. Major contributions to this

positive variance are attributable to pending planning and contracting of SPIP18-20, pending new grant executions, and under spending in various Operating Budget Lines.

ENDING FUND BALANCE (RESERVES*)

- At this time, we are projecting Ending Fund balance (Reserves*) of \$10.250 million or 120%, that represents a positive variance of 20% or \$1.704 million higher than the planned budget.

Major contributions to this positive variance are attributable to higher Interest Revenue and higher Prop 56 Tax Revenue paired with under spending in both Program and Administrative Appropriations.

CHALLENGES:

- Prop 10 Tax Revenue projections in recent months appear to decline larger than previously projected. We are waiting for the official updated Prop 10 Tax Revenue projections from the State Department of Finance to be released end of May 2020 and updating our Long-Term Financial Plan.

YTD Benchmark: 75%

	ORG/ACCT#	FY19-20 Revised Budget	YTD March 31, 2020	Accruals*	YTD Combined	% YTD Combined	Notes
REVENUE							
FUND BALANCE BEGINNING (BEGINNING RESERVES*)		11,723,535	11,723,535		11,723,535		
Interest	19510-1521	201,458	114,562	50,364	164,926	82%	Higher Interest Revenue due to higher interest earning rate; Q3 is revenue estimate
Tobacco Tax Revenue	19510-1861	5,254,000	3,229,220	437,833	3,667,053	70%	YTD Prop 10 Tax Revenue is 5% lower than YTD benchmark or \$275K lower than YTD Revenue projections
F5CA IMPACT Grant	19510-1861	575,000		371,792	371,792	65%	\$143 K is Q3 Estimates
F5SF IMPACT HUB TA FY19-20	19510-2643	39,000		29,250	29,250	75%	\$29K is Q1, Q2, Q3 estimates
David Lucile Packard Foundation - Help Me Grow Grant	19510-2643	100,000		75,000	75,000	75%	\$150K grant revenue received
San Bruno Community Foundation - Build-Up Kids Grant	19510-2643	0		-	0		
Peninsula Healthcare District - Help Me Grow Call Center Grant	19510-2643	0	35,000	-	35,000		
San Mateo County Health System - WMG Clinic Based Services Grant	19510-2643	362,765		272,973	272,973	75%	\$182K is accrual & \$90K is Q3 estimates
CCFF CENSUS 2020 Minigrant	19510-2643	0	4,000	-	4,000		
San Mateo County Human Services Agency - Build Up Kids Facilities Grant	19510-2643	65,000	65,000		65,000	100%	\$65K grant revenue received
Mental Health Services Act MHSA - Prop 63	19510-2643	50,000		50,000	50,000	100%	Pending billing
F5SMC Wellness Grant	19510-2658	0	777	-	777		
Miscellaneous Reimbursements	19510-2647	0	15,447	-	15,447		Compensation Insurance Refunds
TOTAL REVENUES		6,647,223	3,464,006	1,287,213	4,751,219	71%	Negative variances due to lower Prop 10 Revenue in recent months.
TOTAL AVAILABLE FUNDS (TOTAL SOURCES*)		18,370,758	15,187,541	1,287,213	16,474,754	90%	

APPROPRIATIONS							
1. Program							
Family Engagement	19540-6125	1,712,067	832,138	428,017	1,260,155	74%	
Child Health & Development	19540-6156	1,808,041	705,034	452,010	1,157,044	64%	
SPIP 15-18 Carry Over	19540-6156	0		0	0		
Early Learning	19540-6263	1,721,000	685,899	430,250	1,116,149	65%	
Policy Advocacy, Communications & Systems Change	19540-6814	800,502	106,166	200,126	306,292	38%	
SPIP 15-18 Carry Over	19540-6814	0		0	0		
Emerging Projects	19540-6814	334,600	31,772	83,650	115,422	34%	

	ORG/ACCT#	FY19-20 Revised Budget	YTD March 31, 2020	Accruals*	YTD Combined	% YTD Combined	Notes
Kit for New Parent KNP (KNP)	19540-6814	42,000	6,488		6,488	15%	
Regional Cost Sharing	19540-6814	45,000	0		0	0%	
Program Salary & Benefits		607,381	408,073	0	408,073	67%	See Schedule 2
Grant Management and Big Data	19540-6265	194,896	48,448	48,724	97,172	50%	No Big Data project activities
Other Evaluation Projects	19540-6265	79,000		19,750	19,750	25%	Focus Group survey
Evaluation - Salaries & Benefits		173,784	120,560	0	120,560	69%	See Schedule 2
David Lucile Packard Foundation grant - Help Me Grow Grant	19540-6131	100,000		25,000	25,000	25%	
Help Me Grow - Centralized Access Point and Family and Community Outreach Providers	19540-6131	0		0	0		
Help Me Grow - Healthcare Provider Liais	19540-6131	0		0	0		
Help Me Grow Call Center Grant - Peninsula Healthcare District	19540-6131	0		0	0		
Watch Me Grow Clinic Based Services Grant	19540-6131	362,765	182,283	90,691	272,974	75%	
Mental Health Services Act MHSA - Prop 63	19540-6131	50,000		50,000	50,000	100%	\$50K is estimates; Pending billing to funder
San Bruno Community Foundation - Build-Up Kids	19540-6131	0		0	0		
GILEAD - Build Up Kids Facilities Grant	19540-6131	50,000		50,000	50,000	100%	Pending contracting to pass through fund to executing partners
San Mateo County Human Services Agency - Build Up Kids Facilities Grant	19540-6131	130,000		130,000	130,000	100%	Pending contracting to pass through fund to executing partners
F5SF IMPACT HUB TA FY19-20	19540-6126	35,000		26,250	26,250	75%	
F5CA IMPACT Grant	19540-6126	461,269	228,043	115,317	343,360	74%	
Program Operating Budget		197,800	110,400		110,400	56%	See Schedule 1
Shared Admin Staff Time		194,712	134,615		134,615	69%	See Schedule 2
Subtotal Program Appropriations		9,099,817	3,599,918	2,149,785	5,749,703	63%	Positive variances due to pending SPIPFY18-20 contracting and pending new grant executions.
2. Administrative							
Admin Salaries and Benefits		526,442	363,958		363,958	69%	See Schedule 2
Admin Operating Budget		197,800	110,400		110,400	56%	See Schedule 1
Subtotal Administrative Appropriations		724,242	474,358	0	474,358	65%	Positive variance due to under spending in various Operating Budget Lines.
Administrative Cost Rate %		7%	12%	0%	8%	103%	
TOTAL APPROPRIATIONS (NET APPROPRIATIONS*)		9,824,059	4,074,276	2,149,785	6,224,061	63%	Positive variances due to under spending in both Program and Operating Budgets.
ENDING FUND BALANCE (ENDING RESERVES*)		8,546,698.9	11,113,265.0	2 -862,571.9	10,250,693.1	120%	Positive variances due to under spending in both Program and Operating Budgets.

Schedule 1 - Operating Budget Monitoring as of March 31, 2020

	ORG / ACCT#	FY19-20 Revised Budget	YTD March 31, 2020	Accruals*	YTD Combined	% YTD Combined	Notes
I. Services and Supplies							
Outside Printing & Copy Svc	19510-5191	2,000	2,000		2,000	100%	
General Office Supplies	19510-5193	10,000	2,887		2,887	29%	
Photocopy Lease & Usage	19510-5196	4,000	2,065		2,065	52%	
Computer Supplies	19510-5211	18,000	7,603		7,603	42%	place holder.
County Memberships - (e.g. F5 Assn Dues)	19510-5331	15,000	13,645		13,645	91%	
Auto Allowance	19510-5712	11,000	7,923		7,923	72%	
Meetings & Conference Expense	19510-5721	16,000	10,408	3,000	13,408	84%	\$3K are expenditure estimates for F5CA Summit in Irvine CA in Feb 2020
Commissioners Meetings & Conference Exp	19510-5723	5,000	466		466	9%	
Other Business Travel Expense	19510-5724	9,000	549	3,000	3,549	39%	\$3K are expenditure estimates for F5CA Summit in Irvine CA in Feb 2020
Dept. Employee Training Expense	19510-5731	7,000		1,500	1,500	21%	Staff attend 2020 Bay Area Leadership for Equity & Opportunity Cohort training.
Wellness grant	19510-5856	0	504		504		
Other Professional Services	19510-5858	48,000			0	0%	Place Holder
Sub Total - Services & Supplies		145,000	48,050	7,500	55,550	38%	Positive variances due to underspend in Other Professional Services
II. Other Charges							
Telephone Service Charges	19510-6712	3,500	2,336		2,336	67%	
Automation Services - ISD	19510-6713	45,000	33,041		33,041	73%	
Annual Facilities Lease	19510-6716	95,000	67,119		67,119	71%	
General Liability Insurance	19510-6725	9,000	6,628		6,628	74%	County liability Insurance increase

Schedule 1 - Operating Budget Monitoring as of March 31, 2020

	ORG / ACCT#	FY19-20 Revised Budget	YTD March 31, 2020	Accruals*	YTD Combined	% YTD Combined	Notes
Official Bond Insurance	19510-6727	600	178		178	30%	
Human Resources Services	19510-6733	0	303		303		One time LMS services fee
Countywide Security Services	19510-6738	500	496		496	99%	One time Countywide security services fee
All Other Service Charges	19510-6739	50,000	28,471		28,471	57%	
A-87 Expense	19510-6821	47,000	34,177		34,177	73%	
Sub Total - Other Charges		250,600	172,749	0	172,749	69%	
Total Operating Expenditures		395,600	220,799	7,500	228,299	58%	Positive variances due to under spending in various Operating Budget lines
Program Operating Expenditures		197,800	110,400	3,750	114,150	58%	50% allocation of Total Operating Expenditures
Admin Operating Expenditures		197,800	110,400	3,750	114,150	58%	50% allocation of Total Operating Expenditures

Schedule 2 - Salaries & Benefits as of March 31, 2020

Program Staff & Shared Admin Staff		802,093	542,688		542,688	68%	
Evaluation Staff		173,784	120,560		120,560	69%	
Admin Staff		526,442	363,958		363,958	69%	
Total Salaries and Benefits		\$ 1,502,319	1,027,206	0	1,027,206	68%	County delay posting Retirement Health and Worker Comp

Color code

Shared Budget/Shared Cost



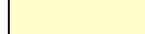
Revenue ; Fund Balance



Appropriations



Salaries & Benefits



DATE: May 11, 2020
TO: First 5 San Mateo County Finance and Administration Committee
FROM: Kitty Lopez, Executive Director
RE: Review and Recommend Approval of F5SMC's FY 2020-21 Draft Budget and the Use of Ending Fund Balance (*Reserves**) to Fund F5SMC's FY 2020-21 Adopted Budget

ACTION REQUESTED

Review and Recommend Approval of F5SMC's FY 2020-21 Draft Budget and the Use of Ending Fund Balance (*Reserves) to Fund F5SMC's FY 2020-21 Adopted Budget**

FY 2020-21 DRAFT BUDGET SUMMARY AND TABLE

FY 2020-21 Draft Budget is proposed for the execution of:

- (1) The new Strategic Plan Implementation SPIP FY 2020-23;
- (2) Implementation of the SPIP FY 2018-20 under spend dollars ;
- (3) The implementation of the SPIP FY 2018-20 contracts with no-cost extensions through December 31, 2020 due to COVID-19;
- (4) \$1.2 M Other Grants (Non-Tobacco Tax Grants)

	FY 20-21 Draft Budget	Variances vs. FY 19-20 Revised Budget (%)
BEGINNING FUND BALANCE, FY 2020-21 (Beginning Reserves*)	8,546,699	-27%
REVENUE		
Tobacco Tax Revenue & Interest Revenue (Include SPIP FY 2018-20 Carry-Over)	5,999,467	10%
Other Grants	1,203,000	1%
TOTAL REVENUE	7,202,467	8%
TOTAL AVAILABLE FUNDS (Total Sources*)	15,749,166	-14%
APPROPRIATIONS		
Strategic Plan Investment SPIP FY 2020-23	3,780,000	-44%
SPIP FY 2018-20 Carry-Over	850,000	
Other Grants	1,003,000	-16%
Program Operations (include Staff S&B)	1,217,033	4%
Admin Operations (include Staff S&B)	773,489	7%
TOTAL APPROPRIATIONS (Net Appropriations*)	7,623,522	-22%
SURPLUS / (DEFICIT) (Total Revenues – Net Appropriations*)	(421,055)	-87%
ENDING FUND BALANCE FY2020-21 (Reserves*)	8,125,644	-5%

**Please read the Budget Memo in conjunction with the Budget Spreadsheets (Attachments 5A, 5B, 5C, and 5D).*

Total Sources, Net Appropriations*, Reserves*, Total Requirements* are budget terminologies used by the County of San Mateo. Since March 2018, F5SMC has applied budget terminologies used by the County to the F5SMC Budget*

I. ISSUES TO CONSIDER

- We anticipate having FY 2020-21 Revised Budget in February 2021 after:
 - ✓ (1) The official Tobacco Tax Revenue Projections are released end of May 2020;
 - ✓ (2) FY 2019-20 Budget Close-Out becomes available after FY 2019-20 financial audit completion;
 - ✓ (3) SPIP FY 2018-20's contracts with no-cost extension end December 31, 2020.

II. FISCAL IMPACT

- Admin cost rate of 10% is within the current approved Admin Cost Rate Policy.
- F5SMC draws down \$421,055 from Ending Fund Balance (Reserves*) to fund its FY 2020-21 Adopted Budget.

ACTION

Review and Recommend Approval of F5SMC's FY 2020-21 Draft Budget and the Use of Ending Fund Balance (Reserves*) to Fund F5SMC's FY 2020-21 Adopted Budget.

FY 2020-21 DRAFT BUDGET NARRATIVE

I. FY 2020-21 DRAFT BUDGET ASSUMPTIONS

- Projected Interest earning rate is 1.0% on the projected Ending Fund Balance of FY 2019-20 Revised Budget;
- New Tobacco Tax Revenue Projections from the California Department of Finance will be released at the end of May 2020;
- Implement new strategic plan SPIP FY 20-23 with continued efforts in Policy, Advocacy, Communication, and System Changes (PAC).
- Continue SPIP FY 2018-20 implementation with:
 - ✓ Contracting SPIP FY 2018-20 carry over dollars.
 - ✓ Extending grant terms through December 31, 2020 with no-cost extension, due to COVID-19.
- Continue seeking additional new revenue sources.
- Execute \$1.203M Other Grants.
- Continue shared cost allocation to Program Appropriations
 - ✓ 100% Program and Evaluation Staff's Salaries and Benefits;
 - ✓ 27% Shared Admin Staff time; and
 - ✓ 50% of Shared Operating Budget
- Include 3% COLA and 6% increases in healthcare cost projections.

II. FY 2020-21 DRAFT BUDGET NARRATIVE

FY 2020-21 Draft Budget are presented in Summary (Attachment 5B), in Details (Attachment 5C) and accompanied with the Draft Operating Budget (Attachment 5D). Increases and decreases in the Proposed Budget reflect all approved contracts and SPIP funding allocations and executions.

**Please read the Budget Memo (Attachment 5) and Budget Narrative (Attachment 5A) in conjunction with the Budget Spreadsheets (Attachments 5B, 5C, and 5D).*

A. **Revenue Budget is \$7.202 M** or a net increase of \$555K or 8% increase.

Major contributions to the net increase in Revenue Budget are associated with the inclusion of \$850K SPIP FY 2018-20 carry over dollars and \$1.203M Other Grant Revenue:

- ✓ \$400K new F5CA IMPACT Grant;
- ✓ \$200K County of San Mateo Behavioral Health & Recovery Services (BHRS) Mental Health MHSA Grant;
- ✓ \$35K Peninsula Healthcare District Help Me Grow Call Center Grant;
- ✓ \$75K David Lucile Packard Foundation Help Me Grow Grant,
- ✓ \$407K Sequoia Healthcare District Special Needs Grant; and
- ✓ \$86K Sequoia Healthcare District Mental Health Grant.

\$1.203M Other Grant Revenue equals 23% of \$5.064 M Tobacco Tax Revenue Fiscal Allocations; staff has increased efforts in seeking additional revenue sources.

B. Program Appropriations Budget is \$6.850 M or a net decrease of \$2.250M or 25% decrease.

Major contributions to the net decrease in Program Appropriations are associated with:

- ✓ funding reductions of the new strategic plan implementation SPIP FY 2020-23;
- ✓ the continuing execution of SPIP FY 2018-20 carry over dollars;
- ✓ Other Grants execution;
- ✓ 4% increase in Program Operations

C. Administrative Appropriations Budget is \$773K or \$49K net increase or 7% increase.

Major contributions to the net increase in Administrative Appropriations are associated with 3% COLA and 6% increases in healthcare cost projections.

Operating Budget is \$388K or \$7K net decrease or 2% decrease

Services & Supplies Budget is \$119K or \$26K net decrease or 18% decrease.

Major contributions to the net decreases in Services and Supplies Budget are associated with combined decreases in various Administrative Budget Lines.

Other Charges Budget is \$270K or \$19K net increase or 8% increase.

Major contributions to the net increases in Other Charges Budget are associated with the increases in various County Services Charges.

50% of Operating Budget or 194K is allocated to Program Appropriations.

50% of Operating Budget or 194K is allocated to Administrative Appropriations.

Salaries and Benefits Budget is \$1.602M or \$99K increase or 7% increase.

Major contributions to net increases in Salaries and Benefits are associated a combined 7% increases in Salaries and Benefits (4% union negotiated salaries and benefits increases and 6% increases in healthcare cost projections).

Inclusion of \$1.602 M Salaries and Benefits Budget is \$200K or 1.3 FTE equivalents that are funded from the new F5CA IMPACT Grant FY 2020-23 and from Other Grants.

D. FY 2020-21 ENDING FUND BALANCE (Reserves*):

Ending Fund Balance (Reserves*) is \$8.125 M or \$421K decrease or 5% decrease.

- Major contributions to the net decreases in Ending Fund Balance (Reserves*) are associated with supporting new F5SMC Strategic Plan.

FIRST 5 SAN MATEO COUNTY

FY 2020-21 DRAFT BUDGET SUMMARY

	FY 19-20 Revised Budget	FY 20-21 Draft Budget	FY20-21 Draft Budget (+/-) vs. FY19-20 Revised Budget (\$)	FY20-21 Draft Budget (+/-) vs. FY19-20 Revised Budget (%)
BEGINNING FUND BALANCE (Beginning Reserves*)	11,723,535	8,546,699	(3,176,836)	-27%
A. Interest Revenue	201,458	85,467	(115,991)	-58%
B. Tobacco Tax Revenue	5,254,000	5,914,000	660,000	13%
Tobacco Tax Revenue Fiscal Year Allocations	5,254,000	5,064,000	(190,000)	-4%
SPIP FY18-20 Carry Over to FY 20-21		850,000	850,000	
C. Other Grant Revenues	1,191,765	1,203,000	11,235	1%
F5CA Other Grants / IMPACT Grant	575,000	400,000	(175,000)	-30%
Non-Tobacco Tax Grants (DLP, PHD, SHD, MHSA)	616,765	803,000	186,235	30%
TOTAL REVENUES	6,647,223	7,202,467	555,244	8%
TOTAL AVAILABLE FUND (Total Sources*)	18,370,758	15,749,166	(2,621,592)	-14%
PROGRAM APPROPRIATIONS				
D1. Strategic Plan Investment - SPIP FY 20-23	6,737,106	3,780,000	(2,957,106)	-44%
Community Investments (FE, CH&D, EL)	5,241,108	3,180,000	(2,061,108)	-39%
Evaluation	273,896	113,000	(160,896)	-59%
Policy, Advocacy, & Communications (PAC)	1,222,102	487,000	(735,102)	-60%
D2. Strategic Plan Investment - SPIP FY 18-20 Carry-Over		850,000	850,000	
Community Investments (FE, CH&D, EL)	-	300,000	300,000	
Evaluation	-	300,000	300,000	
Policy, Advocacy, & Communications (PAC)	-	250,000	250,000	
E. Other Grants	1,189,034	1,003,000	(186,034)	-16%
F5CA Other Grants / IMPACT Grant	461,269	350,000	(111,269)	-24%
Non-Tobacco Tax Grants (DLP, PHD, SHD, MHSA)	727,765	653,000	(74,765)	-10%
F. Program Operations	1,173,677	1,217,033	43,356	4%
Program Shared Operating Budget	197,800	194,250	(3,550)	-2%
Program Staff S&B & Shared Admin Staff Time	802,093	844,055	41,962	5%
Evaluation Staff S&B	173,784	178,728	4,944	3%
Total Program Appropriations (D1+D2+E+F)	9,099,817	6,850,033	(2,249,784)	-25%
ADMIN APPROPRIATIONS				
G. Admin Shared Operating Budget	197,800	194,250	(3,550)	-2%
H. Admin Staff S&B	526,442	579,239	52,797	10%
Total Admin Appropriations (G+H)	724,242	773,489	49,247	7%
TOTAL APPROPRIATIONS (Net Appropriations*)	9,824,059	7,623,522	(2,200,537)	-22%
Surplus / (Deficit) (Total Revenues - Total Appropriations)	(3,176,836)	(421,055)	2,755,781	-87%
ENDING FUND BALANCE	8,546,699	8,125,644	(421,055)	-5%
Total S&B	1,502,319	1,602,022	99,703	7%

FIRST 5 SAN MATEO COUNTY

FY 2020-21 DRAFT BUDGET DETAILS

	ORG/ACCT#	FY19-20 Revised Budget	FY20-21 Draft Budget	FY20-21 Draft Budget (+/-) vs. FY19-20 Revised Budget (\$)	FY20-21 Draft Budget (+/-) vs. FY19-20 Revised Budget (%)	Notes to FY 2020-21 Draft Budget
BEGINNING FUND BALANCE (BEGINNING RESERVES*)		11,723,535	8,546,699	(3,176,836)	-27%	Ending Fund Balance of FY19-20 Revised Budget is used as the Beginning Fund Balance of FY 20-21.
REVENUE						
A. Interest	19510-1521	201,458	85,467	(115,991)	-58%	
B. Tobacco Tax Revenue	19510-1861	5,254,000	5,064,000	(190,000)	-4%	May 2019 Tobacco Tax Revenue projections
SPIP FY18-20 Carry Over			850,000	850,000		Delayed execution of SPIP FY 18-20 contracts due to short funding cycle (2 years) and COVID-19 outbreak impacts.
C. Other Grant Revenues						
F5CA IMPACT Grant	19510-1861	575,000	400,000	(175,000)	-30%	\$1.2 M new F5CA IMPACT Grant FY20-23 with pending grant application.
F5SF IMPACT HUB TA FY19-20	19510-2643	39,000	0	(39,000)	-100%	Grant ended; New grant award is expected in new fiscal year.
County of San Mateo BHRS - Mental Health Services MHS A Prop 63	19510-2643	50,000	200,000	150,000		\$300K MHS A 2-year grant
Peninsula Healthcare District - HMG Call Center Grant	19510-2643		35,000	35,000		New grant award to be executed in FY 20-21
David Lucile Packard- Help Me Grow Sequoia Healthcare District - Special Needs Grant	19510-2643	100,000	75,000	(25,000)		\$150K New Help Me Grow - 2 year grant; Delayed grant execution to FY20-21
Sequoia Healthcare District - Mental Health Grant	19510-2643		407,000	407,000		Need finalize MOU
Sequoia Healthcare District - Mental Health Grant	19510-2643		86,000	86,000		Need finalize MOU
San Mateo County Health System - WMG Clinic Based Services Grant	19510-2643	362,765	0	(362,765)	-100%	Grant ended
GILEAD - Build Up Kids Facilities Grant	19510-2643	0	0	0		Pass-through fund to executing partner
San Mateo County Human Services Agency - Build Up Kids Facilities Grant	19510-2643	65,000	0	(65,000)	-100%	Pass-through fund to executing partner
F5SMC Wellness Grant	19510-2658	0		0		
Miscellaneous Reimbursements	19510-2647	0		0		
TOTAL REVENUES		6,647,223	7,202,467	555,244	8%	Major contributions to 11% net increases in Total Revenues are associated with \$1 Mio SPIP FY18-20 carry over to FY 20-21 as the impacts of COVID-19 and short funding cycle (2 years)
TOTAL AVAILABLE FUNDS (TOTAL SOURCES*)		18,370,758	15,749,166	(2,621,592)	-14%	

	ORG/ACCT#	FY19-20 Revised Budget	FY20-21 Draft Budget	FY20-21 Draft Budget (+/-) vs. FY19-20 Revised Budget (\$)	FY20-21 Draft Budget (+/-) vs. FY19-20 Revised Budget (%)	Notes to FY 2020-21 Draft Budget
APPROPRIATIONS						
PROGRAM APPROPRIATIONS						
D1. Strategic Plan Investment - SPIP FY 20-23						
						SPIP FY 20-23 approved funding allocations
Family Engagement	19540-6125	1,712,067	1,060,000	(652,067)	-38%	
Children Health & Development	19540-6156	1,808,041	1,060,000	(748,041)	-41%	
Early Learning	19540-6263	1,721,000	1,060,000	(661,000)	-38%	
Grant Management and Other Evaluation Projects	19540-6265	194,896	113,000	(81,896)	-42%	Include Persimmony Grant Management System
Other Evaluation Projects	19540-6265	79,000		(79,000)	-100%	
Policy Advocacy, Communications & Systems Change	19540-6814	800,502	380,000	(420,502)	-53%	
Emerging Projects	19540-6814	334,600	107,000	(227,600)	-68%	
Kit for New Parent KNP (KNP)	19540-6814	42,000		(42,000)	-100%	Combined in Emerging Projects line
Regional Cost Sharing	19540-6814	45,000		(45,000)	-100%	Combined in Emerging Projects line
D2. Strategic Plan Investment - SPIP FY 18-20 Carry-Over						
Children Health & Development - Carry Over	19540-6156		200,000	200,000		Line 11 (150K) & Line 14 (50K)
Early Learning - Carry Over	19540-6263		100,000	100,000		Line 17 (100K)
Other Evaluation Projects - Carry Over	19540-6265		300,000	300,000		Line 18 (90K) & Line 20 (210K)
PAC - Carry Over	19540-6814		100,000	100,000		Line 22 (50K), Line 27 (40K), Line 31 (10K)
Emerging Projects - Carry Over	19540-6814		150,000	150,000		Line 35 (70K), line 37 (80K)
E. Other Grants						
F5CA IMPACT Grant	19540-6126	461,269	350,000	(111,269)	-24%	Pending grant application of a new F5CA IMPACT Grant FY20-23
F5SF IMPACT HUB TA FY19-20	19540-6126	35,000		(35,000)	-100%	Grant ended; New grant award is expected in new fiscal year.
County of San Mateo BHRS - Mental Health Services MHA Prop 63	19540-6131	50,000	120,000	70,000	140%	Second year grant execution
Peninsula Healthcare District - HMG Call Center Grant	19540-6131		27,000	27,000		New grant execution
David Lucile Packard- Help Me Grow	19540-6131	100,000	58,000	(42,000)	-42%	Delayed grant execution to FY20-21

	ORG/ACCT#	FY19-20 Revised Budget	FY20-21 Draft Budget	FY20-21 Draft Budget (+/-) vs. FY19-20 Revised Budget (\$)	FY20-21 Draft Budget (+/-) vs. FY19-20 Revised Budget (%)	Notes to FY 2020-21 Draft Budget
Sequoia Healthcare District - Special Needs Grant	19540-6131		385,000	385,000		First year grant execution
Sequoia Healthcare District - Mental Health Grant	19540-6131		63,000	63,000		First year grant execution
Watch Me Grow Clinic Based Services Grant	19540-6131	362,765		(362,765)	-100%	Grant ended
San Mateo County Human Services Agency - Build Up Kids Facilities Grant	19540-6131	130,000		(130,000)	-100%	Pass-through fund to executing partner
GILEAD - Build Up Kids Facilities Grant	19540-6131	50,000		(50,000)	-100%	Pass-through fund to executing partner
F. Program Operations						
Program Shared Operating Budget		197,800	194,250	-3,550	-2%	See Schedule 1.1
Program Staff S&B & Shared Admin Staff Time		802,093	844,055	41,962	5%	Schedule 2 - 27% Admin Staff Time allocated to Program
Evaluation Staff S&B		173,784	178,728	4,944	3%	Schedule 2
Subtotal Program Appropriations		9,099,817	6,850,033	(2,249,784)	-25%	Major contributions to 25% net decreases in Program Appropriations are attributed to the new strategic plan implementation SPIP FY 20-23 with increase system changes efforts under funding reduction.
ADMIN APPROPRIATIONS						
G. Admin Shared Operating Budget		197,800	194,250	(3,550)	-2%	See Schedule 1
H. Admin Staff S&B		526,442	579,239	52,797	10%	Schedule 2
Subtotal Administrative Appropriations		724,242	773,489	49,247	7%	Increases associated with County COLA increases
Administrative Cost Rate %		7%	10%			
TOTAL APPROPRIATIONS (NET APPROPRIATIONS*)		9,824,059	7,623,522	(2,200,537)	-22%	Major contributions to 22% net decreases in Total Appropriations are attributed to the new strategic plan implementation SPIP FY 20-23 with increase system changes efforts under funding reduction.
ENDING FUND BALANCE (ENDING RESERVES*)		8,546,699	8,125,644	(421,055)	-5%	Major contributions to 3% net decreases in Ending Fund Balance are associated with the new strategic plan implementation SPIP FY20-23 and the agency balance budget target after the Reserves are exhausted.

Color Coding

- Shared Budget/Shared Cost
- Revenue ; Fund Balance
- Appropriations
- Salaries & Benefits

Schedule 1- FY 2020 -21 DRAFT OPERATING BUDGET

Attachment 5D

	ORG / ACCT#	Revised Operating Budget FY19-20	FY20-21 Draft Budget	FY20-21 Draft Budget (+/-) vs. FY19-20 Revised Budget (\$)	FY20-21 Draft Budget (+/-) vs. FY19-20 Revised Budget (%)	Notes to FY 2020-21 Draft Budget
I. Services and Supplies						
Outside Printing & Copy Svc	19510-5191	2,000	2,000	0	0%	
General Office Supplies	19510-5193	10,000	10,000	0	0%	
Photocopy Lease & Usage	19510-5196	4,000	5,000	1,000	25%	
Computer Supplies	19510-5211	18,000	10,000	(8,000)	-44%	Software licenses and Place holder for emergency IT equipment
County Memberships - (e.g. F5 Assn Dues)	19510-5331	15,000	15,000	0	0%	
Auto Allowance	19510-5712	11,000	11,000	0	0%	
Meetings & Conference Expense	19510-5721	16,000	15,000	(1,000)	-6%	
Commissioners Meetings & Conference Exp	19510-5723	5,000	5,000	0	0%	
Other Business Travel Expense	19510-5724	9,000	9,000	0	0%	
Dept. Employee Training Expense	19510-5731	7,000	7,000	0	0%	
Wellness grant	19510-5856	0		0		
Other Professional Services	19510-5858	48,000	30,000	(18,000)	-38%	Place holder
Sub Total - Services & Supplies		145,000	119,000	(26,000)	-18%	
II. Other Charges						
Telephone Service Charges	19510-6712	3,500	4,500	1,000	29%	Include direct Communication Services
Automation Services - ISD	19510-6713	45,000	48,000	3,000	7%	
Annual Facilities Lease	19510-6716	95,000	97,000	2,000	2%	
General Liability Insurance	19510-6725	9,000	9,800	800	9%	Liability Insurance increase
Official Bond Insurance	19510-6727	600	600	0	0%	
Human Resources Services	19510-6733	0	2,000	2,000		County Human Resources training
Countywide Security Services	19510-6738	500	600	100	20%	
All Other Service Charges	19510-6739	50,000	60,000	10,000	20%	\$8K Controller Office Accounting Services + \$20K Audit Services + \$1K Staff Cardkey + \$20K County Counsel Services + \$10K Place Holder
A-87 Expense	19510-6821	47,000	47,000	0	0%	
Sub Total - Other Charges		250,600	269,500	18,900	8%	
Total Operating Budget		395,600	388,500	(7,100)	-2%	
Program Shared Operating Budget		197,800	194,250	(3,550)	-2%	Allocation rate 50%
Admin Shared Operating Budget		197,800	194,250	(3,550)	-2%	Allocation rate 50%

Schedule 2 - FY 2020-21 DRAFT SALARIES & BENEFITS BUDGET

Program Staff & Shared Admin Staff		802,093	844,055	41,962	5%	27% Admin staff time allocated to Program
Evaluation Staff		173,784	178,728	4,944	3%	
Admin Staff		526,442	579,239	52,797	10%	estimated increase in healthcare premium
Total Salaries and Benefits		\$ 1,502,319	\$ 1,602,022	99,703	7%	4% estimated healthcare cost increase and 3% County COLA as per union negotiated changes.

Color Coding

Shared Budget/Shared Cost	
Revenue ; Fund Balance	
Appropriations	
Salaries & Benefits	

DATE: May 11, 2020
TO: First 5 San Mateo County Finance and Administration Committee
FROM: Kitty Lopez, Executive Director
RE: Review and Recommend Approval of the First 5 San Mateo County Policies and Bylaws for FY 2020-21

ACTION REQUESTED

Review and Recommend Approval of the First 5 San Mateo County Policies and Bylaws for FY 2020-21

BACKGROUND

Mandate Policies: The First 5 San Mateo County (F5SMC) Commission annually reviews and approves the Commission’s policies to ensure compliance with mandates by the Legislature and other administrative processes and to strengthen F5SMC’s internal controls for operations. Currently there are seven policies; four of which are in direct response to the mandates outlined in the 2006 Assembly Bill 109 (Chan) and Senate Bill 35 (Florez). These mandates include: Contracting and Procurement; Conflict of Interest; Salary and Benefits; and Administrative Costs. These Policies were reviewed and approved by the Commission on May 20, 2019.

Bylaws: On April 23, 2018, the Commission reviewed and approved First 5 San Mateo County’s Bylaws. There are no recommended changes.

UNCHANGED POLICIES

The following policies remain unchanged:

- Contracting and Procurement Policy (Attachment 6A)
- Conflict of Interest Policy (Attachment 6B)
- Salary and Benefits Policy (Attachment 6C)
- Amended Administrative Costs Policy (Attachment 6D)
- Supplantation Policy (Attachment 6E)
- Delegation of Authority to Executive Director to Take Action to Support or Oppose Legislation or Other Initiatives (Attachment 6F)
- Bylaws (Attachment 6H)

CHANGED POLICIES

The following policies are amended:

- Amended Event Sponsorship Policy (Attachment 6G)

FISCAL IMPACT

No fiscal impact to the F5SMC’s annual budget.

RECOMMENDATION

Review and Recommend Approval of the First 5 San Mateo County Policies and Bylaws for FY 2020-21.



SUBJECT: CONTRACTING AND PROCUREMENT POLICY

PURPOSE: To facilitate compliance with Health and Safety Code Section 130140(d)(4)(B) requiring the county commission to adopt, in a public hearing, a contract and procurement policy that is consistent with certain state law provisions. And, to comply with Health and Safety Code Section §130151(b)(1), which requires that the contract and procurement policy contains provisions to ensure that grants and contracts are consistent with the commission’s strategic plan.

To facilitate compliance with the Standards and Procedures for Audits of California Counties participating in the California Children and Families Program issued by the California State Controller, March 2006.

Part I. STATEMENT OF POLICIES

The First 5 San Mateo County Commission (“First 5 San Mateo County” or the “Commission”) and staff will comply with State law in all matters regarding Commission contracting and procurement to the extent applicable to the Commission, including ensuring that contracting and procurement are consistent with Article 7 (commencing with Section 54201) of Chapter 5 of Part 1 of Division 2 of Title 5 of the Government Code, Chapter 2 (commencing with Section 2000) of Part 1 of Division 2 of the Public Contract Code, Section 3410 of the Public Contract Code, and Chapter 3.5 (commencing with Section 22150) of Part 3 of Division 2 of the Public Contract Code.

When purchasing food, First 5 San Mateo County will give preference to United States-grown produce and United States processed foods when there is a choice and it is economically feasible to do so.

If fitness and quality are equal, First 5 San Mateo County will purchase recycled products, as defined in Section 12200 of the Public Contract Code, instead of non-recycled products whenever recycled products are available at the same or a lesser total cost than non-recycled items.

In accordance with Section 130140 and Section 130105 of the Health and Safety Code, First 5 San Mateo County has autonomy to expend moneys from the trust fund only for the purposes as described in the Commission’s approved Strategic Plan.

Part II. CONTRACTING & GRANT PROCESSES

A. First 5 San Mateo County shall use a competitive selection, negotiation and approval process (“Request for Proposal Process” or “RFP Process”) whereby potential contractors and/or grantees may submit applications

for Commission funding. Use of the RFP Process is intended to ensure that all qualified contractors and/or grantees are given an opportunity to be considered a service provider to the Commission.

No person shall be excluded from participation in, denied benefits of, or be subject to discrimination under this process on the basis of their race, color, religion, national origin, age, sex, sexual orientation, pregnancy, childbirth or related conditions, medical condition, mental or physical disability or veteran's status. The RFP Process may only be waived by the Commission upon a finding that it would be in the best interests of the Commission.

- B. In addition to particular criteria are important and appropriate to the project/grant, the criteria for choosing the contractor and/or grantee may include 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
 - 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.

Once the Commission has selected the contractor(s) and/or grantee(s) that can best perform the necessary work, Commission staff will negotiate the terms of the contract in accordance with the Commission's approval for such services.

- C. The Commission shall approve and execute all service agreements, memorandums of understanding, and/or contracts with a total obligation amount that exceeds \$50,000. Any related contract amendment shall also be approved and executed by the Commission.
- D. The Executive Director of First 5 San Mateo County is authorized to approve and execute service agreements, memorandums of understanding and/or contracts with a total obligation amount less than or equal to \$25,000. After receiving direction to proceed from the Commission Chair, the Executive Director has signature authority to approve all service agreements, memorandums of understanding, and/or contracts with a total obligation amount between \$25,000 and \$50,000 on behalf of the Commission.
- E. Any service agreements, memorandums of understanding, and/or contracts that do not use or otherwise substantively amend the standard San Mateo County template agreement will be reviewed by County Counsel. Approval must be obtained by County Counsel prior to finalization.



SUBJECT: CONFLICT OF INTEREST POLICY

PURPOSE: To facilitate compliance with Health and Safety Code Section 130140(d)(4)(A) requiring the county commission to adopt, in a public hearing, a policy consistent with state and local law regarding conflict of interest of the commission members.

To facilitate compliance with the Standards and Procedures for Audits of California Counties participating in the California Children and Families Program issued by the California State Controller, March 2006.

PART I. CONFLICT OF INTEREST CODE – GOVERNMENT CODE SECTION 87100

- A. The First 5 San Mateo County Commission (“First 5 San Mateo County” or the “Commission”) has a Conflict of Interest Code, which has been approved by the San Mateo County Board of Supervisors. Pursuant to Section 87306.5 of the Government Code, First 5 San Mateo County will review that Conflict of Interest Code biennially. First 5 San Mateo County has designated the following positions in its Code: Commissioners, Executive Director, Financial Analyst, and Consultants (when applicable).

- B. Form 700 filing. All individuals holding positions designated by the Conflict of Interest Code shall file the Form 700 of the California Fair Political Practices Commission, when assuming office, annually thereafter, and when leaving office as required by regulation.

- C. The Commission shall continue to have a conflict of interest code in effect at all times.

PART II. GOVERNMENT CODE SECTION 1090, et seq.

First 5 San Mateo County shall continue to conduct its business at all regular and special meetings of the Commission in accordance with the provisions of Government Code sections 1090, *et seq.*, hereby incorporated by reference.

Pursuant to Section 1091.3 of the Government Code, First 5 San Mateo County Commissioners will recuse themselves from making, participating in making, or in any way attempting to use their official position to influence a decision on an agreement when the agreement directly relates to services to be provided by the member or the entity the member represents or financially benefits the member or the entity the member represents.

PART III. GOVERNMENT CODE SECTION 1125, et seq. (INCOMPATIBLE ACTIVITIES)

The Commission shall continue to conduct its operations consistent with Government Code Section 1125, *et seq.* Except as provided in Sections 1128 and 1129 of the Government Code, First 5 San Mateo County officers and employees shall not engage in any employment, activity, or enterprise for compensation which is inconsistent, incompatible, in conflict with, or inimical to their duties as a First 5 San Mateo County Commission officer or employee or with the duties, functions, or responsibilities of their appointing power or the agency by which they are employed.

First 5 San Mateo County officers and employees shall not engage in any outside employment, activity, or enterprise if it: (1) involves the use for private gain or advantage of First 5 San Mateo County time, facilities, equipment and supplies; or the badge, uniform, prestige, or influence of First 5 San Mateo County office or employment or, (2) involves receipt or acceptance by the officer or employee of any money or other consideration from anyone other than First 5 San Mateo County for the performance of an act which the officer or employee, if not performing such act, would be required or expected to render in the regular course or hours of First 5 San Mateo County employment or as a part of his or her duties as a First 5 San Mateo County officer or employee or, (3) involves the performance of an act in other than his or her capacity as a First 5 San Mateo County officer or employee which act may later be subject directly or indirectly to the control, inspection, review, audit, or enforcement of any other officer or employee or the agency by which he or she is employed, or (4) involves the time demands as would render performance of his or her duties as a First 5 San Mateo County officer or employee less efficient.

Further, the incompatibility rules of the County of San Mateo, particularly the provisions of Section 2.75.060 of the Ordinance Code of the County of San Mateo, shall be, and are hereby adopted as the rules applicable to the First 5 San Mateo County Commissioners.

Further, each employee and officer of the Commission will be provided a copy of this policy. Engaging in incompatible activities will subject employees and officers to disciplinary action, up to and including termination or removal from the Commission (whichever is applicable). Any disciplinary action related to violation of this policy will be conducted in accordance with the Commission's general disciplinary processes, which provide the ability to contest imposition of discipline.

PART IV REPORTING A CONFLICT OF INTEREST

When a Commissioner first becomes aware of a conflict of interest or potential conflict of interest regarding a matter before the Commission or Committee, he or she must notify First 5 San Mateo County's legal counsel, the Executive Director and the chairperson of the Commission or the Committee. The facts of the conflict of interest will be recorded in the minutes of the Commission or Committee meeting.

First 5 San Mateo County

List of Designated Positions in the First 5 San Mateo County and Financial Disclosure Categories

Each person holding any position listed below must file statements disclosing the kinds of financial interest shown for the designated employee's position. Statements must be filed at the times and on the forms prescribed by law. Failure to file statements on time may result in penalties including but not limited to late fines.

<u>Designated Employees</u>	<u>Disclosure Category</u>
Commission Member	1,2,3,4
Executive Director	1,2,3,4
Consultants*	1,2,3,4

*The Executive Director, after consultation with the County Counsel, shall review the duties and authority of all consultants retained by the Commission. Those consultants who, within the meaning of Section 18700 (a)(2) of Title 2 of the California Code of Regulations are required to file statements of economic interests, shall do so. During each calendar year, First 5 San Mateo County shall maintain a list of such consultants for public inspection in the same manner and location as this Conflict of Interest Code. Nothing herein excuses any consultant from any other provision of the Conflict of Interest Code, specifically those dealing with disqualification.

Disclosure Categories

Category 1. A designated official or employee assigned to category 1 is required to disclose direct or indirect investments in any business entity that may foreseeably be affected materially by any decision made or participated in by the designated official or employee by virtue of his or her position.

Category 2. A designated official or employee assigned to category 2 is required to disclose interests in any real property that may foreseeably be affected materially by any decision made or participated in by the designated official or employee by virtue of his or her position.

Category 3. A designated official or employee assigned to category 3 is required to disclose any source of income that may foreseeably be affected materially by any decision made or participated in by the designated official or employee by virtue of his or her position.

Category 4. A designated official or employee assigned to category 4 is required to disclose any business entity in which the designated official or employee is a director, officer, partner, trustee, employee or holds any position of management that may foreseeably be affected materially by any decision made or participated in by the designated official or employee by virtue of his or her position



SUBJECT: SALARY AND BENEFITS POLICY

PURPOSE: To facilitate compliance with Health and Safety Code Section 130140(d)(6) requiring the county commission to adopt, in a public hearing, policies and processes establishing the salaries and benefits of employees of the county commission.

To facilitate compliance with the Standards and Procedures for Audits of California Counties Participating in the California Children and Families Program issued by the California State Controller, March 2006.

I. **STATEMENT OF POLICY**

As required by Health and Safety Code Section 130140(d)(6), salaries and benefits shall conform with established First 5 San Mateo County Commission and San Mateo County government policies.

II. **SALARY AND BENEFITS POLICIES AND PROCESSES**

The San Mateo County Board of Supervisors created the First 5 San Mateo County Commission in March 1999, Ordinance No. 3889. As an agency of the County, the First 5 San Mateo County Commission complies with the salaries and benefits policies and procedures that are applicable to all Boards and Commissions in the County, including:

- The Memorandum of Understanding between County of San Mateo and the applicable union that establishes the salaries for each job classification, as may be amended from time to time; and
- County Resolutions that provide salaries and related matters for exempt management, confidential and other unrepresented employees, as may be amended from time to time.

Employee hiring, termination, payroll, pay increases and benefits are processed through the San Mateo County Employee and Personnel Services Department and the Controller's Office.



SUBJECT: ADMINISTRATIVE COSTS POLICY (Amended)

- Categorizing Administrative costs, Program costs, and Evaluation costs
- Defining Administrative costs.
- Determining the maximum allowable Administration costs as a percentage of the commission's total operating budget.
- Monitoring the Administrative cost percentage to ensure the actual Administrative costs do not exceed the maximum rate adopted by the commission.

PURPOSE: To facilitate compliance with Health and Safety Code Section 130140(d)(5) requiring the county commission to adopt, in a public hearing, a limit on the percentage of the county commission's operating budget that may be spent on administrative functions.

To facilitate compliance with the Standards and Procedures for Audits of California Counties Participating in the California Children and Families Program issued by the California State Controller, March 2006.

I. **STATEMENT OF POLICY**

First 5 San Mateo County will consistently identify Administrative costs following the guidelines outlined in this policy and monitor the actual Administrative costs as a percentage of its annual operating budget.

II. **COST CATEGORIES**

All costs fall into one of three major categories: Administrative, Program, or Evaluation. Administrative costs are differentiated from Program costs and Evaluation costs in accordance with the guidelines provided through the *Financial Management Guide*¹ of First 5 Association of California; its *Cost Allocation and Administrative Cost*² provide guidelines in categorizing and allocating costs.

III. **ADMINISTRATIVE COST DEFINITION**

¹ The Guide is a product of the California First 5 Association's and the State Commission's joint technical assistance effort and a direct result of a financial management assessment conducted by the Government Finance Officers Association (GFOA) in response to new legislation.

² Financial Management Guide, First 5 Association of California (the Fifth Edition, 2015) Cost Allocation (pages 36-37); Administrative Cost, (page 61-65)

Administrative costs: Costs incurred in support of the general management and administration of a First 5 Commission, for a common or joint purpose that benefits more than one cost objective (other than Evaluation and Program activities), and/or those costs not readily assignable to a specifically benefited cost objective.

Administrative costs include all salaries, benefits, services, and supply costs not readily identifiable as costs of the Commission's Evaluation or Program activities. Commission staff will adhere to the above definition for budgeting, accounting, and financial reporting processes. Staff utilizes certain codes for reporting processes to identify costs as Program, Evaluation, or Administration according to their nature. Except when there is information to determine a direct allocation of operating costs, shared operating costs/office expenses will be allocated by a systematic, valid and rational allocation methodology. The methodology will be reviewed annually and presented with the annual budget.

III. MAXIMUM ALLOWABLE ADMINISTRATIVE COSTS AS A PERCENTAGE OF THE OPERATING BUDGET

The Commission will monitor actual Administrative costs so that, in any one year, Administrative costs do not exceed 12% of the Commission's annual operating budget.

IV. MONITORING

The Administrative costs' percentage will be monitored quarterly by the Commission's fiscal staff and reported to the Executive Director and Finance Committee. In the event that Administrative costs exceed 12% of the operating budget, the Commission will review and approve a corrective action plan to achieve the desired percentage. The Commission may increase or decrease the maximum allowable Administration percentage as changing fiscal or legislative circumstances require.



SUBJECT: SUPPLANTATION POLICY

PROHIBITING USE OF COMMISSION FUNDS TO SUPPLANT STATE OR LOCAL GOVERNMENT FUNDS

PURPOSE: The purpose of the policy is to assure compliance with Proposition 10, adopted by the voters in 1998. Revenue & Taxation Code Section 30131.4 provides, in part, that Proposition 10 funds shall be used only to supplement existing levels of service and not to fund existing levels of service. It further provides that no money in the commission’s trust fund shall be used to supplant state or local general fund money for any purpose.

POLICY:

1. No Commission funds shall be used to supplant state or local general fund money for any purpose. Commission funds shall be used only to supplement existing levels of service and not to fund existing levels of service.
2. To that end, no Commission funds shall be granted or used for any existing project or program funded by state or local general funds unless the proponent demonstrates to the Commission’s satisfaction that the Commission’s funding will be used to improve the quality or quantity of an existing service, and not to supplant existing funding.
3. The prohibition on supplantation was intended to prevent state and local governments from shifting fiscal responsibility for ongoing public programs to the state and local commissions. The prohibition on supplantation does not refer to privately funded or federally funded programs. Therefore, the prohibition applies only to programs and services currently or previously funded by state or local government general funds, and which are “existing” as defined below.
4. The prohibition on supplantation was not intended to prevent, stifle or discourage state or local government agencies from funding pilot programs, which provide valuable innovations and formation. Therefore, the prohibition should not be interpreted to apply to pilot programs or services, as defined below.

Definitions:

Existing means, with respect to a level of service, a service that is in effect or operation at the time a request for funding is acted upon by the Commission, or at any time within the 12-month period preceding the Commission’s action.

State general funds means funds which are received into the treasury of the State and not required by law to be credited to any other fund.¹

Local government general funds means funds which are received into the treasury of the local government and not specially appropriated to any other fund.²

Level of service includes both the quality and quantity of services.

Pilot with respect to programs or services means those that are implemented on a temporary and limited basis in order to test and evaluate the effectiveness of the program, develop new techniques, or gather information.³

Supplant shall be given its ordinary meaning, that is, "to take the place of."

Guidelines:

1. Every applicant must disclose in its application whether the program has received funding from other sources (whether local or state government, private, or federal) within the past three years, and as to any public funding, identify the law or program under which funding was received.
2. Any applicant that discloses that state or local government funding has been received for the proposed program or service within the last three years must also demonstrate to the Commission's satisfaction:
 - a) That the program or service has not received state or local general funds within the 12 month period preceding the Commission's action, or
 - b) That, if received, such funds have not been reduced during the 12 month period preceding the Commission's action, or
 - c) That the program or service was a pilot project, and
 - d) That the Commission's funds will be used to augment or improve the existing level of service, either in terms of quantity or quality.
3. The Commission may require the applicant to provide any additional information regarding sources and uses of funds at any time. Based upon all existing facts and circumstances, the Commission shall determine whether the proposal would violate this policy. The Commission's determination will be made as of the time a grant agreement is executed. For multi-year contracts or commitments, the Commission reserves the right to re-examine its determination that its funds will not be used in violation of this policy.

¹ See Gov. Code § 16300.

² See Gov. Code § 29301

³ See Penal Code § 5058.1



SUBJECT: DELEGATION OF AUTHORITY TO EXECUTIVE DIRECTOR TO TAKE ACTION TO SUPPORT OR OPPOSE LEGISLATION OR OTHER INITIATIVES

PURPOSE: On occasion, the Executive Director is approached with a time-sensitive request to sign a letter of support for (or opposition to) legislation or other initiatives related to First 5 San Mateo County Commission’s mission. This policy is intended to delegate authority to the Executive Director to take necessary action to provide that support (or opposition) consistent with the First 5 San Mateo County Commission’s mission when certain conditions are met.

POLICY:

The First 5 Commission hereby delegates its authority to the Executive Director to sign documents or other materials on behalf of First 5 San Mateo County Commission (“First 5 San Mateo County” or the “Commission”), when all of the following conditions are met:

1. The legislation or other initiative is directly related to, and consistent with First 5 San Mateo County’s mission.
2. Because of time constraints, bringing the matter to the Commission at its next scheduled meeting is not practical.
3. Calling a special meeting to address the matter is either not practical or not appropriate under the circumstances.
4. The Executive Director has conferred with the Chair of the Commission and both the Executive Director and the Chair agree that: (a) the position that the Executive Director intends to take is consistent with the mission of First 5 San Mateo County; (b) bringing the matter to the Commission at its next scheduled meeting or at a special meeting is not practical or appropriate under the circumstances; and (c) taking the position without a vote of the Commission is appropriate under the circumstances.
5. The Executive Director reports at the next regularly scheduled Commission meeting as part of the Executive Director’s Report any position taken pursuant to this policy.



SUBJECT: EVENT SPONSORSHIP POLICY

PURPOSE: To provide support for events targeted at children prenatally to age 5 and their families in San Mateo County.

POLICY: First 5 San Mateo County may provide sponsorship to an event and/or scholarships to parents or providers in the form of funding that meets the Event Sponsorship Eligibility Criteria

First 5 San Mateo County (F5SMC) has a core strength and long history in developing partnerships and facilitating collaboration. Our vision of **success for every child** would not be possible without the collaboration of our partners throughout the County.

This set of guidelines provides direction for potential community partners interested in receiving sponsorship for community events. The goal is to sponsor community events that broaden F5SMC's reach into the community and focus on the following focus areas as defined in our strategic plan:

- ~~Child Health and Development~~ [Healthy Children](#)
- ~~Family Engagement~~ [Resilient Families](#)
- ~~Early Learning~~ [Quality Care and Education](#)

Event Sponsorship Eligibility Criteria

Parents or providers may request a sponsorship if the event meets the following criteria:

- The event ties to one or more of the focus areas above and are consistent with the Commission's vision and mission.
- The event targets families/children prenatally to age 5, high priority populations or communities as defined by F5SMC.
- The event takes place in San Mateo County.
- The event provides F5SMC with advertisement opportunity and/or includes F5SMC in promotions **prior** to, and **during** the event (e.g., print, radio, web, and televised advertisement and promotions).
- The event provides a booth space for F5SMC staff to participate during the event, if appropriate.
- The requesting agency coordinates with F5SMC staff to ensure proper crediting policy and general marketing is consistent with F5SMC standards and Style Guide whenever possible.
- The event is designated smoke free.
- The event is not used to lobby for or against or otherwise attempt to influence legislation.
- The event is not used for religious purposes.
- The event is not used for fundraising purposes.

Attachment 6G

Event Sponsorship Award Amounts

- The Event Sponsorship Budget will be determined as part of the annual budget cycle preparation.
- Event Sponsorship requests ~~in~~ up the amount of \$5,000 ~~2,500~~ or less are reviewed and approved by the Executive Director; approval is based on meeting the eligibility criteria and is contingent upon budget appropriations.

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Standards for Collaboration

- F5SMC will not endorse, directly or through implied endorsement, specific products, services, educational programs or enterprises.
- As a public agency, products developed in collaboration with F5SMC are in the public domain.

Post Event Reporting

- Sponsorship recipient will provide F5SMC with event outcomes data including but not limited to: attendance and participation of other community agencies; attendance of children up to age 5 and their families; an overall description of the event highlighting the value of community collaboration and of First 5's sponsorship investment.
- A representative from the requesting agency may also be asked to make a brief presentation at a F5SMC Commission Meeting.

Organizations and businesses interested in the Event Sponsorship Program must submit the Sponsorship Request Form, which can be obtained from First 5 San Mateo County staff or downloaded at first5sanmateo.org.

Requests must be received eight weeks prior to the proposed event date. Event Sponsorship Requests will be accepted on a continuous basis as long as funding is available.

Submit Questions and/or Sponsorship Requests to:

Myra Cruz

1700 S. El Camino Real, Suite 405
San Mateo, CA 94402
ecruz@smcgov.org

**FIRST 5 SAN MATEO COUNTY COMMISSION
BYLAWS
Adopted May 2019**

ARTICLE I (Authority)

These bylaws (“Bylaws”) are adopted by the First 5 San Mateo County Commission (the “Commission” or “F5SMC”) to establish rules for its proceedings. The Commission is authorized by, and shall operate consistent with, the Children and Families First Act of 1998, as amended (the “State Act”), and Chapter 2.24 of the San Mateo County Ordinance Code, as amended (the “County Ordinance”).

ARTICLE II (Vision, Mission, Outcomes and Status)

The vision of the Commission is “Success for every child.”

The mission of the Commission is to promote positive outcomes for young children and their families through strategic investments, community leadership, and effective partnerships.

F5SMC adopted the following desired outcomes to guide its efforts in its 2020 -2025 Strategic Plan:

1. San Mateo County prioritizes young children and their families;
2. Communities provide a safe and healthy environment for young children;
3. Children have access to high-quality early care and education settings;
4. Families feel connected to and supported by their community and are able to nurture their children’s health and development;
5. Children have healthy attachments to their parents and caregivers; and
6. Children have access to and are utilizing appropriate health care services to meet their health and developmental needs.

F5SMC is an agency of the County of San Mateo (the “County”) with independent authority over the Strategic Plan and the Local Trust Fund. Obligations of F5SMC shall be the obligations solely of the Commission and shall not directly or indirectly be obligations of the County or any officials, employees or agents of the County. The County shall not be liable for any act or omission of the Commission.

ARTICLE III (Powers and Duties)

The duties of the Commission shall be those proscribed in the State Act and the County Ordinance and may include the following:

- Adopt Strategic Plan for the support and improvement of early childhood improvement within the County, consistent with the requirements of the State Act and any other applicable state laws and County guidelines.
- At least annually, conduct a review of the Strategic Plan and revise the plan as may be necessary or appropriate, and conduct at least one public hearing on the Commission’s review of the plan before

any revisions to the plan are adopted and submitted to the First 5 California Commission (the “State Commission”).

- Measure outcomes of funded programs through the use of applicable, reliable indicators and review on a periodic basis as part of the public review of the Strategic Plan.
- Prepare and adopt an annual audit and report pursuant to Health and Safety Code Section 130150, and conduct at least one public hearing prior to adopting any annual audit or report.
- Review the State First 5 California Commission annual report at a public hearing.
- Adopt policies and procedures consistent with the requirements of the State Act.
- Establish one or more advisory committees to provide technical and professional expertise and support for any purposes that will be beneficial in accomplishing the purposes of the State Act.
- Enter into such contracts as necessary or appropriate to carry out the provisions and purposes of the State Act or the County Ordinance.

ARTICLE IV (Commission Membership)

The composition of the Commission, and the membership qualifications, terms, entitlement to compensation, and all other aspects of Commission membership shall be as proscribed by the County Ordinance or the State Act in the absence of an applicable provision of the County Ordinance.

ARTICLE V (Conflicts of Interest Policy)

The Commission shall by resolution adopt and may amend a Conflicts of Interest policy for the Commission as required by applicable law. Any such policy, and any amendments thereto, shall be consistent with County policies and requirements.

Each Commissioner shall file a statement disclosing reportable economic interests in accordance with the Political Reform Act of 1974 and the regulations of the Fair Political Practices Commission and the Commission’s Conflict of Interest Policy.

ARTICLE VI (Officers)

1. Officers:

- A. Officers of the Commission shall be a Chair and Vice-Chair and such other officers as the Commission may from time to time provide. The Chair, who shall be a Commissioner, shall preside over all business and meetings of the Commission, appoint chairs of standing and *ad hoc* committees, and exercise such other powers and perform such other duties as may be prescribed by the Commission.
- B. The Vice Chair shall be a Commissioner, and in the Chair’s absence or inability to act, shall preside at the meetings of the Commission. If both the Chair and Vice-Chair will be absent or unable to act at a meeting at which a quorum of the Commission will be present, the Chair may in advance of said meeting appoint a Commissioner to preside at said meeting over all business of the Commission, appoint chairs of standing and *ad hoc* committees, and exercise such powers and perform such other duties of the Chair as may be prescribed by the Commission.

2. Terms and Removal:

Officers of the Commission shall be chosen annually through an election to be held at the last scheduled meeting of each calendar year, unless an earlier election is necessary because of a vacancy or vacancies on the Commission. Officers shall serve from the date of their election until a successor is selected, or until an earlier removal or resignation.

ARTICLE VII (Staffing)

1. Executive Director:

The Commission hires, evaluates, and terminates the Executive Director. The Executive Director shall act under the authority of, and in accordance with the direction of the Commission.

2. Staff:

The Executive Director hires, evaluates and terminates F5SMC Staff.

ARTICLE VIII (Meetings)

1. Regular and Special Meetings:

- A. The Commission and its standing committee(s) shall be subject to the provisions of Chapter 9 (Commencing with Section 54950) of Part I, Division 2 Title 5 of the Government Code, relating to meetings of local agencies (the “Ralph M. Brown Act” or the “Brown Act”).
- B. The Commission shall meet regularly at times and places to be determined by the Commission. There shall be at least 4 meetings each calendar year, generally on the fourth (4th) Monday of the month.
- C. Special meetings may be called at a time and place designated by the Chair. The Commission staff shall give notices of regular and special meetings in accordance with the Brown Act.

2. Open and Public:

All meetings of the Commission shall be held in accordance with the Brown Act.

3. Quorum:

A quorum is required to initiate the transaction of business at any regular or special meeting of the Commission. A quorum is a majority of the seated members of the Commission. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Commissioners, provided that any action taken is approved by at least four Commissioners.

4. Voting:

Except as otherwise provided by these Bylaws, all official acts of the Commission require the affirmative vote of a majority of the Commissioners who are present and voting as long as the quorum requirements are met. No official act shall be approved with less than the affirmative vote of four Commissioners.

5. Recusals:

A Commissioner shall recuse him or herself from making, participating in making, or in any way attempting to use his or her official position to influence a decision on a contract or grant where the contract or grant directly relates to services to be provided by that Commissioner or the entity that the Commissioner represents or financially benefits the Commissioner or the entity that he or she represents, or as otherwise required by applicable law or by the Conflict of Interest Policy of the Commission.

6. Minutes:

Commission staff shall prepare the minutes of each meeting of the Commission.

ARTICLE IX (Committees)

1. Advisory Committees:

The Commission shall establish one or more advisory committees to provide technical and professional expertise and support for any purpose that will be beneficial in accomplishing the purpose of the State Act and of the Commission. Advisory committees shall meet and shall make recommendations and reports as deemed necessary or appropriate.

A. Early Childhood Evaluation Advisory Committee:

The duties and responsibilities of this Committee shall be to advise the full Commission on issues related to planning and implementing the Commission's research and evaluation activities; to hear the perspectives of F5SMC grantees on evaluation and data collection and utilization; to serve as the initial audience for research and evaluation findings; and to provide guidance to staff and evaluation contractors regarding presentation of results to the full Commission.

2. Standing Committees and Appointment of Members:

The Commission may establish standing and *ad hoc* committees and appoint members to those committees, wherever necessary. The following standing committees have been established: the Finance and Administration Committee and the Program, Operations and Planning Committee.

A. Finance and Administration Committee:

The duties and responsibilities of the Finance and Administration Committee shall be to advise the Commission concerning the budget, administrative costs, savings, investments, fixed assets, long term financial plan, financial objectives, funding strategies and annual allocation plan, annual financial audit, and other tasks and issues as assigned by the Commission.

B. Program, Operations and Planning Committee:

The duties and responsibilities of the Program, Operations and Planning Committee shall be to advise the Commission concerning the First 5 San Mateo County Strategic Plan, policies concerning programs to be implemented and supported under the Strategic Plan,

community needs assessments, program evaluations and other tasks and issues as assigned by the Commission.

3. Conflicts of Interest:

Commission members shall abide by all applicable laws, policies and regulations governing conflicts of interest, including those adopted by this Commission, the Board of Supervisors and the State Commission.

4. Committee Membership:

Notwithstanding section 3 above, persons who are not members of the Commission, including other elected officials and public members, may be appointed to serve on any committee established by the Commission. Unless otherwise provided, standing committee memberships shall be reviewed annually by either the Chair or the Commission as a whole.

5. Meetings:

Regular meetings of standing committees shall be held at times and places determined by the Commission. Special meetings may be held at any time and place as designated by the Chair of the Commission or the Chair of the Committee. A majority of the members of the committee shall constitute a quorum for that committee.

6. Open and Public:

All meetings of standing committees shall be held in accordance with the Brown Act.

ARTICLE X (Procedures for Conduct of Business)

1. Executive Director Signature Authority:

The Executive Director shall have such signature authority to approve and execute service agreements, memorandums of understanding and/or contracts up to \$25,000. After receiving direction to proceed from the Commission Chair, the Executive Director has signature authority to approve all service agreements, memorandums of understanding, and/or contracts above \$25,000 and up to \$50,000 on behalf of the Commission.

2. Apply for Grants:

All grants, gifts, or bequests of money made to or for the benefit of the Commission from public or private sources to be used for early childhood development programs shall be expended for the specific purpose for which the grant, gift, or bequest was made. The amount of any such grant, gift, or bequest shall not be considered in computing the amount allocated and appropriated to the Commission by the State Board of Equalization.

ARTICLES XI (Amendments)

These Bylaws may be amended or repealed by the Commission at any duly-noticed regular or special meeting by a majority vote of the Commissioners who are present and voting as long as the quorum requirements are met. No amendment to or repeal of these Bylaws shall be approved with less than the affirmative vote of five Commissioners.

DATE ADOPTED: _____

SIGNED BY:

Chair, First 5 San Mateo County Commission