

**\*PUBLIC HEARING MEETING NOTICE\***  
**FIRST 5 SAN MATEO COUNTY (F5SMC)**  
**COMMISSION MEETING**

**DATE: Monday, May 18, 2026**

**TIME: 4:00 PM – 6:00 PM**

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

**Participate via Zoom for Public Members**

<https://smcgov.zoom.us/j/91317809806>

Phone: +1 669 900 6833, Webinar ID: 913 1780 9806

**PLEASE NOTE: This meeting will be held in a hybrid format with both in-person and Zoom participation options for members of the public; Commission members shall appear in person**

This meeting of the First 5 San Mateo County Commission will be held at the address above in the San Mateo County Office of Education located at 101 Twin Dolphin Drive, 1st Floor Conference Room, Redwood City, CA 94065 and by teleconference pursuant to California Assembly Bill 2449 and the Ralph M. Brown Act, CA Gov't Code, Section 54950, et seq. **Members of the First 5 San Mateo County Commission are expected to attend the meeting in person.** For information on exceptions allowed by law please reach out to counsel for First 5, Candice Saadian, at [csaadian@smcgov.org](mailto:csaadian@smcgov.org). For information regarding how to participate in the meeting, either in person or remotely, please refer to the instructions at the end of the agenda.

AGENDA		
<b>Call to Order and Preliminary Business</b>		
<b>1</b>	<b>Roll Call</b>	4:00 PM
<b>2</b>	<b>Public Comment</b>	
<b>3</b>	<b>Action to Set Agenda for May 18, 2026, Meeting and Approve Consent Agenda Items</b> <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>	
<b>4</b>	<b>Commission Announcements</b>	4:05 PM

<b>5</b>	<b>Storytelling: First 5 Work/Impact: Intergenerational Story Time Project</b> Shared by Youth Commissioner Adele Ryono	4:10 PM
<b>Discussion Items</b>		
<b>6</b>	<b>Presentation: Play and Learn</b> Shared by Martha Carcamo Family & Healthcare Outreach Manager, Pahola Villalta Suarez Play & Learn Coordinator, and Carol Elliott, Director, Children and Family Programs Administration, AbilityPath	4:15 PM
<b>7</b>	<b>Presentation: Proposition 10 Statute and Commission Responsibilities</b> Shared by Kitty Lopez, Executive Director, First 5 San Mateo County (See Attachment 7)	4:35 PM
<b>Action Items</b>		
<b>8</b>	<b>Approval of First 5 San Mateo County Policies and Bylaws for FY 2026 – 2027</b> Shared by Kitty Lopez, Executive Director, First 5 San Mateo County (See Attachment 8)	4:55 PM
<b>9</b>	<b>Approval of First 5 San Mateo County FY 2026 – 2027 Draft Budget and the Use of Ending Fund Balance (Reserves*) to Fund First 5 San Mateo County’s FY 2026 – 2027 Adopted Budget</b> Shared by Kitty Lopez, Executive Director, First 5 San Mateo County (See Attachment 9)	5:00 PM
<b>Discussion Item</b>		
<b>10</b>	<b>Presentation: Review of First 5 California Annual Report</b> Shared by Jenifer Clark, Research and Evaluation Specialist, First 5 San Mateo County	5:15 PM
<b>Informational Items</b>		
<b>11</b>	<b>Report of the First 5 San Mateo County Staff Team</b> Shared by Kitty Lopez, Executive Director, First 5 San Mateo County (See Attachment 11)	5:35 PM
<b>12</b>	<b>Committee Updates</b> (See Attachment 12)	5:45 PM
<b>13</b>	<b>Adjournment</b>	6:00 PM

**Public Participation:** The May 18, 2026, First 5 San Mateo County Commission meeting may be accessed through Zoom link at the top of this agenda. The May 18, 2026, First 5 San Mateo County Commission meeting may also be accessed via telephone by dialing 1 669 900 6833. Enter the webinar ID: Webinar ID: 996 2226 6925, then press #. (Find your

local number: <https://smcgov.zoom.us/j/acBJLZgb6r>). Members of the public can also attend this meeting physically in the **San Mateo County Office of Education located at 101 Twin Dolphin Drive, 1<sup>st</sup> Floor Conference Room, Redwood City, CA 94065.**

\*Written public comments may be emailed to [ecruz@smcgov.org](mailto:ecruz@smcgov.org), and such written comments should indicate the specific agenda item on which you are commenting.

\*Spoken public comments will be accepted during the meeting in person or remotely through Zoom at the option of the speaker. Public comments via Zoom will be taken first, followed by speakers in person.

**\*Please see instructions for written and spoken public comments at the end of this agenda.**

### **ADA Requests:**

Individuals who require special assistance or a disability related modification or accommodation to participate in this meeting, or who have a disability and wish to request an alternative format for the meeting, should contact Myra Cruz, Operations Coordinator, as early as possible but no later than 10 a.m. on Friday, May 15, 2026, at [ecruz@smcgov.org](mailto:ecruz@smcgov.org). Notification in advance of the meeting will enable the County to make reasonable arrangements to ensure accessibility to this meeting, the materials related to it, and your ability to comment

### **\*Instructions for Public Comment During Hybrid Meetings:**

During hybrid meetings of the First 5 San Mateo County Commission, members of the public may address the Members of the First 5 San Mateo County Commission as follows:

### **\*Written Comments:**

Written public comments may be emailed in advance of the meeting. Please read the following instructions carefully:

1. Your written comment should be emailed to [ecruz@smcgov.org](mailto:ecruz@smcgov.org).
2. Your email should include the specific agenda item on which you are commenting or note that your comment concerns an item that is not on the agenda or is on the consent agenda.
3. Members of the public are limited to one comment per agenda item.
4. The length of the emailed comment should be commensurate with the two minutes customarily allowed for verbal comments, which is approximately 250-300 words.
5. If your emailed comment is received by 5:00 p.m. on Friday, May 15, 2026, it will be provided to the Members of the First 5 San Mateo County Commission and made publicly available on the agenda website under the specific item to which your comment pertains. If emailed comments are received after 5:00p.m. on Friday, May 15, 2026, the First 5 San Mateo County Staff will make every effort to either (i) provide such emailed comments to the First 5 San Mateo County and make such emails publicly available on the agenda website prior to the meeting, or (ii) read such emails during the meeting. Whether such emailed comments are forwarded

and posted or read aloud during the meeting, they will still be included in the administrative record.

**\*Spoken Comments:**

In person Participation:

1. If you wish to speak to the First 5 San Mateo County Commission, please fill out a speaker's slip located at the front entrance table. If you have anything that you wish distributed to the First 5 San Mateo County Commission and included in the official record, please hand it to the First 5 San Mateo County who will distribute the information to the First 5 San Mateo County Commission members and staff.

Via Teleconference (Zoom):

1. The May 15, 2026 First 5 San Mateo County Commission meeting may be accessed through Zoom online at the links and telephone numbers listed above.
2. You may download the Zoom application or connect to the meeting using an internet browser. If using your browser, make sure you are using a current, up-to-date browser: Chrome 30+, Firefox 27+, Microsoft Edge 12+, Safari 7+. Certain functionality may be disabled in older browsers including Internet Explorer.
3. You will be asked to enter an email address and name. We request that you identify yourself by name as this will be visible online and will be used to notify you when it is your turn to speak.
4. When the First 5 San Mateo County Commission Chair calls for the item on which you wish to speak, click on "raise hand." Speakers will be notified shortly before they are called to speak.

**\*Additional Information:**

For any questions or concerns regarding Zoom, including troubleshooting, privacy, or security settings, please contact Zoom directly.

Public records that relate to any item on the open session agenda for a regular First 5 San Mateo County 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 First 5 San Mateo County Commission.

First 5 San Mateo County Commission Meeting

**CONSENT AGENDA**

May 18, 2026

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.

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- 3.1 Approval of the April 27, 2026 Commission Meeting Minutes  
(See Attachment 3.1)

**First 5 San Mateo County (F5SMC)**  
**COMMISSION MEETING MINUTES**  
**April 27, 2026**

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

**Call to Order & Roll Call**

**1. Roll Call**

Commission Members: Carla Boragno, Marco Chavez, Claire Cunningham,  
Colleen Chawla, Nkia Richardson, Jackie Speier (online)  
Adele Ryono (YC), Rikhav Shah (YC)

Absent: Sylvia Espinoza, Naveen Mahmood, Hanish Rathod,

Staff: Kitty Lopez, Michelle Blakely, Khanh Chau, Emily Roberts,  
Mai Le, Jenifer Clark, Mey Winata, Myra Cruz

County Attorney: Candice Saadian

Commission Chair Cunningham called the meeting order at 4:00 PM; roll call was taken. The meeting was held in-person for all Commissioners and in a hybrid format where the public had the option to attend the meeting in person or virtually.

**2. Public Comments: None**

**3. Action to Set Agenda for April 27, 2026, Meeting and Approve Consent Agenda Items:**

Commissioner Cunningham shared that former Commissioner Nancy Magee passed away and requested to amend the agenda by removing the Agenda #5, Storytelling: First 5 Work/Impact: Nancy Magee, Former San Mateo County Superintendent of Schools and First 5 San Mateo County Commissioner.

MOTION: CHAVEZ / SECOND: BORAGNO

AYES: BORAGNO, CHAVEZ, CUNNINGHAM, CHAWLA, RICHARDSON  
RYONO (YC), SHAH (YC)

NOES: NONE

ABSTAIN: NONE

Motion approved.

Public Comments: None

**4. Commission Announcements:**

- Commissioner Boragno shared that the Ad Hoc Committee supporting the recruitment of the new Executive Director met with County's HR to discuss recruiting approach and desired qualifications for the role. The job description will be posted soon. Commission members interested in participating in candidate screening or interviews should notify Commission Chair Cunningham of their interest.

Public Comments: None

**5. Storytelling: First 5 Work/Impact: Nancy Magee, San Mateo County Superintendent of Schools and First 5 San Mateo County Commissioner**

This agenda item was removed following a duly made and seconded motion approved by the Commission.

**6. Approval of Amendment to the Contract Agreement with Reyes Training and Consultation LLC for the F5SMC Children and Youth Behavioral Health Initiative Round 2 Grant: Child-Parent Psychotherapy Learning Collaborative to increase the total amount of the agreement by \$34,500.00 for a new total obligation not to exceed \$124,500.00 and to extend the term from April 25, 2024 through December 31, 2026**

Emily Roberts, F5SMC's Strategic Initiatives Manager, shared a brief background info and highlighted the memo of Attachment 6. F5SMC received a \$750,000 grant from the state Department of Health Care Services in 2023 to support training for up to 50 clinicians in the child-parent psychotherapy (CPP) model, along with related early childhood mental health initiatives. Due to strong demand, a third cohort was added after the state approved a revised budget and timeline extension. The expansion increased participation to 61 clinicians. The proposed amendment would increase the contract amount by \$34,500, bringing the total to \$124,500, and extend the contract through December 31, 2026, to allow the third cohort to complete the required 18-month training program. Roberts noted that the amendment is fully funded through the state grant and does not create additional First 5 SMC costs. The amendment would support continued training, consultation calls, supervisory sessions, and in-person learning opportunities for participating mental health clinicians.

MOTION: RICHARDSON / SECOND: CHAWLA  
 AYES: BORAGNO, CHAVEZ, CUNNINGHAM, CHAWLA, RICHARDSON  
 RYONO (YC), SHAH (YC)  
 NOES: NONE  
 ABSTAIN: NONE

Public Comments: none

**7. Presentation: Status of San Mateo County Child Care and First 5 San Mateo County's Strategic Role**

Michelle Blakely, F5SMC's Deputy Director presented the status of San Mateo County Child Care and First 5 San Mateo County's role in the child care field. Blakely highlighted the following:

- F5SMC past and current support for child care and early learning, emphasizing its long-term commitment to helping children and families through advocacy, partnerships, system-building, and direct services. Blakely also referenced the 2025–2030 Strategic Plan and highlighted efforts dating back to 1998 such as Preschool for All, Children's Bill of Rights, Prenatal to 3, Oral Health Initiative, The Big Lift, Quality Counts San Mateo County, Help Me Grow, and Build Up San Mateo County.
- Emphasized collaborative partnerships with the San Mateo County Office of Education, community-based organizations, school districts, and families to expand access to high-quality early learning and strengthen supports for children and caregivers. Additional efforts highlighted included support for inclusive child care, outdoor health initiatives, teacher workforce studies, and the emerging Child Care Blueprint initiative aimed at aligning funding streams and improving coordination across the county.
- Focus areas of Strategic Plan and Strategic Plan Implementation Plan and Strategic Plan Strategies
- Public Funding for Child Care in San Mateo County FY 24 – 25 from *Child Care Blueprint* by Sarah Kinahan:
  - The county has identified 63 separate funding streams that support childcare.
  - 75.8% from State, 14.3% from Federal, 5.1% and 4.8% San Mateo County.
  - System mapping showed that, while current funding is substantial, the true cost of meeting childcare needs is far higher—likely hundreds of millions more than current investment levels.
- Build Up San Mateo County launched the Early Childhood Climate Action Plan, the first county-led effort in the nation to integrate climate, health, child care, and early learning within child care facility settings.
- Quality Supports in Early Learning Settings
  - Definition of quality and its key elements.

- Quality supports initiative purpose
- F5SMC funding over 3 years is \$2,260,000 to the following agencies which will serve over 700 provider, 300 plus parents, direct services to about 140 children, 86 plus center-based sites, 27 family childcare centers sites and 7,000 plus children indirectly supported:
  - San Mateo County Office of Education: \$1,042,050
  - 4Cs: \$350,000
  - Family Connections: \$150,350
  - Todos Juntos: \$405,000
  - SMC Family Childcare Association: \$51,500

Public Comments: None

The PowerPoint Presentation can be found on the F5SMC's website, [April 27, 2026 Commission Meeting Presentations](#).

#### **8. Presentation: Update on Child Care Blueprint**

Jennifer Mayman, Coordinator, Child Care Partnership Council, San Mateo County Office of Education highlighted the following:

- Blueprint vision is guided by four goals (1) that every child in San Mateo County, from birth to age 12, has equitable access to high-quality care, (2) supported by a well-compensated, (3) diverse workforce in safe, (4) climate-resilient environments.
- Key milestones and timeline
- The Child Care Blueprint is on a design stage and will be released soon. The launching of some implementation strategies will be in July of 2026.
- Blueprint infrastructure
  - Action Roundtable monitors Blueprint implementation
  - Blueprint backbones are Child Care Partnership Council and The Children's Collective supporting different workgroups to address the strategies.
  - Lead Agencies
- Early momentum of the Blueprint goals
  - Goal 1: Access and Affordability
  - Goal 2: Workforce
  - Goal 3: Facilities
  - Goal 4: Alignment and Coordination

Michelle Blakely shared the key actions and implementation steps for these strategies: systematically enhance child care quality across different types of child care and invest in child care workforce retention.

The Commission made comments and asked questions.

Public Comments: None

The PowerPoint Presentation can be found on the F5SMC's website, [April 27, 2026 Commission Meeting Presentations](#).

**9. Presentation: First 5 San Mateo County 2026 – 2029 Communications Plan**

Michelle Blakely presented the 2026 – 2029 Communications Plan and highlighted the following:

- Current communications firm, VIVA Social Impact Partners, is sunsetting their contract at the end of June 2026. A new RFQ will be released.
- F5SMC's 2026 – 2029 Communications plan outlines a coordinated approach to messaging, outreach, and engagement aligned with F5SMC's 2025 – 2030 Strategic Plan.
- Plan development and process
- Guiding principles of the Communications Plan
- 2026 – 2029 Communication Goals
- Priority audiences include parents & caregivers of children ages 0 – 5, community partners, key stakeholders and general public.
- 2026 – 2029 Strategies and Activities

Public Comments: None

The PowerPoint Presentation can be found on the F5SMC's website, [April 27, 2026 Commission Meeting Presentations](#).

**10. Presentation: First 5 San Mateo County 2025 – 2030 Strategic Plan Indicators**

Jenifer Clark, F5SMC's Research and Evaluation Specialist, introduced the presenters and F5SMC evaluation consultants from EVALCORP, Sally Lee, Project and Development Coordinator, and Kristen Cunningham, Research Associate. Clark explained that the presentation would focus on population-level indicators identified in the Strategic Plan. These indicators are intended to track the overall well-being of young children and families across San Mateo County over the duration of the plan, rather than measure outcomes

solely for families receiving F5SMC services. She noted that the data will help monitor countywide trends and, when appropriate, allow comparison with data collected from families participating in our services.

Lee and Cunningham highlighted the following:

- Goals to share a summary of publicly available county-level data for the population-level indicators from the F5SMC 2025 – 2030 Strategic Plan.
- F5SMC focus areas are healthy children, resilient families, quality care and education and systems change.
- Healthy Children: Population-level indicators data:
  - Community Need at Birth
  - Health Coverage & Preventive Care Access
  - Home Visiting Services
  - Oral Health
  - Early Intervention Services
- Resilient Families: Population-level indicators data:
  - Child Welfare System Entry & Exits
  - Family Engagement in Early Learning
  - Housing Insecurity
  - Financial Stability
- Quality Care & Education: Population-level indicators data:
  - Childcare Supply and Demand
  - Preschool Enrollment
  - Quality Early Learning Programs
  - Kindergarten Readiness and Early Literacy
- Systems Change: Population-level indicators data:
  - Continuous Medi-Cal Enrollment
  - Access to Children’s Mental Health Services

The Commission made comments and asked questions.

Public Comments: None

The PowerPoint Presentation can be found on the F5SMC’s website, [April 27, 2026 Commission Meeting Presentations](#). F5SMC and EVALCORP may provide updates/edits to some of the data points, if needed.

#### **11. Report of the First 5 San Mateo County Staff Team**

Kitty Lopez, F5SMC’s Executive Director, shared that the F5SMC Team Report is in the packet and highlighted the following:

- Bills being supported by F5SMC.
- Choose Children Gubernatorial candidates forum attended by F5SMC Staff, Michelle Blakely and Emily Roberts.
- A press release by First 5 Association urging California legislatures to protect mental health services for infants and young children.
- F5SMC Staff, Michelle Blakely & Mai Le, attended the First 5 Advocacy Day at State Capitol.
- Community of Practice (CoP) for Family Support Professionals inaugural was held on March 24<sup>th</sup> lead by Sellers, Dorsey & Associates and F5SMC.

Public Comments: None

## **12. Committee Updates**

Program, Operations and Planning: Committee Chair Richardson shared that the Committee met on April 6, 2026, and discussed many of the items that were presented today. The Committee discussed the F5SMC's role on child care support, exploring partnership opportunities to provide pro bono legal consultation sessions, Child Care Blueprint, managed care partnerships update and early childhood mental health.

Public Comments: None

## **13. Adjournment**

Commission Chair Cunningham concluded the meeting with remarks honoring Nancy Magee and recognizing her leadership, compassion, and commitment to supporting every child. It was stated that her legacy would continue to guide the work of the organization. The meeting was adjourned at 5:39 pm in memory of Nancy Magee.

**DATE: May 18, 2026**  
**TO: First 5 San Mateo County Commission**  
**FROM: Kitty Lopez, Executive Director**  
**RE: Presentation: Proposition 10 Statute and Commission Responsibilities**

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**For Your Information Only:**

Attached is the 2011 Version of the Proposition 10 Statute. There will be a presentation on some of the key components of the Statute for County Commissions at the May 18, 2026, Commission Meeting.

**PROPOSITION 10 STATUTES**  
**Includes Amendments to the California Children and Families Act**  
**CALIFORNIA CODES**  
**As of March 24, 2011**

**HEALTH AND SAFETY CODE**  
**SECTION 130100-130155**

**130100. Creation of Program; Intent of Act; Administration; Citation of Division.** There is hereby created a program in the state for the purposes of promoting, supporting, and improving the early development of children from the prenatal stage to five years of age.

These purposes shall be accomplished through the establishment, institution, and coordination of appropriate standards, resources, and integrated and comprehensive programs emphasizing community awareness, education, nurturing, child care, social services, health care, and research.

(a) It is the intent of this act to facilitate the creation and implementation of an integrated, comprehensive, and collaborative system of information and services to enhance optimal early childhood development and to ensure that children are ready to enter school. This system should function as a network that promotes accessibility to all information and services from any entry point into the system.

It is further the intent of this act to emphasize local decision making, to provide for greater local flexibility in designing delivery systems, and to eliminate duplicate administrative systems.

(b) The programs authorized by this act shall be administered by the California Children and Families Commission and by county children and families commissions. In administering this act, the state and county commissions shall use outcome-based accountability to determine future expenditures.

(c) This division shall be known and may be cited as the "California Children and Families Act of 1998."

**130105. California Children and Families Trust Fund.** The California Children and Families Trust Fund is hereby created in the State Treasury.

(a) The California Children and Families Trust Fund shall consist of moneys collected pursuant to the taxes imposed by Section 30131.2 of the Revenue and Taxation Code.

(b) All costs to implement this act shall be paid from moneys deposited in the California Children and Families Trust Fund.

(c) The State Board of Equalization shall determine within one year of the passage of this act the effect that additional taxes imposed on cigarettes and tobacco products by this act has on the consumption of cigarettes and tobacco products in this state. To the extent that a decrease in consumption is determined by the State Board of Equalization to be the direct result of additional taxes imposed by this act, the State Board of Equalization shall determine the fiscal effect the decrease in consumption has on the funding of any Proposition 99 (the Tobacco Tax and Health Protection Act of 1988) state health-related education or research programs in effect as of November 1, 1998, and the Breast Cancer Fund programs that are funded by excise taxes on cigarettes and tobacco products. Funds shall be transferred from the California Children and Families Trust Fund to those affected programs as necessary to offset the revenue decrease directly resulting from the imposition of additional taxes by this act. These reimbursements shall occur, and at any times, as determined necessary to further the intent of this subdivision.

(d) Moneys shall be allocated and appropriated from the California Children and Families Trust Fund as follows:

(1) Twenty percent shall be allocated and appropriated to separate accounts of the state commission for expenditure according to the following formula:

(A) Six percent shall be deposited in a Mass Media Communications Account for expenditures for communications to the general public utilizing television, radio, newspapers, and other mass media on subjects relating to and furthering the goals and purposes of this act, including, but not limited to, methods of nurturing and parenting that encourage proper childhood development, the informed selection of child care, information regarding health and social services, the prevention and cessation of tobacco, alcohol, and drug use by pregnant women, the detrimental effects of secondhand smoke on early childhood development, and to ensure that children are ready to enter school. Any funds not needed in this account may be transferred to the Unallocated Account described in subparagraph (F), upon approval by the state commission.

(B) Five percent shall be deposited in an Education Account for expenditures to ensure that children are ready to enter school and for programs relating to education, including, but not limited to, the development of educational materials, professional and parental education and training, and technical support for county commissions in the areas

described in subparagraph (A) of paragraph (1) of subdivision (b) of Section 130125. Any funds not needed in this account may be transferred to the Unallocated Account described in subparagraph (F), upon approval by the state commission.

(C) Three percent shall be deposited in a Child Care Account for expenditures to ensure that children are ready to enter school and for programs relating to child care, including, but not limited to, the education and training of child care providers, the development of educational materials and guidelines for child care workers, and other areas described in subparagraph (B) of paragraph (1) of subdivision (b) of Section 130125. Any funds not needed in this account may be transferred to the Unallocated Account described in subparagraph (F), upon approval by the state commission.

(D) Three percent shall be deposited in a Research and Development Account for expenditures to ensure that children are ready to enter school and for the research and development of best practices and standards for all programs and services relating to early childhood development established pursuant to this act, and for the assessment and quality evaluation of those programs and services. Any funds not needed in this account may be transferred to the Unallocated Account described in subparagraph (F), upon approval by the state commission.

(E) One percent shall be deposited in an Administration Account for expenditures for the administrative functions of the state commission. Any funds not needed for the administrative functions of the state commission may be transferred to the Unallocated Account described in subparagraph (F), upon approval by the state commission.

(F) Two percent shall be deposited in an Unallocated Account for expenditure by the state commission for any of the purposes of this act described in Section 130100 provided that none of these moneys shall be expended for the administrative functions of the state commission.

(G) In the event that, for whatever reason, the expenditure of any moneys allocated and appropriated for the purposes specified in subparagraphs (A) to (F), inclusive, is enjoined by a final judgment of a court of competent jurisdiction, then those moneys shall be available for expenditure by the state commission for mass media communication emphasizing the need to eliminate smoking and other tobacco use by pregnant women, the need to eliminate smoking and other tobacco use by persons under 18 years of age, and the need to eliminate exposure to secondhand smoke.

(H) Any moneys allocated and appropriated to any of the accounts described in subparagraphs (A) to (F), inclusive, that are not encumbered or expended within any applicable period prescribed by law shall (together with the accrued interest on the amount) revert to and remain in the same account for the next fiscal period.

(2) Eighty percent shall be allocated and appropriated to county commissions in accordance with Section 130140.

(A) The moneys allocated and appropriated to county commissions shall be deposited in each local Children and Families Trust Fund administered by each county commission, and shall be expended only for the purposes authorized by this act and in accordance with the county strategic plan approved by each county commission.

(B) Any moneys allocated and appropriated to any of the county commissions that are not encumbered or expended within any applicable period prescribed by law shall (together with the accrued interest on the amount) revert to and remain in the same local Children and Families Trust Fund for the next fiscal period under the same conditions as set forth in subparagraph (A).

(e) All grants, gifts, or bequests of money made to or for the benefit of the state commission from public or private sources to be used for early childhood development programs shall be deposited in the California Children and Families Trust Fund and 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 state commission pursuant to paragraph (1) of subdivision (d).

(f) All grants, gifts, or bequests of money made to or for the benefit of any county commission from public or private sources to be used for early childhood development programs shall be deposited in the local Children and Families Trust Fund and 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 county commissions pursuant to paragraph (2) of subdivision (d).

**130110. California Children and Families Commission Established; Voting and Ex Officio Nonvoting Members.** (a) There is hereby established a California Children and Families Commission, which may also be known as First 5 California, composed of seven voting members and two ex officio members.

(b) The voting members shall be selected, pursuant to Section 130115, from persons with knowledge, experience, and expertise in early child development, child care, education, social services, public health, the prevention and treatment of tobacco and other substance abuse, behavioral health, and medicine (including, but not limited to, representatives of statewide medical and pediatric associations or societies), upon consultation with public and private sector associations, organizations, and conferences composed of professionals in these fields.

(c) The Secretary of the California Health and Human Services Agency and the Secretary for Education, or their designees, shall serve as ex officio nonvoting members of the state commission.

**130115. Appointment of Commission Members by Governor; Terms.**

The Governor shall appoint three members of the state commission, one of whom shall be designated as chairperson. One of the Governor's appointees shall be either a county health officer or a county health executive. The Speaker of the Assembly and the Senate Rules Committee shall each appoint two members of the state commission. Of the members first appointed by the Governor, one shall serve for a term of four years, and two for a term of two years. Of the members appointed by the Speaker of the Assembly and the Senate Rules Committee, one appointed by the Speaker of the Assembly and the Senate Rules Committee shall serve for a period of four years with the other appointees to serve for a period of three years. Thereafter, all appointments shall be for four-year terms. No appointee shall serve as a member of the state commission for more than two four-year terms.

**130120. Hiring of Executive Director; Staff; Compensation; Authority of Director.**

The state commission shall, within three months after a majority of its voting members have been appointed, hire an executive director. The state commission shall thereafter hire such other staff as necessary or appropriate. The executive director and staff shall be compensated as determined by the state commission, consistent with moneys available for appropriation in the Administration Account. All professional staff employees of the state commission shall be exempt from civil service. The executive director shall act under the authority of, and in accordance with the direction of, the state commission.

**130125. Powers and Duties of Commission.** The powers and duties of the state commission shall include, but are not limited to, the following:

(a) Providing for statewide dissemination of public information and educational materials to members of the general public and to professionals for the purpose of developing appropriate awareness and knowledge regarding the promotion, support, and improvement of early childhood development.

(b) Adopting guidelines for an integrated and comprehensive statewide program of promoting, supporting, and improving early childhood development that enhances the intellectual, social, emotional, and physical development of children in California.

(1) The state commission's guidelines shall, at a minimum, address the following matters:

(A) Parental education and support services in all areas required for, and relevant to, informed and healthy parenting. Examples of parental education shall include, but are not limited to, prenatal and postnatal infant and maternal nutrition, education and training in newborn and infant care and nurturing for optimal early childhood development, parenting and other necessary skills, child abuse prevention, and avoidance of tobacco, drugs, and alcohol during pregnancy. Examples of parental support services shall include, but are not limited to, family support centers offering an integrated system of services required for the development and maintenance of self-sufficiency, domestic violence prevention and treatment, tobacco and other substance abuse control and treatment, voluntary intervention for families at risk, and any other prevention and family services and counseling critical to successful early childhood development.

(B) The availability and provision of high quality, accessible, and affordable child care, both in-home and at child care facilities, that emphasizes education, training and qualifications of care providers, increased availability and access to child care facilities, resource and referral services, technical assistance for caregivers, and financial and other assistance to ensure appropriate child care for all households.

(C) The provision of child health care services that emphasize prevention, diagnostic screenings, and treatment not covered by other programs; and the provision of prenatal and postnatal maternal health care services that emphasize prevention, immunizations, nutrition, treatment of tobacco and other substance abuse, general health screenings, and treatment services not covered by other programs.

(2) The state commission shall conduct at least one public hearing on its proposed guidelines before they are adopted.

(3) The state commission shall, on at least an annual basis, periodically review its adopted guidelines and revise them as may be necessary or appropriate.

(c) Defining the results to be achieved by the adopted guidelines, and collecting and analyzing data to measure progress toward attaining these results.

(d) Providing for independent research, including the evaluation of any relevant programs, to identify the best standards and practices for optimal early childhood development, and establishing and monitoring demonstration projects.

(e) Soliciting input regarding program policy and direction from individuals and entities with experience in early childhood development, facilitating the exchange of information between these individuals and entities, and assisting in the coordination of the services of public and private agencies to deal more effectively with early childhood development.

(f) Providing technical assistance to county commissions in adopting and implementing county strategic plans for early childhood development.

(g) Reviewing and considering the annual audits and reports transmitted by the county commissions and, following a public hearing, adopting a written report that consolidates, summarizes, analyzes, and comments on those annual audits and reports.

(h) Applying for gifts, grants, donations, or contributions of money, property, facilities, or services from any person, corporation, foundation, or other entity, or from the state or any agency or political subdivision thereof, or from the federal government or any agency or instrumentality thereof, in furtherance of a statewide program of early childhood development.

(i) Entering into any contracts and allocating funds to county commissions as necessary or appropriate to carry out the provisions and purposes of this act.

(j) Making recommendations to the Governor and the Legislature for changes in state laws, regulations, and services necessary or appropriate to carry out an integrated and comprehensive program of early childhood development in an effective and cost-efficient manner.

**130130. Conduct of Business by State Commission.** Procedures for the conduct of business by the state commission not specified in this act shall be contained in bylaws adopted by the state commission. A majority of the voting members of the state commission shall constitute a quorum. All decisions of the state commission, including the hiring of the executive director, shall be by a majority of four votes.

**130135. Compensation of Commission Members.** Voting members of the state commission shall not be compensated for their services, except that they shall be paid reasonable per diem and reimbursement of reasonable expenses for attending meetings and discharging other official responsibilities as authorized by the state commission.

**130140. Provisions Governing Receipt of Moneys.** Any county or counties developing, adopting, promoting, and implementing local early childhood development programs consistent with the goals and objectives of this act shall receive moneys pursuant to paragraph (2) of subdivision (d) of Section 130105 in accordance with the following provisions:

(a) For the period between January 1, 1999 and June 30, 2000, county commissions shall receive the portion of the total moneys available to all county commissions equal to the percentage of the number of births recorded in the relevant county (for the most recent reporting period) in proportion to the entire number of births recorded in California (for the same period), provided that each of the following requirements has first been satisfied:

(1) The county's board of supervisors has adopted an ordinance containing the following minimum provisions:

(A) The establishment of a county children and families commission. The county commission shall be appointed by the board of supervisors and shall consist of at least five but not more than nine members.

(i) Two members of the county commission shall be from among the county health officer and persons responsible for management of the following county functions: children's services, public health services, behavioral health services, social services, and tobacco and other substance abuse prevention and treatment services.

(ii) One member of the county commission shall be a member of the board of supervisors.

(iii) The remaining members of the county commission shall be from among the persons described in clause (i) and persons from the following categories: recipients of project services included in the county strategic plan; educators specializing in early childhood development; representatives of a local child care resource or referral agency, or a local child care coordinating group; representatives of a local organization for prevention or early intervention for families at risk; representatives of community-based organizations that have the goal of promoting nurturing and early childhood development; representatives of local school districts;

and representatives of local medical, pediatric, or obstetric associations or societies.

(B) The manner of appointment, selection, or removal of members of the county commission, the duration and number of terms county commission members shall serve, and any other matters that the board of supervisors deems necessary or convenient for the conduct of the county commission's activities, provided that members of the county commission shall not be compensated for their services, except they shall be paid reasonable per diem and reimbursement of reasonable expenses for attending meetings and discharging other official responsibilities as authorized by the county commission.

(C) The requirement that the county commission adopt an adequate and complete county strategic plan for the support and improvement of early childhood development within the county.

(i) The county strategic plan shall be consistent with, and in furtherance of the purposes of, this act and any guidelines adopted by the state commission pursuant to subdivision (b) of Section 130125 that are in effect at the time the plan is adopted.

(ii) The county strategic plan shall, at a minimum, include the following: a description of the goals and objectives proposed to be attained; a description of the programs, services, and projects proposed to be provided, sponsored, or facilitated; and a description of how measurable outcomes of such programs, services, and projects will be determined by the county commission using appropriate reliable indicators. No county strategic plan shall be deemed adequate or complete until and unless the plan describes how programs, services, and projects relating to early childhood development within the county will be integrated into a consumer-oriented and easily accessible system.

(iii) The county commission shall, on at least an annual basis, be required to periodically review its county strategic plan and to revise the plan as may be necessary or appropriate.

(iv) The county commission shall measure the outcomes of county funded programs through the use of applicable, reliable indicators and review that information on a periodic basis as part of the public review of its county strategic plan.

(D) The requirement that the county commission conduct at least one public hearing on its proposed county strategic plan before the plan is adopted.

(E) The requirement that the county commission conduct at least one public hearing on its periodic review of the county strategic plan before any revisions to the plan are adopted.

(F) The requirement that the county commission submit its adopted county strategic plan, and any subsequent revisions thereto, to the state commission.

(G) The requirement that the county commission prepare and adopt an annual audit and report pursuant to Section 130150. The county commission shall conduct at least one public hearing prior to adopting any annual audit and report.

(H) The requirement that the county commission conduct at least one public hearing on each annual report by the state commission prepared pursuant to subdivision (b) of Section 130150.

(I) Two or more counties may form a joint county commission, adopt a joint county strategic plan, or implement joint programs, services, or projects.

(2) The county's board of supervisors has established a county commission and has appointed a majority of its members.

(3) The county has established a local Children and Families Trust Fund pursuant to subparagraph (A) of paragraph (2) of subdivision (d) of Section 130105.

(b) Notwithstanding any provision of this act to the contrary, no moneys made available to county commissions under subdivision (a) shall be expended to provide, sponsor, or facilitate any programs, services, or projects for early childhood development until and unless the county commission has first adopted an adequate and complete county strategic plan that contains the provisions required by clause (ii) of subparagraph (C) of paragraph (1) of subdivision (a).

(c) In the event that any county elects not to participate in the California Children and Families Program, the moneys remaining in the California Children and Families Trust Fund shall be reallocated and reappropriated to participating counties in the following fiscal year.

(d) For the fiscal year commencing on July 1, 2000, and for each fiscal year thereafter, county commissions shall receive the portion of the total moneys available to all county commissions equal to the percentage of the number of births recorded in the relevant county (for the most recent reporting period) in proportion to the number of births recorded in all of the counties participating in the California Children and Families Program (for the same period), provided that each of the following requirements has first been satisfied:

(1) The county commission has, after the required public hearings, adopted an adequate and complete county strategic plan conforming to the requirements of subparagraph (C) of paragraph (1) of subdivision (a), and has submitted the plan to the state commission.

(2) The county commission has conducted the required public hearings, and has prepared and submitted all audits and reports required pursuant to Section 130150.

(3) The county commission has conducted the required public hearings on the state commission annual reports prepared pursuant to subdivision (b) of Section 130150.

(4) The county commission, in a public hearing, has adopted policies that are consistent with the following state laws:

(A) With regard to conflict of interest of the commission members, the county commission's policies shall be consistent with Article 4 (commencing with Section 1090) of Chapter 1 of Division 4 of Title 1 of the Government Code, Article 4.7 (commencing with Section 1125) of Chapter 1 of Division 4 of Title 1 of the Government code, and Chapter 7 (commencing with Section 87100) of Title 9 of the Government Code.

(B) With regard to contracting and procurement, the county commission's policies shall be 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 Contracts Code, and Chapter 3.5 (commencing with Section 22150) of Part 3 of Division 2 of the Public Contract Code.

(5) The county commission, in a public hearing, has adopted a limit on the percentage of the county commission's operating budget that may be spent on administrative functions, pursuant to guidelines issued by the state commission that define administrative functions.

(6) The county commission has adopted, in a public hearing, policies and processes establishing the salaries and benefits of employees of the county commission. Salaries and benefits shall conform with established county commission or county government policies.

(e) In the event that any county elects not to continue participation in the California Children and Families Program, any unencumbered and unexpended moneys remaining in the local Children and Families Trust Fund shall be returned to the California Children and Families Trust Fund for reallocation and reappropriation to participating counties in the following fiscal year.

(f) For purposes of this section, "relevant county" means the county in which the mother of the child whose birth is being recorded resides.

**130140.1 County Commission.** (a) In the event a county elects to participate in the California Children and Families Program, and satisfies the requirements set forth in Section 130140, the county may establish a county commission that is either of the following:

(1) A legal public entity separate from the county.

(2) An agency of the county with independent authority over the strategic plan described in Section 130140 and the local trust fund established pursuant to subparagraph (A) of paragraph (2) of subdivision (d) of Section 130105.

(b) In the event a county elects to establish a county commission as specified in paragraph (1) of subdivision (a), the following conditions shall apply:

(1) The county commission shall be considered a legal public entity separate from the county, and shall file a statement as required by Section 53051 of the Government Code.

(2) The powers, duties, and responsibilities of the county commission shall include, but shall not be limited to, the following:

(A) The power to employ personnel and contract for personal services required to meet its obligations.

(B) The power to enter into any contracts necessary or appropriate to carry out the provisions of this division.

(C) The power to acquire, possess, and dispose of real or personal property, as necessary or appropriate to carry out the provisions and purposes of this division.

(D) The power to sue or be sued.

(3) The county commission shall be deemed to be a public agency that is a unit of local government for purposes of all grant programs and other funding and loan guarantee programs.

(4) Any obligations of the county commission, statutory, contractual, or otherwise, shall be obligations solely of the commission.

(5) All claims or actions for money or damages against a county commission shall be governed by Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6 of Title 1 of the Government Code, except as provided by other statutes or regulations that expressly apply to county commissions.

(6) The county commission, its members, and its employees are protected by the immunities applicable to public entities and public

employees governed by Part 1 (commencing with Section 810) and Part 2 (commencing with Section 814) of Division 3.6 of Title 1 of the Government Code, except as provided by other statutes or regulations that apply expressly to the county commissions.

(7) If a county board of supervisors elects not to continue the county's participation in the California Children and Families Program, the board shall adopt an ordinance terminating the county commission.

(A) In terminating its county commission, the board of supervisors shall allow, to the extent possible, an appropriate transition period to allow for the county commission's then-existing obligations to be satisfied.

(B) In event of termination, any unencumbered and unexpended moneys remaining in the local Children and Families Trust Fund shall be distributed pursuant to subdivision (e) of Section 130140.

(C) Prior to the termination of the county commission, the board of supervisors shall notify the state Children and Families Commission of its intent to terminate the county commission.

(D) The liabilities of the county commission shall not become obligations of the county upon either the termination of the county commission or the liquidation or disposition of the county commission's remaining assets.

(c) If a county elects to establish a county commission as provided in paragraph (2) of subdivision (a), the county commission shall be deemed to be an agency of the county with independent authority over the strategic plan described in Section 130140 and the local Children and Families Trust Fund established pursuant to subparagraph (A) of paragraph (2) of subdivision (d) of Section 130105.

(d) Any county commission established prior to the effective date of this section that substantially complies with the provisions of either subdivision (b) or (c) shall be deemed to be in compliance with this section.

(e) (1) Individually identifiable physical or mental health information, substance abuse information, child care or education information, personnel or employment information, financial information, criminal justice information, or demographic information, regarding a child or a child's parent, legal guardian, or other family member, that is provided to a county commission by a parent, legal guardian, family member, health care provider, health plan, public health authority, school, law enforcement agency, social services agency, probation agency, or any other source, shall be considered confidential, and may be disclosed only to a person, agency, or entity that receives funding from the county commission, by way of a grant award or contract or as a service provider for the provision of early childhood services, and only to the extent necessary to the provision

of services, unless further disclosure is authorized by a written consent of the parent or legal guardian, or where disclosure is required by state or federal law.

(2) Confidential information identified in accordance with this section shall not be subject to disclosure under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code).

**130145. Advisory Committees.** The state commission and each county commission shall 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 this act. Each advisory committee shall meet and shall make recommendations and reports as deemed necessary or appropriate.

**130150. Audit and Report.** (a) On or before October 15 of each year, each county commission shall conduct an audit of, and issue a written report on the implementation and performance of, its functions during the preceding fiscal year, including, at a minimum, the manner in which funds were expended, the progress toward, and the achievement of, program goals and objectives, and information on the programs funded and populations served for all programs.

On or before November 1 of each year, each county commission shall submit its audit and report to the state commission for inclusion in the state commission's consolidated report required in subdivision (b). Each commission shall submit its report in a format prescribed by the state commission if the state commission approves that format in a public meeting prior to the fiscal year during which it is to be used by the county commissions. The state commission shall develop the format in consultation with the county commissions.

(b) The state commission shall, on or before January 31 of each year, do both of the following:

(1) Conduct an audit and prepare a written report on the implementation and performance of the state commission functions during the preceding fiscal year, including, at a minimum, the manner in which funds were expended and the progress toward, and the achievement of, program goals and objectives.

(2) Prepare a written report that consolidates, summarizes, analyzes, and comments on the annual audits and reports submitted by all of the county commissions and the Controller for the preceding fiscal year. The written

report shall include a listing, by category, of the aggregate expenditures on program areas funded by the state and county commissions pursuant to the purposes of this act, according to a format prescribed by the state commission. This report by the state commission shall be transmitted to the Governor, the Legislature, and each county commission.

(3) In the event a county commission does not submit the information prescribed in subdivision (a), the state commission may withhold funds that would otherwise have been allocated to the county commission from the California Children and Families Trust Fund pursuant to Section 130140 until the county commission submits the data as required by subdivision (a).

(c) The state commission shall make copies of each of its annual audits and reports available to members of the general public on request and at no cost. The state commission shall furnish each county commission with copies of those documents in a number sufficient for local distribution by the county commission to members of the general public on request and at no cost.

(d) Each county commission shall make copies of its annual audits and reports available to members of the general public on request and at no cost.

**130151. Guidelines for Expanded Annual Audits from Controller; Scope; Simultaneous Submission; Public Hearing; Determination; Summary Report; Presentation to State Commission.** (a) In addition to the requirements in Section 130150, the Controller shall issue guidelines for expanded annual audits of each county commission required pursuant to subdivision (b) of Section 130150 and associated quality control functions, subject to funding by the state commission.

(b) The scope of the audits shall address a review of county commission policies and practices with respect to the following elements:

(1) Contracting and procurement policies, to determine whether they are in place pursuant to paragraph (4) of subdivision (d) of Section 130140, whether state and county commissions are operating in accordance with these policies, and whether these policies contain provisions to ensure that the grants and contracts are consistent with the state or county commission's strategic plan.

(2) Administrative costs, to ensure that the county commission's definitions comply with the state commission's guidelines and that the county commission has a process in place to monitor these costs.

(3) Policies and procedures, established pursuant to paragraph (4) of subdivision (d) of Section 130140, designed to assure compliance by the

state commission and county commissions with all applicable state and local conflict-of-interest statutes and regulations.

(4) Policies and practices designed to assure that county commissions are adhering to county commission ordinances established pursuant to paragraph (1) of subdivision (a) of Section 130140.

(5) Long-range financial plans, to determine whether state and county commissions have these plans and that the plans have been formally adopted by the commission in a public hearing.

(6) Financial condition of the commission.

(7) Amount commissions spend on program evaluation and the documented results of these expenditures.

(8) Salaries and benefit policies, to determine whether the county commission's employee salaries and benefits comply with the policies that the county commission adopted pursuant to paragraph (6) of subdivision (d) of Section 130140.

(c) The auditor for the state commission or the county commission shall submit each audit report, upon completion, simultaneously to both the Controller and to the state commission or applicable county commission.

(d) The state commission and each respective county commission shall schedule a public hearing within two months of receipt of the audit to discuss findings within the report and any response to the findings. Within two weeks of the public hearing, the state or county commission shall submit to the Controller a response to the audit findings.

(e) Within six months of the state or county commission's response pursuant to subdivision (d), the Controller shall determine whether a county commission has successfully corrected its practices in response to the findings contained in the audit report. The Controller may, after that determination, recommend to the state commission to withhold the allocation of money that the county commission would otherwise receive from the California Children and Families Trust Fund until the Controller determines that the county commission has a viable plan and the ability to correct the practices identified in the audit.

(f) The Controller shall prepare a summary report of the final audits and submit the report to the state commission by November 1 of each year for inclusion in the annual report required pursuant to subdivision (b) of Section 130150.

(g) On or before April 30, 2006, the Controller shall present to the state commission in a public meeting the final audit guidelines and implementation plan. When developing the guidelines, the Controller shall

consider the reasonableness of the projected costs and administrative burden of the required audit functions.

**130155. Definitions.** The following definitions apply for purposes of this act:

(a) "Act" means the California Children and Families Act of 1998.

(b) "County commission" means each county children and families commission established in accordance with Section 130140.

(c) "County strategic plan" means the plan adopted by each county children and families commission and submitted to the California Children and Families Commission pursuant to Section 130140.

(d) "State commission" means the California Children and Families Commission established in accordance with Section 130110.

**130156. Establishment of Children and Families Health and Human Services Fund.** The Children and Families Health and Human Services Fund is hereby established in the State Treasury. The Children and Families Health and Human Services Fund shall be used, upon appropriation by the Legislature, to provide health and human services, including, but not limited to, direct health care services, to children from birth through five years of age.

**130157. Funds to be Transferred and Deposited into Children and Families Health and Human Services Fund.** Notwithstanding paragraph (1) of subdivision (d) of Section 130105, for the 2011-12 fiscal year, fifty million dollars (\$50,000,000) from the accounts described in subparagraphs (A) to (F), inclusive, of paragraph (1) of subdivision (d) of Section 130105, including reserve funds, upon approval of the state commission, shall be transferred to and deposited in the Children and Families Health and Human Services Fund to support state health and human services programs for children from birth through five years of age. The state commission shall ensure that these funds are available for the purposes described in this section. To the extent it is necessary or appropriate for the state commission to disencumber existing obligations to meet the requirements of this section, the state commission, including, but not limited to, its representatives, officers, directors, and employees, including its attorneys and other persons, is hereby released from any and all liability, rights, claims, demands, and actions, known and unknown, which any party may have, arising in connection with the disencumbering of funds or obligations in accordance with this section. For purposes of this section,

"state health and human services programs" includes, but is not limited to, direct health care services.

**130158. Funds from County Children and Families Trust Fund to be Transferred and Deposited into Children and Families Health and Human Services Fund; County Commission Exemptions; County Commissions Duties and Responsibilities.** (a) Notwithstanding paragraph (2) of subdivision (d) of Section 130105, for the 2011-12 fiscal year, nine hundred fifty million dollars (\$950,000,000) from the combined balances of all the county Children and Families Trust Funds, including reserve funds, as provided for in subparagraphs (A) and (B) of paragraph (2) of subdivision (d) of Section 130105, shall be transferred to and deposited in the Children and Families Health and Human Services Fund, to support state health and human services programs for children from birth through five years of age.

(b) For purposes of this section, "state health and human services programs" includes, but is not limited to, direct health care services and "county commission" includes, but is not limited to, county commissions, account holders for local children and families trust funds, and county government fiscal agents.

(c) The share of the amount specified in subdivision (a) required of each county commission shall be determined in the following manner and subject to the following conditions:

(1) A county commission that received less than six hundred thousand dollars (\$600,000) in California Children and Families Trust Fund revenues in the 2009-10 fiscal year is exempt from this section and is not required to deposit funds in the Children and Families Health and Human Services Fund as part of the budget solution described in subdivision (a).

(2) By June 30, 2012, each county commission not exempted by paragraph (1) shall remit for deposit into the Children and Families Health and Human Services Fund, 50 percent of its county commission funding, which includes total reserved, total unreserved-designated, and total unreserved-undesignated local children and families trust funds as of June 30, 2010. No funds other than revenues received pursuant to the California Children and Families Act of 1998 shall be remitted for deposit into the Children and Families Health and Human Services Fund.

(3) Notwithstanding paragraph (2), county commission payments for deposit into the Children and Families Health and Human Services Fund shall not cause any county commission's fund balance to fall below the

amount received by the county commission from the California Children and Families Trust Fund in the 2009-10 fiscal year.

(4) Full payments to the Children and Families Health and Human Services Fund shall be made by county commissions within the 2011-12 fiscal year. Notwithstanding any other provision of law, no 2012-13 allocation to a county commission shall occur prior to the full payment being made.

(5) Notwithstanding paragraphs (1) to (4), inclusive, the total combined remittances from county commissions in the 2011-12 fiscal year shall equal nine hundred fifty million dollars (\$950,000,000). To the extent paragraphs (1) to (4), inclusive, result in more than nine hundred fifty million dollars (\$950,000,000) being provided by county commissions in total, the difference shall be proportionally returned to all contributing county commissions.

(d) Pursuant to subdivision (c), each county commission, as defined in subdivision (b), shall ensure that the funds for transfer and deposit to the Children and Families Health and Human Services Fund are not encumbered and are available for the purposes described in this section. To the extent that it is necessary or appropriate for a county commission to disencumber existing obligations to meet the requirements of this section, the county commission, including, but not limited to, its representatives, officers, directors, and employees, including its attorneys and other persons, is hereby released from any and all liability, rights, claims, demands, and actions, known and unknown, which any party may have, arising in connection with the disencumbering of funds, or obligations in accordance with this section.

(e) After a county commission's share of the nine hundred fifty million dollars (\$950,000,000) specified in subdivision (a) has been determined pursuant to subdivision (c), that county commission, or appropriate agent or entity, shall remit those funds to the Controller for deposit into the Children and Families Health and Human Services Fund. The entire share of funds for each county commission shall be remitted within the 2011-12 fiscal year, and may be done, in equal amounts, on a monthly basis.

**CALIFORNIA CODES  
REVENUE AND TAXATION CODE  
SECTION 30131-30131.6**

**30131. Creation and Purpose of Fund.** Notwithstanding Section 30122, the California Children and Families Trust Fund is hereby created in the State Treasury for the exclusive purpose of funding those provisions of the California Children and Families Act of 1998 that are set forth in Division 108 (commencing with Section 130100) of the Health and Safety Code.

**30131.1 Definitions.** The following definitions apply for purposes of this article:

(a) "Cigarette" has the same meaning as in Section 30003, as it read on January 1, 1997.

(b) "Tobacco products" includes, but is not limited to, all forms of cigars, smoking tobacco, chewing tobacco, snuff, and any other articles or products made of, or containing at least 50 percent, tobacco, but does not include cigarettes.

**30131.2 Amount of Surtax; Additional Tax; What Wholesale Cost Does Not Include.** (a) In addition to the taxes imposed upon the distribution of cigarettes by Article 1 (commencing with Section 30101) and Article 2 (commencing with Section 30121) and any other taxes in this chapter, there shall be imposed an additional surtax upon every distributor of cigarettes at the rate of twenty-five mills (\$0.025) for each cigarette distributed.

(b) In addition to the taxes imposed upon the distribution of tobacco products by Article 1 (commencing with Section 30101) and Article 2 (commencing with Section 30121), and any other taxes in this chapter, there shall be imposed an additional tax upon every distributor of tobacco products, based on the wholesale cost of these products, at a tax rate, as determined annually by the State Board of Equalization, which is equivalent to the rate of tax imposed on cigarettes by subdivision (a).

(c) The wholesale cost used to calculate the amount of tax due under subdivision (b) does not include the wholesale cost of tobacco products that were returned by a customer during the same reporting period in which the tobacco products were distributed, when the distributor refunds the entire amount the customer paid for the tobacco products either in cash or credit. For purposes of this subdivision, refund or credit of the entire amount shall be deemed to be given when the purchase price less

rehandling and restocking costs is refunded or credited to the customer. The amount withheld for rehandling and restocking costs may be a percentage of the sales price determined by the average cost of rehandling and restocking returned merchandise during the previous accounting cycle.

**30131.3 Deposit of Moneys.** Except for payments of refunds made pursuant to Article 1 (commencing with Section 30361) of Chapter 6, reimbursement of the State Board of Equalization for expenses incurred in the administration and collection of the taxes imposed by Section 30131.2, and transfers of funds in accordance with subdivision (c) of Section 130105 of the Health and Safety Code, all moneys raised pursuant to the taxes imposed by Section 30131.2 shall be deposited in the California Children and Families Trust Fund and are continuously appropriated for the exclusive purpose of the California Children and Families Program established by Division 108 (commencing with Section 130100) of the Health and Safety Code.

**30131.4 Appropriations and Expenditures.** (a) All moneys raised pursuant to taxes imposed by Section 30131.2 shall be appropriated and expended only for the purposes expressed in the California Children and Families Act, and shall be used only to supplement existing levels of service and not to fund existing levels of service. No moneys in the California Children and Families Trust Fund shall be used to supplant state or local General Fund money for any purpose.

(b) Notwithstanding any other provision of law and the designation of the California Children and Families Trust Fund as a trust fund, the Controller may use the money raised pursuant to Section 30131.2 for the California Children and Families Trust Fund and all accounts created pursuant to subdivision (d) of Section 130105 of the Health and Safety Code for loans to the General Fund as provided in Sections 16310 and 16381 of the Government Code. Any such loan shall be repaid from the General Fund with interest computed at 110 percent of the Pooled Money Investment Account rate, with the interest commencing to accrue on the date the loan is made from the fund or account. This subdivision does not authorize any transfer that will interfere with the carrying out of the object for which this fund or those accounts were created.

**30131.5 Annual Determination of Amount of Tax Based on Wholesale Cost.** The annual determination required of the State Board of Equalization pursuant to subdivision (b) of Section 30131.2 shall be made

based on the wholesale cost of tobacco products as of March 1, and shall be effective during the state's next fiscal year.

**30131.6 Date of Imposition of Tax.** The taxes imposed by Section 30131.2 shall be imposed on every cigarette and on tobacco products in the possession or under the control of every dealer and distributor on and after 12:01 a.m. on January 1, 1999, pursuant to rules and regulations promulgated by the State Board of Equalization.

**DATE:** May 18, 2026  
**TO:** First 5 San Mateo County Commission  
**FROM:** Kitty Lopez, Executive Director  
**RE:** Approval of the First 5 San Mateo County Policies and Bylaws for FY 2026-27

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**ACTION REQUESTED**

Approval of the First 5 San Mateo County Policies and Bylaws for FY 2026-27

**BACKGROUND**

**Mandate Policies:** The First 5 San Mateo County (F5SMC) Commission annually reviews and approves the Commission’s policies to ensure compliance with legislative mandates and other administrative processes and to strengthen F5SMC’s internal controls for operations. Currently, there are seven (7) policies, four (4) of which are in direct response to the mandates outlined in the 2006 Assembly Bill 109 (Chan) and 2006 Senate Bill 35 (Florez). These four policies include: Contracting and Procurement, Conflict of Interest, Salary and Benefits, and Administrative Costs. All seven (7) policies were reviewed and approved by the Commission on May 20, 2024.

**Bylaws:** On May 19, 2025, the Commission reviewed and approved First 5 San Mateo County’s Amended Bylaws May 2025. All unchanged Policies and Bylaws below were reviewed at the Finance & Administration Subcommittee Meeting on May 11, 2026

**UNCHANGED POLICIES**

The following policies remain unchanged:

- Amended Contracting and Procurement Policy May 2023 (Attachment 8A)
- Conflict of Interest Policy (Attachment 8B)
- Salary and Benefits Policy (Attachment 8C)
- Administrative Costs Policy (Attachment 8D)
- Supplantation Policy (Attachment 8E)
- Delegation of Authority to Executive Director to Take Action to Support or Oppose Legislation or Other Initiatives (Attachment 8F)
- Amended Event Sponsorship Policy (Attachment 8G)
- Amended Bylaws May 2025 (Attachment 8H)  
*Amended: Added #7 Attendance to Article VIII*

**FISCAL IMPACT**

None

**RECOMMENDATION**

Approval of the First 5 San Mateo County Policies and Bylaws for FY 2026-27.



**SUBJECT: AMENDED CONTRACTING AND PROCUREMENT POLICY (May 2023)**

**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 \$100,000. Any related contract amendment that brings the Contract's not to exceed amount to \$100,000 or greater shall also be approved and executed by the Commission in advance of execution of the agreement.
- 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. The Executive Director has signature authority to approve all service agreements, memorandums of understanding, and/or contracts with a total obligation amount between \$25,001 and \$100,000 on behalf of the Commission. In the event of an emergency in which the Executive Director is unable to sign and execute service agreements, memorandums of understanding and/or contracts, the Deputy Director will have signature authority, after consultation with the Commission Chair.
- 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, Deputy Director, 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
Deputy 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*<sup>1</sup> of First 5 Association of California; its *Cost Allocation and Administrative Cost*<sup>2</sup> provide guidelines in categorizing and allocating costs.

III. **ADMINISTRATIVE COST DEFINITION**

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<sup>1</sup> 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.

<sup>2</sup> 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 15% of the Commission's annual operating budget. The Commission may increase or decrease the maximum allowable Administration percentage as changing fiscal or legislative circumstances require.

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 15% 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.<sup>1</sup>

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<sup>1</sup> See Gov. Code § 16300.

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

*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.<sup>3</sup>

*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.

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<sup>2</sup> See Gov. Code § 29301

<sup>3</sup> 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:

- Healthy Children
- Resilient Families
- 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.

**Event Sponsorship Award Amounts**

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

**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](http://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](mailto:ecruz@smcgov.org)

**FIRST 5 SAN MATEO COUNTY COMMISSION  
BYLAWS  
Amended May 2025**

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.

7. Attendance:

The Commission expects its members to attend Commission meetings regularly and consistently. Commission members should notify the First 5 Operation Coordinator of any planned absences, at least 48 hours in advance, unless unforeseen emergencies occur. If a Commission Member has more than three (3) unexcused absences at Board meetings or three (3) unexcused absences at Standing Committee meetings, the Commission Chair will direct staff to notify the subject Commission member with the intention of resolving the participation issue. If there is a further unexcused absence by the Commission member the Commission Chair and the Executive Director will request that the Commission member step down and staff will work to designate a replacement. Unexcused absence is defined as not having provided written notification prior to the meeting.

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)

- A. The Commission shall approve and execute all service agreements, memorandums of understanding, and/or contracts with a total obligation amount that exceeds \$100,000. Any related contract amendment that brings the Contract's not to exceed amount to \$100,000 or greater shall also be approved and executed by the Commission in advance of execution of the agreement.
- B. 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. The Executive Director has signature authority to approve all service agreements, memorandums of understanding, and/or contracts with a total obligation amount between \$25,001 and \$100,000 on behalf of the Commission. In the event of an emergency in which the Executive Director is unable to sign and execute service agreements, memorandums of understanding and/or contracts, the Deputy Director will have signature authority, after consultation with the Commission Chair.

1. Executive Director Signature Authority:

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. The Executive Director has signature authority to approve all service agreements, memorandums of understanding, and/or contracts with a total obligation amount between \$25,001 and \$100,000 on behalf of the Commission. In the event of an emergency in which the Executive Director is unable to sign and execute service agreements, memorandums of understanding and/or contracts, the Deputy Director will have signature authority, after consultation with the Commission Chair.

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

DATE: May 18, 2026

TO: First 5 San Mateo County Commission

FROM: Kitty Lopez, Executive Director

RE: Approval of First 5 San Mateo County's FY 2026-27 Draft Budget and the Use of Ending Fund Balance (Ending Reserves\*) to Fund FY 2026-27 Adopted Budget

**ACTION REQUESTED**

Approval of First 5 San Mateo County's FY 2026-27 Draft Budget and the Use of Ending Fund Balance (Ending Reserves\*) to Fund FY 2026-27 Adopted Budget

**1. FY 2026-27 DRAFT BUDGET SUMMARY**

Please read this FY 2026-27 Draft Budget memo (**Attachment 9**) in conjunction with FY 2026-27 Draft Budget presented in **Attachments 9A, 9B, and 9C** (Schedule 1 and Schedule 2). F5SMC's FY 2026-27 Draft Budget with the summary of budget changes as follows:

	<b>FY25-26 Revised Budget</b>	<b>FY26-27 Draft Budget</b>	<b>Increase / (Decrease) \$</b>	<b>Increase / (Decrease) %</b>	<b>Notes</b>
Beginning Fund Balance (Beginning Reserves*)	13,395,495	12,459,294	(936,201)	-7%	Lower Beginning Fund Balance as the agency continues to draw down Reserves* to fund strategic investment implementation plan SPIP FY25-28 and to leverage additional funding sources.
Total Revenues	7,557,253	6,590,003	(967,250)	-13%	Lower Tobacco Tax Revenue allocation, and one-year MHSA grant ending.
<b>Total Available Fund (Total Sources*)</b>	20,952,748	19,049,297	(1,903,451)	-9%	Lower Beginning Fund Balance, lower Tobacco Tax Revenue allocation, and one-year MHSA grant ending.
Total Appropriations (Net Appropriations*)	8,493,454	8,064,660	(428,794)	-5%	Net decreases are associated with one-year MHSA grant ending and the increase execution of the Baby Bonus program.
Ending Fund Balance (Ending Reserves*)	12,459,294	10,984,637	(1,474,657)	-12%	Net decreases are associated with lower Beginning Fund Balance, lower Tobacco Tax Revenue allocation, one-year MHSA grant ending, and the increase execution of the Baby Bonus program.
<b>Total Requirements* (Net Appropriations* + Ending Reserves*)</b>	20,952,748	19,049,297	(1,903,451)	-9%	Net decreases are associated with one-year MHSA grant ending and the increase execution of the Baby Bonus program.
Surplus / (Deficit) (Total Revenues – Net Appropriations*)	(936,201)	(1,474,657)	(538,456)	58%	Net increases are associated with lower Beginning Fund Balance, lower Tobacco Tax Revenue, one-year MHSA grant ending, and continuing implementation of the strategic plan SPIP FY 2025-28 and leverage additional funding sources.

*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*

**The Finance & Administration Subcommittee reviewed and endorsed the FY2025-27 Draft Budget at its meeting on May 11, 2026**

**2. FY 2026-27 DRAFT BUDGET KEY HIGHLIGHTS**

- Beginning Fund Balance FY 2026-27 Draft Budget is Ending Fund Balance FY 2025-26. Lower Beginning Fund Balance as the agency continues to draw down Reserves\* to fund 3-year strategic plan investment plans SPIP FY25-28.
- 3% projected Interest earning rate on the Beginning Fund Balance of FY 2026-27 Draft Budget.
- 6% declining rate in Tobacco Tax Revenue projections released by First 5 California on January 23, 2026, as dual negative impacts of the Flavor Ban on Tobacco products and a lower San Mateo County actual birth rate (noted in bullet #4 of the Glossary /References section below)
- 54% fiscal revenues are from Tobacco Tax Revenue and 46% of fiscal revenues are from Other Grant Revenues (non Baby Bonus) and Baby Bonus Program Revenues.
- 48% decreases in Other Grants (non-Baby Bonus program) Revenue and Appropriation Draft Budgets as one-year MHSA grant funding ends 6.30.2026; said decreases are offset by 43% net increases in F5SMC’s SPIP FY 25-28 SPIP Appropriations, as 14 agreements of SPIP FY 25-28 have funding mix both from Tobacco Tax Revenue and from leverage funding of Other Grant Revenues (Behavior Health & Recovery Services MHSA grant and Sequoia Healthcare District Special Needs and TRISI grant fundings)
- 35% increases in the Baby Bonus Program Revenues and Appropriations of FY 2026-27 Draft Budgets as the program continues its third-year grant execution. This budget number is based on the Vendor UpTogether 5 year budget submitted for the Amendment in February 2026. This budget number may be adjusted based on the changes and the pace of client enrollment.
- 12% decrease in Ending Fund Balance are net effects of lower Beginning Fund Balance, lower Tobacco Tax Revenue, lower Other Grants (non-Baby Bonus program) as one-year MHSA grant ending, offset with higher appropriations in SPIP FY 2025-28 implementation and higher Baby Bonus program execution.
- **\$10,984,637 projected Ending Funding Balance as of 6.30.2027** (\*see Glossary 6, page 12) are broken down as below:
  - ✓ **\$2.181M Restricted Fund Balance** (Other Grant Fundings are restricted for specific purposes set by outside funders)
    - \$1.722 M Other Grants - Baby Bonus program;
    - \$459K Other Grants – Non-Baby Bonus program (CYBHI, TRISI, ISCSN, Impact Legacy, Impact Hub, Help Me Grow Call Center grants).
  - ✓ **\$3.740M Committed Fund Balance** (F5SMC strategic plan implementation and execution)
    - \$2.683M F5SMC SPIP 2025-28 executed contract obligations.
    - \$1.057M for continuation planning and contracting of F5SMC strategic plan implementation plan SPIP FY 2025-28 through 6.30.2028, as Commission approved at previous Commission meetings.
  - ✓ **\$5.064 M Assigned Fund Balance**
    - **\$2.000M** Fund Balance is set assigned for F5SMC Pension Liabilities and 6-months of Operational Reserves, as Commission approved in Long-Term Financial Plan.

- **\$3.064M** Fund Balance is assigned for essential operational cash flow (equal to 4.5 months of FY Total Appropriations of 8M)
- Continue current shared cost allocation to Program Appropriations with the following rates:
  - ✓ 100% Program and Evaluation Staff's Salaries and Benefits.
  - ✓ 27% Shared Admin Staff time; and
  - ✓ 50% of Shared Operating Budget

### **3. FISCAL IMPACTS**

FY 2026-27 Draft Budget changes result in a net Total Budget Deficit of \$1,474,657; this represents a higher Budget Deficit by \$538,456 or 58% higher than the Budget Deficit in the FY 2025-26 Revised Budget of \$936,201. Major contributions to the Budget Deficit amount are associated with lower Beginning Fund Balance, lower Tobacco Tax Revenue, lower Other Grants (non-Baby Bonus program) as one-year MHSA grant ending, and continuing implementation of the strategic plan SPIP FY 2025-28. Therefore, we will draw and encumber a total of \$1,474,657 from the Ending Reserves\* to support the implementation of the new strategic plan FY 2025-28, and to leverage additional funding sources.

The net changes of Ending Fund Balance (Ending Reserves\*) will be a decrease by \$1,474,657 as a result of the budget adjustments in Total Revenues and Total Appropriations in the FY 2026-27 Draft Budget.

The Administrative Cost Rate is projected 11%, which is below 15% of the proposed approved Administrative Cost Policy for the FY 2026-27. F5SMC has implemented Administrative Cost rate of 15% since 2020.

### **ACTION REQUESTED**

Approval of First 5 San Mateo County's FY 2026-27 Draft Budget and the Use of Ending Fund Balance (Ending Reserves\*) to Fund FY 2026-27 Adopted Budget

**FY 2026-27 DRAFT BUDGET NARRATIVES** are presented in **Attachments 9A, 9B, and 9C** (Schedule 1 and Schedule 2).

**I. BEGINNING FUND BALANCE** (Beginning Reserves\*)

Beginning Fund Balance (Beginning Reserves\*) produces a net decrease of \$936,201 or 7% decrease as the agency continues to draw down Fund Balance (Reserves\*) for the implementation of strategic investment plan SPIP FY25-28 and fulfillments of Other Grant funding obligations.

**II. TOTAL REVENUES**

Total Revenues produce a net decrease of (\$967,250) or 13% decrease.

- (\$27,865) Interest Revenue decrease or 7% decrease due to lower Beginning Fund Balance.
- (\$196,830) Tobacco Tax Revenue decrease or 6% decrease, per the new Tobacco Tax Revenue projections, released by First 5 California on January 23, 2026. Annual Tobacco Tax Revenue allocations have been declining at a declining rate of 6% to negative impacts from the Flavor Ban on tobacco products and downward trend of actual birthrate in San Mateo County.
- (\$1,187,486) Other Grant Revenues (Non Baby Bonus Program) decreases or 48% decrease as one-time one-year Mental Health Service Act MHSA grant ends 6.30.2026.
- \$444,931 increase or 35% increase in the Baby Bonus Program budget as the agency continues its 3<sup>rd</sup> year program execution.

Attachment 9

	ORG/ACCT#	FY25-26 Revised Budget	FY26-27 Draft Budget	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (\$)	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (%)
<b>I. BEGINNING FUND BALANCE (Beginning Reserves*)</b>		13,395,495	12,459,294	-936,201	-7%
<b>A. Interest Revenue</b>	195 10-1521	401,865	374,000	(27,865)	-7%
<b>B. Tobacco Tax Revenue</b>		3,412,446	3,215,616	(196,830)	-6%
Tobacco Tax Revenue Fiscal Year Allocations	195 10-1861	3,412,446	3,215,616	(196,830)	-6%
<b>C1. Other Grant Revenues - Non Baby Bonus Program</b>		2,469,597	1,282,110	(1,187,486)	-48%
F5 San Benito IM PACT LEGACY Grant FY26-27	195 10-2643	324,605	324,605	0	0%
F5 San Benito IM PACT HUB TA FY26-27	195 10-2643	48,206	48,206	0	0%
County of San Mateo BHRS - Mental Health Services MHS A #4 FY25-26	195 10-2643	900,000	0	(900,000)	-100%
Peninsula Healthcare District - Help Me Grow SMC CY2025/CY2026	195 10-2643	60,000	60,000	0	0%
Sequoia Healthcare District - Special Needs Grant FY25-28	195 10-2643	373,400	373,400	0	0%
Sequoia Healthcare District - Mental Health Grant FY25-28	195 10-2643	315,900	315,900	0	0%
Children and Youth Behavior Health Initiatives - Round 2	195 10-2643	447,486	160,000	(287,486)	-64%

	ORG/ACCT#	FY25-26 Revised Budget	FY26-27 Draft Budget	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (\$)	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (%)
<b>I. BEGINNING FUND BALANCE (Beginning Reserves*)</b>		<b>13,395,495</b>	<b>12,459,294</b>	<b>-936,201</b>	<b>-7%</b>
<b>C2. Other Grant - Baby Bonus Program</b>		<b>1,272,273</b>	<b>1,717,204</b>	<b>444,931</b>	<b>35%</b>
SMC Health, Family Health Services - Baby Bonus Dividend Program**	19510-2647	182,700	200,204	17,504	10%
Health Plan of San Mateo - Baby Bonus Program	19510-2647	202,033	882,000	679,967	337%
County CEO - Measure K - Baby Bonus Program	19510-2647	134,340	108,000	(26,340)	-20%
Silicon Valley Community F. - CZI - Baby Bonus Program	19510-2647	320,200		(320,200)	-100%
Sobrato Family Foundation - Baby Bonus Program	19510-2647	140,000	227,000	87,000	62%
Jackie Speier Foundation - Baby Bonus Program	19510-2647		100,000	100,000	
Sequoia Healthcare District - Baby Bonus Program	19510-2647	243,000		(243,000)	-100%
Peninsula Healthcare District - Baby Bonus Program	19510-2647	50,000	200,000	150,000	300%
<b>C3. Other Revenues- Wellness grant</b>	19510-2101	1,072	1,072	0	0%
<b>II. TOTAL REVENUES</b>		<b>7,557,253</b>	<b>6,590,003</b>	<b>(967,250)</b>	<b>-13%</b>
<b>III. TOTAL AVAILABLE FUNDS (TOTAL SOURCES*)</b>		<b>20,952,748</b>	<b>19,049,297</b>	<b>(1,903,451)</b>	<b>-9%</b>

### III. TOTAL AVAILABLE FUND (Total Sources\*)

Total Available Funds (Total Sources\*) produce a net decrease of \$1,903,451 or 9% decrease.

Major contributions to 9% net decrease in Total Available Funds are associated with lower Beginning Fund Balance, lower Tobacco Tax Revenue allocation, and one-year Mental Health Service Act MHSA grant ends 6.30.2026.

## IV. APPROPRIATIONS

### D. PROGRAM APPROPRIATIONS

Total Program Appropriations produce a net decrease of (\$491,572) or 6% decrease in the following investment categories:

#### **D1. Strategic Plan Investment - SPIP FY 2025-28; FY 26-27 Draft Appropriations noted below**

FY 26-27 Draft Budget for the SPIP FY 2025-28 Appropriations produce a net increases \$794,532 or 43% increase:

- (\$153,286) decrease in Resilient Family
- \$514,919 increase in Healthy Children.
- \$353,000 increase in Quality Care and Education.
- \$79,899 increase in Evaluation

Major contributions to the net increases are:

- a) Agency utilizes \$1.588M leverage fundings from MHSA grant and SHD Special Needs and TRISI grants in 14 contracts of SPIP FY 2025-28 in F5SMC FY 25-26 Revised Budget;
- b) SPIP FY 2025-28 funding is anticipated to increase spending in the second and third years of funding cycle as the MHSA grant ends 6.30.2026.

	ORG/ACCT#	FY25-26 Revised Budget	FY26-27 Draft Budget	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (\$)	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (%)
<b>APPROPRIATIONS</b>					
<b>D. PROGRAM APPROPRIATIONS</b>					
<b>D1. Strategic Plan Investment - SPIP FY 25-28 - Primary Domains</b>		<b>1,841,968</b>	<b>2,636,500</b>	<b>794,532</b>	<b>43%</b>
Resilient Family	19540-6125	366,786	213,500	(153,286)	-42%
Healthy Children	19540-6156	858,081	1,373,000	514,919	60%
Quality Care and Education	19540-6263	267,000	620,000	353,000	132%
Grant Management and Other Evaluation Projects	19540-6265	90,101	170,000	79,899	89%
Policy Advocacy, Communications & Systems Change	19540-6814	260,000	260,000	0	0%
<b>D2. Strategic Plan Investment - SPIP FY 23-25 Carry Over</b>		<b>800,000</b>	<b>184,376</b>	<b>(615,624)</b>	<b>-77%</b>
Healthy Children	19540-6156	188,456		(188,456)	-100%
Quality Care and Education	19540-6263	346,624		(346,624)	-100%
Grant Management and Other Evaluation Projects	19540-6265	33,544		(33,544)	-100%
Healthy Children	19540-6156	100,000	100,000	0	0%
Grant Management and Other Evaluation Projects	19540-6265	25,000		(25,000)	-100%
Policy Advocacy, Communications & Systems Change	19540-6814	100,000	80,000	(20,000)	-20%
Emerging Projects	19540-6814	6,376	4,376	(2,000)	-31%

**D2. Strategic Plan Investment - SPIP FY 2023-25 Carry-Over**

FY 26-27 Draft Appropriations for the SPIP FY 2023-25 Carry Over produce a net decrease of (\$615,624) or 77% decrease due to the followings:

- (\$568,624) net decreases as 4 agreements of the previous strategic plan SPIP FY2023-25 ended 10.31.2025.
- (\$47,000) decrease in SPIP FY 2023-25 Carry Over balance.

Agency continues planning and contracting \$184,376 SPIP FY 2023-25 Carry Over balance for potential emerging projects and or joint funding opportunities (i.e Child Care Blue Print project) in coordination with 3-year time frame of SPIP FY 2025-28. Any underspending funds of SPIP FY 2023-25 Carry Over will be returned to Fund Balance by 6.30.2028.

**D3. Other Grants Appropriations (non Baby Bonus Program):**

	ORG/ACCT#	FY25-26 Revised Budget	FY26-27 Draft Budget	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (\$)	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (%)
<b>IV. APPROPRIATIONS</b>					
<b>D. PROGRAM APPROPRIATIONS</b>					
<b>D3. Other Grant Appropriations - Non Baby Bonus Program</b>					
		<b>2,347,710</b>	<b>1,183,810</b>	<b>(1,163,900)</b>	<b>-50%</b>
F5 San Benito IMPACT LEGACY Grant FY26-27	19540-6126	261,605	261,605	0	0%
F5 San Benito IMPACT HUB TA FY26-27	19540-6126	48,206	48,206	0	0%
County of San Mateo BHRS - Mental Health Services MH SA #4 FY25-26	19540-6141	900,000		(900,000)	-100%
Peninsula Healthcare District - Help Me Grow SMC CY2025/CY2026	19540-6161	53,000	53,000	0	0%
Sequoia Healthcare District - Special Needs FY25-28	19540-6131	336,600	397,000	60,400	18%
Sequoia Healthcare District - Mental Health Grant FY25-28	19540-6131	298,300	264,000	(34,300)	-11%
Children and Youth Behavior Health Initiatives - Round 2	19540-6161	450,000	160,000	(290,000)	-64%

Other Grant Appropriations (non Baby Bonus Program) produce a net decrease of \$1,163,900 or 50% decrease. Major contributions to net decreases are one-year Mental Health Service Act MHA grant will end 6.30.2026:

- (\$900,000) decrease in one-year Mental Health Service Act MHA grant as the grant will end 6.30.2026:
- \$60,400 increase in Sequoia Healthcare District – Integrated System of Children with Special Needs.
- (\$34,300) decrease in in Sequoia Healthcare District – Early Childhood Mental Health Initiatives.
- (\$290,000) decrease in Children Youth Behavior Health Initiatives CYBHI grant execution in its 3rd year.

**D4. Other Grants Appropriations – Baby Bonus Program**

Other Grants – Baby Bonus Program produce a net increase of \$444,931 or 35% increase as the agency continues program execution in its 3<sup>rd</sup> year, as well as some grants funding end 6.30.2026

- \$17,504 increase in SMC Health, Family Health Services – Baby Bonus Program.
- \$679,967 increase Health Plan of San Mateo – Baby Bonus Program
- (\$26,340) decrease in County CEO – Measure K – Baby Bonus Program
- (\$320,200) decrease in Silicon Valley Community Foundation - CZI – Baby Bonus Program
- \$87,000 increase in Sobrato Family Foundation – Baby Bonus Program
- \$100,000 Jackie Speier Foundation – Baby Bonus Program

- (\$243,000) decrease in Sequoia Healthcare District - Baby Bonus Program
- \$150,000 increase in Peninsula Healthcare District – Baby Bonus Program

**D5. Program Operations Appropriations**

Program Operations Appropriations produce a net increase of \$48,488 or 3% increase due to the inclusion of 5% COLA, 19% healthcare cost projection increases, and place holder for one-time telephone technology changes.

	ORG/ACCT#	FY25-26 Revised Budget	FY26-27 Draft Budget	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (\$)	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (%)
<b>IV. APPROPRIATIONS</b>					
<b>D. PROGRAM APPROPRIATIONS</b>					
<b>D4. Other Grant Appropriations - Baby Bonus Program</b>		<b>1,272,273</b>	<b>1,717,204</b>	<b>444,931</b>	<b>35%</b>
SMC Health, Family Health Services - Baby Bonus Dividend Program**	Salaries & Benefits	182,700	200,204	17,504	10%
Health Plan of San Mateo - Baby Bonus Program	6135 / 6264 / 6266	202,033	882,000	679,967	337%
County CEO - Measure K - Baby Bonus Program	6135 / 6264 / 6266	134,340	108,000	(26,340)	-20%
Silicon Valley Community F. - CZI - Baby Bonus Program	6135 / 6264 / 6266	320,200		(320,200)	-100%
Sobrato Family Foundation - Baby Bonus Program	6135 / 6264 / 6266	140,000	227,000	87,000	62%
Jackie Speier Foundation - Baby Bonus Program	6135 / 6264 / 6266		100,000	100,000	
Sequoia HealthCare District - Baby Bonus Program	6135 / 6264 / 6266	243,000		(243,000)	-100%
Peninsula Healthcare District - Baby Bonus Program	6135 / 6264 / 6266	50,000	200,000	150,000	300%
<b>D5. Program Operations</b>		<b>1,390,226</b>	<b>1,438,714</b>	<b>48,488</b>	<b>3%</b>
Program Shared Operating Budget		210,050	231,354	21,304	10%
Program Staff S&B & Shared Admin Staff Time		966,830	981,438	14,609	2%
Evaluation Staff S&B		213,346	225,922	12,576	6%
<b>Total Program Appropriations (D1+D2+D3+D4+D5)</b>		<b>7,652,177</b>	<b>7,160,605</b>	<b>(491,572)</b>	<b>-45%</b>

**E. ADMINISTRATIVE OPERATIONS APPROPRIATIONS**

Administrative Operations Appropriations produce net increase of \$62,779 or 7% increase due to the inclusion of 5% COLA, 19% healthcare cost projection increases, and place holder for one-time telephone technology changes.

**F. TOTAL APPROPRIATIONS**

Total Appropriations produce a net decrease of (\$428,794) or 5% decrease.

**Attachment 9**

Major contributions to 5% net decrease in Total Appropriations are associated with the increase appropriations in SPIP FY 2025-28 and in Other Grant – Baby Bonus Program budgets offset with the decreases in the Other Grant – Non Baby Bonus Program budget due to the MHSA grant ends 6.30.2026.

	ORG/ACCT#	FY25-26 Revised Budget	FY26-27 Draft Budget	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (\$)	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (%)
<b>IV. APPROPRIATIONS</b>					
<b>E. ADMIN APPROPRIATIONS</b>					
Admin Shared Operating Budget		210,050	231,354	21,304	10%
Admin Staff S&B		631,226	672,701	41,475	7%
<b>Total Administrative Appropriations</b>		<b>841,276</b>	<b>904,055</b>	<b>62,779</b>	<b>7%</b>
<b>Administrative Cost Rate %</b>		<b>10%</b>	<b>11%</b>		
<b>F. TOTAL APPROPRIATIONS (D+E) (NET APPROPRIATIONS*)</b>		<b>8,493,454</b>	<b>8,064,660</b>	<b>(428,794)</b>	<b>-5%</b>
<b>V. ENDING FUND BALANCE (ENDING RESERVES*)</b>		<b>12,459,294</b>	<b>10,984,637</b>	<b>(1,474,657)</b>	<b>-12%</b>

**V. ENDING FUND BALANCE**

Ending Fund Balance (Ending Reserves\*) produces a net decrease of \$1,474,657 or 12% decrease.

Major contributions to 12% net decrease in Ending Fund Balance are net effects of lower Beginning Fund Balance, lower Tobacco Tax Revenue allocation, one-year MHSA grant ending, and the increase execution of the Baby Bonus program.

**G. Schedule 1- FY 2026-27 DRAFT OPERATING BUDGET**

FY 2026-27 Draft Operating Budget produces net increase of \$42,608 or 10% increase. Major contributions to net increase are associated with a place holder budget for one-time voice-over-the-internet VoIP project replacement of the old land line phone system.

**G1. Services & Supplies**

Services & Supplies produce a net increase \$37,655 or 31% increase. Major contributions to net increase are associated with a place holder budget for one-time voice-over-the-internet VoIP project replacement of the old land line phone system.

## G. Schedule 1- FY 2026-27 DRAFT OPERATING BUDGET

	ORG / ACCT#	FY25-26 Revised Budget	FY26-27 Draft Budget	FY 26-27 Draft Budget (+/-) vs. FY 25-26 Revised Budget (\$)	FY 26-27 Draft Budget (+/-) vs. FY 25-26 Revised Budget (%)
<b>G1. Services and Supplies</b>					
Outside Printing & Copy Svc	19510-5191	1,000	1,000	0	0%
General Office Supplies	19510-5193	7,000	7,000	0	0%
Photocopy Lease & Usage	19510-5198	3,500	5,000	1,500	43%
Direct Communication Expenses	19510-5132	1,671	36,671	35,000	2095%
Computer Supplies	19510-5211	10,000	10,000	0	0%
Software License /Maintenance Expenses	19510-5215	1,090	1,200	110	10%
County Memberships - (e.g. F5 Assn Dues)	19510-5331	33,200	35,000	1,800	5%
Auto Allowance	19510-5712	11,000	11,000	0	0%
Meetings & Conference Expense	19510-5721	8,000	8,000	0	0%
Commissioners Meetings & Conference Exp	19510-5723	5,000	5,000	0	0%
Other Business Travel Expense	19510-5724	8,000	8,000	0	0%
Dept. Employee Training Expense	19510-5731	5,327	7,000	1,673	31%
Wellness grant	19510-5858	1,072	1,072	0	0%
Other Professional Services	19510-5858	27,428	25,000	(2,428)	-9%
<b>Sub Total - Services &amp; Supplies</b>		<b>123,288</b>	<b>160,943</b>	<b>37,655</b>	<b>31%</b>
<b>G2. Other Charges</b>					
Financial System Charges	19510-8705		231	231	
Invoice Automation Charges	19510-8708		1,491	1,491	
Telephone Service Charges	19510-8712	434	552	118	27%
Automation Services - ISD	19510-8713	36,684	38,288	1,604	4%
Annual Facilities Lease	19510-8718	80,000	70,000	(10,000)	-13%
General Liability Insurance	19510-8725	22,059	32,282	10,203	46%
Official Bond Insurance	19510-8727	298	352	54	18%
Human Resources Services	19510-8733	284	375	111	42%
Countywide Security Services	19510-8738	758	965	209	28%
All Other Service Charges	19510-8739	60,210	60,000	(210)	0%
Card Key Services	19510-8751	962	731	(231)	-24%
ISD Prvd Software Lic/Maint	19510-8752	6,789	7,188	397	6%
Data Backup & Recovery Subsc	19510-8754	946	887	(59)	-6%
Desktop Support Subscription	19510-8758	8,150	9,313	1,163	14%
Virtual Private Network Subs	19510-8763	332	249	(83)	-25%
Virtual Server Subscription	19510-8770	3,948	3,903	(45)	-1%
A-87 Expense	19510-8821	75,000	75,000	0	0%
<b>Sub Total - Other Charges</b>		<b>296,812</b>	<b>301,765</b>	<b>4,953</b>	<b>2%</b>
<b>G. Total Operating Budget</b>		<b>420,100</b>	<b>462,708</b>	<b>42,608</b>	<b>10%</b>

**G2. Other Charges**

Other Charges produce a net increase of \$4,953 or 2% increase. Major contributions to net increase are associated with the increase of county service costs

**H. Schedule 2- FY 2026-27 DRAFT SALARIES & BENEFITS BUDGET**

H1. **F5SMC FY 2026-27 Draft Salaries & Benefits Budget** produce net increases \$68,659 or 4% increase due to the inclusion of COLA and healthcare cost projection increases.

H2. **Baby Bonus Program – Work Out of Class WOC- Community Health Planner FY 2026-27 Draft Salaries & Benefits Budget** produce net increase of \$17,504 or 10% increase due to the due to the inclusion of COLA and healthcare cost projection increases.

**H. Schedule 2 - FY 2026-27 DRAFT SALARIES & BENEFITS BUDGET**

	ORG / ACCT#	FY25-26 Revised Budget	FY26-27 Draft Budget	FY 26-27 Draft Budget (+/-) vs. FY 25-26 Revised Budget (\$)	FY 26-27 Draft Budget (+/-) vs. FY 25-26 Revised Budget (%)
Program Staff & Shared Admin Staff		986,830	981,438	14,609	2%
Evaluation Staff		213,346	225,922	12,576	6%
Admin Staff		631,226	672,701	41,475	7%
<b>H1. F5SMC Salaries and Benefits</b>		<b>1,811,402</b>	<b>1,880,061</b>	<b>68,659</b>	<b>4%</b>
<b>H2. Baby Bonus Program - WOC</b>		<b>182,700</b>	<b>200,204</b>	<b>17,504</b>	<b>10%</b>

**I. GLOSSARY / REFERENCES**

1. Per the County Budget Act (Government Code §§ 29000-29144, 30200 and 53065), the County Manager’s Office and the County Controller’s Office have requested F5SMC to include the language of the use of Fund Balance (Reserves\*) in its Budget memo to the Commission.
2. Since its inception, F5SMC has used different terminologies in its audit reports, budget documents, and Long-Term Financial Plan than those used by the County of San Mateo. The rationales are for (1) comparable terminologies used across F5SMC’s audit reports, budget documents, and Long-Term Financial Plan; (2) for the usefulness of the public; and (3) for consistent language used by First 5 California and by other First 5 Commissions throughout the State. Since March 2018, F5SMC added budgetary terminologies used by the County to F5SMC Budget.
3. F5SMC has two main revenue streams: (a) monthly Tobacco Tax Revenue disbursements based on actual birth rate in each county; and (b) Other Grant Revenues are acquired from F5 California, Other F5 Commissions, and /or other funders through competitive grant applications.

Tobacco Tax Revenue projections are based on estimated Proposition 10 tax revenue, Proposition 56 backfill, estimated interest earned by the account, less adjustments for California Department of Tax and Fee Administration’s administrative costs and statewide assessments.

## Attachment 9

4. F5CA released annual Tobacco Tax Revenue Projections by county each fiscal year based on projected birth rate of each county. When the published birth rate data becomes available, State Finance Department will update Tobacco Tax Revenue Projections based on the actual birth rate of each county. The data can be found on Department of Finance's website at the following link: P\_CY\_Births\_Report.xlsx (live.com).
5. F5SMC is a Non-General Fund Department or Zero Net County Cost Department of County of San Mateo, F5SMC funding sources is Tobacco Tax Revenue disbursed by the State of California; therefore, the San Mateo County's Reserves Policy is not applicable to F5SMC.

Per *County Recommended Budget Instructions and Guide FY 2025-27*, page 14, non-general fund department can retain 100% of fund balances unless there is agreement to do otherwise.

6. FUND BALANCE (NOTE 10 –F5SMC audit report for the year ending 6.30.2025, page 33)

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 Board of Commissioners**. Commitments may be changed or lifted only by First 5 taking the same formal action that originally imposed the constraint.
- **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 Board of Commissioners or (2) a body (for example, a budget or finance committee) or official to which First 5's Board of Commissioners 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.

## FIRST 5 SAN MATEO COUNTY

## FY 2026-27 DRAFT BUDGET SUMMARY

	FY25-26 Revised Budget	FY26-27 Draft Budget	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (\$)	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (%)
<b>i. BEGINNING FUND BALANCE (Beginning Reserves*)</b>	<b>13,395,495</b>	<b>12,459,294</b>	<b>(936,201)</b>	<b>-7%</b>
<b>A. Interest Revenue</b>	<b>401,865</b>	<b>374,000</b>	<b>(27,865)</b>	<b>-7%</b>
<b>B. Tobacco Tax Revenue</b>	<b>3,412,446</b>	<b>3,215,616</b>	<b>(196,830)</b>	<b>-6%</b>
Tobacco Tax Revenue Fiscal Year Allocations	3,412,446	3,215,616	(196,830)	-6%
<b>C1. Other Grant Revenues - Non Baby Bonus Program</b>	<b>2,469,597</b>	<b>1,282,110</b>	<b>(1,187,486)</b>	<b>-48%</b>
<b>C2. Other Grant Revenues- Baby Bonus Program</b>	<b>1,272,273</b>	<b>1,717,204</b>	<b>444,931</b>	<b>35%</b>
<b>C3. Other Grant Revenues</b>	<b>1,072</b>	<b>1,072</b>	<b>0</b>	<b>0%</b>
<b>ii. TOTAL REVENUES</b>	<b>7,557,253</b>	<b>6,590,003</b>	<b>(967,250)</b>	<b>-13%</b>
<b>iii. TOTAL AVAILABLE FUND (Total Sources*)</b>	<b>20,952,748</b>	<b>19,049,297</b>	<b>(1,903,451)</b>	<b>-9%</b>
<b>IV. APPROPRIATIONS</b>				
<b>D. PROGRAM APPROPRIATIONS</b>				
<b>D1. Strategic Plan Investment - SPIP FY 25-28</b>	<b>1,841,968</b>	<b>2,636,500</b>	<b>794,532</b>	<b>43%</b>
Resilient Family	366,786	213,500	(153,286)	-42%
Healthy Children	858,081	1,373,000	514,919	60%
Quality Care and Education	267,000	620,000	353,000	132%
Grant Management and Other Evaluation Projects	90,101	170,000	79,899	89%
Change	260,000	260,000	0	0%
<b>D2. Strategic Plan Investment - SPIP FY 23-25 Carry Over</b>	<b>800,000</b>	<b>184,376</b>	<b>(615,624)</b>	<b>-77%</b>
Community Investments (RF, HC, QC & E)	635,080	100,000	(535,080)	-84%
Evaluation	58,544	0	(58,544)	-100%
Change	106,376	84,376	(22,000)	-21%
<b>D3. Other Grant Appropriations - Non Baby Bonus Program</b>	<b>2,347,710</b>	<b>1,183,810</b>	<b>(1,163,900)</b>	<b>-50%</b>
<b>D4. Other Grant Appropriations - Baby Bonus Program</b>	<b>1,272,273</b>	<b>1,717,204</b>	<b>444,931</b>	<b>35%</b>
<b>D5. Program Operations</b>	<b>1,390,226</b>	<b>1,438,714</b>	<b>48,488</b>	<b>3%</b>
Program Shared Operating Budget	210,050	231,354	21,304	10%
Program Staff S&B & Shared Admin Staff Time	966,830	981,438	14,609	2%
Evaluation Staff S&B	213,346	225,922	12,576	6%
<b>D. TOTAL PROGRAM APPROPRIATIONS (D1+D2+D3+D4+D5)</b>	<b>7,652,177</b>	<b>7,160,605</b>	<b>(491,572)</b>	<b>-6%</b>
<b>E. ADMIN APPROPRIATIONS</b>				
Admin Shared Operating Budget	210,050	231,354	21,304	10%
Admin Staff Salaries & Benefits	631,226	672,701	41,475	7%
<b>E. TOTAL ADMIN APPROPRIATIONS</b>	<b>841,276</b>	<b>904,055</b>	<b>62,779</b>	<b>7%</b>
<b>F. TOTAL APPROPRIATIONS (Net Appropriations*)</b>	<b>8,493,454</b>	<b>8,064,660</b>	<b>(428,794)</b>	<b>-5%</b>
Surplus / (Deficit) (Total Revenues - Total Appropriations)	-936,201	-1,474,657	(538,456)	58%
<b>V. ENDING FUND BALANCE</b>	<b>12,459,294</b>	<b>10,984,637</b>	<b>(1,474,657)</b>	<b>-12%</b>
<b>TOTAL F5SMC SALARIES &amp; BENEFITS</b>	<b>1,811,402</b>	<b>1,880,061</b>	<b>68,659</b>	<b>4%</b>

FIRST 5 SAN MATEO COUNTY

FY 2026-27 DRAFT BUDGET DETAILS

	ORG/ACCT#	FY25-26 Revised Budget	FY26-27 Draft Budget	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (\$)	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (%)	Notes to FY2026-27 Draft Budget
<b>I. BEGINNING FUND BALANCE (Beginning Reserves*)</b>		<b>13,395,495</b>	<b>12,459,294</b>	<b>-936,201</b>	<b>-7%</b>	Lower Beginning Fund Balance as the agency continues to draw down Reserves* to fund strategic investment implementation plan SPIP FY25-28 and to leverage additional funding sources.
<b>A. Interest Revenue</b>	19510-1521	401,865	374,000	(27,865)	-7%	3.00% Interest earning rate
<b>B. Tobacco Tax Revenue</b>		<b>3,412,446</b>	<b>3,215,616</b>	<b>(196,830)</b>	<b>-6%</b>	
Tobacco Tax Revenue Fiscal Year Allocations	19510-1861	3,412,446	3,215,616	(196,830)	-6%	update with Tobacco Tax Revenue Projections January 23, 2026
<b>C1. Other Grant Revenues - Non Baby Bonus Program</b>		<b>2,469,597</b>	<b>1,282,110</b>	<b>(1,187,486)</b>	<b>-48%</b>	Net decreases are associated with one-year MHSA grant ends 6.30.2026.
F5 San Benito IMPACT LEGACY Grant FY26-27	19510-2643	324,605	324,605	0	0%	TBD with pending new Impact Legacy grant renewal.
F5 San Benito IMPACT HUB TA FY26-27	19510-2643	48,206	48,206	0	0%	TBD with pending new Impact Hub grant renewal.
County of San Mateo BHRS - Mental Health Services MHSA #4 FY25-26	19510-2643	900,000	0	(900,000)	-100%	One-year MHSA grant ends 6.30.2026
Peninsula Healthcare District - Help Me Grow SMC CY2025/CY2026	19510-2643	60,000	60,000	0	0%	
Sequoia Healthcare District - Special Needs Grant FY25-28	19510-2643	373,400	373,400	0	0%	2nd year of 3-year grant execution
Sequoia Healthcare District - Mental Health Grant FY25-28	19510-2643	315,900	315,900	0	0%	2nd year of 3-year grant execution
Children and Youth Behavior Health Initiatives - Round 2	19510-2643	447,486	160,000	(287,486)	-64%	
<b>C2. Other Grant - Baby Bonus Program</b>		<b>1,272,273</b>	<b>1,717,204</b>	<b>444,931</b>	<b>35%</b>	3rd year of 5-year Baby Bonus grant execution.
SMC Health, Family Health Services - Baby Bonus Dividend Program**	19510-2647	182,700	200,204	17,504	10%	WOC Community Health Planner
Health Plan of San Mateo - Baby Bonus Program	19510-2647	202,033	882,000	679,967	337%	
County CEO - Measure K - Baby Bonus Program	19510-2647	134,340	108,000	(26,340)	-20%	
Silicon Valley Community F. - CZ1 - Baby Bonus Program	19510-2647	320,200		(320,200)	-100%	
Sobrato Family Foundation - Baby Bonus Program	19510-2647	140,000	227,000	87,000	62%	
Jackie Speier Foundation - Baby Bonus Program	19510-2647		100,000	100,000		New grant award with grant funding in receipt.
Sequoia Healthcare District - Baby Bonus Program	19510-2647	243,000		(243,000)	-100%	
Peninsula Healthcare District - Baby Bonus Program	19510-2647	50,000	200,000	150,000	300%	
<b>C3. Other Revenues- Wellness grant</b>	19510-2101	1,072	1,072	0	0%	
<b>II. TOTAL REVENUES</b>		<b>7,557,253</b>	<b>6,590,003</b>	<b>(967,250)</b>	<b>-13%</b>	Major contributions to 13% net decrease are associated with lower Tobacco Tax Revenue allocation and one-year Mental Health Service Act MHSA grant ending offset with higher Baby Bonus program execution.
<b>III. TOTAL AVAILABLE FUNDS (TOTAL SOURCES*)</b>		<b>20,952,748</b>	<b>19,049,297</b>	<b>(1,903,451)</b>	<b>-9%</b>	Major contributions to 9% net decrease are associated with lower Beginning Fund Balance, lower Tobacco Tax Revenue allocation, and one-year Mental Health Service Act MHSA grant ending offset with higher Baby Bonus Program execution.
<b>IV. APPROPRIATIONS</b>						
<b>D. PROGRAM APPROPRIATIONS</b>						
<b>D1. Strategic Plan Investment - SPIP FY 25-28 - Primary Domains</b>		<b>1,841,968</b>	<b>2,636,500</b>	<b>794,532</b>	<b>43%</b>	\$1,588 M leverage funding from MHSA grant and SHD grants are utilized in 14 agreements of the SPIP FY 25-28 contracting
Resilient Family	19540-6125	366,786	213,500	(153,286)	-42%	
Healthy Children	19540-6156	858,081	1,373,000	514,919	60%	
Quality Care and Education	19540-6263	267,000	620,000	353,000	132%	
Grant Management and Other Evaluation Projects	19540-6265	90,101	170,000	79,899	89%	
Policy Advocacy, Communications & Systems Change	19540-6814	260,000	260,000	0	0%	
<b>D2. Strategic Plan Investment - SPIP FY 23-25 Carry Over</b>		<b>800,000</b>	<b>184,376</b>	<b>(615,624)</b>	<b>-77%</b>	Investment of SPIP FY 23-25 Carry Over balance is in coordination of the strategic plan SPIP FY25-28 investments.
Healthy Children	19540-6156	188,456		(188,456)	-100%	FY23-25 agreements / amendments ended 10.31.2025
Quality Care and Education	19540-6263	346,624		(346,624)	-100%	FY23-25 agreements / amendments ended 10.31.2025

	ORG/ACCT#	FY25-26 Revised Budget	FY26-27 Draft Budget	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (\$)	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (%)	Notes to FY2026-27 Draft Budget
Grant Management and Other Evaluation Projects	19540-6265	33,544		(33,544)	-100%	FY23-25 agreements / amendments ended 10.31.2025
<b>Healthy Children</b>	<b>19540-6156</b>	<b>100,000</b>	<b>100,000</b>	0	0%	
Grant Management and Other Evaluation Projects	19540-6265	25,000		(25,000)	-100%	
Policy Advocacy, Communications & Systems Change	19540-6814	100,000	80,000	(20,000)	-20%	
Emerging Projects	19540-6814	6,376	4,376	(2,000)	-31%	
<b>D3. Other Grant Appropriations - Non Baby Bonus Program</b>		<b>2,347,710</b>	<b>1,183,810</b>	<b>(1,163,900)</b>	<b>-50%</b>	Net decreases are associated with one-year MHSA grant ends 6.30.2026.
F5 San Benito IMPACT LEGACY Grant FY26-27	19540-6126	261,605	261,605	0	0%	TBD with pending new Impact Legacy grant renewal.
F5 San Benito IMPACT HUB TA FY26-27	19540-6126	48,206	48,206	0	0%	TBD with pending new Impact Hub grant renewal.
County of San Mateo BHRS - Mental Health Services MHSA #4 FY25-26	19540-6141	900,000		(900,000)	-100%	One-year grant only and grant ends 6.30.2026
Peninsula Healthcare District - Help Me Grow SMC CY2025/CY2026	19540-6161	53,000	53,000	0	0%	
Sequoia Healthcare District - Special Needs FY25-28	19540-6131	336,600	397,000	60,400	18%	
Sequoia Healthcare District - Mental Health Grant FY25-28	19540-6131	298,300	264,000	(34,300)	-11%	
Children and Youth Behavior Health Initiatives - Round 2	19540-6161	450,000	160,000	(290,000)	-64%	
<b>D4. Other Grant Appropriations - Baby Bonus Program</b>		<b>1,272,273</b>	<b>1,717,204</b>	<b>444,931</b>	<b>35%</b>	Net increases are associated with the 3rd year of the Baby Bonus program execution.
SMC Health, Family Health Services - Baby Bonus Dividend Program**	Salaries & Benefits	182,700	200,204	17,504	10%	Community Health Planner - WOC position
Health Plan of San Mateo - Baby Bonus Program	6135 / 6264 / 6266	202,033	882,000	679,967	337%	
County CEO - Measure K - Baby Bonus Program	6135 / 6264 / 6266	134,340	108,000	(26,340)	-20%	
Silicon Valley Community F. - CZI - Baby Bonus Program	6135 / 6264 / 6266	320,200		(320,200)	-100%	Grant term ends 6.30.2026
Sobrato Family Foundation - Baby Bonus Program	6135 / 6264 / 6266	140,000	227,000	87,000	62%	
Jackie Speier Foundation - Baby Bonus Program	6135 / 6264 / 6266		100,000	100,000		
Sequoia HealthCare District - Baby Bonus Program	6135 / 6264 / 6266	243,000		(243,000)	-100%	Grant term ends 6.30.2026
Peninsula Healthcare District - Baby Bonus Program	6135 / 6264 / 6266	50,000	200,000	150,000	300%	
<b>D5. Program Operations</b>		<b>1,390,226</b>	<b>1,438,714</b>	<b>48,488</b>	<b>3%</b>	Net increases are associated with the increases in county service cost, one-time IT project, and COLA and healthcare cost increases
Program Shared Operating Budget		210,050	231,354	21,304	10%	
Program Staff S&B & Shared Admin Staff Time		966,830	981,438	14,609	2%	Excluding WOC - Community Health Planner position for the Baby Bonus Program
Evaluation Staff S&B		213,346	225,922	12,576	6%	
<b>D. TOTAL PROGRAM APPROPRIATIONS (D1+D2+D3+D4+D5)</b>		<b>7,652,177</b>	<b>7,160,605</b>	<b>(491,572)</b>	<b>-6%</b>	Major contributions to 6% net decrease in Total Program Appropriations are associated with one-year MHSA grant ends 6.30.2026.
<b>E. ADMIN APPROPRIATIONS</b>						
Admin Shared Operating Budget		210,050	231,354	21,304	10%	
Admin Staff S&B		631,226	672,701	41,475	7%	
<b>E. TOTAL ADMIN APPROPRIATIONS</b>		<b>841,276</b>	<b>904,055</b>	<b>62,779</b>	<b>7%</b>	Net increases are associated with the increases in county service cost, one-time IT project, and COLA and healthcare cost increases
<b>Administrative Cost Rate %</b>		<b>10%</b>	<b>11%</b>			
<b>F. TOTAL APPROPRIATIONS (D+E) (NET APPROPRIATIONS*)</b>		<b>8,493,454</b>	<b>8,064,660</b>	<b>(428,794)</b>	<b>-5%</b>	Major contributions to 5% net decrease in Total Program Appropriations are associated with one-year MHSA grant ends 6.30.2026.
<b>V. ENDING FUND BALANCE (ENDING RESERVES*)</b>		<b>12,459,294</b>	<b>10,984,637</b>	<b>(1,474,657)</b>	<b>-12%</b>	Major contributions to 12% net decrease in Ending Fund Balance are associated with lower Beginning Fund Balance, lower Tobacco Tax Revenue allocation, and one-year MHSA grant ending offset with higher Baby Bonus program execution.

**Color Coding**

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

G. Schedule 1- FY 2026-27 DRAFT OPERATING BUDGET

	ORG / ACCT#	FY25-26 Revised Budget	FY26-27 Draft Budget	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (\$)	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (%)	Notes to FY2026-27 Draft Budget
<b>G1. Services and Supplies</b>						
Outside Printing & Copy Svc	19510-5191	1,000	1,000	0	0%	
General Office Supplies	19510-5193	7,000	7,000	0	0%	
Photocopy Lease & Usage	19510-5196	3,500	5,000	1,500	43%	
Direct Communication Expenses	19510-5132	1,671	36,671	35,000	2095%	Place holder for one-time voice-over-the-internet VoIP project cost of 35K
Computer Supplies	19510-5211	10,000	10,000	0	0%	New laptop replacements
Software License /Maintenance Expenses	19510-5215	1,090	1,200	110	10%	Slit to ISD account 6752
County Memberships - (e.g. F5 Assn Dues)	19510-5331	33,200	35,000	1,800	5%	F5CA Association membership dues increase
Auto Allowance	19510-5712	11,000	11,000	0	0%	
Meetings & Conference Expense	19510-5721	8,000	8,000	0	0%	
Commissioners Meetings & Conference Exp	19510-5723	5,000	5,000	0	0%	
Other Business Travel Expense	19510-5724	8,000	8,000	0	0%	
Dept. Employee Training Expense	19510-5731	5,327	7,000	1,673	31%	
Wellness grant	19510-5856	1,072	1,072	0	0%	
Other Professional Services	19510-5858	27,428	25,000	(2,428)	-9%	County Controller Office Service agreement
<b>Sub Total - Services &amp; Supplies</b>		<b>123,288</b>	<b>160,943</b>	<b>37,655</b>	<b>31%</b>	for one-time voice-over-the-internet VoIP project for replacement of the old land line phone system.
<b>G2. Other Charges</b>						
Financial System Charges	19510-6705		231	231		
Invoice Automation Charges	19510-6706		1,491	1,491		
Telephone Service Charges	19510-6712	434	552	118	27%	
Automation Services - ISD	19510-6713	36,664	38,268	1,604	4%	Slit to ISD accounts 6752,6754,6758,6763,6770
Annual Facilities Lease	19510-6716	80,000	70,000	(10,000)	-13%	Rent Amendment
General Liability Insurance	19510-6725	22,059	32,262	10,203	46%	
Official Bond Insurance	19510-6727	298	352	54	18%	
Human Resources Services	19510-6733	264	375	111	42%	
Countywide Security Services	19510-6738	756	965	209	28%	
All Other Service Charges	19510-6739	60,210	60,000	(210)	0%	
Card Key Services	19510-6751	962	731	(231)	-24%	
ISD Prvd Software Lic/Maint	19510-6752	6,789	7,186	397	6%	
Data Backup & Recovery Subsc	19510-6754	946	887	(59)	-6%	
Desktop Support Subscription	19510-6758	8,150	9,313	1,163	14%	
Virtual Private Network Subs	19510-6763	332	249	(83)	-25%	
Virtual Server Subscription	19510-6770	3,948	3,903	(45)	-1%	
A-87 Expense	19510-6821	75,000	75,000	0	0%	
<b>Sub Total - Other Charges</b>		<b>296,812</b>	<b>301,765</b>	<b>4,953</b>	<b>2%</b>	Net increases are associated with the increases in county service costs
<b>G. TOTAL OPERATING BUDGET</b>		<b>420,100</b>	<b>462,708</b>	<b>42,608</b>	<b>10%</b>	Net increases are associated with the increases in county service cost, one-time IT project, and COLA and healthcare cost increases
<b>Program Shared Operating Budget</b>		<b>210,050</b>	<b>231,354</b>	<b>21,304</b>	<b>10%</b>	Allocation rate 50% to Program
<b>Admin Shared Operating Budget</b>		<b>210,050</b>	<b>231,354</b>	<b>21,304</b>	<b>10%</b>	Allocation rate 50% to Admin

H. Schedule 2 - FY 2026-27 DRAFT SALARIES & BENEFITS BUDGET

Attachment 9C

	ORG / ACCT#	FY25-26 Revised Budget	FY26-27 Draft Budget	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (\$)	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (%)	Notes to FY2026-27 Draft Budget
Program Staff & Shared Admin Staff		966,830	981,438	14,609	2%	27% Admin staff time allocated to Program; Excluding Extra Healp
Evaluation Staff		213,346	225,922	12,576	6%	5% COLA inclusion and 19% healthcare cost increases
Admin Staff		631,226	672,701	41,475	7%	5% COLA inclusion and 19% healthcare cost increases
<b>H1. F5SMC SALARIES &amp; BENEFITS</b>		<b>1,811,402</b>	<b>1,880,061</b>	<b>68,659</b>	<b>4%</b>	5% COLA inclusion and 19% healthcare cost increases
<b>H2. BABY BONUS PROGRAM - WOC SALARIES &amp; BENEFITS</b>		<b>182,700</b>	<b>200,204</b>	<b>17,504</b>	<b>10%</b>	5% COLA inclusion and 19% healthcare cost increases

**Color Coding**

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


**FIRST 5 SAN MATEO COUNTY (F5SMC)  
FIRST 5 STAFF TEAM REPORT  
MAY 2026**

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**STRATEGIC INVESTMENT FOCUS AREAS – UPDATE**

**QUALITY CARE AND EDUCATION**

**[California Budget Center: Federal Dollars Fund Child Care Across All California Congressional Districts](#)**

In California, the Child Care and Development Fund (CCDF) is the main federal funding source. Federal funding has historically had bipartisan support. However, the Trump Administration moved to suspend funding for five states in the name of “program integrity.” These federal actions — widely considered to be [illegal and unsupported by evidence](#) — undermine child development, family economic security, and local economies across all congressional districts in California. (Schumacher, Pryor, 05/11)

**HEALTHY CHILDREN**

**East Bay Agency for Children Contract Amendment**

First 5 San Mateo County Executive Director Kitty Lopez approved a contract amendment to the East Bay Agency for Children for their contract for TRISI - Trauma Transformed- Coaching and Implementation Support for SMC BHRS and F5SMC. This amendment adds \$16,010.00 to the original contract of \$60,000 to accommodate the need of the recipient agencies to broaden and deepen their trauma-informed and healing-centered organizational practices. The majority of the amendment is covered by a reallocation of the Mental Health Services Act MOU dollars and an additional \$6,010 from F5SMC Strategic Plan Implementation Plant (SPIP) FY 23 – 25 Carry Over.

**F5 Association/ Center for Children’s Policy Contract**

First 5 San Mateo County recently contracted with the First 5 Center for Children’s Policy, an arm of the First 5 Association of California, to provide technical assistance on Medi-Cal transformation opportunities to local nonprofit agencies providing early childhood mental health services through June 30, 2026. This small grant of \$2,400 was approved internally.

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**POLICY & ADVOCACY UPDATES**

First 5 San Mateo County supports the following bills discussed at the First 5 Association’s Policy Committee:

- [AB 1914](#): Requires cities and counties to adopt or integrate a childcare plan into the next adoption or revision of the general plan by January 1, 2033, to address the childcare needs of the jurisdiction, and authorizes cities and counties to designate an existing childcare plan as compliant.

- [AB 2230](#): prohibits an employee of a licensed child daycare facility from allowing an officer or employee of an agency conducting immigration enforcement to enter a nonpublic area without being presented with a valid judicial warrant or judicial subpoena or a court order.
- [AB 2379](#): requires the California Department of Social Services (CDSS) to develop and provide a training for family daycare home providers regarding individual rights under the Fourth Amendment related to searches, seizures, and immigration enforcement interactions.
- [SB 1051](#): Authorizes childcare navigators to refer foster children to county welfare departments for the Emergency Child Care Bridge Program and requires those counties to determine the child's eligibility.

### **California to provide free diapers to newborns leaving hospitals in 1st-in-the-nation program**

On May 8, 2026, *ABC7News* shared that California announced a first-in-the-nation program to provide free diapers to families with newborns before they leave participating hospitals. Governor Gavin Newsom said the initiative will launch in 65–75 hospitals serving largely low-income communities, with plans to expand statewide. Families will receive 400 diapers through the “Golden State Start” program, created in partnership with Baby2Baby. The state has committed nearly \$20 million toward the effort, which aims to ease the financial burden of diaper costs and support healthier starts for newborns and their families. Click the [link](#) for the article.

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## **FIRST 5 CALIFORNIA & FIRST 5 ASSOCIATION UPDATES**

### **Exploring Opportunities to Increase Medi-Cal Revenue**

First 5 San Mateo County staff are currently exploring a potential sole source agreement with Sellers Dorsey to support sustainable, compliant Medi-Cal revenue growth in areas aligned with critical maternal and child health and quality outcomes. Sellers Dorsey, in partnership with the First 5 Association, has identified a cohort of First 7 other commissions that are well-positioned to achieve meaningful results through this collaborative model. The firm brings extensive experience and expertise in identifying, achieving state and federal approval of, and implementing Medicaid quality programs to advance value-based and Medicaid financing programs for targeted initiatives that meet Centers for Medicare & Medicaid Services (CMS) requirements. In addition, Sellers Dorsey’s cohort-based approach and performance-based, no-risk payment structure – where compensation is limited to a program management fee if the program is successful – provide a strong rationale for pursuing a sole source agreement. Staff will continue to assess this opportunity and may return to the Commission with a proposed agreement for consideration at the June meeting. This represents a promising opportunity to: 1) support financial stability for work already prioritized and funded by First 5 San Mateo County; 2) further center our investments on improving health outcomes; and 3) maintain our leadership at the forefront of statewide efforts.

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## COMMUNITY AND STATEWIDE EVENTS & UPDATES

### **Día de los Niños – Town of Colma**

On April 30, the First 5 San Mateo County took part in Día de los Niños, or Children’s Day, at Sterling Park Recreation Center hosted by the Town of Colma. The event featured activities, games, and arts and crafts for young children. First 5 SMC Staff Myra Cruz attended to share resources and distribute books, bibs, and sippy cups to families, and approximately 65 people visited the First 5 table.

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## COMMUNICATIONS

### **Communications Consultation Services**

During the last week of May, First 5 San Mateo County will release a Request for Statements of Qualifications (RFSQ) for communications consulting services to support implementation of the First 5 SMC 2026–2029 Communications Plan. The contract will span two years, covering fiscal years 2026–2027 and 2027–2028. The RFSQ will be released via County’s procurement app, OpenGov. The current communications firm, VIVA Social Impact Partners, will continue working with First 5 San Mateo County through the end of June, as its communications and marketing division will be dissolving. More details to follow.

### **May is Mental Health Awareness Month**

May is Mental Health Awareness Month, and First 5 San Mateo County’s [Big Feelings](#) website is a resource for young children and families seeking mental health and behavioral support in San Mateo County. The [site](#) also offers a list of support services including [BrightLife Kids](#), for both children and parents, along with parent-to-parent advice on coping with children’s mental health needs. Check it out!

### **Social Media and Analytics Reports (See Attachment 11.1)**



REPORT FOR APR 1, 2026 - APR 30, 2026  
**FIRST 5 SAN MATEO COUNTY**

APRIL 2026 ANALYTICS OVERVIEW

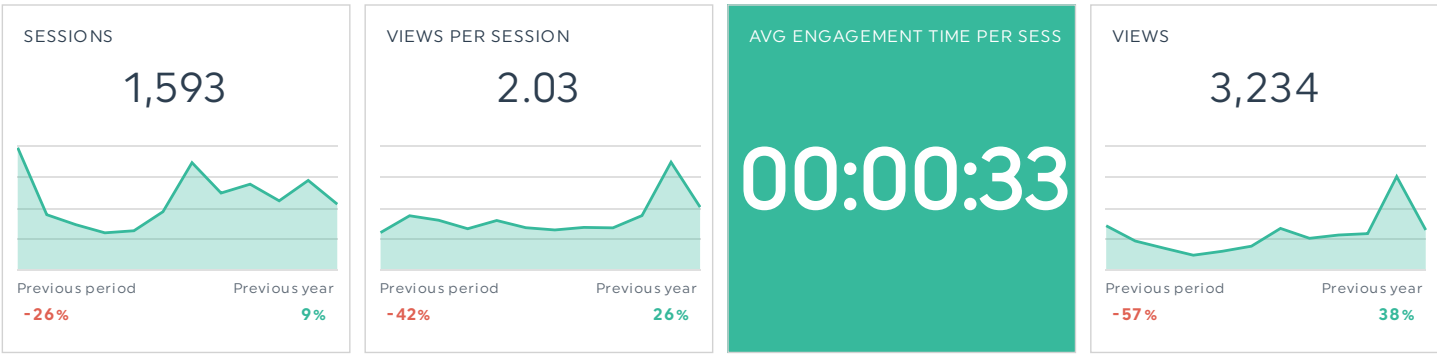
In April, First 5 San Mateo County's website traffic dipped from March's unusually high numbers, with 1,593 sessions and 3,234 total views. Views per session were 2.03, and visitors spent an average of 33 seconds on the site. The homepage led with 795 views, followed by Baby Bonus with 139 views, the Spanish "Protective Factors" blog with 126 views, and Who We Are with 112 views.

Social media engagement was strong across the board. Facebook's engagement rate held steady at 3.96%, with the Play & Learn activity post driving the most reactions. Instagram had a solid month, with likes up 105% from March and the engagement rate climbing to 3.82%, led by a post about San Mateo County's new Maternal Health Trust Fund. LinkedIn continued to shine with a 15.5% engagement rate, primarily due to the Advocacy Day post, which had an exceptional 61.3% engagement rate.

Keep prioritizing:

- o Advocacy and policy content on LinkedIn, which consistently achieves strong engagement
- o Timely health and wellness resources tied to awareness months (like Child Abuse Prevention Month and Week of the Young Child)
- o Resources connecting families to free local services (like Play & Learn and dental health programs)

**WEBSITE ANALYTICS**



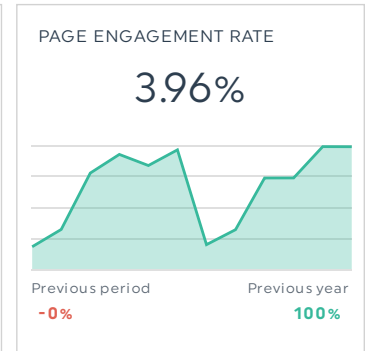
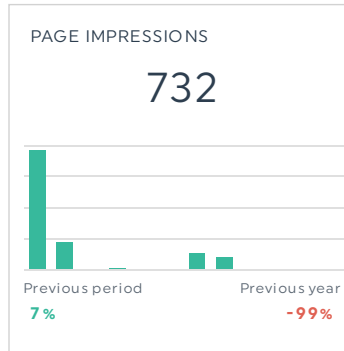
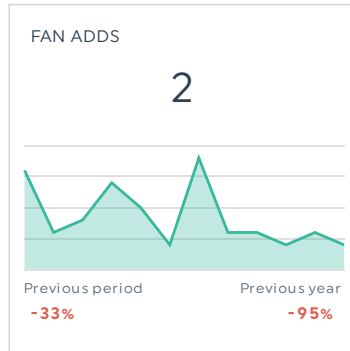
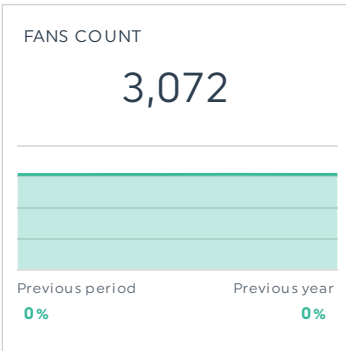
TOP VIEWS BY PAGE

Page Address	Views
/	795
/baby-bonus/	139
/es/Los-5-factores-de-protección-por-los-que-importan-los-primeros-cinco-años/	126
/who-we-are/	112
/staff/	85
/resources/	83
/our-work/	67
/kit-for-new-parents-2/	64
/commission/	64
/news-updates/	57
/contact/	57
/for-parents-families/	53
/funding-opportunities/	51
/baby-bonus-parent-guide/	51
/grantee-resources/	49
/strategic-plan/	44
/healthy-children/	41

EVENT COUNT	
Event Name	Event Count
page_view	3,234
user_engagement	1,828
session_start	1,589
first_visit	1,148
scroll	931
click	174
file_download	145
view_search_results	39
video_progress	4
video_start	2

TOP TRAFFIC SOURCES	
Session Default Channel Grouping	Sessions
Organic Search	749
Direct	725
Referral	80
Organic Social	29
Unassigned	8

## FACEBOOK INSIGHTS



### TOP POSTS BY ENGAGEMENT TYPE (WITH IMAGE)

Post With Image	Post Comments	Post Shares	Total Reactions
<p>Looking for a free, fun activity for your little one this week? Play &amp; Learn with @Help Me Grow San Mateo County is a free, drop-in developmental playgroup for families with children ages 0-5, held every week at local San Mateo County...</p>	0	1	4
<p>Did you know that good oral health habits start in early childhood? Join the @Family Resource Center of San Mateo County and @Sonrisas Dental Health for a free Zoom presentation on Monday, April 6 from 5:00 to 6:30 PM, where you'll...</p>	0	0	1
<p>Happy Week of the Young Child (WOYC)! Celebrated nationally by @NAEYC, WOYC honors early childhood educators, families, and communities who make a difference in young children's lives. We're kicking off with Music Monday! 🎵 Singing</p>	0	0	1
<p>Responsive, caring parenting starts with understanding your child's needs. Because every child grows at their own pace, early support can make all the difference. Developmental screenings and help for families navigating these...</p>	0	0	1
<p>We know that children may grow up with both Positive and Adverse Childhood Experiences (PACES and ACES). While adversity can impact a child's long-term health, positive experiences, like steady supportive relationships with caregivers...</p>	0	0	1
<p>April is National Child Abuse Prevention Month, and we're shining a light on preventing child abuse and neglect by sharing five key protective factors that help strengthen and support families. Follow along as we highlight ways to foster...</p>	0	0	0

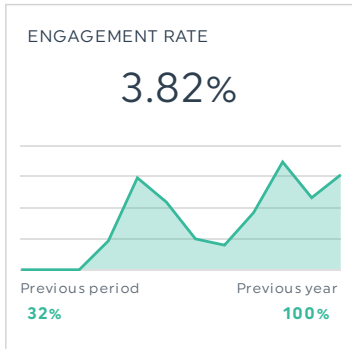
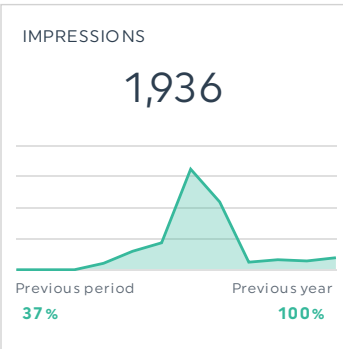
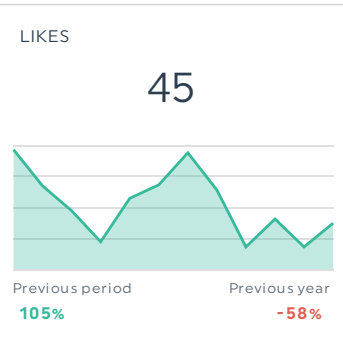
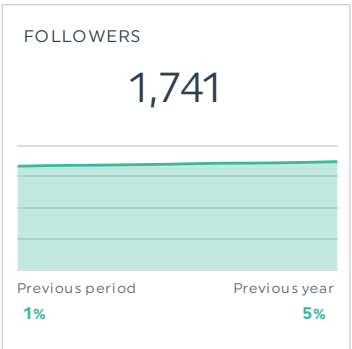
### TOP POSTS BY ENGAGEMENT

Post	Engagement
Looking for a free, fun activity for your little one this we...	11
Every family deserves a healthy start. San Mateo County ...	4
Happy Week of the Young Child (WOYC)! Celebrated nat...	3
We know that children may grow up with both Positive a...	2
From the very beginning, feeling part of a community c...	2
Did you know that good oral health habits start in early c...	2
Responsive, caring parenting starts with understanding y...	1
True or false: Adverse Childhood Experiences (ACEs) per...	1
It's Family Friday, the final day of #WeekOfTheYoungChil...	1
Yesterday, our team joined First 5 commissioners and sta...	1

### TOP POSTS BY IMPRESSIONS

Post	Post Impressions
Every family deserves a healthy start. San Mat...	74
Looking for a free, fun activity for your little ...	72
It's Work Together Wednesday for #WeekOfTh...	52
Happy Week of the Young Child (WOYC)! Cel...	50
True or false: Social and emotional skills are j...	47
This Sunday, April 26, the joy of reading meets...	46
True or false: Adverse Childhood Experiences ...	44
We know that children may grow up with bot...	35
Responsive, caring parenting starts with unde...	35
From the very beginning, feeling part of a co...	34

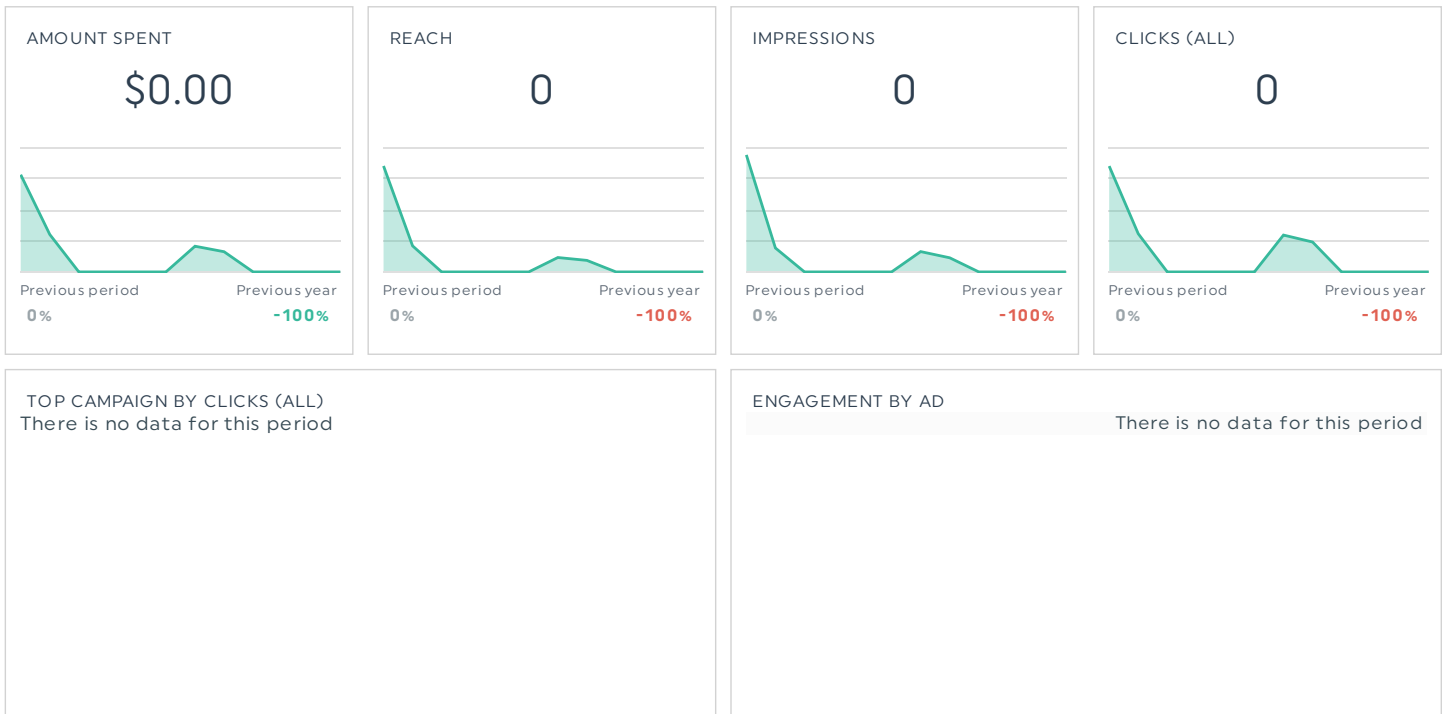
## INSTAGRAM INSIGHTS



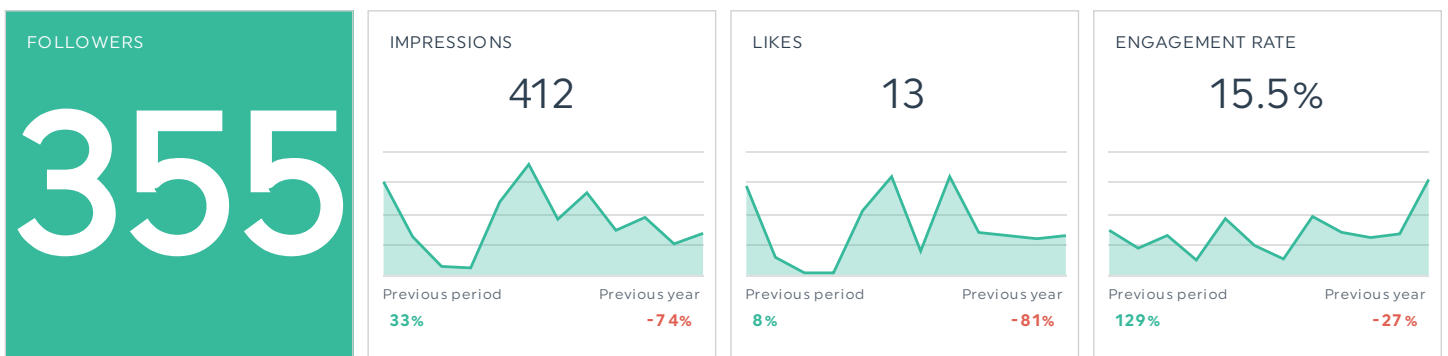
### ENGAGEMENT BY POST (WITH IMAGE)

Post With Image	Likes	Comments	Engagement
<p>Every family deserves a healthy start. San Mateo County has approved a new Maternal Health Trust Fund, introduced by @suplisagauthier, to address racial disparities in maternal and infant health outcomes, with a focus on Black and Latina mothers who face disproportionately high rates of...</p>	11	1	13
<p>Looking for a free, fun activity for your little one this week? Play &amp; Learn with @helpmegrowsmc is a free, drop-in developmental playgroup for families with children ages 0-5, held every week at local San Mateo County libraries. Sing, play, and connect with other families while your child learns...</p>	5	0	12
<p>April is National Child Abuse Prevention Month, and we're shining a light on preventing child abuse and neglect by sharing five key protective factors that help strengthen and support families. Follow along as we highlight ways to foster healthy and resilient families so all children can thrive. Learn...</p>	3	0	3
<p>Did you know that good oral health habits start in early childhood? Join @frcsnmateo and @sonrisadentalhealth for a free Zoom presentation on Monday, April 6 from 5:00 to 6:30 PM, where you'll learn practical strategies for protecting your child's teeth, preventing cavities, and...</p>	3	0	3
<p>Every parent, especially new parents, has challenges — stress, uncertainty, moments that feel overwhelming. In the first five years of life, children look to their parents for stability and comfort. This is why we offer resources to help parents build resilience, especially for those facing systemic...</p>	3	1	4
<p>True or false: Social and emotional skills are just as important as academic skills for success in school and beyond. True! Social and emotional skills help kids navigate challenges, build friendships, and manage their emotions. When parents and other family members model positive...</p>	3	2	5

FACEBOOK AND INSTAGRAM ADS






LINKEDIN INSIGHTS



TOP POSTS BY ENGAGEMENT RATE

Post with image

		Engagement Rate ▾	Likes	Clicks
	Yesterday, our team joined First 5 commissioners and staff from across California at the State Capitol for Advocacy Day 2026. It's the one day each year when the full First 5 Network shows up in Sacramento together - bringing the stories of our local families directly to the legislators who need to hear them. This year, the stakes are especially high. Swipe through to	61.3%	6	32
	San Mateo County has approved a new Maternal Health Trust Fund to address racial disparities in maternal and infant health outcomes. The fund, introduced by Supervisor @[Lisa Gauthier](urn:li:person:\_0KZhOwLVy), will support services for pregnant and postpartum residents, with a focus on communities facing disproportionate rates of	10.8%	6	12
	San Mateo County is facing a \$100 million annual shortfall in Vehicle License Fee funding, with potential losses of close to \$1 billion over the next decade. The impact would be felt across public safety, health and mental health care, and housing programs, services that our most vulnerable community members depend on. County leaders are urging organizations	4.1%	1	5



**DATE:** May 18, 2026  
**TO:** First 5 San Mateo County (F5SMC) Commission  
**FROM:** Kitty Lopez, Executive Director  
**RE:** Committee Updates

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**Finance and Administration Committee Meeting – May 11, 2026**

Commissioner: Claire Cunningham, Carla Boragno, Sylvia Espinoza,  
Hanish Rathod

Staff: Kitty Lopez, Khanh Chau, Emily Roberts

**1. Elect Committee Chair**

Committee members nominated and voted Commissioner Boragno as the Finance and Administration Committee Chair.

**2. Review of Budget Monitoring Report as of March 31, 2026**

Kitty Lopez cited that the agency presents quarterly Budget Monitoring Reports to the Finance and Administration Committee for review. At the Finance and Administration Committee meetings, Committee members will have deeper review, discussion, questions, and clarifications of finance documents, and make recommendations to the full Commission.

Kitty Lopez briefly presented an overview of the Budget Monitoring Report as of March 31, 2026, comparing to 75% YTD Benchmark (**Attachments 12A, 12B, 12C, 12D**). YTD Total Revenue is 4% lower than YTD benchmark due to timing issues of services deliverables in the first year of 3-year funding cycle. . Total Appropriations is 23% below YTD Benchmark due to due to timing issues of services deliverables in the first year of 3-year funding program. Projected Ending Fund balance of \$14.299 million or 115% of the planned budget or 15% higher than benchmark.

Committee members reviewed and asked questions for clarifications about the Budget Monitoring Report as of March 31, 2026. Committee members had no further questions.

**3. Review and Recommend Approval of First 5 San Mateo County Policies Bylaws for FY 2026-27**

Kitty Lopez stated that F5SMC Commissions must review Policies and Bylaws in a public hearing annually for the state, First 5 California, and audit compliance requirements. As presented in the memo of Policies and Bylaws for FY 2026-27, there are no changes to Policies and Bylaws for FY 2026-27.

Committee members reviewed and asked questions if County Counsel has reviewed these Policies and Bylaws and how F5SMC oversight and fiscal control of grantees. Kitty Lopez responded that all Policies and Bylaws were fully reviewed and approved by County Counsel; staff collected and reviewed grantees' annual financial audit reports for continuous program funding.

Committee members reviewed and endorsed the recommendation and approval of the Policies and Bylaws for FY 2026-27 to Commission.

**4. Review and Recommend Approval of First 5 San Mateo County (F5SMC) Draft Budget FY 2026-27 and the Use of Ending Fund Balance (Ending Reserves\*) to fund the Draft Budget FY 2026-27**

Kitty Lopez provided key budget changes in the F5SMC's FY 2026-27 Draft Budget, as presented in the summary table of the Budget memo and Budget Narratives (Attachment 9) and Budget Worksheets (Attachments 9A, 59B, 9C).

Committee members reviewed the F5SMC's FY 2026-27 Draft Budget, and asked questions for clarification. Committee members endorsed the recommendation for approval of F5SMC's FY 2026-27 Draft Budget and the Use of Ending Fund Balance (Ending Reserves\*) to Fund F5SMC's FY2026-27 Draft Budget.

**5. Verbal Discussion: 105 Incentive Pilot Program**

Next Finance and Administration Committee Meeting is on Monday June 8, 2026.

**DATE:** May 18, 2026  
**TO:** First 5 San Mateo County Commission  
**FROM:** Kitty Lopez, Executive Director  
**RE:** Budget Monitoring Report as of March 31, 2026

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## **BUDGET MONITORING REPORT as of March 31, 2026, HIGHLIGHTS**

### **Budget Monitoring Report as of March 31, 2026, Highlights**

The Budget Monitoring Report as of March 31, 2026, is presented in **Attachments 12A, 12B, 12C, and 12D**. Key Budget Monitoring Report highlights are as follows:

**YTD Benchmark: 75%**

#### **REVENUES**

- YTD Interest Revenues are \$534K or 133%, that represents a positive variance or 58% higher than YTD Benchmark due to higher Interest Revenue than initial projection.
- YTD Tobacco Tax Revenue projections are \$2.935 million or 86%, that represents a positive variance or 11% higher than YTD Benchmark due to the inclusion of Prop 56 Tax revenue.
- YTD Other Grant Revenue – Non-Baby Bonus program is \$1.341 million or 54%, that represents a negative variance of 21% than YTD Benchmark as lower execution across Other Grant funding programs due to timing issues of service deliverables.
- YTD Other Grant Revenue – Baby Bonus program is \$543K or 43%, that represents a negative variance or 32% below YTD Benchmark. Major attributable factors to this negative variance are due to slower pace of baby/family enrollment.
- YTD Total Revenues projections are \$5.355 million or 71%, that represents a negative variance or 4% lower than YTD Benchmark. Major attributable factors to this net negative variance are associated with higher Interest Revenue offset with lower executions across Other Grant Funding programs due to timing issues of service deliverables and in Baby Bonus Program due to slower enrollment pace than planned.

#### **APPROPRIATIONS**

- YTD Program Expenditures projections are \$3.863 million or 50%, that represents a positive variance or 25% below YTD Benchmark. Major contributions to this positive variance are lower executions in the first year of 3-year SPIP contracts, in Other Grant funding programs due to timing issues of service deliverables, and in Baby Bonus program due to the pace of enrollment has changed.
- YTD Admin Expenditures of \$588K or 70%, that represents a positive variance or 5% below YTD Benchmark. Major contributions to this positive variance are attributable to savings in various Admin Expenses due to staff in hybrid work model.
- **YTD Total Appropriations (Net Appropriations\*)** projections are \$4.451 million or 52%, that represents a positive variance or 23% below YTD Benchmark. Major contributions to this positive variance are lower executions in the first year of 3-year SPIP contracts, in Other Grant funding programs due to timing issues of service deliverables, and in Baby Bonus program due to slower pace of enrollment.

**ENDING FUND BALANCE (RESERVES\*)**

- Currently, we are projecting Ending Fund balance (Reserves\*) of \$14.299 million at this time or 115%, that represents a positive variance of 15% or \$1.840 million higher than the planned budget due to higher Interest Revenue offset with lower executions in the first year of 3-year SPIP contracts, in Other Grant funding programs due to timing issues of service deliverables, and in Baby Bonus program due to slower pace enrollment.

**CHALLENGES: None at this time.**

## FIRST 5 SAN MATEO COUNTY

## SUMMARY BUDGET MONITORING REPORT AS OF 3.31.2026

Benchmark : 75%

	FY25-26 Revised Budget	Budget Monitoring Report as of 3.31.2026	Accruals	YTD Combined Actual & Accrual	Budget Monitoring Report as of 3.31.2026 vs FY25-26 Revised Budget (%)
<b>BEGINNING FUND BALANCE (Beginning Reserves*)</b>	<b>13,395,495</b>	<b>13,395,495</b>	<b>0</b>	<b>13,395,495</b>	<b>100%</b>
<b>A. Interest Revenue</b>	<b>401,865</b>	<b>534,848</b>	<b>0</b>	<b>534,848</b>	133%
<b>B. Tobacco Tax Revenue</b>	<b>3,412,446</b>	<b>2,734,649</b>	<b>200,000</b>	<b>2,934,649</b>	<b>86%</b>
Tobacco Tax Revenue Fiscal Year Allocations	3,412,446	2,734,649	200,000	2,934,649	86%
<b>C1. Other Grant Revenues - Non Baby Bonus Program</b>	<b>2,469,597</b>	<b>1,340,669</b>	<b>0</b>	<b>1,340,669</b>	54%
<b>C2. Other Grant Revenues- Baby Bonus Program</b>	<b>1,272,273</b>	<b>543,510</b>	<b>0</b>	<b>543,510</b>	43%
<b>TOTAL REVENUES</b>	<b>7,557,253</b>	<b>5,154,748</b>	<b>200,000</b>	<b>5,354,748</b>	<b>71%</b>
<b>TOTAL AVAILABLE FUND (Total Sources*)</b>	<b>20,952,748</b>	<b>18,550,243</b>	<b>200,000</b>	<b>18,750,243</b>	<b>89%</b>
<b>PROGRAM APPROPRIATIONS</b>					
<b>D1. Strategic Plan Investment - SPIP FY 25-28</b>	<b>1,841,968</b>	<b>736,741</b>	<b>0</b>	<b>736,741</b>	40%
Resilient Family	366,786	54,369		<b>54,369</b>	15%
Healthy Children	858,081	273,829		<b>273,829</b>	32%
Quality Care and Education	267,000	109,818		<b>109,818</b>	41%
Grant Management and Other Evaluation Projects	90,101	114,590		<b>114,590</b>	127%
Policy Advocacy, Communications & Systems Change	260,000	184,135		<b>184,135</b>	71%
<b>D2. Strategic Plan Investment - SPIP FY 23-25 Carry Over</b>	<b>800,000</b>	<b>522,742</b>	<b>0</b>	<b>522,742</b>	<b>65%</b>
Community Investments (RF, HC, QC & E)	635,080	490,667		<b>144,043</b>	23%
Evaluation	58,544	18,245		<b>346,624</b>	592%
Policy Advocacy, Communications & Systems Change	106,376	13,830		<b>18,245</b>	17%
<b>E1. Other Grant Appropriations - Non Baby Bonus Program</b>	<b>2,347,710</b>	<b>1,221,811</b>	<b>0</b>	<b>1,221,811</b>	52%
<b>E2. Other Grant Appropriations - Baby Bonus Program</b>	<b>1,272,273</b>	<b>543,510</b>	<b>0</b>	<b>543,510</b>	43%
<b>F. Program Operations</b>	<b>1,390,226</b>	<b>838,200</b>	<b>0</b>	<b>838,200</b>	<b>60%</b>
Program Shared Operating Budget	210,050	138,734	0	138,734	66%
Program Staff S&B & Shared Admin Staff Time	966,830	547,850	0	547,850	57%
Evaluation Staff S&B	213,346	151,615	0	151,615	71%
<b>Total Program Appropriations (D1+D2+D3+E1+E2+F)</b>	<b>7,652,177</b>	<b>3,863,004</b>	<b>0</b>	<b>3,863,004</b>	<b>50%</b>
<b>ADMIN APPROPRIATIONS</b>					
<b>G. Admin Shared Operating Budget</b>	<b>210,050</b>	<b>138,734</b>	<b>0</b>	<b>138,734</b>	66%
<b>H. Admin Staff S&amp;B</b>	<b>631,226</b>	<b>449,349</b>	<b>0</b>	<b>449,349</b>	71%
<b>Total Admin Appropriations (G+H)</b>	<b>841,276</b>	<b>588,083</b>	<b>0</b>	<b>588,083</b>	70%
<b>TOTAL APPROPRIATIONS (Net Appropriations*)</b>	<b>8,493,454</b>	<b>4,451,087</b>	<b>0</b>	<b>4,451,087</b>	<b>52%</b>
Surplus / (Deficit) (Total Revenues - Total Appropriations)	-936,201	-703,661	-200,000	-903,661	97%
<b>ENDING FUND BALANCE</b>	<b>12,459,294</b>	<b>14,099,156</b>	<b>200,000</b>	<b>14,299,156</b>	<b>115%</b>
<b>Total S&amp;B</b>	<b>1,811,402</b>	<b>1,148,814</b>	<b>0</b>	<b>1,148,814</b>	<b>63%</b>

FIRST 5 SAN MATEO COUNTY

DETAILS BUDGET MONITORING REPORT AS OF 3.31.2026

Benchmark : 75%

	ORG/ACCT#	FY25-26 Revised Budget	Budget Monitoring Report as of 3.31.2026	Accruals	YTD Combined Actual & Accrual	Budget Monitoring Report as of 3.31.2026 vs FY25-26 Revised Budget (%)	Notes to Budget Monitoring Report
<b>BEGINNING FUND BALANCE (Beginning Reserves*)</b>		<b>13,395,495</b>	<b>13,395,495</b>	<b>0</b>	<b>13,395,495</b>	<b>100%</b>	Adjusted to Ending Fund Balance of F5SMC Audit Report for the year ending 6.30.2025, page 39
<b>A. Interest Revenue</b>	19510-1521	401,865	534,848	0	534,848	133%	Higher Interest revenue
<b>B. Tobacco Tax Revenue</b>		<b>3,412,446</b>	<b>2,734,649</b>	<b>200,000</b>	<b>2,934,649</b>	<b>86%</b>	
Tobacco Tax Revenue Fiscal Year Allocations	19510-1861	3,412,446	2,734,649	200,000	2,934,649	86%	\$200K is March 26 Revenue estimate
<b>C1. Other Grant Revenues - Non Baby Bonus Program</b>		<b>2,469,597</b>	<b>1,340,669</b>	<b>0</b>	<b>1,340,669</b>	<b>54%</b>	
F5 San Benito IMPACT LEGACY Grant FY25-26	19510-2643	324,605	187,500		187,500	58%	New grant award
F5 San Benito IMPACT HUB TA FY25-26	19510-2643	48,206	20,915		20,915	43%	New grant award
County of San Mateo BHRS - Mental Health Services MHSA #4 FY25-26	19510-2643	900,000	575,222		575,222	64%	
Peninsula Healthcare District - Help Me Grow SMC CY2025	19510-2643	60,000	60,000		60,000	100%	
Sequoia Healthcare District - Special Needs Grant FY25-28	19510-2643	373,400	130,483		130,483	35%	New grant award
Sequoia Healthcare District - Mental Health Grant FY25-28	19510-2643	315,900	152,773		152,773	48%	New grant award
Children and Youth Behavior Health Initiatives - Round 2	19510-2643	447,486	213,776		213,776	48%	
<b>C2. Other Grant - Baby Bonus Program</b>		<b>1,272,273</b>	<b>543,510</b>	<b>0</b>	<b>543,510</b>	<b>43%</b>	The pace of enrollment has changed
SMC Health, Family Health Services - Baby Bonus Dividend Program**	19510-2647	182,700	131,850		131,850	72%	WOC Community Health Planner
Health Plan of San Mateo - Baby Bonus Program	19510-2647	202,033			0	0%	
County CEO - Measure K - Baby Bonus Program	19510-2647	134,340			0	0%	
Silicon Valley Community F. - CZI - Baby Bonus Program	19510-2647	320,200	320,200		320,200	100%	
Sobrato Family Foundation - Baby Bonus Program	19510-2647	140,000			0	0%	
Jackie Speier Foundation - Baby Bonus Program	19510-2647				0		New grant award. Received \$350K grant funding.
Sequoia Healthcare District - Baby Bonus Program	19510-2647	243,000	91,460		91,460	38%	New grant award
Peninsula Healthcare District - Baby Bonus Program	19510-2647	50,000			0	0%	
		1,072	1,072		1,072	100%	
<b>TOTAL REVENUES</b>		<b>7,557,253</b>	<b>5,154,748</b>	<b>200,000</b>	<b>5,354,748</b>	<b>71%</b>	Major contributions to 4% net decrease in Total Revenue are attributable to higher Interest Revenue offset with lower executions in Other Grant fundings and Baby Bonus programs.
<b>TOTAL AVAILABLE FUNDS SOURCES*) (TOTAL)</b>		<b>20,952,748</b>	<b>18,550,243</b>	<b>200,000</b>	<b>18,750,243</b>	<b>89%</b>	Major contributions to 14% net increase in Total Available Fund are attributable to higher adjusted Beginning Fund Balance, higher Interest Revenue offset with lower executions in Other Grant fundings and Baby Bonus programs.
<b>APPROPRIATIONS</b>							
<b>PROGRAM APPROPRIATIONS</b>							
<b>D1. Strategic Plan Investment - SPIP FY 25-28 - Primary Domains</b>		<b>1,841,968</b>	<b>736,741</b>	<b>0</b>	<b>736,741</b>	<b>40%</b>	The first years of 3-year contracts, historically some grants implementations take a little longer in the first year of execution.
Resilient Family	19540-6125	366,786	54,369	0	54,369	15%	
Healthy Children	19540-6156	858,081	273,829	0	273,829	32%	
Quality Care and Education	19540-6263	267,000	109,818	0	109,818	41%	
Grant Management and Other Evaluation Projects	19540-6265	90,101	114,590	0	114,590	127%	
Policy Advocacy, Communications & Systems Change	19540-6814	260,000	184,135	0	184,135	71%	
<b>D2. Strategic Plan Investment - SPIP FY 23-25 Carry Over</b>		<b>800,000</b>	<b>522,742</b>	<b>0</b>	<b>522,742</b>	<b>65%</b>	
Healthy Children	19540-6156	188,456	144,043		144,043	76%	These agreements / amendments ended 10.31.2025
Quality Care and Education	19540-6263	346,624	346,624		346,624	100%	These agreements / amendments ended 10.31.2025
Grant Management and Other Evaluation Projects	19540-6265	33,544	18,245		18,245	54%	These agreements / amendments ended 10.31.2025
Healthy Children	19540-6156	100,000			0	0%	

	ORG/ACCT#	FY25-26 Revised Budget	Budget Monitoring Report as of 3.31.2026	Accruals	YTD Combined Actual & Accrual	Budget Monitoring Report as of 3.31.2026 vs FY25-26 Revised Budget (%)	Notes to Budget Monitoring Report
Grant Management and Other Evaluation Projects	19540-6265	25,000			0	0%	
Policy Advocacy, Communications & Systems Change	19540-6814	100,000	13,830		13,830	14%	
Emerging Projects	19540-6814	6,376			0	0%	
<b>E1. Other Grant Appropriations - Non Baby Bonus Program</b>		<b>2,347,710</b>	<b>1,221,811</b>	<b>0</b>	<b>1,221,811</b>	<b>52%</b>	Lower execution across Other Grant funding programs due to timing of service deliverables.
F5 San Benito IMPACT LEGACY Grant FY25-26	19540-6126	261,605	144,303		144,303	55%	
F5 San Benito IMPACT HUB TA FY23-25 County of San Mateo BHRS - Mental Health Services MHSA #4 FY25-26	19540-6126	48,206	20,915		20,915	43%	
Peninsula Healthcare District - Help Me Grow SMC CY2025	19540-6141	900,000	572,862		572,862	64%	execution of \$1 M MHSA grant, which will end 6.30.2026.
Sequoia Healthcare District - Special Needs FY25-28	19540-6161	53,000	52,096		52,096	98%	
Sequoia Healthcare District - Mental Health Grant FY25-28	19540-6131	336,600	116,458		116,458	35%	
Children and Youth Behavior Health Initiatives - Round 2	19540-6131	298,300	138,748		138,748	47%	
<b>E2. Other Grant Appropriations - Baby Bonus Program</b>		<b>1,272,273</b>	<b>543,510</b>		<b>543,510</b>	<b>43%</b>	Grant has no cost extension one more year. Lower execution in the Baby Bonus program as the pace of enrollment has changed.
SMC Health, Family Health Services - Baby Bonus Dividend Program**	Salaries & Benefits	182,700	131,850		131,850	72%	Community Health Planner - WOC position
Health Plan of San Mateo - Baby Bonus Program	6135 / 6264 / 6266	202,033			0	0%	
County CEO - Measure K - Baby Bonus Program	6135 / 6264 / 6266	134,340			0	0%	
Silicon Valley Community F. - CZI - Baby Bonus Program	6135 / 6264 / 6266	320,200	320,200		320,200	100%	Grant term ends 6.30.2026
Sobrato Family Foundation - Baby Bonus Program	6135 / 6264 / 6266	140,000			0	0%	
Jackie Speier Foundation - Baby Bonus Program	6135 / 6264 / 6266				0		
Sequoia HealthCare District - Baby Bonus Program	6135 / 6264 / 6266	243,000	91,460		91,460	38%	Grant term ends 6.30.2026
Peninsula Healthcare District - Baby Bonus Program	6135 / 6264 / 6266	50,000			0	0%	
<b>F. Program Operations</b>		<b>1,390,226</b>	<b>838,200</b>	<b>0</b>	<b>838,200</b>	<b>60%</b>	
Program Shared Operating Budget		210,050	138,734	0	138,734	66%	
Program Staff S&B & Shared Admin Staff Time		966,830	547,850	0	547,850	57%	Excluding WOC - Community Health Planner position for the Baby Bonus Program
Evaluation Staff S&B		213,346	151,615	0	151,615	71%	
<b>Total Program Appropriations (D1+D2+D3+E1+E2+F)</b>		<b>7,652,177</b>	<b>3,863,004</b>	<b>0</b>	<b>3,863,004</b>	<b>50%</b>	Major contributions to 25% net decrease in Total Program Appropriations are associated with lower execution in the first year of 3-year SPIP contracts, lower execution in Other Grant funding programs due to timing of service deliverables, and in Baby Bonus program due to the enrollment pace has changed.
<b>ADMIN APPROPRIATIONS</b>							
G. Admin Shared Operating Budget		210,050	138,734	0	138,734	66%	
H. Admin Staff S&B		631,226	449,349	0	449,349	71%	
<b>Total Administrative Appropriations</b>		<b>841,276</b>	<b>588,083</b>	<b>0</b>	<b>588,083</b>	<b>70%</b>	Saving in various Services and Supplies budget lines.
<b>Administrative Cost Rate %</b>		<b>10%</b>	<b>13%</b>		<b>13%</b>		
<b>TOTAL APPROPRIATIONS (NET APPROPRIATIONS*)</b>		<b>8,493,454</b>	<b>4,451,087</b>	<b>0</b>	<b>4,451,087</b>	<b>52%</b>	Major contributions to 23% net decrease in Total Appropriations are associated with lower execution in the first year of 3-year SPIP contracts, lower execution in Other Grant funding programs due to timing of service deliverables, and in Baby Bonus program due to the enrollment pace has changed.
<b>ENDING FUND BALANCE (ENDING RESERVES*)</b>		<b>12,459,294</b>	<b>14,099,156</b>	<b>200,000</b>	<b>14,299,156</b>	<b>115%</b>	Major contributions to 15% net increase in projected Ending Fund Balance are associated with lower execution in the first year of 3-year SPIP contracts, lower execution in Other Grant funding programs due to timing of service deliverables, and in Baby Bonus program due to the enrollment pace has changed.

**Color Coding**

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

Schedule 1- OPERATING BUDGET MONITORING REPORT AS OF 3.31.2026

Attachment 12D

**Benchmark: 75%**

	ORG / ACCT#	FY25-26 Revised Budget	Budget Monitoring Report as of 3.31.2026	Accruals	YTD Combined Actual & Accrual	Budget Monitoring Report as of 3.31.2026 vs FY25-26 Revised Budget (%)	Notes to Budget Monitoring Report
<b>I. Services and Supplies</b>							
Outside Printing & Copy Svc	19510-5191	1,000	0	0	0	0%	
General Office Supplies	19510-5193	7,000	2,200.07	0	2,200	31%	
Photocopy Lease & Usage	19510-5196	3,500	820.68	0	821	23%	
Direct Communication Expenses	19510-5132	1,671	740.84	0	741	44%	
Computer Supplies	19510-5211	10,000	3,901.54	0	3,902	39%	New laptop replacements
Software License /Maintenance Expenses	19510-5215	1,090	16.37	0	16	2%	Slit to ISD account 6752 with budget of \$6,782 Update with services charge FY25-26 tab
County Memberships - (e.g. F5 Assn Dues)	19510-5331	33,200	32,708.00	0	32,708	99%	F5CA Association membership due increase
Auto Allowance	19510-5712	11,000	8,506.80	0	8,507	77%	
Meetings & Conference Expense	19510-5721	8,000	3,444.00	0	3,444	43%	
Commissioners Meetings & Conference Exp	19510-5723	5,000	1,449.59	0	1,450	29%	
Other Business Travel Expense	19510-5724	8,000	1,232.00	0	1,232	15%	
Dept. Employee Training Expense	19510-5731	5,327	568	0	568	11%	
Wellness grant	19510-5856	1,072		0	0	0%	
Other Professional Services	19510-5858	27,428	5,775.78	0	5,776	21%	County Controller Office Service agreements
<b>Sub Total - Services &amp; Supplies</b>		<b>123,288</b>	<b>61,364</b>	<b>-</b>	<b>61,364</b>	<b>50%</b>	<b>Saving from various Operations budget lines.</b>
<b>II. Other Charges</b>							
Telephone Service Charges	19510-6712	434	315.9		316	73%	
Automation Services - ISD	19510-6713	36,664	27,925.39		27,925	76%	Slit to ISD accounts 6752,6754,6758,6763,6770
Annual Facilities Lease	19510-6716	80,000	69,433.41		69,433	87%	Inclusion of rent escalations 2024 & 2025 before the Rent Amendment
General Liability Insurance	19510-6725	22,059	18,382.80		18,383	83%	
Official Bond Insurance	19510-6727	298	248.1		248	83%	
Human Resources Services	19510-6733	264	263.83		264	100%	
Countywide Security Services	19510-6738	756	756		756	100%	
All Other Service Charges	19510-6739	60,210	25,146.75		25,147	42%	
Card Key Services	19510-6751	962	801.7		802	83%	
ISD Prvd Software Lic/Maint	19510-6752	6,789	6,247.98		6,248	92%	
Data Backup & Recovery Subsc	19510-6754	946	708.84		709	75%	
Desktop Support Subscription	19510-6758	8,150	5,950.62		5,951	73%	
Virtual Private Network Subs	19510-6763	332	215.22		215	65%	
Virtual Server Subscription	19510-6770	3,948	2916		2,916	74%	
A-87 Expense	19510-6821	75,000	56,792.66		56,793	76%	
<b>Sub Total - Other Charges</b>		<b>296,812</b>	<b>216,105</b>	<b>0</b>	<b>216,105</b>	<b>73%</b>	
<b>Total Operating Budget</b>		<b>420,100</b>	<b>277,469</b>	<b>-</b>	<b>277,469</b>	<b>66%</b>	<b>Saving from various Services and Supplies budget lines</b>
<b>Program Shared Operating Budget</b>		<b>210,050</b>	<b>138,734</b>	<b>-</b>	<b>138,734</b>	<b>66%</b>	Allocation rate 50% to Program
<b>Admin Shared Operating Budget</b>		<b>210,050</b>	<b>138,734</b>	<b>-</b>	<b>138,734</b>	<b>66%</b>	Allocation rate 50% to Admin

Schedule 2 - SALARIES & BENEFITS BUDGET MONITORING REPORT AS OF 3.31.2026

Attachment 12D

**Benchmark: 75%**

Program Staff & Shared Admin Staff		966,830	547,850		547,850	57%	staff time allocated to Program; hiring the vacant position.
Evaluation Staff		213,346	151,615		151,615	71%	
Admin Staff		631,226	449,349		449,349	71%	
<b>F5SMC Salaries and Benefits</b>		<b>\$ 1,811,402</b>	<b>\$ 1,148,814</b>	<b>\$ -</b>	<b>\$ 1,148,814</b>	<b>63%</b>	<b>Saving from unfilled vacant position</b>
<b>Baby Bonus Dividend Program - WOC</b>		<b>\$ 182,700</b>	<b>\$ 131,850</b>		<b>131,850</b>	<b>72%</b>	

**Color Coding**

Shared Budget/Shared Cost



Revenue ; Fund Balance



Appropriations



Salaries & Benefits

