


AGENDA

SPECIAL JOINT MEETING OF THE BOARD OF COMMISSIONERS AND THE BUDGET & FINANCE AND EXECUTIVE COMMITTEES

Budget & Finance Committee Chair: Robert Byrd

Thursday, October 13, 2022
1:30 PM

Meeting Location:
VIRTUAL

- 
1. **ACTION**
Call to Order / Roll Call
 2. **INFORMATION**
Report on Executive Committee 9-16-22 and 10-3-22 Closed Sessions
 3. **ACTION**
Consent
 - A. Approve Special Commission Meeting Summary Action Minutes and Transcript - 3
Thursday, September 8, 2022
 - B. Approve the Monthly Financial Statements Months Ending July 31, 2022 and August 31, 2022
 - C. AB 361: Reconsideration of Findings 117
 - D. Approve Biennial Updates to First 5 LA Conflict-of-Interest Code 118
 4. **INFORMATION**
Remarks by the Commission Chair of the Board
 5. **INFORMATION** 124
Executive Director's Report
 6. **ACTION** 134
Approve Draft of the Annual Comprehensive Financial Report including the

COMMISSIONERS

Los Angeles County Supervisor	Judy Abdo	Summer McBride
Holly J. Mitchell	Robert Byrd, Psy.D	Maricela Ramirez
<i>Chair</i>	Astrid Heger, M.D.	Carol Sigala
Brandon Nichols	Yvette Martinez	
<i>Vice Chair</i>		

EX OFFICIO MEMBERS

Barbara Ferrer, Ph.D.,
M.P.H., M.Ed.
Jacquelyn McCroskey, DSW
Deanne Tilton

EXECUTIVE DIRECTOR

Karla Pleitez Howell

EXECUTIVE VICE PRESIDENT

John A. Wagner

A PUBLIC ENTITY

Independent Auditor's Report for the Fiscal Year Ending June 30, 2022

- 7. **INFORMATION** **209**
Streamline the FY 2022/23 Mid-Year Budget Adjustment
- 8. **ACTION** **212**
Approval to Submit First 5 LA Annual Report to First 5 CA
- 9. **INFORMATION** **242**
Proposed Amendments to First 5 LA Bylaws and Governance Guidelines

Presenters: Peter Barth, Chief of Staff and Serita Young, Legal Counsel, Richards, Watson & Gershon

- 10. **Break**
- 11. **INFORMATION** **265**
Strategic Plan Review and Refinement Cycle:
A. PUBLIC HEARING: Annual Review of the First 5 LA Strategic Plan
B. Initial Refinements to First 5 LA's 2020-2028 Strategic Plan

Presenters: Antoinette Andrews Bush, Chief Transformation Officer; Becca Patton, Director, Early Care and Education; and Charna Widby, Chief Government Affairs Officer

- 12. **INFORMATION**
Public Comment (for items not on the agenda)
- 13. **ACTION**
Adjournment

SUMMARY ACTION MINUTES

FIRST 5 LA
September 08, 2022
Meeting of the Board of Commissioners (VIRTUAL)
12:15-1:15 pm Closed Session
1:30-4:30 pm Open Session

COMMISSIONER PRESENT

Commissioners:

Judy Abdo (Vice Chair)
Deborah Allen (Alternate)
Astrid Heger
Sheila Kuehl (Chair)
Yvette Martinez
Maricela Ramirez
Frank Ramos
Carol Sigala
Romalis Taylor

Ex-Officio Commissioners:

Robert Byrd (Alternate)
Karla Pleitez Howell
Jacquelyn McCroskey
Deanne Tilton

COMMISSIONERS ABSENT:

Barbara Ferrer [Excused]

STAFF PRESENT:

Peter Barth, Chief of Staff
Kim Belshé, Executive Director
Linda Vo, Board Relations Manager
John Wagner, Executive Vice President, Center for
Child and Family Impact

GENERAL COUNSEL:

Serita Young, Attorney-at-Law

CALL TO ORDER / ROLL CALL: (Item 1)

1. Commission Chair Sheila Kuehl called the meeting to order at 1:32 pm. Quorum was present
2. Report on Executive Committee 7-19-22 and 8-26-22 Closed Sessions and Board 9-8-22 Closed Session

Legal Counsel Serita Young stated there were no reportable actions from the 7-19-22 and 8-26-22 Closed Sessions of the Executive Committee and no reportable actions from the 9-8-22 Closed Session of the full Board.

3. **CONSENT**
 - A. Approve Special Commission Meeting Summary Action Minutes and Transcript – Thursday, July 14, 2022
 - B. Contracts: Approve One (1) New Agreement and Authorize Staff to Complete Final Execution of the Agreement upon Approval from the Board
 - C. AB 361: Reconsideration of Findings
 - D. Authorize First 5 LA to Receive Funds from First 5 California for the Refugee Family Support Grant, Approve Resolution #2022-02 and Authorize First 5 LA Staff to Execute Agreement in the Amount of \$354,711.13

M/S (Judy Abdo/Astrid Heger)

SUMMARY ACTION MINUTES

Roll Call:

Judy Abdo – Aye
Deborah Allen – Aye
Astrid Heger – Aye
Sheila Kuehl – Aye
Yvette Martinez – Aye
Maricela Ramirez – Aye
Frank Ramos – Aye
Carol Sigala – Aye
Romalis Taylor – Aye

THE ITEMS WERE APPROVED

COMMISSION: (Items 4 – 11)

4. **Remarks by the Commission Chair**
5. **Executive Director’s Report**
6. **Biennial Updates to First 5 LA’s Conflict of Interest Code**

Every two years, the Commission is required to conduct a biennial review and update of the Code. This year, the review and update must be completed prior to the end of December. First 5 LA’s legal counsel, Serita Y. presented some proposed changes to First 5 LA’s Conflict of Interest Code as information to Commissioners and will be presenting it for action at the upcoming Commission meeting on October 13, 2022. Note: proposed changes reflect the addition of several new positions and deletion of old positions, as shared with the Board in 2020.

7. **Strategic Plan Review and Refinement**

Staff presented proposed refinements to First 5 LA’s current strategic plan. Based on feedback and discussion from the July Board meeting, additional proposed refinements include: 1) a more intentional focus on child development across the prenatal to age 5 window of development; 2) a whole child, whole family prevention-oriented framework, which focuses on the conditions that are needed for families/caregivers to provide safe, stable, nurturing, relationships and environments for children prenatal to 5; 3) our learnings from strategic plan implementation to-date, community priorities, county priorities, and partners; and 4) the role of public systems in facilitating supportive conditions for children and families given their scale and reach.

Staff will preview initial refinements and will gather additional feedback from Board members before bringing the final proposed items for action at the November Board meeting.

There was no further discussion on this item.

8. **Break**
9. **Living First 5 LA Values: Journey Towards Deepening Our Commitment to Diversity, Equity, Inclusion**

SUMMARY ACTION MINUTES

As part of First 5 LA's DEI journey, includes 12 DEI recommendations, which are now commitments and are a part of Strategic Priority #4 of our current strategic plan, that emphasize the importance of amplifying DEI in our work in three areas:

- Strategic Direction and Values: Ensuring there is consistency between First 5 LA's strategic plan, values, culture, and organizational identity.
- Culture, Internal Relationships and Experiences: Engaging our colleagues in ways that strengthen relationships, increase trust, and promote collective ownership of our work and organizational culture. And addressing internal policies, practices, norms, behaviors, and mindsets that may be barriers to culture change.
- Interpersonal and Institutional Relationships with Grantees and Partners: Maximizing First 5 LA's impact through stronger relationships with grantees and partners, and more equitable grantmaking and contracting processes.

Next steps include staff identifying measurable DEI outcomes and metrics to assess progress and implementation of these strategies. Staff plan to continue these DEI learning sessions in the Winter/Spring of 2023.

There is no further discussion on this item.

10. **Public Comment (for items not on the agenda)**

There were no public comments.

11. **ADJOURNMENT:**

The Commission adjourned at 4:07 pm.

NEXT MEETING:

The next Commission meeting will take place on Thursday, October 13, 2022 at 1:30 pm.

VIRTUAL BOARD MEETING

Meeting details will be posted per Brown Act Requirements
Meeting minutes were recorded by Linda Vo, Board Relations Manager

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MEETING OF FIRST 5 BOARD OF COMMISSIONERS
Thursday, September 8, 2022
Los Angeles, California 90012

STENOGRAPHICALLY REPORTED BY:
HEATHERLYNN GONZALEZ
CSR #13646

1 Thursday, September 8, 2022; Los Angeles, California

2 1:31 p.m.

3 -oOo-

4 SUPERVISOR KUEHL: It's 1:31. I assume we have a
5 quorum; so when I call the roll we'll have a quorum? Or
6 should I just call the roll?

7 MS. VO: We do have a quorum.

8 SUPERVISOR KUEHL: All right. Well, I -- okay.
9 I just provided my consent to be recorded. All right.
10 This meeting is called to order.

11 And, Linda, if you'd please call the roll.

12 MS. VO: Judy Abdo?

13 COMMISSIONER ABDO: Here.

14 MS. VO: Debbie Allen? Astrid Heger?

15 COMMISSIONER HEGER: Here.

16 MS. VO: Yvette Martinez?

17 COMMISSIONER MARTINEZ: Here.

18 MS. VO: Maricela Ramirez?

19 COMMISSIONER RAMIREZ: Here.

20 MS. VO: Frank Ramos? Carol Sigala? Robert
21 Byrd? Karla Pleitez Howell?

22 COMMISSIONER PLEITEZ HOWELL: Here.

23 MS. VO: Jacquelyn McCroskey? Deanne Tilton?

24 COMMISSIONER TILTON: Here.

25 MS. VO: Sheila Kuehl.

1 SUPERVISOR KUEHL: Here.

2 MS. VO: Quorum is present.

3 SUPERVISOR KUEHL: All right. Thank you so much.
4 I think we'll next ask you to read the ground rules for
5 the meeting; so in terms of public comment and how to
6 participate.

7 MS. VO: Thank you so much, Madam Chair.

8 Good afternoon, members of the board and public.
9 I hope everyone has enjoyed the summer break. And before
10 we do begin today's meeting, I will be going through some
11 important information.

12 As you're aware, under AB 361, members of the
13 First 5 LA Board of Commissioners can still participate in
14 this meeting via teleconference during declared
15 emergencies through January 1st, 2024. And in the
16 interest of maintaining appropriate social distancing,
17 members of the public may observe this meeting
18 telephonically or otherwise electronically as posted on
19 our website and this agenda.

20 And regarding public comments, there are two ways
21 to submit public comments. The first is written public
22 comments via email that must be sent in advance of the
23 meeting. And those can be sent to LVO@First5LA.Org by
24 1:30 p.m. the day of the meeting in order for them to be
25 read aloud during the meeting. And as a reminder, public

1 comments emailed should indicate the item number the
2 comment correspondence with. Any comment received after
3 1:30 p.m. will become a part of public records.

4 Now, during the meeting, public members can also
5 use the Q and A chat function to express an interest in
6 speaking to an item. It is important that these requests
7 to speak be submitted via the Q and A chat box before the
8 item being commented on is presented. When submitting
9 requests to speak, public members are asked to only
10 provide his or her name and the item number the comment
11 corresponds with. And all public comments received during
12 the meeting via the Q and A chat will be addressed in the
13 order they are received. And when public members do hear
14 their names being called for public comments, they will be
15 given the ability to speak during the meeting. And if we
16 don't hear them begin their comment after their name being
17 called twice, we will move on to the next public comment.

18 Do keep in mind that two minutes are allotted for
19 each public comment, and once the two minutes are up we
20 will move on to the next public comment as well.

21 And before we begin this meeting, just a few
22 reminders. To minimize background disruptions, please do
23 make sure that you're -- your computers and your phones
24 are on mute until you do speak. And to minimize multiple
25 people speaking at the same time and to ensure for a

1 coherent dialogue, board members can use the hand raise or
2 chat box function to express interest in speaking, and
3 then I will coordinate with our commission chair on who to
4 -- who will be speaking next for the board comments.

5 Now, with the exception of adjournment which will
6 be called for by the chair, a formal roll call will be
7 done for all action items. And a reminder to all board
8 members to please take yourselves off mute prior to roll
9 call.

10 And finally, if there are any technical
11 assistances required during the meeting, please call me at
12 213-276-9389 and I'll connect you back to IT. And with
13 that, I'll hand this meeting back to our honorable chair.

14 SUPERVISOR KUEHL: Thank you very much. The
15 question remains whether, after I'm out of office, I will
16 still be honorable; so you can vote on that later in the
17 meeting.

18 That is Item 1.

19 Item 2, I want to ask Serita Young, our counsel,
20 to report out from the three closed sessions that we have
21 had since we last met. The Executive Committee closed
22 session on July 19th, the Executive Committee closed
23 session on August 26th, and the closed session that this
24 board just had today, September 8th.

25 So, Counsel, are there any reportable actions

1 from any of those closed sessions?

2 ATTORNEY YOUNG: Thank you, Chair. No. There
3 was -- from both Executive Committee closed sessions and
4 the board's closed session earlier today, there's no
5 reportable action from -- from any of those meetings.

6 SUPERVISOR KUEHL: Then let us move to the next
7 item, which is consent. There are a few items on consent.

8 Do any commissioners wish to remove anything from
9 consent? Hearing none, do we have any requests for public
10 comment on any of the consent items?

11 Ms. VO: There are no public comments on the
12 consent items.

13 SUPERVISOR KUEHL: All right.

14 May I have a motion, then, to approve the consent
15 agenda?

16 COMMISSIONER ABDO: So moved.

17 SUPERVISOR KUEHL: Is there a second?

18 COMMISSIONER TAYLOR: Yes. There's a second.

19 SUPERVISOR KUEHL: All right. It's been moved
20 and seconded to approve the consent agenda.

21 Please call the roll.

22 MS. VO: Judy Abdo?

23 COMMISSIONER ABDO: Yes.

24 MS. VO: Deborah Allen? Astrid Heger?

25 COMMISSIONER HEGER: Yes.

1 MS. VO: Yvette Martinez?

2 COMMISSIONER MARTINEZ: Yes.

3 MS. VO: Maricela Ramirez?

4 COMMISSIONER RAMIREZ: Yes.

5 MS. VO: Frank Ramos?

6 COMMISSIONER RAMOS: Yes.

7 MS. VO: Carol Sigala?

8 COMMISSIONER SIGALA: Yes.

9 MS. VO: Romalis Taylor?

10 COMMISSIONER TAYLOR: Yes.

11 MS. VO: And Sheila Kuehl?

12 SUPERVISOR KUEHL: Yes.

13 MS. VO: Motion is passed.

14 SUPERVISOR KUEHL: All right. The consent agenda
15 is adopted.

16 The next item are remarks by the Chair.

17 You know, Lisa Pinto who staffs me for First 5
18 and many other things, always suggests some ideas about
19 what the Chair's comments might be. And this time she was
20 talking about -- started out talking about Labor Day and
21 her -- her suggestions got me to thinking about the
22 relationship between celebrating working people and
23 especially organized labor, but these days not only.

24 And what we do at First 5 may not at first glance
25 seem all that related. But the thing that occurred to me

1 is that it has to do in my mind with the trust of the
2 people who are most experienced in the issues on which we
3 deliberate and in which we try to provide service. So
4 saying that working people should have a say or at least
5 some say in to their working conditions, in to their
6 treatment at work, and some of the -- I hate to say newer
7 ideas about diversity and equity and inclusion I think
8 relates very well to what we have been doing in First 5 in
9 terms of empowering the very people who need us, the very
10 people who receive our services in asking them what is it
11 that we could do better and engaging them in helping to
12 design programs, even in talking about, as we will, our
13 new language about what the north star, our, you know,
14 umbrella concept is, I think reflects a lot of
15 conversations we had with many people engaged as
16 professionals, with many people engaged in our families,
17 and even in a way by watching and listening to the young
18 people themselves, that making a decision, that it isn't
19 only about preparation for kindergarten, but also thinking
20 about the full development of the child and reaching their
21 full potential. I think that was a matter of sort of
22 listening and observation and -- and really appropriate
23 and, of course, we'll talk a bit about that later.

24 It's also, I think, the way we and so many other
25 entities have just sort of adopted the very appropriate

1 parents to diversity, equity and inclusion. It has to do
2 with listening more and speaking less. You know, not
3 saying what -- the way we see the world, but listening to
4 the way the world is seen and how it impacts especially
5 our children between zero and five and their families.

6 So I think the notion of Labor Day just reminds
7 me that it is so important to include -- and really
8 include, not just lip service -- the lived experience of
9 the very people we want to serve and want to help. And
10 how, you know, how important that is, how right that is,
11 and I believe how much we have incorporated that into what
12 we do.

13 So I'm very pleased to be listening today and
14 hearing the two main presentations. Look forward to that.
15 So that's all I have to say to begin with.

16 Linda, are there any public comments on the
17 Chair's comments?

18 MS. VO: There are no public comments on the
19 Chair's comments.

20 SUPERVISOR KUEHL: How could there be, they
21 didn't know what I was going to say.

22 Okay. So let us move to the Executive Director's
23 report.

24 Over to you, Director Belshe.

25 MS. BELSHE: Thank you, Madam Chair and members

1 and colleagues. Welcome back from summer break. Hope you
2 all have had a chance to take some time off and focus on
3 self and family.

4 So we are delighted to reengage for what is going
5 to be a very substantive and strategically important fall
6 together. And today, I -- as I highlighted in my ED
7 report, we've got two really significant issues that we
8 want to bring to the board. Issues that, as we've begun
9 discussing with you, are really critical to our success as
10 an organization and critical to the impact we seek in our
11 work.

12 So we want to bring you into where we are and
13 what's developed over the course of the past couple of
14 months, and solicit your thoughts and perspectives and
15 insights to strengthen our work, perhaps complicate our
16 thinking constructively, and help us move this important
17 work forward over the course of the fall.

18 So we're going to start with an update on what
19 has been transpiring related to our strategic plan
20 refinement activities, which is called for in our
21 strategic plan adopted in November of 2020 -- or 2019
22 rather. And, you know, this, again, is our effort to
23 explore within the organization, with partners, with the
24 board this overarching question of what are we going to
25 hold -- what we are holding ourselves accountable for?

1 And so towards that end, we've -- the team has
2 continued to lift up some really important and complex
3 issues, and to identify some potential refinement that we
4 began talking about -- with the board about in July, that
5 is intended to strengthen our logic for how we think
6 change occurs, to bring greater clarity to our role, and
7 what is our unique differentiating value add, and begin to
8 lift up some potential systems outcomes that are intended
9 to focus and narrow our work in order to contribute to
10 greater impact. To be sure, as we talked about in July,
11 the issues we're wrestling with are complex, they are
12 challenging, and they are consequential both for us as an
13 organization just as well as for the field and the
14 outcomes we seek.

15 Some of these issues are long standing in nature
16 within the field, within First 5 LA. Some of the issues
17 are more emergent in the context of what we know has been
18 and continues to be a very fluid and dynamic environment.
19 But all of the issues that the team has been wrestling
20 with and we are sharing with the board have just huge
21 implications for us in terms of our ability to meet our
22 potential, realize our potential, and to support kids and
23 families at a scale we like to say worthy of their full
24 developmental potential per our refined north star.

25 I'm really proud of how the team has been showing

1 up. Again, these are messy conversations, but the team is
2 showing up with a lot of commitment and deep commitment to
3 our mission, to that impact we seek, and grounded in our
4 values. So we're going to update the board in terms of
5 where we are, foreshadow some of the deeper dives we will
6 be taking.

7 Next up is the PPC meeting in September, and we
8 really want to encourage all board members to attend that
9 meeting if at all possible.

10 Next, we're going to talk with the board about
11 some exciting milestones that we recently realized were
12 related to our diversity, equity, and inclusion work.
13 We've talked about the board -- about the approach we've
14 taken, which is a staff-led process that -- we've used the
15 term the DEI Governance Board. An approach that has been
16 underway over the course of the past, roughly, year.

17 And their charge was really to develop a set of
18 recommendations that reflect the commitment First 5 LA is
19 going to make to diversity and equity and inclusion. So
20 informed by roughly 11, 12 months of deep reflection, deep
21 listening, deep learning, a lot of deliberation, a lot of
22 meetings.

23 The DEIGB recently approved 12 recommendations
24 that we want to talk to you about. Which, again, we
25 believe represent some very powerful and enduring

1 commitments to DEI.

2 I would say personally that this work has been
3 among the most interesting and important and complex and
4 challenging of experiences during my nearly ten-year
5 tenure. It has also been among the most rewarding. I have
6 learned so much about the organization, my colleagues,
7 myself. I -- I have a much deeper appreciation for our
8 organizational -- organization's culture and deeper
9 insights to both its extraordinary strengths -- cultural
10 strengths as well as we've got some work to do, and needed
11 attention and improvement. It has lifted up and given
12 insight to where we have some work ahead of us, and the
13 board is a part of this work to be sure, to advance our
14 aspiration for a culture of belonging, healing, safety,
15 learning and trust.

16 And I've learned, gotten some good insights to my
17 role as a leader and the roles that leaders play in terms
18 of shaping and nurturing and supporting organizational
19 culture. I think this process has also better helped us
20 understand the essential relationship between our culture
21 and values and our ability to realize the change we seek
22 for children and kids.

23 And we talked with the board as well. And I
24 really want to emphasize this. We cannot separate the why
25 of our work, the impact we seek from who we are, how we

1 show up, and how we work together within First 5 LA, with
2 the board, and alongside our partners.

3 Finally, our DEIGB has lifted up and elevated the
4 shared responsibility we all have as culture shapers.
5 Culture is not created by someone else, it's created by us
6 on a day-to-day basis. Importantly, culture is how we
7 present. How we show up when no one is watching is a big
8 part of shaping culture. But I think this process is
9 underscored. We all have a responsibility to play and we
10 all have a shared imperative to hold ourselves and others
11 accountable for the culture we're aspiring towards.

12 And in that regard, I think the board does have a
13 very important role to play in terms of modeling and
14 reinforcing this -- this culture of belonging and healing
15 and safety and learning and trust that we are working
16 towards, informed by the work of a DEIGB. And certainly,
17 part of the way you model and support us in this regard is
18 by the voices you bring, lived experience and insights to
19 help strengthen and inform our work in such important
20 strategic areas such as DEI and our strategy refinement
21 efforts.

22 You know, with the fall being kicked off shortly,
23 I understand that my opportunity to provide kind of
24 context and framing for our monthly meetings is winding
25 down to a relatively few remaining board and committee

1 meetings. As I reflect upon these remaining weeks and
2 months, I really want to underscore what I said in the
3 start, which is that this fall represents a really
4 critical moment in time for the board and the staff and
5 our work together to focus and prioritize and strengthen
6 our work.

7 So I want to close this remaining September board
8 meeting with a deep appreciation for my colleagues, for
9 the board for leaning into what is enormously important
10 work and doing so with a commitment to our mission and
11 values with a recognition of our need to focus, and a deep
12 and abiding commitment to making a difference in the lives
13 of kids. This is challenging work. It's messy work. And
14 it's all of our work, board and staff alike. And I'm
15 confident that it's work that absolutely is and will
16 continue to strengthen the foundation upon which this
17 organization can and will realize its potential, and
18 maximize its impact under new leadership a few months to
19 come.

20 So eager to dive in alongside and with you. And
21 with that, I'll turn it back to our Chair.

22 SUPERVISOR KUEHL: Thank you very much. And
23 thank you for those remarks. I think your tenure in this
24 role has been extremely important and developmental for
25 First 5 LA. And although no one ever really remembers who

1 did what after a while, it is a legacy, even if you know
2 they're not going to attach our names to it. But it's a
3 very important legacy that you have begun and, you know,
4 are leaving to be built on. So thank you very much, Kim,
5 for what you've done and for that report.

6 Linda, are there any public comments on Kim's
7 comments?

8 MS. VO: There are no public comments on Kim's
9 comments.

10 SUPERVISOR KUEHL: Good for you. That was a
11 tongue twister.

12 All right, then, that's -- let us then move to
13 the next item. So our counsel, Serita Young, will talk to
14 us about our Conflict of Interest Code.

15 ATTORNEY YOUNG: Yes, Chair. Thank you.

16 So this is an information item for the board. As
17 I'm sure the commissioners are aware, the commission has
18 adopted a local Conflicts of Interest Code as required by
19 the Political Reform Act and other statutes that implement
20 Proposition Ten. And so because the commission is a local
21 public entity, the Political Reform Act requires that the
22 commission have this local code in place to designate
23 which officials and employees are required to file various
24 categories of statements of economic interest -- those
25 form 700s. This local code also sets forth basic rules

1 that prohibit public officials and employees from making,
2 participating in making, or using their official positions
3 to influence decisions of the commission. And so every
4 two years, the commission is required to conduct a
5 biannual review and update of the local code.

6 This year, the review and update must be
7 completed prior to the end of December. And staff is
8 presenting this item as an information item today, but
9 will be presenting it for action at the upcoming
10 commission meeting on October 13th. And so you should
11 have been able to see in your packet that the updates to
12 the code really reflect the addition of several new
13 positions and the deletion of old positions as shared with
14 the board in 2020. So as you can see, positions added
15 include the Chief Communications Officer, Chief Data
16 Officer, Chief Government Affairs Officer, Chief Operating
17 Officer, Chief of Staff, Chief Transformation Officer,
18 those were all of the added positions. There was an
19 amendment to a title which was the Director of Early
20 Education -- Early Care and Education; so an update to
21 that title. And then there was a removal of certain
22 positions: Director of Community Relationships, Director
23 of Communications, Director of Integration and Learning,
24 Director of Measurement, Learning, and Evaluation,
25 Director of Public Policy and Government Affairs, and

1 Director of Strategic Partnerships.

2 So these amendments are required by the County
3 and are solely, again, reflective of organizational
4 changes that First 5 LA previously shared with the board.
5 Upon adoption of these proposed amendments in October when
6 this comes back to you, staff will then file the amended
7 code with the -- with the County as required by the
8 Political Reform Act.

9 And that's my report, Chair. I'm -- I'm open to
10 any questions that you might have.

11 SUPERVISOR KUEHL: Okay. I'm not sure whether
12 anyone has any questions to counsel about these codes.

13 COMMISSIONER ABDO: No hands are up that I see.

14 SUPERVISOR KUEHL: Okay. Thank you, Judy. Thank
15 you very much, Counsel.

16 That was an information item.

17 Linda, are there any public comments on this
18 item?

19 MS. VO: There are no public comments on this
20 item.

21 SUPERVISOR KUEHL: All right. It was for
22 information only, and so we then can move on to the next
23 item, which is a big one: Our strategic plan review and
24 refinement. And I know it will be presented to us by
25 several people on the staff, but I believe led by

1 Antoinette.

2 This is a follow-up information item following
3 our discussion in July about the strategic plan review and
4 refinement cycle; so we're going to hear about, obviously,
5 progress and next steps.

6 So Antoinette, let me turn it over to you.

7 MS. ANDREWS BUSH: Thank you very much and good
8 afternoon, Madam Chair. Good afternoon, commissioners,
9 colleagues, and members of the public.

10 On behalf of the team presenting today, we hope
11 you had a wonderful summer and restful break since our
12 last board meeting in July, and we hope that you, like us,
13 are ready to dive right back into important board
14 discussions guiding our first strategic plan review and
15 refinement cycle which has both internally facing and
16 externally facing components.

17 Now, over the last several months, staff has been
18 exploring an important question: What are we holding
19 ourselves accountable for? Our strategic plan refinement
20 work seeks to answer that question by clarifying what
21 First 5 LA is trying to accomplish in Los Angeles County,
22 why, and how. This work is externally facing.

23 Our DEI work also seeks to answer the
24 accountability question internally by committing to
25 improvements in our policies, our practices and

1 procedures, and our relationships with each other, the
2 board and grantees and partners. This work is internally
3 facing.

4 So our strategic plan refinement work and our DEI
5 work are two sides of the same coin. Staff well-being and
6 belonging, our relationships with ourselves and partners,
7 and our capacity to have an equitable and lasting impact
8 in Los Angeles County are all inextricably linked. So
9 it's fitting that we would bring both of these substantive
10 conversations to the board today.

11 So for the first presentation, I'm joined by
12 several of my colleagues. And we will share updated
13 content which reflects feedback we received from the board
14 in July as well as the collective thinking of colleagues
15 across our organization. The second presentation will
16 focus on the other side of the coin. We will discuss 12
17 DEI commitments we're making as an organization to
18 cultivate a culture of belonging, healing, safety,
19 learning, and trust that enables First 5 LA to do its best
20 work at a scale worthy of Los Angeles County children and
21 families. During that presentation, there will be fewer
22 voices presenting, but the content represents the
23 collective thinking of over 60 percent of staff within our
24 organization.

25 Now, for both presentations, we're eager to hear

1 from the board because we appreciate your thoughts and
2 your insights and we appreciate your thought partnership.

3 So at this time, I'm going to start Item 7, which
4 is the Strategic Plan Review and Refinement Cycle. Now,
5 First 5 LA's strategic plan includes a commitment to
6 review or refine the plan every three years. This fiscal
7 year is the third year of strategic plan implementation,
8 and the July board meeting marked the official launch of
9 our first three-year review and refinement cycle.

10 During the July board discussion, staff shared
11 current thinking and suggested refinements to foundational
12 elements of our strategic plan such as our north star
13 which orients and grounds the why of our work. We talked
14 about the opportunity before us that really signals a set
15 of systems outcomes that we will collectively and
16 relentlessly pursue, and we talked about what makes First
17 5 LA uniquely positioned to lean more deeply into systems
18 change.

19 Today, we're building on the July discussion and
20 will share progress that we've made since then. We will
21 discuss next steps and key milestones through November.
22 Now, please note that we will not have the discussion
23 pauses as we did in July. Instead, we will go through the
24 presentation and then turn it back to the Chair for
25 discussion.

1 Now, as a starting place for today's
2 conversation, we'd like to revisit the why driving
3 refinements to our strategic plan. As we noted in July,
4 the last two years of implementation have highlighted the
5 need to bring sharper clarity to the organization's focus
6 and priorities. We learned that multiple elements of our
7 strategic plan invite different interpretations. We have
8 results, we have long-term systems outcomes, we have
9 strategic priorities, and multiple items under each of
10 these. And this has invited not only different
11 interpretations of the strategic plan, but it also dilutes
12 our impact.

13 We also learned that the systems change requires
14 responsiveness and an adaptability to changing contexts,
15 and there have been significant changes within our context
16 such as the health care reforms to Medi-Cal service
17 delivery system, the program and payment reforms, as well
18 as the reprocurement of managed care contracts. The
19 Family First Prevention Services Act increases options for
20 prevention and services and supports family -- and
21 supports for families.

22 We've seen record state budget surpluses in early
23 childhood, including home visiting. Universal
24 transitional kindergarten implementation, as Kim would
25 say, is a big ding dang deal. Other funders are launching

1 initiatives focused on children and families, and Covid
2 continues to impact the children and families of Los
3 Angeles County and our systems and our work. These and
4 other changes in contexts are opportunities for First 5 LA
5 to maximize its position and resources in partnership with
6 others to achieve systems change, and also it -- it
7 supports our ability to do so when we are focused, when we
8 have priorities. Because when we are not focused, when we
9 are not clear about what our priorities are and there are
10 different interpretations of our strategic plan, that
11 limits our ability to focus and prioritize and achieve the
12 kind of results we really want to see in LA County for
13 children and families.

14 Our fiscal reality also brings urgency to
15 defining our impact and deploying our resources,
16 strategically aligned with our unique position and
17 perspective. We need greater clarity on what we're trying
18 to accomplish, why and how, and this first three-year
19 review and refinement cycle gives us the opportunity to do
20 so.

21 Now, based on this rationale, we shared a lot of
22 this information about why it's important to reframe our
23 north star. We acknowledge the condition that impact a
24 family's ability to provide safe, stable, and nurturing
25 relationships and environments, and we also talked about

1 how a focus on bias and inequities within public systems
2 aligns with our interest in addressing the root causes of
3 disparities.

4 And there was general agreement from the board.
5 We heard enthusiasm and support for a reframed north star,
6 an appreciation for focus on the social determinants of
7 health and supporting families. We also heard that
8 there's an interest in retaining a sense of urgency for
9 our work. We talked about removing 2028 from our north
10 star in questions, and about whether removing that date
11 means we're removing that sense of urgency. And we talked
12 about how our sense of urgency is actually stronger now.
13 And we'll go into more detail around that.

14 There was acknowledgment of the important role of
15 extended families and communities and really affirming
16 First 5 LA's unique role in partnering with public
17 agencies to address systemic gaps and barriers and
18 inequities. We heard that there's an interest in
19 clarifying outcomes and measures and how challenging this
20 will be, but definitely work worth doing to track our
21 progress, and for us to be really clear about what success
22 looks like. And overall, there was receptiveness to how
23 our proposed strategic plan refinements will focus and
24 narrow our work to achieve greater impact.

25 Now, since July, we have been having

1 conversations internally to cultivate shared
2 understanding, and we've been examining feedback from
3 commissioners and staff to inform refinements of the
4 content, which we will share with you today. We've been
5 reviewing County priorities and participating in efforts
6 convened by the County, such as the County's Anti-racism,
7 Diversity, and Inclusion Initiative, Racial Equity
8 Strategic Plan, Prevention Services Task Force, and the
9 Poverty Alleviation Initiative, just to name a few. We
10 have also examined community priorities such as those
11 highlighted for the board during the January program and
12 planning meeting.

13 We've had some informal conversations with
14 external partners to get initial reactions to suggested
15 refinements, particularly around the north star. We've
16 been discussing the integration of our newly adopted DEI
17 commitments into strategic plan implementation.

18 The commissioners will hear about those
19 commitments in the next presentation.

20 We've been doing all of this as part of a
21 learning process, conceptualizing and testing our
22 language, our logic flow, and our opportunity statement in
23 the context of a whole-child whole-family approach. And
24 we are eager today to now share how all of this has
25 informed our thinking and led to updated content.

1 Now I'm going to pass it to Charna Widby,
2 our Chief Government Affairs Officer. And she will begin
3 by sharing updates to our reframed north star.

4 MS. WIDBY: Thank you, Antoinette. I am so
5 excited to be here today. And I am really excited about
6 where we have been and where I think we are going.

7 I'm going to take a step back a little bit to
8 catch up. As we began our work to clarify what we're
9 holding ourselves accountable to and narrowing our focus
10 to the outcomes we will relentlessly pursue, we started
11 reviewing our north star to focus on the problem that we
12 are trying to solve.

13 As the north star reflects the why of our work,
14 the north star orients our work and the north star is what
15 we -- what our work navigates towards. And it does not
16 decide the what of our work. This whole-child
17 whole-family approach or framework that we are developing
18 and discussing today in totality will decide and refine
19 the what of our work.

20 So our north star currently reads: By 2028, all
21 children in LA County will enter kindergarten ready to
22 succeed in school and life. And as Antoinette pointed out
23 from previous discussions, this north star is time bound
24 and focused on school readiness, which can be read as a
25 cohort of children. And it's incredibly broad and

1 aspirational and misses the opportunity to clearly orient
2 to what makes this a unique and special population, and
3 that magic window to promote resilience and protective
4 factors at the earliest foundational experiences.

5 So in July, we presented a proposed reframed
6 north star directing our attention to support a child's
7 full developmental potential throughout the critical
8 prenatal to five years. And rather than looking at the
9 end of the prenatal to five range that we are focused on,
10 we think urgency is better fulfilled through the emphasis
11 of the earlier years with directly noting prenatal through
12 five as the critical unique period of child development
13 and that child development is a continuous process that
14 never stops and that also adheres to the key stages of
15 predictable growth in early childhood.

16 So this change prioritizes children at the
17 earlier moments, the earliest moments, and acknowledges
18 the significance of pregnancy in the first few years of
19 life to support child development. So many of the
20 limitations of our current north star that I just
21 highlighted are things this commission has shared in the
22 past and wrestled with in the past conversation. And I
23 was really glad to hear the conversation that we had in
24 July to help us go a little bit farther.

25 So in our discussion in the July board of

1 commissioners meeting, we heard you interest in retaining
2 a sense of urgency and reaffirming the focus to promote,
3 support and improve the early development of children. As
4 we've continued our work in defining our opportunity and
5 clarifying the outcomes that we will recently pursue, we
6 have made small refinements for your consideration and
7 reactions to read. Every child in Los Angeles County will
8 reach their full developmental potential throughout the
9 critical years of prenatal to five. This reframe grounds
10 our work in child development and that continuous and
11 cumulative process children experience. And through the
12 multiple interconnected domains of development we think
13 uplifts the urgency of a child's first years,
14 prioritizing the earliest moments when the rapid brain
15 development is most plastic and foundational to lifelong
16 outcomes and health and behavior and learning.

17 And we do think it's important to call out
18 explicitly the critical window of development. But also
19 the charges for Los Angeles children and the caregivers
20 and communities attached to them.

21 So our north star serves to orient our work and
22 not determine the what of our work. As I noted earlier,
23 it offers the why and our reason for being and clarifies
24 our purpose, and now it's not to service a threshold or
25 check box for what we decide to do. The north star keeps

1 us aimed towards the unique window of prenatal to five
2 years, and it keeps us looking upstream as early
3 prevention as we can.

4 Also, moving into our whole-child whole-family
5 framework and where we are going with this work, we know
6 optimal child development involves a whole-family wellness
7 approach, and that includes systematic attention to the
8 caregivers well-being and needs, and must be an approach
9 that fosters dignity, bonding, healing within the context
10 of creating an empowered communities.

11 So as we orient to our reframed north star, we
12 center the care and development of a growing child as well
13 as the stability and strength of the family, including
14 income supports, employment, the well-being of caregivers,
15 and the well-being of their communities, children need
16 safe, stable, nurturing relationships and environments
17 from the earliest moments, and that families want what is
18 best for their children but are often limited by the
19 conditions surrounding communities.

20 In this whole child and whole family framework we
21 are developing, we're also thinking about the conditions
22 that help or hinder development. And all the conditions
23 and or population outcomes can be framed and understood at
24 each of these levels. We know this isn't an exhaustive
25 list of conditions that influence or surround the

1 community, caregivers, and children, but we are meant to
2 say we recognize the range of conditions that influence
3 the opportunities to provide and to experience safe,
4 stable, nurturing relationships and environments. We know
5 family stability is impossible without sufficient income
6 to adequately house and feed the family, and we know that
7 community resources or networks of support vary.

8 And this visual is meant as our attempt to
9 recognize that there's a direct connection between the
10 well-being of communities and the well-being of caregivers
11 and promoting and ensuring healthy development in
12 children. So it is meant to reaffirm that, in our
13 strategic plan, refinement efforts, and outcomes, that we
14 are focused on the well-being of communities as
15 intrinsically linked to the well-being of caregivers and
16 promoting and ensuring healthy development of children.

17 And to build on this framework toward our unique
18 opportunity, I'll hand it to Tara, our Director of Health
19 Systems and my brilliant colleague.

20 MS. FICEK: All right. Well, thank you, Charna.

21 So moving on, this slide represents the
22 information we presented back in July and includes
23 multiple statements that reflect a progression between our
24 north star and our opportunity. Just a quick reminder of
25 the content. Followed by the north star, we elevate what

1 children need -- safe, stable, and nurturing relationships
2 and environments. Charna elevated that as well. And then
3 what families need -- supportive conditions to achieve
4 full developmental potential.

5 As Antoinette mentioned in -- oh, I'm sorry. And
6 then we work, we call our public systems and their
7 relationship to that, and close with our opportunity
8 statement.

9 As Antoinette mentioned in the introduction, the
10 team has spent quite a bit of time working to refine the
11 language based on feedback both from the board and as well
12 as First 5 LA staff. So on the next slide, we're going to
13 walk you through those refinements.

14 So beginning at the top with our reframed north
15 star that Charna just walked you through, we did add
16 language: Every child in LA County to ensure consistency
17 with our current north star and to call out our
18 geographical boundaries. Also, we added the word critical
19 to emphasize the importance of the prenatal to five
20 period.

21 For step two, we added language that references
22 prenatal to five to be consistent with our north star. We
23 also added language elevating the prenatal to three window
24 of rapid development to reflect the urgency of this time
25 frame within the child development process.

1 For step three, there are no changes. That
2 stayed as-is.

3 For step four, we added the beginning language
4 given the scale and reach to clarify why the focus on
5 public systems, and removed language that emphasized
6 prenatal to three given that it was added in step two.

7 And then finally, in step five, we added our
8 problem statement so that we are explicit on the problem
9 to be solved -- systemic bias and inequities within public
10 systems. This aligns with our DEI recommendations, which
11 also reference grounding our work in a problem statement.

12 We're embracing a broad definition of systemic
13 bias, which includes systems inadequacies such as the lack
14 of focus of prenatal to five. We also included language
15 here that begins to reference the opportunity for First
16 Five LA. So speaking of, you likely noticed the
17 opportunity statement isn't included here. My colleague
18 Kim Hall is going to walk you through that in an upcoming
19 slide. But in summary, these revisions informed by board
20 and staff input clarify and strengthen what we've begun to
21 refer to as the foundational elements of our refined
22 strategic plan, and we expect we'll provide important
23 direction for our work right around the corner of public
24 systems. We will prioritize the development of our public
25 system outcomes, which will ultimately narrow and focus

1 our future work.

2 I'll now pass it to Kim Hall who will walk you
3 through additional foundational elements that speak to
4 First 5 LA's unique position and perspective.

5 MS. HALL: Thank you, Tara.

6 So over the course of our conversation centered
7 on refining our strategic plan, questions about our role,
8 our contributions, and our focus have come up
9 consistently. Recognizing the importance of being clear
10 about the assets we bring as First 5 LA, we created space
11 to think through this, and I'm going to walk you through
12 what came up for us in terms of the differentiating role
13 of First 5 LA. So to be clear, we're now expanding our
14 focus to build on what we want for children in LA County,
15 the conditions that can support or undermine developmental
16 potential, and our problem statement to now be explicit to
17 how First Five LA is uniquely positioned and brings a
18 unique perspective to this issue.

19 We've done this based on the assumption that
20 clearly articulating our unique position and perspective
21 will help us to focus strategically on the contribution
22 that we can make to advancing the north star. We've
23 identified four qualities. First, we're an independent
24 County public agency with a mandate, knowledge, and
25 insight to promote, support, and improve the early

1 development of children in LA County from the prenatal
2 period to age five. This really speaks to our charge to
3 focus on early development in light of Prop 10, but it
4 also highlights the knowledge, expertise, and insights
5 that we've gained by doing so over the last 20-plus years.
6 It also acknowledges that while we are a County public
7 agency and therefore a part of the public systems, we are
8 independent, which gives us a degree of flexibility.

9 Second, for our governing board. It includes
10 representatives of child- and family-serving public
11 agencies, which gives us the knowledge and the direct
12 connection of public agencies that enable us to work
13 within as well as across public systems. This point
14 really builds on the first by recognizing that not only
15 are we a public agency and therefore a part of the public
16 system, but having the heads of County child- and
17 family-serving public agencies on our governing board
18 allows us to gain insights about the priorities and
19 efforts of those agencies that really sets us up for
20 strategically partnering within and across public system
21 to advance mutual goals.

22 Before transitioning to the next point, I do want
23 to add the caveat that we recognize that public agencies
24 are not the totality of public systems, although they do
25 play a very important role. And we believe that the

1 connections that we have through our governing board is an
2 asset that we possess.

3 The third thing that makes us unique is our
4 history, relationship, and the learning from communities
5 that really shapes our understanding of families
6 experiences and their priorities. This informs what we do
7 and how we approach our work. This quality really speaks
8 to our ability as well as our opportunity to work in
9 partnership with families and communities to amplify
10 family and community voice and to connect families and the
11 broader community to ongoing system change efforts.

12 Finally, our commitment to prevention, equity,
13 and systems change compels us to address the effects of
14 systemic bias and inequities within the system that impact
15 the earliest moments of a child's life. This final point
16 really speaks to a subset of the investment guidelines
17 within our current strategic plan that are particularly
18 applicable in light of the problem statement that Tara
19 articulated a moment ago.

20 Now I'd like to transition to the opportunities
21 that's in front of us. So Tara reminded us of the
22 opportunities statement that was shared at the July board
23 meeting. We've since refined that opportunity statement
24 in order to make it more concrete and to make sure that
25 we're connecting the dots between the refined north star,

1 the (unintelligible), the problem statement, and what
2 makes First 5 LA unique. We propose that the opportunity
3 in front of us is to work within and across public systems
4 to align, integrate, and prioritize support that are
5 responsive to families and communities, particularly
6 during the prenatal to three window of rapid development
7 in order to eliminate disparities.

8 The elements of our opportunities statement are
9 intentional; so I want to take a moment to speak to each
10 of them and their significance.

11 First, working within and across public systems
12 to align and integrate support, as you all well know, the
13 vast majority of young children and family encounter and
14 are supported by multiple systems. We cannot take a
15 siloed approach.

16 Second, supports need to be responsive to
17 families and communities. For too long, systems have
18 focused on service delivery and managing limited
19 resources, oftentimes from a risk management perspective.
20 And they've done so at the expense of focusing on what
21 children, families, and specific communities need to
22 thrive.

23 Third, the prioritization of prenatal to three
24 window. Given the rapid brain development that occurs at
25 this time, the focus on the earliest moment provides the

1 greatest opportunity to address disparities before they
2 emerge. So with that, I'm now going to turn it over to
3 Kaya to walk through the next step.

4 MS. TITH: Okay. Thank you, Kim.

5 We'd like to close today's presentation with
6 highlighting some immediate next steps after today's
7 meeting, as well as a preview of what's to come in our
8 first cycle of strategic plan review and refinement
9 efforts.

10 So firstly, today's board discussion that we'll
11 have after the presentation that your inputs and questions
12 that we will -- we'll capture. We will share back what
13 we've heard during September's program and planning
14 committee meeting. Specifically, we will share any
15 adjustment we've made to what was presented today, as well
16 as our initial thinking about the systems that First 5 LA
17 will focus on and some initial thinking of draft system
18 outcomes.

19 And the next slide, which I prematurely clicked
20 on but you saw a preview of, is a roadmap to refining our
21 elements of our strategic plan as part of this first cycle
22 of our strategic plan review and refinement efforts. So
23 our work today together leads us to refining our north
24 star, our articulation of public systems we'll focus on,
25 and some initial draft system outcomes we will hold

1 ourselves accountable for by the November board of
2 commissioners meeting. That will then lead us to work
3 what we aim to complete by the end of this fiscal year,
4 which includes refining our organizational values based on
5 building upon our DEI commitment that we'll hear in the
6 next presentation, as well as potential refinements to our
7 investment guidelines with our current strategic plan.
8 And serves as decision-making criteria as we go to
9 strategy refinement as well as ongoing strategic plan
10 implementation guidance. And the goal is by the end of
11 this calendar year, grounded in the clarity we'll have and
12 the outcomes we're holding ourselves accountable for, as
13 well as those decision-making criteria outlined in our
14 investment guidelines, and our within the art
15 organizational values holding upon our DEI
16 recommendations. We'll have a set of refined strategies,
17 the impact framework that follows the agenda, as well as
18 our long-term final plan, which reflects our refined
19 strategies by the end of this calendar year.

20 So that just gives an overview of what's to come
21 from now until December. And with that, I'd like to hand
22 it over back to Madam Chair to open it up for discussion.

23 SUPERVISOR KUEHL: Thank you. That was not just
24 a bite but a full meal. Thank you so much, Antoinette,
25 Charna, Kaya, Kimberly, and Tara, and all the people who

1 contributed to putting this together. I realize that it's
2 a lot, a lot, a lot of work to do these presentations. I
3 know you've probably practiced in advance and that makes
4 it even more work. And I want you to know that the board
5 is very, very appreciative for the way you organize and
6 present this information.

7 So let's start with our commissioners. People on
8 the board, any of you having questions or comments,
9 feedback? You know, there was a lot here and taken in no
10 particular order. So if you raise your hands, I'm sure
11 Judy will be very happy to call on you.

12 COMMISSIONER ABDO: I see no hands. Oh, Romalis.

13 SUPERVISOR KUEHL: Everybody is still digesting.
14 That's why.

15 COMMISSIONER ABDO: Romalis, you're ready.

16 COMMISSIONER TAYLOR: Well, I just want to note
17 something on the -- on the key terms. And under systems
18 change, we talk about shifting, reconfiguring, and
19 transforming policy, but I think a word that's missing is
20 procedures and practice. Relationships. Mind sets.

21 That word procedure is missing because
22 governmental agencies live by policy, procedure, and then
23 practice. And the practice is really how they implement
24 it at the ground level. They interpret what the procedure
25 means, and then they imply it, and that is where the

1 inequities drop in. Because once you add that, it leaves
2 it, because you can have 25 different operations and their
3 practices could be adjusted 25 different ways, and there's
4 no consistency.

5 So you have to have procedure and practice. And
6 that practice defines how they do the work at the ground
7 level and whether they recognize community voice. And if
8 an organization doesn't uplift that, then it doesn't
9 happen. So I just want to add that.

10 And I want to -- you talked about community
11 voices, but I don't see where it's in the plan. You know,
12 so you need to integrate that into the plan of community
13 voices and input in the practice so it's conscious and its
14 meaningful. And so I -- I know you mentioned it, but I'm
15 not going to talk about where you envision it being
16 incorporated. I want you to tell us where do you envision
17 that being incorporated in this, because that used to be a
18 process that didn't exist; so I want you to really uplift
19 that. I think it's great work. I'm not knocking it. I'm
20 just adding some elements to it.

21 The other element I would like you to add is the
22 data on the outcome, because we've been working at this
23 for a while and we need to capture data or even anecdotal
24 data. And I keep saying this, that talks about the work
25 that you've done and how it has impacted the community.

1 If you don't go back and look at what you did and codify
2 it in data and anecdotal information, then it's like you
3 did nothing. So you have to say this is what we did and
4 this is why we are changing it to a different role.

5 So I'm looking for the data and the -- whether it
6 be anecdotal or hard data that validates what we did and
7 why we're shifting it going forward, and I don't see that
8 here. I may be wrong, but somebody at least help me
9 understand that. Thank you.

10 SUPERVISOR KUEHL: I think that was a request to
11 the staff, if you can take a shot at it.

12 MS. ANDREWS BUSH: Sure. I'll give it a try.

13 So definitely appreciate that, Commissioner
14 Taylor. And it's something that you have uplifted when
15 we've done updates around the strategic plan itself,
16 wanting more than just what have we done but what
17 difference has it made for -- for children and families
18 and communities and for -- to systems as well. So that's
19 definitely a part of our thinking.

20 In terms of outcomes, we're going to start
21 talking about outcomes during the September PPC. And, you
22 know, we're going to be talking about outcomes that we, as
23 Charna said, you know, the outcomes we are going to
24 relentlessly pursue as an organization.

25 And I also understand what you're saying. It

1 isn't just about outcomes in the future, it's what have we
2 done so far, what have we learned from that, and how is
3 that shaping our thinking in terms of how we're going to
4 move forward and why we would focus then on certain
5 outcomes. So we'll be working on that to bring that to
6 the board. I can't say that it's going to be, you know, a
7 lengthy report or anything like that. But really as we
8 start talking about how we're moving First 5 LA forward
9 and how we're continuing to focus and prioritize our work,
10 what's the data that's telling us where we need to focus
11 and that is what I'm hearing from you as well.

12 COMMISSIONER TAYLOR: Yeah. I just want to add
13 that what is the community saying to you and the team
14 about our work and what they feel has been helpful to
15 them. You know, in this learning process that we evolved
16 through and have done so far, those are important
17 benchmark things. So not everything is going to be data
18 driven. It's going to be anecdotal too, because what did
19 the community say and what is it they're thinking they
20 want to see that makes a difference in their life.

21 And the -- and just -- just a thought. So system
22 change, you have to have that procedure. Not only the
23 policy, but also procedure and practice. I just don't
24 want to lose that.

25 Okay?

1 MS. ANDREWS BUSH: Yeah. Absolutely.

2 And part of what we're going to be sharing
3 starting at the September PPC in just a few weeks is what
4 communities have uplifted as priorities as well as, sort
5 of like, we've been also paying attention to County
6 priorities and where there's concurrence between the two
7 of them and how First 5 LA, given what Kim Hall shared in
8 terms of our unique position and perspective, how we can
9 actually contribute to those priorities, which are very
10 similar in -- in many ways. So we'll start to share some
11 of that.

12 We also have been reflecting on information
13 that's been shared with the board beginning last year when
14 we were doing a deep dive in the Best Start learning
15 series. That was being shared with the board last year.
16 And then in January of this year, we also shared some
17 priorities that have been uplifted by communities.

18 So, you know, we have not had -- or I should say
19 I have not had a direct conversation with communities, but
20 we are talking to our Communities Team who has regular
21 conversations with communities around what their
22 priorities are and that is also shaping our thinking along
23 with County priorities.

24 COMMISSIONER TAYLOR: Okay. Thank you.

25 SUPERVISOR KUEHL: Thank you.

1 Judy, any other hands?

2 COMMISSIONER ABDO: Yes. We've got Deborah and
3 then Karla.

4 SUPERVISOR KUEHL: All right.

5 COMMISSIONER ALLEN: Am I on? This is Debbie.

6 COMMISSIONER ABDO: Yes, you are.

7 SUPERVISOR KUEHL: Yes.

8 COMMISSIONER ALLEN: So first I want to say I
9 think this is spectacular. I think it is - It was
10 beautifully presented. But I also think what comes
11 through really strongly are a deep commitment to families
12 and their struggles in raising children. And -- and also
13 I think rising above a narrow focus on services to really
14 talk about conditions in which people live to which
15 services -- in which services definitely have an impact,
16 but that it's really fundamentally the conditions we have
17 to be concerned about. And then -- and the services are
18 often remedial when we fail to create the conditions
19 people need. So I -- I was very excited hearing this.

20 One thing I wanted to raise is I think that this
21 -- this question of, if you will, community versus -- and
22 I use the versus in quotes -- County is -- is I think it's
23 a tough one and subtle one to work through. And I -- I
24 think it's very important that there's an emphasis here
25 with people with lived experience. I really want to

1 highlight that. It's not all community voices singing the
2 same song, if you will, and thinking very hard about what,
3 you know, how do we identify, how do we hear what's an
4 authentic voice, and how do we honor that.

5 And, you know, I -- I work very closely with
6 First 5 -- we work very closely together with many
7 community organizations in very meaningful ways; so I
8 don't mean to downgrade that. But just to say we all, I
9 think, have to get better at really reaching people who
10 are affected by the conditions we're trying to create.

11 I also think, though, that we, from my
12 perspective, slightly under-sell the significance of
13 government in saying that its significance is that it's
14 big. I can't remember where in the presentation it was --
15 early on. And it says the government operates at a scale
16 -- Kara's nodding; so I think you know what I mean. And I
17 think, I mean, there are things that are big. I mean, we
18 all remember the phrase "Too big to fail," and it did not
19 apply to anybody who felt the deep commitment to family
20 well-being. It was, you know, banks going under and
21 tanking the economy and many of the rest of us with them.
22 So it isn't simply the scale of government, but I think
23 it's unique access to the people's money and it's unique
24 responsibility to reflect the people's values and how that
25 money gets used.

1 So, I mean, I think we're not just big. We're
2 the voice of what -- you know, we're the voice of what
3 gets elected, and that reflects the values of our society.
4 And I'm -- I'm trying to express a big idea in a very
5 quick way. But I think there is something special about
6 working for government and about honoring that
7 responsibility. And I would -- I would highlight that
8 here by saying more than just that it's, you know, has a
9 big impact. Again, because so many other things -- not so
10 many other things, but some. Google does, Facebook does,
11 and they're not driven by the same values.

12 But overall, I thought that was terrific and
13 appreciated it greatly.

14 SUPERVISOR KUEHL: Thank you. Who's next?

15 COMMISSIONER ABDO: Karla, and then Astrid.

16 COMMISSIONER PLEITEZ HOWELL: Thank you, Judy,
17 and Honorable Chair.

18 So first I really want to start with looking back
19 a decade ago. So the Chair started by reminding us about
20 legacy and names and what it will mean. And Kim, you
21 started us on this journey with the strategic plan from
22 the very beginning. And it's still the foundation and
23 architect that we are using as we move forward. It is a
24 really, really solid foundation, and it is beautiful to
25 see how we're building on what was developed and where we

1 could go. So it's -- it's just lots of gratitude, Kim,
2 again for your leadership and everything that you've done
3 to get us here and set this up.

4 Two questions. But first, in regards to the
5 comment on the north star -- really, really helpful to
6 hear that the north star will not have a date associated
7 with it anymore. This is just our vision what we're
8 driving, and I think that's really helpful.

9 The two sort of questions are, one, Kim, when you
10 present -- and this is Kim Hall. When you presented,
11 there was a part that said zero to three. And just wanted
12 to put a fine point on that. To inquire, that's a big
13 shift. We've talked about four year olds; so I'd love to
14 unpack that and be clear about, yes, that's a systemic
15 recommendation that we are saying will be a different
16 shift. So a question on that.

17 And then echoing what Commissioner Allen and
18 Taylor are saying, we have always made it a big deal to
19 engage communities to inform whatever shift we're going to
20 be making. So the timeline of the plan and the phases,
21 where does that community plan engagement get developed?
22 When does it get presented? What will it look like for
23 the commission? And it might have been on there, but I --
24 I think we need a really clear community engagement plan.

25 And if I may be so bold, Commissioner Allen and

1 Taylor, I heard an inkling of that in some of the comments
2 that you were making.

3 COMMISSIONER ABDO: Okay. Astrid.

4 COMMISSIONER HEGER: I appreciate that, Karla.

5 I guess I've a very simple question. And we talk
6 a lot about communities, and maybe I need to have that
7 redefined for me because I'm becoming increasingly
8 concerned about a community that hasn't identified
9 themselves, a community that really don't know how to
10 access the resources that all of us are advocating as
11 being so important and are, in fact, falling through the
12 cracks. And certainly a population that I serve and --
13 and parents that come out of that particular population
14 and isolated mothers, single mothers are not -- many of
15 them are not in a community yet, whatever that definition
16 is.

17 But I think they are a community in and of
18 themselves of those who can't or don't know how to access
19 childcare -- let's just look at childcare or daycare --
20 and don't know and/or are left out of the service delivery
21 mode. And I'd like us to think about how do we tap into
22 that group and -- and deliver -- and create a community of
23 those who have been left out up to this point.

24 SUPERVISOR KUEHL: Was there any response
25 requested?

1 MS. BELSHE: This is Kim. Let me suggest -- and
2 Antoinette, I defer to you in kind of facilitating among
3 the team, but I think this is a great opportunity for us
4 to provide some initial thoughts or reflections to some
5 of the thoughts being lifted up by commissioners, most
6 recently Commissioners Hager and Pleitez Howell.

7 MS. ANDREWS BUSH: Happy to do so.

8 So Charna will actually speak to the zero to --
9 the prenatal to three issue. I can definitely talk about
10 the questions about community, community engagement, and
11 -- and a plan around community engagement.

12 Let me start by saying, you know, I've been
13 reflecting recently a lot on our shift in Best Start from
14 when First 5 LA was providing direct opportunities --
15 operational support to community partnerships, and then we
16 moved to a -- an approach that is about network building
17 and really focused on the five regional network grantees
18 and really expanding the table in terms of who is engaged
19 in Best Start.

20 And I've been thinking a lot about that because
21 this question about, like, what do we really know about
22 what's happening with communities. I think the fact that
23 we have a different approach and we're working with the
24 regional network grantees that a lot more communities are
25 being engaged through community-level planning processes.

1 For example, in region one, I know that they
2 worked on a bill of rights and held a -- a big town hall
3 forum that, you know, had hundreds of community members.
4 And most recently in region one, they've uplifted housing
5 as extremely important to them. And so while we have not
6 -- "we" meaning those of us who presented today -- have
7 not had a direct conversation with communities, we are
8 taking in the information that said there are hundreds of
9 communities that -- community members that are coming
10 together and thinking through what really matters to them.

11 And the question for us is is First 5 listening.
12 And so as we start talking about conditions, we're really
13 thinking about what we have been hearing from Best Start
14 community networks, from families who participate in home
15 visiting, from families who are trying to navigate the
16 early identification system. And the question is not did
17 we talk to them directly, but what are we doing with all
18 the information? How is it informing our thinking. So
19 that is -- in this very short time period between now and
20 November, that is the listening and the reflection that
21 we're doing so that what we come up with is reflective of
22 the priorities that have been uplifted by communities.

23 They're doing a lot of participatory budgeting
24 projects and different ways to engage community members
25 that, quite frankly, we would have never been able to do

1 as First 5 LA. Which is why I pointed back to how we used
2 to -- how Best Start was designed before we went to a
3 network approach. Now that's an insufficient answer for
4 how we're moving forward. And this question about how
5 we're going to engage communities upcoming is a question
6 that we're holding, and one of the things that have come
7 up through our DEI work.

8 Our DEI work is not just about a culture
9 internally to First 5. It's also about the relationships
10 that we have with our external partners, with communities,
11 with our grantees. And so we're thinking about how we can
12 engage our communities over the course of the next year to
13 really inform the strategies that we're going to land on
14 as First 5 LA.

15 The question of narrowing and really focusing is
16 so incredibly important. We've got to narrow and focus on
17 the thing that matters most to communities; so thinking
18 about how we actually go through that process over the
19 course of the next year. As Kaya shared, we're going to
20 be looking at our organizational values and our investment
21 guidelines. And, you know, by December of next year is
22 when we're talking about where -- how we're further
23 narrowing and focusing what strategies are really going to
24 have the greatest impact for children and families. And
25 we can't know that by ourselves. We need to ensure that

1 we're listening and learning and being in dialogue with.

2 So this is not just about, you know, what are we
3 hearing, but can we have some conversations with
4 communities. So that's, you know, as we think about
5 what's next in terms of how we actually get to strategies.

6 Those are just -- I'm giving you a preview of
7 some of the conversations that we've been having
8 internally about how we land on strategies that are going
9 to have the most impact for children and families.

10 Charna, you want to talk about prenatal to three?

11 MS. WIDBY: You know, I really, really do. And I
12 know we went a little bit deeper on this in July. Should
13 have thought about that a little bit to touch in this
14 presentation. But really want to be clear that we're not
15 saying no to four- and five-year-olds, of course, and so
16 it's not the exclusion or that prioritization of prenatal
17 to three would happen. It's meant more on focusing on the
18 earliest moments and the ability to prevent or reduce the
19 disruptive effects of early adversity; so really focusing
20 on building blocks of resilience and strengths. So we see
21 the whole of prenatal to five, but recognize that's the
22 earliest moments before synapse pruning; so the most
23 plastic moments to build that resilience and strengthen
24 supports. Not that we wouldn't do four to five, but
25 knowing that development is cumulative; so it's not even

1 across prenatal to five in terms of influence. And we
2 don't want the deficits to accumulate, just like we want
3 the strengths to accumulate. So keep us looking upstream
4 and, of course, supporting the whole of prenatal to five.

5 Also, recognizing for families and not just the
6 child and for communities that we want to make sure they
7 have access to support they need when they need it, and
8 acknowledging the cumulative burden and barriers and
9 reducing the need for intervention.

10 So it's not to say no. But to say in the whole,
11 if we can move as far upstream to support with less need
12 for intervention, that's where we want to work on.

13 COMMISSIONER ABDO: Okay. We've got
14 Carol Sigala.

15 SUPERVISOR KUEHL: Okay.

16 COMMISSIONER ABDO: Okay. Carol?

17 COMMISSIONER SIGALA: Okay. Wanted to thank you
18 all, first of all, because it's so formative and I'm so
19 proud that our work is going forward.

20 Just to go back to something Romalis told us
21 about, tell us a little more about the outcomes so we can
22 get a better idea.

23 MS. ANDREWS BUSH: So we started this exploration
24 with a question: what are we holding ourselves
25 accountable for? And really what that means is what are

1 the outcomes that we're going to relentlessly pursue as an
2 organization? When -- we thought that it would be
3 relatively easy, based on our current work, to land on a
4 set of systems outcomes. And what we discovered is that
5 if we are not clear about foundational elements of our
6 strategic plan, it's harder, then, to make some
7 determination around the outcomes and the outcomes that we
8 will relentlessly pursue.

9 So what we presented in July and presented today
10 is part of those foundational elements that then helps us
11 to discern what are the systems outcomes that we really
12 want to focus on. Because there are a number of things
13 that we could do as an organization. There are a number
14 of things we do as an organization, but we've got to
15 narrow, we've got to focus, and we've got to be clear that
16 our work is about changing systems.

17 So it is about the policies and the practices and
18 the procedures and the mind sets and the relationship --
19 all of the things that, as Charna has been saying, sort of
20 make up the water that we swim in, and that impact, what
21 families experience when they interact with public
22 systems.

23 So we are currently in the process of -- we've
24 been talking a lot about pasta which, you know, you may
25 think, what are you talking about? You know, the -- the

1 saying, throwing spaghetti on the wall. If it were just
2 spaghetti, that would be a little bit easy. But we're
3 saying we've got some spaghetti and rigatoni and all kinds
4 of pasta that we're throwing on the wall to say what
5 really have we been doing as First Five LA? What have we
6 been hearing from communities, as I mentioned earlier, and
7 where can we really focus? What are those particular
8 lever that we need to pull in order to really get to the
9 systems change that we seek.

10 And so we are now taking all of that and we've
11 got some great folks that are helping us to organize our
12 thinking. And that is what we're going to present to the
13 board during the September PPC. So you'll start to get a
14 greater insight into what we mean by systems outcomes and
15 some draft thinking around systems outcomes so that the
16 board can review and also weigh in on what we've been
17 thinking. So that we will bring to the board during the
18 September PPC.

19 COMMISSIONER SIGALA: Thank you. The outcomes
20 are so exciting to me to start taking a look at; so thank
21 you so much.

22 MS. ANDREWS BUSH: Thank you.

23 COMMISSIONER ABDO: I see no more hands.

24 SUPERVISOR KUEHL: All right. Thank you so much
25 to everyone.

1 And let me just add a few comments. I've
2 listened in -- in terms of the questions and answers from
3 my fellow commissioners and the staff's presentation, and
4 it strikes me something that we know very well, which is
5 we cannot and normally do not provide services directly to
6 people ages zero to three or zero to five because, by law,
7 they essentially belong to and are moved around by and
8 governed by their family or whoever is their guardian.

9 We have always had to think about what we do for
10 this population somewhat tangentially, and that, I think,
11 has led First 5 to this concept of whole-child
12 whole-family, where all the available services are brought
13 together with the family and the child as this sort of
14 center of the wheel. Childcare, safe neighborhoods,
15 mental health -- all of these are kind of circles that
16 float around the family.

17 And the other aspect that I've always found
18 difficult is when we talk about systems change, the two
19 troubling words there are systems and change. The only
20 words. What system are we talking about? Because there
21 are so many, and they're often so siloed. We've been
22 working even before, but since I've been in the County, to
23 sort of de-silo our systems. We tried to bring our three
24 health departments together into an agency and it really
25 didn't work. So we tried to create, you know, good

1 communication and ask them to co-locate or, you know, do
2 what they can to work together. Same with DCFS and others
3 represented on this board.

4 But when we go out into the community and have
5 the education system, the preschool system, all of these
6 systems that help the -- the health system with
7 specialists for this particular age group, it becomes very
8 difficult. And I think the solution for us is really what
9 we're doing, which is intentionality. What do we want to
10 change in what system?

11 And that, I think, is where my Commissioners have
12 emphasized, understanding where change is needed has a lot
13 to do with people who don't really know how to make the
14 change, but are clear that what is happening to them is
15 not working for them. And we -- you know, we try a little
16 at a time those things that we have charge over and other
17 things that we can only influence. And I think that is
18 really what we're doing.

19 So we want to make sure that this notion of whole
20 child -- which is, in a way, our new north star -- and
21 whole family -- which is honestly the only way this is
22 going to happen for our children -- is integrated into the
23 services and the work, you know, early childhood
24 education, everything with which we deal -- the health
25 systems, the prenatal health systems. So I think we've

1 taken on a great deal. And I like this -- the
2 intentionality of looking at this through a strategic-plan
3 vision.

4 So I want to thank you very much for the work and
5 the presentation, for the vision, and look forward to
6 exploring this at the PPC meeting, talking more about, you
7 know, specifics and, again, intentionality.

8 So that brings us to five minutes to 3:00, which
9 is the time that I had hoped that we could take a break
10 before we go into the next fairly meaty item as well. So
11 if it's okay with everybody, I'd like to take a break for
12 15 minutes.

13 Everybody, you know, hydrate, get up and walk
14 around, try to keep cool. And we'll come back together at
15 3:05. So we're in recess. Thank you.

16 MS. VO: And before we go on recess, I wanted to
17 confirm that there are no public comments on this item.

18 SUPERVISOR KUEHL: Oh, sorry. Forgot about public
19 comment. And, of course, it would have been important.
20 But thank you very, very much. I won't forget to ask next
21 time. Thanks.

22 (A brief break.)

23 SUPERVISOR KUEHL: Okay. Let us regather
24 ourselves. We have another very interesting and good
25 presentation coming up next on our diversity, equity, and

1 inclusion program and work.

2 So why don't I turn this back over to Antoinette,
3 who's doing Lots' duty today for us.

4 And I know that you have a break set during this
5 item, but you -- you should decide whether or not you
6 really need it.

7 MS. ANDREWS BUSH: Okay.

8 SUPERVISOR KUEHL: And I think that we were
9 thinking that as you present each of the priorities, that
10 we might take feedback from the board for each of the
11 priorities if that works for you?

12 MS. ANDREWS BUSH: Yes.

13 SUPERVISOR KUEHL: And just as I challenge, it
14 would be really good because I think there are some folks
15 who are hoping to be done with the meeting by 4:00, but I
16 think probably not. But we have this scheduled for this
17 afternoon until 4:20; so do your best.

18 MS. ANDREWS BUSH: Will do.

19 SUPERVISOR KUEHL: Over to you Antoinette.

20 MS. ANDREWS BUSH: Thank you so much, Madam
21 Chair, and welcome back from the break.

22 We really appreciate the dialogue that we had
23 together just a few moments ago to explore the question of
24 what is First 5 LA holding itself accountable for through
25 our external work. Now we have an opportunity to discuss

1 what we're holding ourselves accountable for internally.

2 For this presentation we will discuss 12 DEI
3 commitments. 12 commitments around diversity, equity, and
4 inclusion that have been adopted by staff through an
5 11-month, employee-driven decision-making process.

6 I'm joined by Evan Holland, who is cofounder of
7 the SEED Collaborative. Commissioners may recall that the
8 SEED Collaborative has been working with us since January
9 of 2021 to assess First 5 LA's DEI competency and help us
10 address opportunities for improvement.

11 We will provide an overview of First 5 LA's DEI
12 journey, and we'll do that briefly in the interest of
13 trying to end before 4:20. We will discuss DEI priorities
14 data and the adopted commitments that support these
15 priorities. We will share what we've learned, including
16 some a-ha moments that have shaped our thinking, and we'll
17 discuss next steps.

18 Now, in the appendix of this presentation,
19 commissioners can find information as far back as March of
20 2021, which was the first time that the board had an
21 opportunity to weigh in on our DEI work. You'll find the
22 data from Steve's due diligence process that was shared
23 with the board in October 2021. As well as data from the
24 board's survey in April of this year. Though we're not
25 covering all information contained in the appendix, we

1 acknowledge that there is still lots of words and
2 information being presented to the board today. But we
3 really wanted to honor what so many staff across our
4 organization worked collectively to develop. And we also
5 wanted to connect the dots between work that has been done
6 at both the staff and board level since March of 2021.

7 So to help commissioners digest the information
8 we had an additional break, but we will adjust as needed.
9 So as you said, Madam Chair, if we find that we don't need
10 a break, we will not take one in the interest of ending
11 early. And because there's so much information, if we're
12 starting to sense some fatigue, then we will take a break.

13 So with that, I'll dive right in. Today marks an
14 important milestone, First 5 LA is sharing publicly the
15 commitments that we are making to live our DEI value by
16 the way in which we conduct ourselves internally and
17 externally.

18 But this is not the beginning of our DEI journey.
19 As you can see from this roadmap, the seeds of our DEI
20 journey were planted in 2016 when a group of staff started
21 to explore how DEI can inform our external work. And
22 those seeds grow over the course of the subsequent years
23 with a pivotal moment being adoption of our DEI
24 organizational value and equity investment guideline in
25 our 2020-2028 strategic plan, approved by the board in

1 2019.

2 With that direction and support from our board,
3 our DEI work moved from an ad hoc group to an
4 organization-wide intention to embody DEI internally and
5 with your grantees and partners.

6 And we also acknowledge that we needed help. And
7 so in 2021, First 5 LA hired the SEED Collaborative to
8 support the next phase of our DEI journey. SEED conducted
9 focus groups and interviews, they reviewed documents, they
10 conducted best practice research, and they facilitated an
11 employee-driven governance board, engaging over 60 staff
12 from various teams and levels across our organization who
13 worked together to develop internally focused DEI
14 recommendations.

15 As you can imagine, an inclusive process with
16 over 60 individuals takes time; so for 11 months, staff
17 reviewed data reflected on staff grantee and partner
18 experiences, developed recommendations that really helped
19 First 5 LA to live all of its organizational values and
20 that DEI learning, integrity, and collaboration.

21 So these recommendations which we're now calling
22 commitments really reflect our desire to live all of our
23 organizational values as we advance our DEI journey.

24 So on August the 24th, just a few weeks ago, the
25 DEI governance board adopted 12 recommendations which, as

1 I said a moment ago, we now call our DEI commitments.
2 These commitments really affirm the interconnectedness
3 between what work we do and how we do that work. The
4 recommendations build upon incremental shifts in our
5 organizational culture that were already taking place,
6 while also acknowledging that this work is a long-term
7 proposition.

8 These commitments reflect our desired staff
9 across our organization, our desire to facilitate
10 meaningful progress towards a culture of belonging,
11 healing, safety, learning, and trust. And these
12 commitments require improvements to our policies, to our
13 procedures, and to our practices. With these commitments
14 which Evan will walk through in just a moment, First 5 LA
15 has an opportunity to amplify DEI through three priority
16 areas.

17 The first priority is our strategic direction and
18 our values. We want to ensure that there is consistency
19 between our strategic plan, our values, our culture and
20 our organizational identity. And the previous
21 conversation we had is really reflective of the strategic
22 direction and values that are really driving the
23 refinements to our strategic plan.

24 The second priority is around our culture and
25 internal relationships and experiences. What we want is

1 for the relationships in our organization to be
2 strengthened, to increase trust, to promote collective
3 ownership of our work and our organizational culture. And
4 this also, as I said a moment ago, means that we are going
5 to be addressing internal policies, practices, norms,
6 behaviors, and mindsets -- and yes, Commissioner Taylor,
7 procedures as well -- that are barriers to the culture
8 change that we seek.

9 Our third priority is interpersonal and
10 institutional relationships with grantees and partners.
11 We know we cannot do this work alone, and we know that we
12 are not -- that our interest for children and families are
13 shared interests with so many partners, with so many
14 community members who want the same things. And we want
15 to maximize our impact through stronger relationships with
16 them. And we want to also have more equitable grant
17 making and grant-making processes. And these are just a
18 few of the things that we want to do in order to
19 strengthen our interpersonal and institutional
20 relationships with grantees and partners.

21 Now, at this time, Evan is now going to discuss
22 the first DEI priority area, and then we will pause for
23 the first board discussion.

24 Evan?

25 MS. HOLLAND: Thank you, Antoinette. It is a

1 pleasure to be here with the commission today to discuss a
2 very exciting milestone in First 5 LA's diversity, equity,
3 and inclusion journey.

4 So the 12 DEI commitments organized in the three
5 priorities that Antoinette just outlined respond to data
6 that SEED shared with the board last October and connected
7 to feedback received from the commission at various
8 touchpoints along the way, including the DEI board survey.

9 So two orienting comments, just to reiterate and
10 support what Antoinette just shared. So one, the slides
11 that follow outline data highlights and feedback received
12 from the board that align with the commitments in each DEI
13 priority area. Again, that came out of that staff-led
14 process.

15 I'll pause for questions to -- to Antoinette's
16 point and for discussion after each priority area.

17 There's a lot here I won't read or go through
18 every single detail. But as Antoinette said, I want to
19 reiterate, happy to answer any questions or engage in any
20 discussion about anything that we talk about, anything in
21 the presentation and in the appendix.

22 So here on this slide are data highlights from
23 DEI commitments in priority area one, again about
24 strategic plan and values. The commitments in this DEI
25 priority respond to recent data survey findings from the

1 board, data from SEED's presentation to the board in
2 October, and feedback received from the commission last
3 March.

4 The recent board survey results highlight that
5 anti racism, justice, equity, and belonging are critical
6 to helping First 5 fulfill its role as a systems-change
7 agent and critical to commissioners for fulfilling their
8 government's role. Data from the SEED DEI assessment
9 shared with the board last October revealed varied
10 understanding of DEI across commission and staff.
11 Understandably so. You're early in your DEI journey.
12 SEED data also echoed by commissioner feedback from this
13 past March uplifts interests in narrowing First 5 LA's
14 focus for greater impact and to be bold for children, a
15 lot of which was highlighted in the previous presentation
16 and by Antoinette's opening remarks.

17 SEED data also noted layered confusing
18 terminology in the strategic plan and some contradictions
19 that live within the plan. And we uplifted the need for
20 clarification in the strategic plan as well as
21 opportunities to further infuse DEI into the strategic
22 plan.

23 Next slide.

24 Commitments in DEI Priority Area 1 here that are
25 outlined -- let's go ahead and bring them all up,

1 Antoinette -- respond to data highlights that I just
2 shared.

3 The first commitment is to streamline the
4 strategic plan and use the streamlining process to deepen
5 alignment among staff and commission for shared
6 organizational culture and identity, and it seeks to hold
7 ourselves collectively accountable for living our values
8 and achieving these outcomes.

9 Commitment 2 ensures that systems-change aimed
10 funding opportunities are grounded in explicit problem
11 statements and informed by root cause analysis.

12 In Commitment 3 of this DEI priority is to work
13 in partnership with -- with partners and individuals --
14 I'm sorry. To work in partnerships with individuals and
15 organizations to ensure those with lived experience and
16 expertise as was discussed before by the commission and in
17 the previous presentation are informed by root cause
18 analysis and support the development of credible and
19 viable strategies.

20 So all three of these commitments respond to the
21 previous data and are the commitments for Priority Area 1.
22 So I want to pause there to see if there are any questions
23 and reflections that commissioners would like to uplift
24 before we move on to discussing Priority Area 2 and 3.

25 SUPERVISOR KUEHL: Right. We see this divided,

1 though it's all interrelated, and we really understand
2 that. The first is something we began discussing in the
3 previous item, how are these values incorporated in our
4 strategic direction and how do we exemplify these values.

5 As we move into the second, we're talking --
6 we're going to talk about our internal work with each
7 other. And then in the third, our interpersonal
8 institutional relationships with others with whom we work
9 outside of the building.

10 But just thinking about strategic direction and
11 what essentially has been said, any comments from any of
12 the commissioners about DEI and our strategic direction
13 and values?

14 COMMISSIONER ABDO: Romalis.

15 COMMISSIONER TAYLOR: Yeah. You know, I
16 appreciate the work that the staff has done, but I have
17 yet to see the report or the assessment done by SEED. So
18 when are we going to see that so we can look at how that
19 lays out against what we're being proposed as a strategy
20 to achieve DEI in this goal?

21 The second thing is what does the 60 staff look
22 like culturally speaking so we can get an understanding of
23 what they brought to the table when this was being put
24 together. I don't remember being presented with that
25 breakdown. If it is, please share that with me.

1 But most important of all, what really blows my
2 mind and what I think is really good is we have to have
3 identified outcomes that we're going to try to achieve
4 and how it relates our strategic strategy and goal and how
5 this -- these three commitments cross into that as it
6 relates to our strategic plan.

7 Can somebody share that with me?

8 MS. ANDREWS BUSH: So to your first question,
9 Evan and I are working on a report that we're hoping to
10 provide to commissioners during the October board meeting.
11 So that -- that's what we're working on. And in that
12 report, Commissioner Taylor, we're also going to ensure
13 that we have the demographic information. So we didn't
14 want to take a guess. I mean, what I can tell you, just
15 -- just, you know, rough estimate, but we do know is that
16 there were multiple positions and levels within our
17 organization that were engaged in this process. But we
18 want to provide that demographic data and we will be doing
19 that as a part of the report that we share in October.

20 COMMISSIONER TAYLOR: What's important is that
21 the staff from their different cultures and what they've
22 brought to the table will add importance to how we
23 perceive what this is -- what this really means. So
24 that's why I want to know that, because I know you're
25 trying to honor it.

1 But the idea is we need to know that that is --
2 that dynamic is there. And if it is not there, then we
3 need to make sure that we make another step to get it if
4 anything is missing within the staff.

5 MS. ANDREWS BUSH: Yes.

6 COMMISSIONER TAYLOR: Okay. And the other --

7 MS. ANDREWS BUSH: Absolutely. And the other
8 thing is it was about 60 percent of our organization as
9 well that was involved; so I know I said 60 staff. I
10 meant it was 60 percent of our organization; so we will
11 provide that.

12 COMMISSIONER TAYLOR: The reason I want to know
13 that is because you have clerical, you have other people
14 that are a part of the staff that may not want to engage
15 in that process because they figure it's not something
16 they have the right to speak to, but they do. And we need
17 to make sure that those different elements are there. And
18 that if we didn't get it, we go out and collect it from
19 them so we can incorporate their thinking, because it's
20 crucial to our success as we move forward.

21 So I'm just -- I'm just throwing that out there.
22 So that's why the question has been laid.

23 The other question gets to be the assessment and
24 how that lays out to this recommendations so that we learn
25 from what the assessment says and then we validate that by

1 how we implement that in these statements of commitment or
2 recommendations. But this one right here is clearly
3 identifying outcomes as the -- as a point that we talked
4 about before understanding that the root cause and
5 contribution to problems is -- is related to what people
6 and communities see as not achieving outcomes for them
7 from their perspective. But that means internally what is
8 the outcome that our staff see. That is going to make
9 them feel that what they're doing is valued. You know?

10 So I'm going to step back and let somebody else
11 talk, but I want to make sure that you uplift these ideas.

12 MS. ANDREWS BUSH: Yes, and just one more thing
13 on your first question, Commissioner. All staff were
14 invited to participate in the process. So I know we talk
15 about a DEI Governance Board. That governance board had
16 subcommittees, and anyone in the organization could raise
17 their hand and say that they wanted to participate. It
18 was 60 percent that, because of a variety of reasons, you
19 know, raised their hand to participate. And then we have
20 what we call office hours so that people could come in,
21 even if they weren't a part of a subcommittee. They could
22 weigh in. We had -- we assured that teams across our
23 organization also had the opportunity to look at all draft
24 recommendations and weigh in. And we also have held all
25 team meetings as well.

1 So, again, it's -- we need to get, you know, the
2 specific demographic information and we'll include that in
3 the report. But I just want to reassure commissioners
4 that this was a very inclusive process.

5 COMMISSIONER TAYLOR: I know that. But what I'm
6 talking about are human beings that sometimes don't feel
7 like they can engage the system because they don't feel
8 they're worthy or they don't feel they're going to be
9 received well by it, and that's why this -- we as leaders
10 in systems have to consciously go in and ask them
11 questions whether they were -- they're going to ask or
12 not. And you might learn something that you have never
13 perceived because they're afraid to talk.

14 MS. ANDREWS BUSH: Absolutely.

15 MS. HOLLAND: I thought it might be helpful also
16 to add to your point, Commissioner Taylor, that we didn't
17 just bring folks to the table, but we really sought to
18 ensure that diverse perspectives that live across staff
19 were included through every step of the process. So
20 scheduled throughout the process were the building blocks
21 of inclusion and belonging. So things like co-creation,
22 co-ownership of the work had to be -- like, high levels of
23 feedback were included. So it wasn't just bringing folks
24 to the table, but it really did seek to build a dynamic of
25 inclusion and belonging that has really helped to sort of

1 shift the culture in small and large ways so far.

2 COMMISSIONER TAYLOR: Okay. Thank you.

3 SUPERVISOR KUEHL: That sounds like a good segue
4 to the second priority. Actually, if there are other
5 persons that have questions -- Judy. Anybody else have
6 their hand up?

7 COMMISSIONER ABDO: No. No one else has their
8 hand up right now.

9 SUPERVISOR KUEHL: Let's move to the second
10 priority, because that is about internal relationships and
11 etcetera.

12 So go ahead.

13 MS. HOLLAND: Absolutely. Thank you,
14 Commissioner Kuehl.

15 So the data highlights that are outlined here on
16 the slide aligned with the DEI commitments in Priority
17 Area 2, again about culture, interpersonal relationships,
18 and experience. So the data that connects -- one, the
19 SEED data -- again, we shared with the commission last
20 October -- included responses to questions about
21 organizational culture which was described in a variety of
22 ways, including hierarchical siloed with layered and
23 sometimes unclear decision-making processes that create
24 feeling of disempowerment among staff.

25 The culture was also described as perfectionist,

1 rigid, risk averse, and one of over-thinking and over
2 preparation all driven in part by preparation required for
3 reporting to the board and the culture of fear that comes
4 from not wanting to make a mistake in front of the
5 commission. And that dynamic really trickling down to
6 inform the organizational culture at large.

7 Commissioners shared their interest in
8 cultivating an environment where people feel comfortable
9 to take risks, ask questions, and be curious and learn.
10 Commissioner feedback -- this commissioner feedback just
11 outlined is one of many examples that the culture of the
12 organization is starting to change. There were glimmers
13 of this when we reported the data last October and
14 throughout this process more and more we've seen glimmer
15 after glimmer of intentional culture change that's coming
16 up every day. The commitments in the DEI priorities seek
17 to advance this culture change.

18 Next slide.

19 So in addition, two additional data align with
20 the commitments and DEI in Priority Area 2. One, the need
21 for DEI-aligned updates to Human Resource policies,
22 procedures, practices for greater integration of
23 organizational values, and in particular the DEI value.
24 And the need for staff support, like coaching and training
25 so that staff better understand DEI and are prepared to

1 implement the 12 commitments related to DEI.

2 Commitments in this Priority Area 2 respond to
3 all of these findings that I just shared. And so, yeah.
4 Let's talk about Commitment 4 through 9 now.

5 The first commitment in this Priority Area puts
6 forth that First 5 LA must dedicate resources to support
7 the organization in more fully living its values and to
8 nurture an organizational culture of belonging, healing,
9 safety, learning, and trust.

10 You may remember from the training with John
11 Powell earlier this year that belonging -- about
12 belonging, that belonging is about inclusion plus
13 meaningful participation in staff-led processes outlined
14 by Antoinette earlier and that we've been discussing also
15 that Kim brought up in her Executive Directors report was
16 one of this culture commitment is one of the big a-has --
17 the big agreement that came out of this staff-led process.

18 And these are all sort of anecdotes. These are
19 cultural anecdotes to the culture of perfectionism,
20 hierarchy, and rigidity outlined in the data highlights in
21 the previous slides.

22 Commitment 5 undergirds Commitment 4 by seeking
23 to formalize a practice of shared leadership through
24 staff, among staff that makes sense and supports the
25 advancement of belonging through inclusivity, power

1 sharing, and co ownership of working culture. This
2 commitment really leverages the diverse perspectives
3 throughout First 5 LA staff and seeks to reach beyond
4 inclusion to meaningful participation through shared
5 leadership.

6 And the 6th Commitment in this priority area
7 invites staff to develop a decision-making approach to
8 address decision-making challenges outlined in the data
9 highlights in the previous slides. And this commitment
10 also supports a -- the sort of culture-change pieces of
11 belonging and trust specifically articulated in Commitment
12 4.

13 Next slide.

14 So Commitments 7, 8, and 9, again in DEI Priority
15 Area 2 are outlined here.

16 Commitment 7 seeks to develop a staff leadership
17 philosophy with expectations, behaviors, and
18 accountability metrics to advance a culture of belonging,
19 healing, safety, learning, and trust. This commitment
20 also undergirds culture change more generally across the
21 organization.

22 Commitment 8 speaks to the data findings
23 regarding the need to update Human Resources policies,
24 procedures, and practices, and processes to support the
25 healing, safety, and learning parts of culture change

1 outlined in Commitment 2.

2 And Commitment 9 seeks to formalize policies and
3 practices that bolster harm prevention within organization
4 undergirding the safety, healing, and learning portions of
5 the culture change outlined in Commitment 2.

6 Next slide.

7 So I went through that pretty fast, but excited
8 and happy to answer any questions as it relates to the
9 Commitments and Priority Area 2.

10 SUPERVISOR KUEHL: Okay. Do we see any hands or
11 anyone wanted to share some thoughts about the culture
12 within, really, our staff internal relationships and
13 experiences and what's been presented?

14 COMMISSIONER ABDO: Karla.

15 COMMISSIONER PLEITEZ HOWELL: Thank you for that
16 overview. I'm trying to balance where there is sort of
17 the advancement of the cultural issues that are being
18 lifted up and then the outcomes that are produced based on
19 it. So this balance of the reason learning dialogue are
20 really, really critical, because they -- they help us
21 produce certain results.

22 And I'm wondering if those discussions have
23 occurred and how we connected to the results that we were
24 hoping we achieve through First 5 LA tying some of those
25 outcomes to the strategic frame; so the learning for what

1 purpose? The dialogue for what purpose? I'm wondering
2 where that exists.

3 MS. ANDREWS BUSH: That is a great question.
4 It's actually one of the lessons that -- that I'll share a
5 little bit later in the presentation. And Kim said it in
6 her ED report as well, that we can't separate the two. It
7 isn't -- of course, we want folks to experience a culture
8 of belonging, healing, safety, learning, and trust. Of
9 course we want that. But it's also to position First 5 LA
10 to do its best work in order to achieve the systems
11 outcomes.

12 So that's why this DEI presentation is the other
13 side of the coin that I was talking about earlier around
14 what are we holding ourselves accountable for. Because
15 there is -- it's interdependent, how we show up, how we
16 relate to each other, and how we relate to the board, how
17 we relate to grantees and partners, how we relate to
18 communities is directly connected to the work that we do,
19 how we do that work and the results that will ultimately
20 be able to achieve.

21 So that was definitely something that came up in
22 this -- in this process. But it's also coming up in our
23 conversations related to strategic plan refinement. And,
24 again, that's why there's two sides of the same coin.

25 SUPERVISOR KUEHL: Is there --

1 COMMISSIONER PLEITEZ HOWELL: Apologies,
2 Supervisor Kuehl. Is that coming up in internal staff
3 discussions of here is the results or the outcomes when
4 DEI is discussed? Just to raise that's part of what's
5 coming up? Or is the conversation more about this is the
6 type of environment in the DEI conversations?

7 MS. ANDREWS BUSH: Yeah. So it's primarily been
8 this is the type of environment that we want to see and a
9 lot of discussion about the kind of culture that we want
10 internally. But it connects to, as I was saying before,
11 like, people understand the connection between that
12 because they want to contribute to First 5 LA and what it
13 is that we're trying to achieve.

14 But connecting this back to our earlier
15 presentation, when there are different interpretations of
16 our strategic plan, when we're doing way too much work as
17 an organization, that impacts staff well-being. It
18 impacts their ability to contribute their best work,
19 because we're doing too much. So that definitely came up
20 -- bandwidth issues.

21 So this issue that we talked about earlier around
22 focusing and narrowing our work, it is because we want to
23 focus on fewer things that go deeper to achieve impact.
24 And it is related to the experience that staff have
25 because they're holding too many things, trying to do too

1 many things. And it's impacting their well-being and
2 relationships.

3 SUPERVISOR KUEHL: Okay. Anything else on
4 Priority 2 areas?

5 COMMISSIONER ABDO: Romalis.

6 COMMISSIONER TAYLOR: I'm going to just add onto
7 what Karla was talking about about outcomes and
8 commitments to impact and things of that nature.

9 Is there any creative energy from the staff in
10 which they want to talk about their contribution to making
11 sure that they're vested in the impact and the outcomes
12 that we're all mutually trying to do under this strategic
13 plan goals? I don't see that here.

14 And another thing is under Number 9, you talk
15 about formal policies, but it should also add procedures,
16 practices, and -- in that statement under Number 9. But I
17 just want to know what that element was. Did they have
18 that discussion, and what does that look like as far as
19 outcomes and evaluation and accountability to achieve the
20 strategic goals that we have.

21 You know, is there some barrier there they want
22 to talk about? Yes? No? What?

23 MS. ANDREWS BUSH: Yes. So in the first set of
24 commitments about our strategic direction and our values,
25 that's where a lot of what you, Commissioner Taylor, and

1 Commissioner Pleitez Howell have been pointing to. And
2 this is partly why our discussion -- this is partly why
3 it's taken us 11 months to get to this place.

4 So we've been talking a lot internally about
5 nurturing alignment of intention. And that takes time to
6 do. It is also why, though we have a fairly aggressive
7 timeline as it relates to strategic plan review and
8 refinement, we have an aggressive timeline between here
9 and November that is to get to the outcomes -- the systems
10 outcomes about why we are saying it's going to take us
11 another calendar year to really get to the strategies and
12 some of the other elements of strategic plan refinement,
13 because we need to nurture alignment of intention among
14 our staff as well as communities and external partners.

15 So I'm raising that because, you know, we -- we
16 all -- you know, everyone at First 5 LA, they came to this
17 organization because they wanted to contribute something.
18 And as we've been having conversations about our reframed
19 north star, folks are connecting with the work and the
20 intention of First 5 LA in new and really powerful ways.
21 And so we're trying to kind of go slowly and go fast
22 simultaneously, really thinking about the work that has to
23 get done, but it requires a lot of dialogue that nurturing
24 alignment of intention across multiple stakeholders with
25 diverse perspectives and diverse interests, all of which

1 are pointing towards what First 5 LA is trying to achieve.

2 May I say the staff -- all the time, we're all
3 here at this moment in this time for a particular reason.
4 And that means that what they're bringing, First 5 needs
5 right now in order to reach its highest aspirations for
6 families and communities.

7 So, again, I keep talking about the two sides of
8 this one coin. You know, we have to nurture that
9 alignment. We have to create a culture of belonging,
10 healing, safety, learning, and trust. And part of the
11 reason why we want to do that is because the work at First
12 5 LA does matter to us. It matters to families --
13 children and families and communities across LA County.

14 COMMISSIONER TAYLOR: Then maybe one thing we
15 need to do is honor commitment to achieving outcomes and
16 goals that honor the staff's commitment to these things.
17 You know, and so that they feel valued and -- and
18 understand that we appreciate, as well as the
19 community, what they're doing. So be an element that we
20 need to add, maybe make it 10 or something like that. But
21 just a thought.

22 MS. ANDREWS BUSH: Yeah. Thank you.

23 SUPERVISOR KUEHL: Okay. Anybody else, please?

24 MS. ANDREWS BUSH: No. I'm sorry, Commissioner
25 Kuehl.

1 SUPERVISOR KUEHL: That's all right. I think let
2 us look at Priority 3.

3 MS. ANDREWS BUSH: Yes.

4 MS. HOLLAND: Thank you. Next slide.

5 We're going to skip the break for now.

6 MS. ANDREWS BUSH: Yes, we're going to skip the
7 break. I think just keep moving.

8 MS. HOLLAND: Great. So this is the third and
9 final DEI priority. And, again, it's about interpersonal
10 and institutional relationships with grantees and
11 partners, making the distinction between the interpersonal
12 and institutional. Because what really came up from staff
13 in this process is that the relationships with the
14 individuals on the ground that staff are working with, as
15 well as the way the relationships between the institutions
16 are shaped are critical to advancing belonging outward in
17 terms of experience our grantees and partners are having.

18 So this commitment, Commitment 3, is in alignment
19 -- is the commitment that came out of the discussions
20 here. They're really in alignment.

21 I'm sorry, Antoinette. You can go back. Stay on
22 that last slide.

23 Are in alignment with best practice data uplifted
24 by SEED last October in the presentation, and is also in
25 the appendix of this presentation. And it's about the

1 kind of DEI changes different sectors are focused on in
2 the areas of programs, grant making, products and services
3 work with communities and Human Resources.

4 Feedback shared with commissioner -- shared by
5 commissioners in March spoke to the need to balance
6 internal and community engagement, examine our attitude
7 and philosophies, and ensure feedback mechanisms to hear
8 back from stakeholders about what is and isn't working.

9 The three commitments -- again, Commitments 10,
10 11, and 12 in this priority area -- really align and seek
11 to respond to these points. So Commitment 10 of DEI
12 Priority Area 3 seeks to do the kind of work highlighted
13 in the previous slides around internal culture by ensuring
14 we are -- but also pushing that out; so taking the
15 internal belonging and moving it out, to strengthening
16 relationships with grantees and systems change partners in
17 a value-aligned way.

18 Commitment 11 seeks to develop a robust
19 accessible and fair, so essentially equitable procurement
20 practices and outreach strategies that support equitable
21 access.

22 And finally, Commitment 12 aligns with Commitment
23 11 and takes it a step further to ensure that contract
24 terms and conditions are clear and simplified, that budget
25 modification guidelines and reporting requirements reduce

1 burden in all to improve access.

2 So, again, the three DEI priority commitments
3 that -- sorry.

4 The three DEI Priority Areas and the 12
5 Commitments across those three Priority Areas that were
6 just outlined are really the result of a year of staff
7 work that we've been talking about. And so just want
8 y'all to know that that work is really what grounds these
9 priorities.

10 So I'll stop there. We can have discussion, and
11 I can turn it back over to Antoinette.

12 SUPERVISOR KUEHL: Okay. Any commissioners have
13 feedback to staff on their Priority 3 areas that are
14 institutional relationships, really? Hearing none --

15 COMMISSIONER ABDO: No one's hand is up.

16 SUPERVISOR KUEHL: Okay. So Antoinette, do you
17 have a coda or a wind up before I give feedback, kind of,
18 on the whole thing?

19 MS. ANDREWS BUSH: Yes, I do. So I will go for
20 that.

21 SUPERVISOR KUEHL: All right. Great.

22 MS. ANDREWS BUSH: Okay. And I'll go through
23 this fairly quickly. I'll just pull up -- this is -- we
24 just wanted to share a few of the things that we've been
25 learning along the way. So I'll just put all of these up

1 on the slide.

2 The first is what I was speaking to earlier. DEI
3 organizational culture and our systems change work are
4 interdependent. So how we relate to each other, how we
5 relate to the board, the relationships that we have with
6 our external partners and communities is directly tied to
7 our ability to -- to do systems change work and to
8 actually achieve results that matter for children and
9 families.

10 We also learned that this is a journey. I mean,
11 you saw the roadmap I shared earlier in the -- in the
12 presentation. It's a journey. It's not a destination.
13 We're not checking the box and saying we have arrived.
14 We're actually being open and we're being nimble. We need
15 to constantly learn, reflect together, see where we're
16 making progress, and adjust as we need to.

17 We've also learned that this work requires
18 humility and empathy and gratitude, and we have to
19 actually be willing to change policies, procedures,
20 practices, and individual behaviors. Again, our goal is
21 change. Our goal is not to have a document that speaks to
22 commitments, but we're actually not living those
23 commitments. So it requires a willingness to change.
24 And we want to act quickly, but we know that when we act
25 too quickly, that that can inhibit deeper learning,

1 creativity, and sustainability; so we have to really
2 balance our sense of urgency with long-term strategies.

3 We've been having a lot of conversations with
4 SEED, with others who are doing DEI work, and there really
5 is no one right way. Organizational context really
6 matters. What DEI looks like for First 5 LA is very
7 different than what DEI may look like in another
8 organization. So our particular context matters.

9 And you heard me talk about this thing being an
10 11-month process to arrive at what we're now calling our
11 12 DEI Commitments. And this is the work. Staff
12 dedicated a lot of time, and we -- we -- we didn't see
13 this work as being additive, although when you add
14 meetings to folks calendars, it may feel a little
15 additive. But as you can see from the commitments, it is
16 the work.

17 And the process itself is culture shaping; so we
18 talked a little bit about the inclusive process, have
19 definitely noted what Commissioner Taylor is saying, not
20 just in terms of the process that got us to this point,
21 but implementation ensuring that all voices are heard,
22 ensuring that everyone has an opportunity to contribute if
23 they wish to do so. Because the process itself, no matter
24 what those processes are, is also culture shaping.

25 And the last lesson to share here is we started

1 this work with SEED in January 2021. We have all of our
2 deliverables, and we thought everything was going to go
3 exactly the way we outlined it in the scope of work. But
4 because we have to be open and nimble, we needed to really
5 nurture alignment across our organizations I was speaking
6 to before, and ensure that our recommendations are
7 actionable. And so we needed to adjust accordingly to
8 give more time to the development of recommendations.

9 Finally, in terms of next steps, we are going to
10 be identifying key DEI outcomes and measures of success so
11 that we can regularly assess our progress, learn and
12 improve as we go. And as we talked about throughout this
13 presentation, this -- our DEI work has to be implemented.
14 It's an integral part of our strategic plan review and
15 refinement cycle; so as we look at our north star and
16 problem statements, the opportunities before us, our logic
17 flow, and as we start thinking through refined strategies
18 and values and the systems outcomes, it really has to be
19 grounded in our commitment to DEI.

20 There are 12 DEI commitments. What we did not
21 share is all of the information associated with those
22 various commitments. So we need to -- staff had a lot of
23 great ideas that we've put on paper to ensure that as we
24 think through implementation, that we're considering all
25 the ideas that have been uplifted. And that means we're

1 also going to have to sequence actions, just understanding
2 how our work flow in the organization works. And we don't
3 want to overwhelm staff. And at the same time, we want to
4 do this methodically. We want to be intentional. And we
5 want to ensure that these actions or the intention behind
6 our DEI work is sustained over the long haul.

7 And so it's with this desire to sequence actions
8 we were -- we're actually going to defer additional board
9 and staff training to the winter or spring of 2023. We
10 were slated to do some additional board training and staff
11 training this fall. But as I said, we had a really good
12 plan, but we had to be open and nimble and recognize the
13 number of things that are currently happening in our
14 organization. Therefore, we're going to defer board and
15 staff training to the winter/spring of next year.

16 And with that, I will stop sharing and turn it
17 back to the Chair for any additional discussion.

18 SUPERVISOR KUEHL: Thank you very, very much.
19 Thanks to you. Thanks to Evan. Thanks to the many, many,
20 many people and hours that were put into this presentation
21 to us.

22 You know, it -- democracy is essentially the
23 messiest kind of government, and -- because we are
24 committed to people having input, people giving
25 information, people being innovative, people being

1 truthful, and working -- always working to do better and
2 better in so many different areas.

3 Now that we're engaged so deeply in diversity,
4 equity, and inclusion, I think it's very difficult to know
5 where to draw the line. Because if you want to talk about
6 systems change, we are -- in essence, we would have to go
7 so far as to change the entire American system, if there
8 is such a thing. Because so much of what we're working to
9 heal within our own environment, within our client
10 environment, you know, within families is really the
11 trauma of racism, of exclusion, and the serious lack of
12 equity in our society. That, I think, would be a very
13 difficult system to change.

14 So drawing out what we can do -- not just what we
15 should do, but what we can do, will always lead us, I
16 think, to a bit of overwork. Primarily, of course, in the
17 staff, because if you ask staff what -- what needs to be
18 done, it's like adding another full-time job. I'm not
19 just doing my work, I'm having to think about how to make
20 the whole thing better.

21 The other hand, if we don't ask staff to
22 participate in these larger arenas, the -- the lack of
23 participation in governance is -- is also a problem. It's
24 a problem for morale. It's a problem for how we feel
25 valued. I mean, I've been staff a hell of a lot longer

1 than I've been whatever else there is. And it's -- it's
2 always a difficult balance because we ask so much of staff
3 when we ask them to do their work and to improve it and to
4 be as communicative with this board as they are.

5 This board is so deeply engaged, I hope in a
6 helpful and productive way. Though I sense maybe not
7 always. At least this board is not, you know, sort of
8 destructive and nitpicking and negative, but a truly
9 committed group of people who are with the staff on all of
10 what we want and needs to be done. I think we need to be
11 very aware that we not pile on too much. It may be that
12 it already feels that way. But overall, I think the
13 communication that the staff is engaged in with our board
14 has been very, very helpful and positive for the
15 organization.

16 We're demanding of information. We're demanding
17 of, you know, just knowing what the heck is going on. But
18 I -- I've been places where that was not the case,
19 and, frankly, it was a little more of a Dead Sea sort of
20 thing where the staff was doing the best that they knew
21 and keeping the board in the dark, and it was less
22 creative, actually, in the long run, than I've seen in
23 this organization.

24 So I want to thank you very much for doing this
25 and just ask one question: Was there anything so

1 difficult to address in the areas that are included in DEI
2 that we didn't feel we could even touch it? That may be a
3 much larger conversation. I don't know. But -- such a
4 difficulty that we thought, you know, this -- this -- this
5 is not within our grasp. Don't even know if that's a fair
6 question. But Antoinette? Evan?

7 MS. ANDREWS BUSH: It's a really good question.
8 And, on this one, because Evan worked across the various
9 subcommittees, she might have some insight to that. But
10 really appreciate that question.

11 MS. HOLLAND: Really agreed. Really appreciate
12 that question, because as you can imagine, this work
13 brings up so many tough questions for the organization as
14 a whole as well as for individuals in their roles --
15 right? -- and how they've shown up at work every day in
16 service of Los Angeles's youngest children.

17 And so I think -- again, trying to remember 11
18 months of process in this second. But I think every major
19 topic is -- was fielded and addressed. But some really --
20 I think it is important to say that some really important
21 and hard work had to happen in terms of conversations, in
22 terms of conflict, in terms of really hashing out issues
23 in order to express the culture that's articulated, which
24 is the desired culture of belonging, healing, safety,
25 learning, and trust.

1 And it meant we had to talk about things that
2 were the opposite of healing and the opposite of belonging
3 and the opposite of inclusion that were real experiences
4 people have every day. It meant staff across different
5 positions within the organization had to take looks in the
6 mirror, and that SEED had to be in partnership with staff
7 to do that work. And I mean it even required a little bit
8 of mediation here and there with consultants and staff to
9 hash out old stuff that had to get hashed out in order for
10 us to move forward. So I think nothing was insurmountable
11 and so untouchable in terms of commitments. But so many
12 hard conversations had to happen. And that's why it took
13 the time and work it did.

14 And really grateful for staff for leaning in and
15 not being afraid to do that work, and being brave about
16 it.

17 SUPERVISOR KUEHL: Well, I have to say since I
18 started working at UCLA when I think I was in my 20's, I
19 have learned so much more from these kinds of processes
20 when the institutions were willing and open enough to
21 engage in them than I ever learned from sort of more rigid
22 kind of work. What I did find was that there was always a
23 lot more work than just doing my job, because I'm asked to
24 help heal the institution at the same time as I'm trying
25 to serve a zero through five population and their

1 families.

2 So I want to give great kudos and chops to
3 everyone on the staff from Kim on up to thank you for
4 engaging in this, because it is not superfluous to the
5 work. And, frankly, what the staff is learning and will
6 take with them as they go from job to job over the next,
7 you know, whatever years, I can tell you this is probably
8 the most important set of lessons is to try to understand
9 how to get through the hard stuff of relationships, the
10 old stuff that we grew up with, and it really does help
11 improve the work, even though we can't always see the
12 direct connection.

13 So I want to thank you very, very much and that's
14 -- you know, that's essentially all I wanted to add. I
15 don't want to close anyone off who had second thoughts.
16 Or Kim, if you want to add to this as well. I think this
17 reflects very, very good leadership.

18 So first of all, any other commissioners that
19 have second or third thoughts?

20 COMMISSIONER ABDO: Romalis has his hand up.

21 SUPERVISOR KUEHL: Okay.

22 COMMISSIONER TAYLOR: I just want to say thank
23 you too for the creative energy and the ability of this
24 organization and willingness to take on reflection and
25 look at it without being challenged by it. These are true

1 leaders when you can say: Okay. I'm going to be open to
2 hearing what I may not want to hear, but I need to in
3 order to move forward and do something more.

4 I want to thank them and thank all of you for
5 what you've done in this. This is good work. But I want
6 the staff and everyone to understand we don't know
7 everything, and your assessment says we need to learn.
8 And we're willing to learn as commissioners about DEI
9 because we don't know everything. I looked at the
10 research and you see all the very varied differences; so
11 we need to be educated so we can be in line with what you
12 guys are doing within the organization, external to the
13 organization so we can support and advocate in support of
14 what you're doing.

15 So I just wanted to say thank you and I'm looking
16 forward to the training you say we need and be open to it
17 because we don't know everything. But I wanted to say
18 that just going forward. Thank you so much.

19 MS. ANDREWS BUSH: Thank you.

20 MS. BELSHE: Final comment. Thank you,
21 Commissioners and Sheila, for your overarching comments.

22 You know, I spoke to this briefly in my opening
23 comments and in more detail at an all-team meeting we had
24 at the end of mid August on our DEI work. And, you know,
25 I shared how powerful this experience has been for me

1 personally as an individual as well as -- as a
2 professional and the leader of the organization. And it
3 has required all of us, including myself as the lead, to,
4 you know, look at myself in the mirror and reflect upon
5 how I show up and what's some of my norms and behaviors
6 and norms and practices are. And test some of my own
7 assumptions. And I know the example I used was how I can
8 show up with a great deal of urgency and, you know, you've
9 got to fix the problem, there's immediate need.

10 And, you know, I'm learning -- I've learned
11 through this process that, you know, sometimes that --
12 that sense of urgency can really compromise creativity and
13 shared understanding and shared commitment. And I think
14 it's part of what Antoinette was speaking to. Sometimes
15 we need to slow down a little bit in order to build that
16 alignment of understanding and intention and action.

17 And so, you know, I think one of the take-aways
18 for all of us within the organization is we all need to be
19 more self-aware in terms of how we show up and, you know,
20 what we're bringing to these conversations and what we
21 have to learn for others, and -- and seeking out different
22 folks from whom to learn. And I appreciate your
23 point, Sheila, about it's not the relationship between
24 culture and values if in the DEI work and the outcome we
25 seek for children and families is not always seen as a

1 direct line. But I have no doubt in my mind that the work
2 this organization has been and will continue to be
3 undertaking that is more internally oriented is absolutely
4 critical to how we show up in community, how we show up
5 with our partners, and how we show up from a strategic
6 orientation in terms of the work we do and the outcomes we
7 seek.

8 So as I said, it's been one of the more complex,
9 challenging, and important undertakings I've been a part
10 of, and so rewarding personally and professionally. And
11 I'm grateful to have had the chance to walk alongside and
12 learn alongside. You know, I'm getting a little chill as
13 I think about all the icebreakers we had and just the fun
14 -- the relationship building and trust building has been
15 very, very important and foundational.

16 And just very grateful to Antoinette and to Evan
17 and our SEED colleagues for their leadership and their
18 careful and thoughtful facilitation and support. And
19 certainly to the board for your -- your engagement and
20 questions and insights and, you know, we are a work in
21 progress. And as I say to the staff, there's a certain
22 grace in humanity in recognizing we're not perfect. But
23 together we're -- we're working to strengthen and improve
24 and focus. As Maya Angelou says, when we know better
25 we're going to do better. And that's what this process is

1 about.

2 Back to you, Madam Leader.

3 SUPERVISOR KUEHL: Well, I think this has been
4 very, very good. Essentially, I'm a big fan of the
5 serenity prayer. And it says, you know, give me the
6 ability to change things I can, and courage, you know, to
7 decide when I can't do it, and the wisdom to know the
8 difference. I don't think that means that we can't
9 understand the greater problem. I think that means that
10 we pick our piece of fixing it.

11 And that, I think, is exactly what we're looking
12 at and what you've been looking at. And I thank you very
13 much. And Antoinette, I thank you for your leadership in
14 this. And I think this has been very useful. And never
15 think that all the work that you put in to reporting or
16 educating this board is ever wasted, because we're also
17 out in the world and take it with us. And I'm very proud
18 to have participated with First 5 all these years and look
19 forward to the next couple meetings as well.

20 So I don't know that there's anything else except
21 to ask if there's any public comment on this item.

22 MS. VO: There are no public comments on this
23 item.

24 SUPERVISOR KUEHL: And is there any general
25 public comments?

1 MS. VO: Confirming there are no general public
2 comments either.

3 SUPERVISOR KUEHL: Okay. Well, that brings
4 us, really, to the end of our meeting. A lot of
5 gratitude. A lot of, I think, good feelings and
6 admiration for the good work. A lot of recognition of how
7 difficult it is and how we're kind of all in this
8 together. Great thanks to you.

9 Anybody else want to say anything before we
10 adjourn? Because we're actually doing pretty well for
11 time. And if not, then I thank the board very, very much
12 for your participation and I mean it. Really good
13 participation. Just great. And for caring.

14 So we will say this meeting is adjourned. Thank
15 you so much.

16 (At 4:07 p.m. the meeting was adjourned.)

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C E R T I F I C A T E

I, Heatherlynn Gonzalez, a Certified Shorthand Reporter for the State of California, License Number 13646, do hereby attest that:

The preceding is a true and accurate transcription of the meeting of the organization named herein;

The meeting was taken down stenographically and transcribed into English under my supervision and authority;

I have no interest, financial or otherwise, in any of the parties, issues, or individuals who are involved in this organization.

Attested to on this 22nd day of September 2022.

DocuSigned by:
Heatherlynn Gonzalez

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CERTIFIED SHORTHAND REPORTER
FOR THE STATE OF CALIFORNIA

FIRST 5 LA

SUBJECT:
Monthly Financial Reports

RECOMMENDATION:
Approval of the monthly financial statements for the months ending July 31, 2022, and August 31, 2022.

BACKGROUND:
Staff provides monthly financial reports for the Commission's review and approval to ensure transparency of the financial status of First 5 LA.

DISCUSSION:
For the FY 2021-22 year-end closing purposes, we converted from a cash basis to modified accrual basis and accounted for all assets and liabilities as of June 30, 2022. Beginning July 1, 2022, these statements revert to a cash basis and account for reversals of any accruals for either revenues or expenditures.

July 31, 2022
First 5 LA began the month of July with a cash balance of \$312.0 million. During the month of July 2022, we received \$32,558 in revenues. We had \$270,000 in program expenditures and \$1.1 million in operating expenditures. Tobacco tax revenue for June in the amount of \$4.8 million was booked as a receivable in FY 2021-22. First 5 LA ended the month with a cash balance of \$310.6 million.

August 31, 2022
First 5 LA began the month of August with a cash balance of \$310.6 million. During the month of August 2022, we received \$243,442 in revenues. We had \$520,430 in program expenditures, and \$1.3 million in operating expenditures. As a result, First 5 LA ended the month with a cash balance of \$309.0 million.

Tobacco tax revenues for the months of July and August have not been received as of September 30, 2022. This is due to the California Department of Tax Fee Administration's fiscal year-end closing of financial data for fiscal year 2021-22 after which tobacco tax funds will be released.

This report includes detailed financial information for the months ending July 31, 2022, and August 31, 2022. The financial statements are unaudited and reported as a "soft close." All materials in this packet and check registers are available online. Statements in this report include the following:

- **Revenue and Expense Statement:** Summarizes financial statements to highlight the starting cash balance, revenues received, program and operating expenses, and the ending cash balance for the month.
- **Balance Sheet:** Provides a "snapshot" view of the Commission's assets, liabilities and fund balance as of July 31, 2022, and August 31, 2022.
- **Detailed operating and program expenditures:** Shows expenses against the FY 2022-23 Budget approved on June 9, 2022, concluding with a report of expenditures related to programs functioning as pass-through agreements.

**Los Angeles County Children and Family First -
Proposition 10 Commission (aka) First 5 LA
Revenue and Expense Statement
August 31, 2022, Unaudited**

	REVENUES AND EXPENDITURES	
Cash Balance as of July 31, 2022	\$ 310,605,680	
Revenue		
Monthly State Allotments	-	
Medi-Cal Administrative Activities (MAA)	-	
State Commission - Other Program Funds	-	
Interest Income - Unreserved	243,442	
Investment Income - Other	-	
Total Revenue	\$ 243,442	
Expenses		
Program Budget (Attachment A)		
2020-2028 Strategic Plan: Focusing For The Future	\$ 520,430	
Legacy Investments	-	
Total Initiative/Program Expenses	\$ 520,430	
Pass-Through (Attachment B)		
Medi-Cal Administrative Activities (MAA)	\$ -	
Total Pass-Through Expenses	\$ -	
Operation and Administration (Attachment C)		
Personnel	\$ 1,135,475	
General Operating	85,450	
Consultant Services	76,923	
Professional Services	17,725	
Travel Expenses	1,483	
Professional Development	14,012	
Capital Improvements	-	
Total Operation and Administration	\$ 1,331,068	
Total Expenses	\$ 1,851,497	
Variance (Revenue - Expenses)	\$ (1,608,055)	
Cash Balance as of August 31, 2022	\$ 308,997,625	(1)

NOTE:

1) Cash Balance excludes fixed assets and liabilities.

LOS ANGELES COUNTY CHILDREN AND FAMILY FIRST - PROPOSITION 10 COMMISSION (AKA FIRST 5 LA)
PROGRAM EXPENDITURES BY FY 2022-23 BUDGET
AUGUST 31, 2022, UNAUDITED

INITIATIVE/PROGRAM	FY 2022-23 BUDGET	AUGUST EXPENDITURES	FISCAL YTD EXPENDITURES	BALANCE REMAINING
2020-2028 STRATEGIC PLAN				
Center for Child and Family Impact				
Families	38,170,000	380,435	380,435	37,789,565
Communities	16,302,000	-	-	16,302,000
Early Care & Education Systems	10,942,000	7,696	7,696	10,934,304
Health-Related Systems	5,832,000	63,337	133,337	5,698,663
Center Support	600,000	-	125,000	475,000
Office of Government Affairs & Public Policy				
Early Childhood Policy and Advocacy Fund	1,500,000	-	-	1,500,000
Policy Advocacy Fund Technical Assistance Provider	596,000	-	-	596,000
Conference Funding to Advance the Field of Early Childhood Development	50,000	-	-	50,000
Organizational-wide Sponsorships to Build Partnerships and Public Will for First 5 LA's Results Area	200,000	7,500	7,500	192,500
Organizational Memberships and Stakeholder Engagement Efforts	393,000	-	70,000	323,000
Federal Policy and Sustainability Advocate	75,000	-	-	75,000
State Policy and Sustainability Advocate	366,000	-	-	366,000
Strategic Plan Advocacy Strategies	973,000	9,413	9,413	963,588
Office of Communications				
Strategic Communications	1,897,000	45,000	50,000	1,847,000
Strategic Communications Partnerships	250,000	-	-	250,000
Strategic Marketing	1,450,000	100	100	1,449,900
Office of Data for Action				
Annual Reporting	87,000	6,950	6,950	80,050
Data Requests	5,000	-	-	5,000
Children's Data Network (CDN)	793,000	-	-	793,000
County Data Partnership	147,000	-	-	147,000
WIC Data Mining Research Partnership	314,000	-	-	314,000
First 5 LA Data Strategy	200,000	-	-	200,000
Impact Framework	256,000	-	-	256,000
Subtotal 2020-2028 Strategic Plan	81,398,000	520,430	790,430	80,607,570
LEGACY INVESTMENTS				
Little by Little/One Step Ahead Program	2,200,000	-	-	2,200,000
Subtotal Legacy Investments	2,200,000	-	-	2,200,000
Emerging Opportunities Fund	150,000	-	-	150,000
TOTAL	83,748,000	520,430	790,430	82,957,570

The FY 2022-23 program budget was approved by the Board of Commissioners on June 9, 2022.

NOTES:

Journal entries for FY 2022-23 accrued expenses were reversed in July 2022. The amounts reported are the actual program expenditures for August 2022.

LOS ANGELES COUNTY CHILDREN AND FAMILY FIRST - PROPOSITION 10 COMMISSION (AKA FIRST 5 LA)
 EXPENDITURES - PASS-THROUGH
 August 31, 2022, UNAUDITED

Attachment B

INITIATIVE/PROGRAM - PASS-THROUGH	AUGUST EXPENDITURES	YEAR TO DATE EXPENDITURES
Medi-Cal Administrative Activities (MAA) - LA County Charges	-	-
Medi-Cal Administrative Activities (MAA) - Participation Payment	-	-
TOTAL	-	-

**Los Angeles County Children and Family First -
Proposition 10 Commission (aka) First 5 LA
Operating & Administrative Budget Update
August 31, 2022, UNAUDITED**

OPERATION AND ADMINISTRATION EXPENSE	AUGUST ACTUAL	FISCAL YTD ACTUAL	FY 2022-23 BUDGET	FISCAL YTD VARIANCE
Personnel Services				
Salaries & Wages	859,887	1,630,971	13,351,910	11,720,939
Fringe Benefits	275,587	548,899	4,152,966	3,604,067
Total Personnel Services	1,135,475	2,179,870	17,504,875	15,325,006
General Operating Expenses				
ADP Payroll Charges	2,915	2,915	42,000	39,085
Workers Compensation Insurance	-	-	65,000	65,000
Utilities	-	51,033	120,000	68,967
Corporate Insurance	48,182	48,182	100,000	51,818
Mileage, Parking and Other Transportation	151	151	25,405	25,254
Telephones	5,166	8,271	70,000	61,729
Cell Phones & Mobile Devices	9,600	14,500	130,338	115,838
Outside Printing & Publishing	-	-	2,000	2,000
Other Supplies	-	-	5,250	5,250
Postage & Delivery	-	-	9,500	9,500
Educational Supplies	-	-	3,000	3,000
Office Supplies	897	897	62,705	61,808
Subscriptions & Publication	1,268	1,268	34,385	33,117
Equipment-Rents & Leases	1,002	6,677	26,190	19,513
Building Repair & Maintenance	-	9,600	150,000	140,400
Equipment Repair & Maintenance	-	-	11,100	11,100
Offsite Storage	4,915	4,915	22,500	17,585
Hardware & Software Maintenance	1,955	7,799	419,000	411,201
Miscellaneous/Contingency	8,651	8,651	102,800	94,149
Internal Meeting	748	748	94,505	93,757
Divisional Capacity Building	-	-	30,000	30,000
Total General Operating Expenses	85,450	165,607	1,525,678	1,360,071
Consultant Services				
Consultant Fees	76,923	76,923	1,660,100	1,583,177
Other Professional Fees	-	-	378,000	378,000
Total Consultant Services	76,923	76,923	2,038,100	1,961,177
Professional Services				
Audit	-	-	90,000	90,000
Legal Fees	-	-	225,000	225,000
Professional Dues	-	-	57,995	57,995
Staff Recruitment	689	689	20,000	19,311
Commission Stipends	450	2,250	20,000	17,750
Web-Based Services	5,999	5,999	88,000	82,001
Bank & Other Service Charges	10,586	10,586	20,000	9,414
Total Professional Services	17,725	19,525	520,995	501,470
Travel Expenses				
Airfare	937	937	75,649	74,712
Lodging	-	-	77,014	77,014
Per Diem	444	444	39,997	39,553
Other Travel Expense	102	102	10,228	10,126
Total Travel Expenses	1,483	1,483	202,888	201,405
Professional Development				
Training Material & Supplies	-	-	10,700	10,700
Internal Training	-	-	122,400	122,400
Leadership Programs	9,750	9,750	31,000	21,250
Conference Registrations	1,947	1,947	103,700	101,753
External Education/Training	2,315	2,315	54,750	52,435
Total Professional Development	14,012	14,012	322,550	308,538
Capital Improvements				
Capital Outlay (Equipment Purchases)	-	-	130,000	130,000
Total Capital Improvements	-	-	130,000	130,000
TOTAL OPERATING EXPENSES	1,331,068	2,457,420	22,245,086	19,787,667

NOTES - OPERATING & ADMINISTRATIVE BUDGET UPDATE:

The administrative expenses are within the maximum authorized under the Board policy.

The FY 2022-23 operating budget was approved by the Board of Commissioners on June 9, 2022.

**Los Angeles County Children and Families First -
Proposition 10 Commission
Statement of Net Assets
August 31, 2022 Unaudited**

Current Assets:

Cash	\$	7,584,259
Cash- Morlin Mgmt Corp		262,526
Investment:		
Operating and Allocated funds		287,603,828
Advance - Regional Network (RN)		3,135,525
Advance - Various		529,123
Other Receivables		1,150,037
Total Current Assets	\$	<u>300,265,297</u>

Fixed Assets:

Land	\$	2,039,000
Building & Improvements		14,933,008
Furniture & Fixtures		627,671
Computer, Software & Accessories		2,144,492
Office Equipment		331,033
Accumulated Depreciation		(7,194,973)
Total Fixed Assets	\$	<u>12,880,231</u>

Total Assets	\$	<u><u>313,145,528</u></u>
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Liabilities and Net Assets

Current liabilities:

Other Liabilities	\$	26,299 (1)
Total Current Liabilities	\$	<u>26,299</u>

Net Assets:

Investment in capital assets	\$	12,880,231
Restricted		300,238,998
Total Net Assets	\$	<u>313,119,229</u>

Total Liabilities and Net Assets	\$	<u><u>313,145,528</u></u>
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NOTES:

(1) Other Liabilities include accounts payable, and other related liabilities.

**Los Angeles County Children and Family First -
Proposition 10 Commission (aka) First 5 LA
Revenue and Expense Statement
July 31, 2022, Unaudited**

	REVENUES AND EXPENDITURES	
Cash Balance as of June 30, 2022	\$ 311,969,474	
Revenue		
Monthly State Allotments	-	(1)
Medi-Cal Administrative Activities (MAA)	32,558	
State Commission - Other Program Funds	-	
Interest Income - Unreserved	-	
Investment Income - Other	-	
Total Revenue	\$ 32,558	
Expenses		
Program Budget (Attachment A)		
2020-2028 Strategic Plan: Focusing For The Future	\$ 270,000	
Legacy Investments	-	
Total Initiative/Program Expenses	\$ 270,000	
Pass-Through (Attachment B)		
Medi-Cal Administrative Activities (MAA)	\$ -	
Total Pass-Through Expenses	\$ -	
Operation and Administration (Attachment C)		
Personnel	\$ 1,044,395	
General Operating	80,157	
Consultant Services	-	
Professional Services	1,800	
Travel Expenses	-	
Professional Development	-	
Capital Improvements	-	
Total Operation and Administration	\$ 1,126,352	
Total Expenses	\$ 1,396,352	
Variance (Revenue - Expenses)	\$ (1,363,794)	
Cash Balance as of July 31, 2022	\$ 310,605,680	(2)

NOTE:

- 1) Tobacco tax revenue for June in the amount of \$4.8 million was booked as a receivable in FY 2021-22.
- 2) Cash Balance excludes fixed assets and liabilities.

LOS ANGELES COUNTY CHILDREN AND FAMILY FIRST - PROPOSITION 10 COMMISSION (AKA FIRST 5 LA)
PROGRAM EXPENDITURES BY FY 2022-23 BUDGET
JULY 31, 2022, UNAUDITED

INITIATIVE/PROGRAM	FY 2022-23 BUDGET	JULY EXPENDITURES	FISCAL YTD EXPENDITURES	BALANCE REMAINING
2020-2028 STRATEGIC PLAN				
Center for Child and Family Impact				
Families	38,170,000	-	-	38,170,000
Communities	16,302,000	-	-	16,302,000
Early Care & Education Systems	10,942,000	-	-	10,942,000
Health-Related Systems	5,832,000	70,000	70,000	5,762,000
Center Support	600,000	125,000	125,000	475,000
Office of Government Affairs & Public Policy				
Early Childhood Policy and Advocacy Fund	1,500,000	-	-	1,500,000
Policy Advocacy Fund Technical Assistance Provider	596,000	-	-	596,000
Conference Funding to Advance the Field of Early Childhood Development	50,000	-	-	50,000
Organizational-wide Sponsorships to Build Partnerships and Public Will for First 5 LA's Results Area	200,000	-	-	200,000
Organizational Memberships and Stakeholder Engagement Efforts	393,000	70,000	70,000	323,000
Federal Policy and Sustainability Advocate	75,000	-	-	75,000
State Policy and Sustainability Advocate	366,000	-	-	366,000
Strategic Plan Advocacy Strategies	973,000	-	-	973,000
Office of Communications				
Strategic Communications	1,897,000	5,000	5,000	1,892,000
Strategic Communications Partnerships	250,000	-	-	250,000
Strategic Marketing	1,450,000	-	-	1,450,000
Office of Data for Action				
Annual Reporting	87,000	-	-	87,000
Data Requests	5,000	-	-	5,000
Children's Data Network (CDN)	793,000	-	-	793,000
County Data Partnership	147,000	-	-	147,000
WIC Data Mining Research Partnership	314,000	-	-	314,000
First 5 LA Data Strategy	200,000	-	-	200,000
Impact Framework	256,000	-	-	256,000
Subtotal 2020-2028 Strategic Plan	81,398,000	270,000	270,000	81,128,000
LEGACY INVESTMENTS				
Little by Little/One Step Ahead Program	2,200,000	-	-	2,200,000
Subtotal Legacy Investments	2,200,000	-	-	2,200,000
Emerging Opportunities Fund	150,000	-	-	150,000
TOTAL	83,748,000	270,000	270,000	83,478,000

The FY 2022-23 program budget was approved by the Board of Commissioners on June 9, 2022.

NOTES:

Journal entries for FY 2022-23 accrued expenses were reversed in July 2022. The amounts reported are the actual program expenditures for July 2022.

LOS ANGELES COUNTY CHILDREN AND FAMILY FIRST - PROPOSITION 10 COMMISSION (AKA FIRST 5 LA)
 EXPENDITURES - PASS-THROUGH
 July 31, 2022, UNAUDITED

Attachment B

INITIATIVE/PROGRAM - PASS-THROUGH	JULY EXPENDITURES	YEAR TO DATE EXPENDITURES
Medi-Cal Administrative Activities (MAA) - LA County Charges	-	-
Medi-Cal Administrative Activities (MAA) - Participation Payment	-	-
TOTAL	-	-

**Los Angeles County Children and Family First -
Proposition 10 Commission (aka) First 5 LA
Operating & Administrative Budget Update
July 31, 2022, UNAUDITED**

OPERATION AND ADMINISTRATION EXPENSE	JULY ACTUAL	FISCAL YTD ACTUAL	FY 2022-23 BUDGET	FISCAL YTD VARIANCE
Personnel Services				
Salaries & Wages	771,084	771,084	13,351,910	12,580,826
Fringe Benefits	273,311	273,311	4,152,966	3,879,655
Total Personnel Services	1,044,395	1,044,395	17,504,875	16,460,481
General Operating Expenses				
ADP Payroll Charges	-	-	42,000	42,000
Workers Compensation Insurance	-	-	65,000	65,000
Utilities	51,033	51,033	120,000	68,967
Corporate Insurance	-	-	100,000	100,000
Mileage, Parking and Other Transportation	-	-	25,405	25,405
Telephones	3,105	3,105	70,000	66,895
Cell Phones & Mobile Devices	4,900	4,900	130,338	125,438
Outside Printing & Publishing	-	-	2,000	2,000
Other Supplies	-	-	5,250	5,250
Postage & Delivery	-	-	9,500	9,500
Educational Supplies	-	-	3,000	3,000
Office Supplies	-	-	62,705	62,705
Subscriptions & Publication	-	-	34,385	34,385
Equipment-Rents & Leases	5,675	5,675	26,190	20,515
Building Repair & Maintenance	9,600	9,600	150,000	140,400
Equipment Repair & Maintenance	-	-	11,100	11,100
Offsite Storage	-	-	22,500	22,500
Hardware & Software Maintenance	5,844	5,844	419,000	413,156
Miscellaneous/Contingency	-	-	102,800	102,800
Internal Meeting	-	-	94,505	94,505
Divisional Capacity Building	-	-	30,000	30,000
Total General Operating Expenses	80,157	80,157	1,525,678	1,445,521
Consultant Services				
Consultant Fees	-	-	1,660,100	1,660,100
Other Professional Fees	-	-	378,000	378,000
Total Consultant Services	-	-	2,038,100	2,038,100
Professional Services				
Audit	-	-	90,000	90,000
Legal Fees	-	-	225,000	225,000
Professional Dues	-	-	57,995	57,995
Staff Recruitment	-	-	20,000	20,000
Commission Stipends	1,800	1,800	20,000	18,200
Web-Based Services	-	-	88,000	88,000
Bank & Other Service Charges	-	-	20,000	20,000
Total Professional Services	1,800	1,800	520,995	519,195
Travel Expenses				
Airfare	-	-	75,649	75,649
Lodging	-	-	77,014	77,014
Per Diem	-	-	39,997	39,997
Other Travel Expense	-	-	10,228	10,228
Total Travel Expenses	-	-	202,888	202,888
Professional Development				
Training Material & Supplies	-	-	10,700	10,700
Internal Training	-	-	122,400	122,400
Leadership Programs	-	-	31,000	31,000
Conference Registrations	-	-	103,700	103,700
External Education/Training	-	-	54,750	54,750
Total Professional Development	-	-	322,550	322,550
Capital Improvements				
Capital Outlay (Equipment Purchases)	-	-	130,000	130,000
Total Capital Improvements	-	-	130,000	130,000
TOTAL OPERATING EXPENSES	1,126,352	1,126,352	22,245,086	21,118,735

NOTES - OPERATING & ADMINISTRATIVE BUDGET UPDATE:

The administrative expenses are within the maximum authorized under the Board policy.

The FY 2022-23 operating budget was approved by the Board of Commissioners on June 9, 2022.

**Los Angeles County Children and Families First -
Proposition 10 Commission
Statement of Net Assets
July 31, 2022 Unaudited**

Current Assets:

Cash	\$	916,315
Cash- Morlin Mgmt Corp		262,526
Investment:		
Operating and Allocated funds		303,172,745
Advance - Regional Network (RN)		2,308,859
Advance - Various		752,609
Other Receivables		5,999,136
Total Current Assets	\$	<u>313,412,191</u>

Fixed Assets:

Land	\$	2,039,000
Building & Improvements		14,933,008
Furniture & Fixtures		627,671
Computer, Software & Accessories		2,144,492
Office Equipment		331,033
Accumulated Depreciation		(7,194,973)
Total Fixed Assets	\$	<u>12,880,231</u>

Total Assets	\$	<u><u>326,292,421</u></u>
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Liabilities and Net Assets

Current liabilities:

Other Liabilities	\$	6,487,143 (1)
Total Current Liabilities	\$	<u>6,487,143</u>

Net Assets:

Investment in capital assets	\$	12,880,231
Restricted		306,925,047
Total Net Assets	\$	<u>319,805,278</u>

Total Liabilities and Net Assets	\$	<u><u>326,292,421</u></u>
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NOTES:

(1) Other Liabilities include accounts payable, and other related liabilities.

FIRST 5 LA

SUBJECT:

Review and Determine that the Board and Committees will Continue to Conduct Public Meetings by Teleconference Pursuant to Government Code Section 54953(e)

RECOMMENDATION:

That the Board review the current County and City states of emergency due to the COVID-19 pandemic, and social distancing measures that are required and recommended by state and local health authorities, and determine that in person meetings of the Board and Commission would present imminent risks to the health and safety of attendees.

BACKGROUND:

The Board and Committees of the Board have met remotely throughout the pandemic to protect the health and safety of the public, staff and Commissioners. Remote meetings under relaxed Brown Act rules were permitted by Governor Newsom's executive Order N-29-20, which expired on September 30, 2021. In its place, the Legislature passed AB 361, which became effective October 1, 2021. AB 361 continues to permit remote meetings during a proclaimed local emergency, if social distancing measures are required or recommended. New Government Code Section 54953(e) requires that the Board review these requirements every 30 days, to determine whether in person meetings of the Board and Committees would present imminent risks to the health and safety of attendees. If the Board continues to meet remotely, AB 361 requires that the public have real time opportunities to participate.

DISCUSSION:

State, County and City-declared states of emergency due to the COVID-19 pandemic remain in effect. While California and Los Angeles County residents have worked hard to reduce the spread of the virus, hospitalizations and deaths, transmission remains at substantial levels in the community. Authorities, including Cal OSHA, recommend that businesses and entities continue to practice social distancing as well as other measures to guard against the virus. Staff will provide the required real time public participation measures for remote meetings.

The Executive Director and legal counsel recommend that the Board make the determination to continue to meet remotely at least through October 2022. As required by law, the Board will continue to review this matter every 30 days, or as soon thereafter as meeting schedules permit.

RECOMMENDATION:

Staff and legal counsel recommend that the Board determine that the Board and Committees will continue to conduct public meetings by teleconference pursuant to Government Code Section 54953(e), because in-person meetings would present imminent risks to the health and safety of attendees.

FIRST 5 LA

SUBJECT:

2022 Biennial Update to First 5 LA's Local Conflict of Interest Code

RECOMMENDATION:

Approve the updated Local Conflicts of Interest Code and direct staff to file the updated Code with the County of Los Angeles.

BACKGROUND:

The Commission has adopted a local conflict of interest code as required by California's Political Reform Act ("PRA") and the statutes that implement Proposition 10. Because the Commission is a local public entity, the PRA requires that the Commission have this local code in place to designate which officials and employees are required to file various categories of annual statements of economic interests. The local code also sets forth the basic rules that prohibit public officials and employees from making, participating in making, or using their official positions to influence decisions of the Commission.

Every two years, the Commission is required to conduct a biennial review and update of the Code. This year, the review and update must be completed prior to the end of December. Staff presented this item as information to Commissioners at the September Board and will be presenting it for action on Consent at the upcoming Commission meeting on October 13, 2022.

DISCUSSION:

The last time First 5 LA made substantial revisions to its Conflict of Interest Code was in 2016 when First 5 LA made changes to its structure to better align with the work envisioned in the 2015-2020 Strategic Plan. For the last biennial update in 2020, minor changes were made to our Conflict of Interest Code to reflect position reclassifications.

In November 2020, First 5 LA made additional changes to its structure to align with the refined 2020-2028 Strategic Plan, resulting in changes impacting our conflict of interest code. During that time, First 5 LA informed LA County that its code would need to be revised to reflect these changes during the next biennial review period for 2022. These updates reflect the addition of several new positions and deletion of old positions, as shared with the Board in 2020.

The amendments required by the County (see Attachment A) are solely reflective of organizational changes for First 5 LA previously shared with the Board.

Upon adoption of the proposed amendment, staff will file the amended code with the County of Los Angeles as required by the PRA.

ATTACHMENT A

PROPOSED AMENDMENTS TO COI CODE (Changes in underline and ~~strikethrough~~)

Conflict of Interest Code
of the

LOS ANGELES COUNTY CHILDREN AND FAMILIES FIRST – PROPOSITION 10 COMMISSION (Aka First 5-LA)

Incorporation of FPPC Regulation 18730 (2 California Code of Regulations, Section 18730) by Reference

The Political Reform Act (Government Code Section 81000, *et seq.*) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. 18730), which contains the terms of a standard conflict of interest code. After public notice and hearing, it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730, and any amendments to it duly adopted by the Fair Political Practices Commission, are hereby incorporated into the conflict of interest code of this agency by reference. This regulation and the attached Appendices (or Exhibits) designating officials and employees and establishing economic disclosure categories shall constitute the conflict of interest code of this agency.

Place of Filing of Statements of Economic Interests

All officials and employees required to submit a statement of economic interests shall file their statements with the agency head; or his or her designee. The agency shall make and retain a copy of all statements filed by its Board of Commissioners, Alternate Commissioners, Ex-Officio Representatives and the Executive Director and forward the originals of such statements to the Executive Office of the Board of Supervisors of Los Angeles County.

The agency shall retain the originals of statements for all other Designated Positions named in the agency's conflict of interest code. All retained statements, original or copied, shall be available for public inspection and reproduction (Gov. Code Section 81008).

ATTACHMENT A

PROPOSED AMENDMENTS TO COI CODE

LOS ANGELES COUNTY CHILDREN AND FAMILIES FIRST – PROPOSITION 10 COMMISSION (Aka First 5-LA)

EXHIBIT “A”

CATEGORY 1

Persons in this category shall disclose all business positions, investments in, or income (including gifts, loans and travel payments) received from any entities that provide services of the type, which are eligible to receive Proposition 10 funding.

CATEGORY 2

Persons in this category shall disclose all interests in real property within the jurisdiction. Real property shall be deemed to be within the jurisdiction if the property or any part of it is located within or not more than two miles outside the boundaries of the jurisdiction or within two miles of any land owned or used by the agency.

Persons are not required to disclose a residence, such as a home or vacation cabin, used exclusively as a personal residence; however, a residence in which a person rents out a room or for which a person claims a business deduction may be reportable.

CATEGORY 3

Persons in this category shall disclose all business positions, investments in, or income (including gifts, loans and travel payments) received from business entities that manufacture, provide or sell services and/or supplies of a type utilized by the agency and associated with the job assignment of designated position assigned to this disclosure category.

CATEGORY 4

Persons in this category shall disclose all income from any Proposition 10 employee, any represented or association of such employee; and business positions or income (including gifts, loans and travel payments) from any entity owned or controlled by such employee or his/her spouse or other financial dependent.

ATTACHMENT A

PROPOSED AMENDMENTS TO COI CODE

LOS ANGELES COUNTY CHILDREN AND FAMILIES FIRST – PROPOSITION 10 COMMISSION (Aka First 5-LA)

EXHIBIT “B”

<u>Designated Position</u>	<u>Disclosure Categories</u>
Board of Commissioners & Alternates	1, 2, 3, 4
Communications Coordinators	1, 3
Consultants/New Positions*	
<u>Chief Communications Officer</u>	<u>1, 2, 3, 4</u>
<u>Chief Data Officer</u>	<u>1, 2, 3, 4</u>
<u>Chief Government Affairs Officer</u>	<u>1, 2, 3, 4</u>
<u>Chief Operating Officer</u>	<u>1, 2, 3, 4</u>
<u>Chief of Staff</u>	<u>1, 2, 3, 4</u>
<u>Chief Transformation Officer</u>	<u>1, 2, 3, 4</u>
Director of Communities	1, 3
Director of Community Relations	1, 3
Director of Contract Administration and Purchasing	1, 3, 4
Director of Early Care <u>and</u> Education	1, 3
Director of Finance	1, 2, 3
Director of Communications	1, 3, 4
Director of Family Supports	1, 3
Director of Health Systems	1, 3
Director of Human Resources and Talent Management	1, 3, 4
Director of Information Technology	3
Director of Integration and Learning	1, 3

ATTACHMENT A

PROPOSED AMENDMENTS TO COI CODE

Director of Measurement, Learning & Evaluation	1, 3
Director of Public Policy and Governmental Affairs	1, 3
Director of Strategic Partnerships	1, 3
Executive Director	1, 2, 3, 4
Board Relations Manager	3
Executive Vice President	1, 2, 3, 4
Ex-Officio Representatives	1, 2, 3, 4
Finance Manager	1, 3

ATTACHMENT A

PROPOSED AMENDMENTS TO COI CODE

LOS ANGELES COUNTY CHILDREN AND FAMILIES FIRST – PROPOSITION 10 COMMISSION (Aka First 5-LA)

EXHIBIT “B” (Cont’d)

<u>Designated Position</u>	<u>Disclosure Categories</u>
Human Resources Manager	3, 4
IT Project Manager	3
Legal Counsel	1, 2, 3, 4
Senior Director of Administration	1, 2, 3, 4
Vice President of Integration & Learning	1, 2, 3, 4
Vice President of Policy and Strategy	1, 2, 3, 4
Vice President of Programs	1, 2, 3, 4

* Consultants/New Positions are included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitations:

The Executive Director or his or her designee may determine in writing that a particular consultant or new position, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with disclosure requirements in this section. Such written determination shall include a description of the consultant’s or new position’s duties and, based upon that description, a statement of the extent of disclosure requirements. The Executive Director or his or her designee’s determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code. (Gov. Code Section 81008.)

Individuals who perform under contract the duties of any designated position shall be required to file Statements of Economic Interests disclosing reportable interests in the categories assigned to that designated position.

Memo

To: Board of Commissioners

From: Kim Belshé, Executive Director

Date: October 13, 2022

Subject: EXECUTIVE DIRECTOR'S REPORT

I. EXECUTIVE DIRECTOR'S HIGHLIGHTS

At the October meeting, First 5 LA team is looking forward to continuing the discussion with the Board on strategic plan refinement. As we have discussed, this refinement process has focused on the overarching questions of, what are we holding ourselves accountable for and how will we measure progress? The exploration has highlighted critical learning from our work to date. And it is provided an opportunity to strengthen our logic for how change occurs, clarify the differentiating role of First 5 LA, and identify potential long- and short-term systems outcomes to focus and narrow our work to contribute to greater impact for children, families, and communities.

As I have shared before with the board, I am enormously proud of how the team has leaned into a number of complex, challenging and consequential issues raised through the strategy refinement process. We are eager to share the team's best thinking and recommended refinements, which have been informed by on-the-ground learning, insights and priorities lifted up by community and agency partners, and put from the Board. Informed by further guidance from the board at its October meeting, the team will return in November with final recommendations for the board's endorsement.

I am both proud of the work that is emerging through the strategic plan refinement process and confident in the team's ability to carry this foundational work forward into the 2023 under new staff and Board leadership. This organization is a special one, one which has demonstrated strategic smarts, deep commitment, and remarkable resiliency in the context of societal, personal, and organizational change and challenge.

One significant challenge in recent years has been the virtual context within which we have done our work. To the team's credit, each and every individual quickly pivoted to our remote reality and has continued to do thoughtful, strategic, and impactful work. And, while the work has continued and has been done well, I cannot help sense that something is missing; something important.

These reflections came to the fore for me by a recent week spent at the office, which included a second "Percolating on the Patio" – an informal outdoor coffee/pastry gathering for all interested employees.

COMMISSIONERS

Los Angeles County Supervisor Sheila Kuehl <i>Chair</i>	Barbara Ferrer, Ph.D., M.P.H., M.Ed. Astrid Heger, M.D. Yvette Martinez	Frank Ramos Carol Sigala Romalls J. Taylor Keesha Woods
Judy Abdo <i>Vice Chair</i>		

EX OFFICIO MEMBERS

Jacquelyn McCroskey, DSW
Karla Pleitez Howell
Jonathan E. Sherin,
M.D., Ph.D.
Deanne Tilton
124

EXECUTIVE DIRECTOR

Kim Belshé

EXECUTIVE VICE PRESIDENT

John A. Wagner

A PUBLIC ENTITY

Coming together was a great reminder of the power of personal connection and community that undergirds and strengthens our important work. Yes, there are things I miss about the office - but it is the people at the office I miss most of all.

As we began our remote work in March 2020, we posed a fundamental learning question: What work is most conducive to in-person and onsite work and what work is most effectively done remotely? Since we have returned to voluntary in-person and onsite work, utilization of the office has been quite limited, with most work continuing to be done remotely. And the work itself has been done well – thoughtfully, collaboratively, and strategically.

Yet, for me, there is a gap. With experience, I have come to appreciate that the value of in-person and onsite work is less about the specific work or project and more about the people. So, perhaps the better learning question in 2022 and into 2023 is, what is the purpose of the office? For me, the value of the office is in the people, connections, cohesion, and community that personal contact fosters; and which is fundamental contributor to building relationships, trust, and culture.

I think these reflections are true for both staff and Board alike. The First 5 LA team and I have greatly missed the opportunities for staff to interact with the board, just as I know Commissioners miss your interaction with one and other as well as the First 5 LA team.

It is in recognition of the power of people that the First 5 LA team is planning a number of engagement opportunities this fall. Later this month, the team is organizing a Fall Family Fun Day, which will include employees and their families as well as a hybrid Halloween “Spooktacular,” costumes and all.

And it is in recognition of the power of people that we are planning the Board’s final board meeting of the year to be held in-person and out-of-doors on November 10. Details are still in the works, but we are excited by the opportunity to see Commissioners for the first time in nearly 3 years. And, most of all, to be able to personally celebrate and appreciate Supervisor Kuehl for her 7 years of Board leadership and service.

We look forward to a rich and substantive virtual discussion in October; and to seeing Commissioners in person at its November meeting.

II. OPTIMIZING OUR ORGANIZATIONAL EFFECTIVENESS

Celebrating Hispanic Heritage Month

“We celebrate, we learn, we unite – to create change,” serves as First 5 LA’s articulation of living into our organization’s value of diversity, equity and inclusion as we internally and externally honor and celebrate 2022’s Hispanic Heritage Month, Sept. 15-Oct. 15. The organization is commemorating the contributions of Hispanic Americans to the history and culture of our nation and lifting-up this year’s events and activities across L.A. County for children and families alike. The Office of Communications (OOC) has integrated the use of external and internal channels – from our website and social media channels to our weekly employee newsletter, “The Fiver” – to reach stakeholders, the public, and First 5 LA employees, to share resources celebrating the rich history of the holiday and to promote learning and engagement.

III. ADVANCING PROGRESS TOWARD OUR RESULTS FOR CHILDREN AND FAMILIES

Result 1: Families have the resources, opportunities, and relationships to optimize their child’s development

Center for Child and Family Impact Priority: Home Visiting and Help Me Grow Integration

One of the Center for Child and Family Impact (CCFI) priorities has centered on integration efforts

between home visiting and family-serving systems. A recent achievement was the conclusion of a Home Visiting and Help Me Grow (HMG) Pilot with the goal of creating and testing more effective referral pathways.

In Spring 2022 a consultant was procured by leveraging First 5 California Home Visiting Coordination Project funding. The consultants, Innovation & Intersection Associates LLC (IIA), conducted a landscape analysis to inform development of the pilot with the HMG LA Central Access Point (CAP), and worked with key thought partners to further inform the pilot. IIA led First 5 LA, Parents as Teachers (PAT) grantees, and Los Angeles County Department of Public Health in a process to collectively develop the process, criteria, and training materials for bidirectional referrals. The 6-week Pilot was launched in July 2022 with the PAT teams from Shields for Families and Plaza Community Services. Throughout the pilot phase, the HMG LA CAP and PAT teams shared their learning and participated in real time trouble shooting with the goal of a seamless referral experience for families in need of additional child development support and resources.

This pilot concluded with a learning convening on October 3rd, 2022, where all key partners involved were invited to reflect on the experience and gain further insights to process improvements for bidirectional referrals and full-scale integration of HMG and Home Visiting in LA County.

Capacity Strengthening Learning Consortium across the Best Start Geographies

The Capacity Strengthening Learning Consortium (Consortium), which was launched in February 2020, is a space for people who occupy different places in the larger system of community capacity building/strengthening in LA County. Community Partners, in partnership with the Communities Team, convened County system agencies, foundations, and community-based organizations to strengthen relationships across sectors to better understand the whole system of capacity strengthening and possible points of leverage to advance their work in support of communities. Many Communities Team grantees, along with key County wide partners in government and philanthropy, lend their expertise in identifying opportunities to strengthen relationships and alignment to improve community and family serving capacity strengthening investments across LA County. As the Consortium moves to Year 3, we are adapting our structure based off feedback from participants and will engage in three series of conversations related to Funders Approaches, Equity and Inclusion, and Community Engagement/Mobilization. Each series will include; Spotlight conversations from participants, deeper dives from external partners, and curated (1:1) conversations with participants to go deeper and strengthen. Most recently, we held our Spotlight conversation on Equity and Inclusion that included presentations from the President and CEO of SLATE Z and the Principal Analyst from the LA County CEO Anti-Racism, Diversity, and Inclusion Initiative that lifted up challenges and solutions to incorporating diverse perspectives in one's work. Due to COVID-19, the space pivoted quickly from in-person session to virtual sessions and utilized art and visual multi-modal techniques to maximize engagement and discussion (see images attached as Attachment "A").

Attachment A: <https://www.dropbox.com/s/3awefsy30nx54j/Consortium%20Mural%209-22-22.png?dl=0>

Advancing the Promotores and Community Workers Workforce in Best Start Region 3

This year, El Nido Family Centers (El Nido) and the Communities Team helped to convene partners in the San Fernando Valley and hosted a Learning Dialogue Series that spread awareness around the impact of *promotores* on the lives of families and children in Best Start Region 3. El Nido serves as Regional Network Grantee for Best Start Region 3 and helped to produce the Learning Dialogue Series.

Promotores (see link 1 below) are community leaders who form trusted relationships with community members and function as liaison service providers. *Promotores* help families navigate systems, access resources, and advocate for improved health and well-being for children and their families.

The Best Start Region 3 Team – in partnership with El Nido, Los Angeles Education Partnership (LAEP), Vision y Compromiso and Our Streets Dreams – convened residents, *promotores*, community leaders,

LAUSD personnel and other systems-change advocates to engage in two critical conversations:

Region 3 Learning Dialogue – Session 1 (see Link 2 below) held on May 25, 2022: An "Introduction to the Promotor Model" presented by Vision y Compromiso Executive Director Maria Lemus, an examination of the *impact of Promotores within the San Fernando Valley* (see Link 3 below) and identification of potential opportunities to scale *promotor* support and sustainable employment (*Zoom access passcode: UrmM0%Kd*)

Region 3 Learning Dialogue – Session 2 (see link 4 below) held on September 21, 2022. Panel discussions featuring:

- a. "The Journey of a Promotor" - exploring the experience of *promotores* navigating volunteer to full-time employment. Featured panelists were SFV *promotores* Maria Olmos and Adolfo Martinez.
- b. "Transformative Partnership with *Promotores*" - examining the perspectives of organizational leaders as they assess the impact of *promotores* within the community and what it means to foster meaningful *promotor* partnerships, long-term sustainability and systemic change. Featured panelists were Melinda Cordero-Barzaga, Associate Director of Vision y Compromiso; Zenzontl Kuauhtzin, Director of Student and Parent Engagement and Advocacy at Partnerships to Uplift Communities Schools; and Elwood Hopkins, Presidential Fellow of the Kresge Foundation and former Executive Director of Los Angeles Urban Funders.

Next steps are to continue educating systems partners about the impact of *promotores* on the lives of children and families, and to explore ways to continue sustaining the integration of *promotores* in public systems.

Links:

1. <https://visionycompromiso.org/who-we-are/who-are-promotores/>
2. https://elnidofamilycenters-org.zoom.us/rec/play/EhK8ukXhVgX9cAuqpyFzOG83Pjf5sBkznNLFNP3NXtGnOLJngYGPjZRQyt4zY_u7ooxo-NBiAKGgr3hC.WPPOPt7tpdAYehy?continueMode=true&x_zm_rtaid=AT6a1_2WTqyl09dbEIZ0eQ.1663803567520.18f02950c5f75267d94b6587ba1a42f9&x_zm_rhtaid=922
3. <https://www.youtube.com/watch?v=6ms7yYMty5c>
4. https://www.dropbox.com/s/cujt2n55lc7x1gl/GMT20220921-160408_Recording_1920x1080.mp4?dl=0

Donations Towards Children's Futures

Through the collaborative efforts of First 5 LA's Office of Communications (OOC) and Family Supports Team and with the help of Los Angeles Best Babies Network (LABBN), more than 6,000 children's books, 100 newborn onesies and 50 Kits for New Parents were recently donated to the network's centers and programs. The items were part of OOC's months-long storage consolidation efforts and were previously included in community event giveaways. LABBN put First 5 LA in touch with their community partners to help distribute materials to families participating in the home visitation program.

Result 2: Children receive early and timely developmental supports and services

Help Me Grow LA Update

Since the official launch of Help Me Grow LA's (HMG LA) Call Center and Online Hub in May 2022 (<https://www.first5la.org/article/los-angeles-county-department-of-public-health-and-first-5-la-launch-help-me-grow-la-to-support-child-development/>), the Call Center has received 112 unique callers and helped 55 families navigate and connect with early identification and intervention services. The HMG LA Call Center, staffed by a team of trained resource liaisons, can assist families with navigating the

County's complex system of care and the website offers information about infant and young child developmental milestones, screenings, and community services. Parents, caregivers, early learning, health and early intervention providers can contact the call center or submit an online contact form on the website to be connected to a resource liaison.

In the next quarter the HMG LA team will be engaging in outreach efforts, including partnering with the American Academy of Pediatrics Chapter 2 (Los Angeles' local chapter) on a Town Hall in late September. Parent Champions from HMG LA's Family and Engagement Council will be presenting alongside HMG LA staff on importance of early developmental assessment, supportive patient conversations around assessment, and HMG LA's Call Center & Online Hub as a resource for connecting to early intervention supports when families need them.

Additionally, the Department of Public Health and First 5 LA hosted a workshop on September 21, 2022 at this year's Help Me Grow National Forum titled "A Coordinated Regional Approach to Implementing Help Me Grow in Los Angeles." The presentation focused on HMG LA's countywide and regional approach to implementing elements of the Help Me Grow (HMG) model and explored the regional work of the HMG LA Pathways investment. The session highlighted the approaches adopted by different regional collaboratives, such as partnership building, multi-agency referral platforms/portals, shared referral protocols, and the inclusion of family voice and experience. Additionally, the team shared challenges and lessons learned to date about the importance of regional flexibility, connectivity across regions and with the larger HMG LA effort, defining shared outcomes, centering on equity, and implementing electronic information and referral platforms.

Result 3: Children are safe from abuse, neglect, and other trauma

Coordinating Services to Support Substance-Affected Newborns in LA County

Since 2003, the Child Abuse Prevention and Treatment Act (CAPTA) has required states to maintain policies and procedures addressing the needs of infants affected by their parent's substance use during pregnancy, including the development of plans of safe care to support infants and their families, and procedures for making referrals to child protective services agencies by health care providers when necessary. In 2010, Congress amended CAPTA to include infants affected by Fetal Alcohol Spectrum Disorder.

On July 22, 2016, the Comprehensive Addiction and Recovery Act (CARA) was enacted to establish a comprehensive, coordinated strategy through enhanced federal grant programs to improve substance use prevention and education efforts (including both illegal and legal substances), while also promoting treatment and recovery. As part of the CAPTA provisions, states must also report specific data related to infants affected by substance use during pregnancy to the federal Administration for Children and Families (ACF) through the National Child Abuse and Neglect Data System (NCANDS). The Office of Child Protection (OCP) is leading an effort to develop a Plans of Safe Care (POSC) protocol for hospitals and the Department of Children and Family Services (DCFS) in LA County to implement when prenatal or postpartum substance exposure is identified. The POSC workgroup includes representation from DCFS, First 5 LA, OCP, DPH's Substance Abuse Prevention and Control, and physicians and medical social workers. California defines an infant born and identified as affected by substance abuse as: an infant where substance exposure is indicated at birth, and subsequent assessment identifies indicators of risk that may affect the infant's health and safety. Under the draft LA County protocol, once a pregnant person or newborn is identified as being substance-affected, a designated hospital worker would conduct a Newborn Risk Assessment developed by DCFS and then develop a Plan of Safe Care for the family, which can include many different types of referrals to supports including but not limited to home visiting, childcare, WIC, and mental health counseling. The hospital worker will then determine, informed by the Newborn Risk Assessment, whether a call to the child protection hotline is warranted, in which case that process will be initiated, and if not, the hospital worker provides deidentified information

to the DCFS consultation line and provides the POSC to the patient's primary provider for monitoring.

The workgroup has developed proposed protocols and templates for the project and is now in the midst of planning 1-2 pilots at LA County hospitals, including one at the Department of Health Services' Harbor-UCLA Medical Center in connection with their MAMA's Neighborhood program, and a potential pilot testing the integration of the POSC protocol into a Welcome Baby hospital. Substance-affected infants are also an eligible population under the federal Family First Prevention Services Act (FFPSA) funding that DCFS, First 5 LA, OCP, DPH, and many other partners are working towards implementing. The array of services the State has chosen to be eligible for funding under FFPSA includes three home visiting programs implemented in LA County, two of which are funded by First 5 LA, as well as Motivational Interviewing, which Welcome Baby providers utilize. Therefore, the POSC project is also a part of larger efforts to create more referral pathways to home visiting programs that can potentially secure reimbursement for services provided to eligible populations.

Result 4: Children have high quality early care and education experiences.

Home Based Child Care Landscape Analysis Update

The Home-Based Child Care Landscape Analysis of Home-Based childcare providers in Los Angeles County is currently being conducted by the Child Care Alliance of Los Angeles (CCALA). Currently, the Child Care Resource Center (CCRC) research team is analyzing survey data from 775 Family Child Care providers, 460 Family, Friends & Neighbors and 710 parents of young children in Los Angeles County, representing the most current and comprehensive local data available on home-based childcare providers. Following initial data analysis, 13 focus groups and 29 key informant interviews in multiple languages (i.e., English, Spanish, Mandarin Chinese, and Armenian) were also conducted and will be captured in the final report by CCRC. The next phase of the landscape analysis is sensemaking sessions, which are scheduled throughout October and are being conducted with various stakeholders including childcare providers, parents, and community-based organizations. Their reflections will provide unique and relevant input into the interpretation of data, helping us to broaden our lens and contextualize the findings by ensuring that those with lived experiences closest to the data can provide authentic insight. Their insights will be reflected in the final report that is generated from this landscape analysis. The sensemaking sessions will also provide the opportunity for further discussion and will begin the process of generating ideas for future funding initiatives, strategic partnerships, and/or policy priorities. The landscape analysis will be completed by December 2022, after which various stakeholder presentations will begin in January. Staff will return to the Board with findings from the landscape analysis and reflections on learnings from this new way of approaching data collection and analysis of this critical and historically misunderstood component of Los Angeles County's early learning system.

IV. STATE AND FEDERAL ADVOCACY

State Advocacy

The Office of Government Affairs and Public Policy (OGAPP) continues to advocate for state policy proposals in support of First 5 LA's four results for children through the end of the legislative session. August 31, 2022 was the deadline for each house to pass legislation, and send to Governor Newsom for his signature or veto. The Governor's deadline to sign was September 30, 2022. First 5 LA has taken official support position on the following state proposals:

- AB 92 (Reyes), related to Family Fees, will establish a more equitable sliding scale for family fees utilizing state subsidized preschool and child care services. (Status: Vetoed by Gov. Newsom)
- AB 2832 (Rivas), related to Whole Child Community Equity, will develop an Equity Tool, based on a Whole Child Equity Framework, to guide the allocation of early care and education (ECE) funding and resources in California. (Status: Signed by Gov. Newsom)

- SB 976 (Leyva), related to Universal Preschool, will establish universal preschool, to provide California's young children and their families equitable access to quality early learning and care services. (Status: Assembly Education Committee/not moving)
- SB 951 (Durazo), related to Paid Family Leave, will phase in higher levels of wage replacement through California's Paid Family Leave program, and by 2025, provide many new parents with 90 percent of their wages when they take eight weeks of leave to care for their child. (Status: Waiting for action by Gov. Newsom)
- AB 2402 (Rubio), related to Continuous Eligibility for Medi-Cal, will require that children under the age of 5-years old receive continuous eligibility for Medi-Cal. (Status: Senate Floor/not moving)
- AB 2159 (Bryan), related to Parent Reunification, will prohibit a parent or guardian who is in custody prior to conviction from being denied reunification services with their dependent child based on an existing provision which allows a court to deny reunification services for a parent or guardian who is incarcerated, institutionalized, or detained. (Status: Signed by Gov. Newsom)
- AB 2517 (Bonta), related to Cradle-to-Career Networks, will establish a two-year California Coordinated Neighborhood and Community Services grant program to implement new, and strengthen existing, neighborhood and regional cradle to career (C2C) networks, by allocating state funding into these programs. (Status: Vetoes by Gov. Newsom) Policymaker Engagement

On September 9, 2022, First 5 LA attended the district swearing-in ceremony for Assemblymember Tina McKinnor representing the 62nd Assembly District. Assemblymember McKinnor was elected to the Assembly in a June 2022 special election to replace Assemblymember Autumn Burke, who resigned earlier in 2022. The Assemblymember served in Assemblymember Burke's office as a program manager, then as her chief of staff for several years. She also served as District Director to Assemblymember Steven Bradford.

In addition, I joined staff from the Office for Government Affairs and Public Policy (OGAPP) in a virtual briefing with Assemblymember McKinnor to discuss First 5 LA's strategic priorities and Policy Agenda, and to learn about her state priorities in 2023. In the next few months, OGAPP will coordinate with early learning partners to host a virtual family child care site visit with the goal of educating the new Assemblymember on the importance of strengthening the early learning system.

On October 5, 2022, First 5 LA attended a Townhall and Legislative Recap hosted by Assemblymember Isaac Bryan (AD-54). During the event Assemblymember Bryan discussed his legislative accomplishments in 2022, including enacting AB 2159, which First 5 LA supported. The event was attended by several local elected officials and community leaders in the district. Assemblymember Bryan was elected in 2021, and OGAPP continued to engage his office in 2022 during the First 5 Advocacy Day, and a virtual child care site visit hosted by child care partners in LA County. The 54th Assembly District includes the communities of Baldwin Hills, Century City, Crenshaw, Culver City, Inglewood, Ladera Heights, Leimert Park, Mar Vista, Mid-City, View Park-Windsor Hills, West Los Angeles, Westwood.

From October 3 - 4, 2022, OGAPP staff attended the California Legislative Women's Caucus (LWC) Policy Retreat in Lake Tahoe. The Legislative Women's Caucus represents and advocates on behalf of the diverse interests of women, children and families throughout California. Members of the Caucus seek to promote sound legislative policies and budget priorities that will improve the well-being of women, children and families and to work cooperatively with local, state and national women's organizations interested in advancing policies to achieve these same objectives.

Federal Advocacy

First 5 LA continues to advocate for the Maternal, Infant and Early Childhood Home Visiting (MIECHV) Program as the momentum continues for its reauthorization. OOC and OGAPP have worked with the First 5 Network and the National Home Visiting Coalition Steering Committee to advocate for and

elevate the importance of the home visiting program. After engaging key members and offices of the House Ways & Means and Energy and Commerce Committees earlier this summer, First 5 LA activated members in support of the Jackie Walorski Maternal and Child Home Visiting Reauthorization Act of 2022 (H.R.8876), which is the legislative vehicle to reauthorize the MIECHV program. OGAPP worked to ensure the LA congressional delegation members in the committee became original co-sponsors of the legislation before it was introduced on Wednesday, Sept. 22, 2022. The bill was earmarked with unanimous bipartisan support. OGAPP, in partnership with the Family Supports Team and Office of Communication, provided Representative Judy Chu with talking points and data for her remarks in committee. OGAPP will now seek co-sponsorship from the rest of the LA congressional delegation to strengthen advocacy efforts for reauthorization and prioritization from our Senators for prioritization in the omnibus. This demonstrates First 5 LA's continued engagement efforts and relationship building over the years in Washington, DC and how First 5 LA has been positioned as an early childhood resource to members of congress.

V. CONTRACTS AND SPONSORSHIPS EXECUTED PER BOARD-APPROVED EXECUTIVE DIRECTOR DELEGATION AUTHORITY

Contracts Executed between \$10,000 to \$150,000 Pursuant to the Procurement Policy adopted on September 9, 2021, "The Executive Director (or designee) may approve any contract or amendment up to and including \$150,000 in the aggregate and will establish appropriate internal policies and controls for those awards. Contracts that are executed under the Executive Director (or designee) between \$10,000-\$150,000 will be presented as information at the next Board of Commissioners meeting."

The following contracts were executed between August 17, 2022, and September 15, 2022.

#10295 AMS.Net – Amendment Amount: \$22,216.80 Amendment Period: 05/28/2021 – 9/30/2022

This amendment adds additional funds in the amount of \$22,216.80 for a total contract amount of \$258,028.97 for Contractor to continue to replace outdated phone servers. The amendment will allow Contractor to procure additional hardware that will allow for the completion of the system installation. On July 12, 2018, the Board of Commissioners authorized the Executive Director to execute all agreements and amendments necessary to implement the Capital Improvement Project unless otherwise required by State law and directed to bring other contracts back for Board approval as required, while continuing to update the Board on the project, contracts and expenditures going forward (via the ED report or other public means).

#10048 MARRS Services, Inc. – Amendment Amount: \$23,800.00

Amendment Period: 03/02/2018 – 9/30/2022

This amendment adds additional funds in the amount of \$23,800.00 for a total contract amount of \$683,131 for Contractor to provide construction project management for completion of Phase I of the Capital Improvement Project. The contract was extended to coincide with any remaining work by First 5 LA's general contractor, Dewberry Design-Builders. First 5 LA anticipates extending the agreement end date through October 14, 2022. On July 12, 2018, the Board of Commissioners authorized the Executive Director to execute all agreements and amendments necessary to implement the Capital Improvement Project unless otherwise required by State law and directed to bring other contracts back for Board approval as required, while continuing to update the Board on the project, contracts and expenditures going forward (via the ED report or other public means).

Sponsorships

Zero To Three LEARN Conference

Date: 9/12 - 9/15

Amount: \$5,000 (1 of 2 events)

Description: The ZERO TO THREE LEARN Conference welcomed early childhood professionals from across disciplines, geographies, and backgrounds for four days of virtual learning. The conference was titled “Advancing Equity for Young Children from Zero to Three,” and focused on evidence-based strategies rooted in fairness and cultural competence to re-imagine how to best provide access to developmental screening, early intervention services, and quality early childhood education in underserved communities and on college campuses.

Black Maternal Health Conference and Training Institute

Date: 9/17-9/18

Amount: \$10,000

Description: Founded and led by the Black Mamas Matter Alliance (BMMA), the Black Maternal Health Conference and Training Institute™ (BMHC22) is the premiere assembly for Black women, clinicians, professionals, advocates, and other stakeholders working to improve maternal health using the birth justice, reproductive justice, and human rights frameworks. This year’s theme was, “Building for Liberation: Centering Black Mamas, Black Families and Black Systems of Care.” The conference was hybrid (virtual and in-person) and offered a national space for learning, rich discussions, and mobilization to transform Black Maternal Health, rights, and justice.

Strength Based Community Change (SBCC) 2022 Gala

Date: 9/17/2022

Amount: \$3,000

Description: Strength Based Community Change (SBCC), a longtime partner of First 5 LA, partners with residents to build empowered communities across Los Angeles to discover and develop tools for individual and collective well-being. First 5 LA sponsored their 8th annual gala, titled “All In For Our Community.”

SoCal Grantmakers 2022 Annual Conference

Date: 9/20/22

Amount: \$5,000

Description: SoCal Grantmakers (SCG) conference titled, “Narrative Power: Reframe Stories, Redefine Culture,” took place in-person for the first time since the pandemic. The conference explored how philanthropy can build narrative power alongside communities as a vital component of a broader power-building ecosystem. Challenging dominant narratives and imagining new possibilities is an integral part of systems change work.

BizFed’s Freshman Policymaker Reception

Date: 9/22/22

Amount: \$2,500

Description: The LA County Business Federation (BizFed) hosted their 8th annual Freshman Policymaker Reception in the City of Montebello, honoring the recent elected members of local municipalities, and state legislature. Several local policymakers were in attendance including state leader Assemblymember Miguel Santiago (AD-53). BizFed is an advocacy nonprofit that speaks for 215 business groups representing 410,000 companies employing five million people across LA County.

CHIRLA Annual Gala

Date: 9/22/22

Amount: \$2,500

Description: The Coalition for Humane Immigrant Rights (CHIRLA), hosted their annual gala “Peace to the World, Justice for Immigrants” in Hollywood. At the gala they honored several community leaders that advocate for increased support of LA County’s immigrant community. CHIRLA is a non-profit organization that advances the human and civil rights of immigrants and refugees.

Esperanza Dancing With the Stars Gala

Date: 9/23/22

Amount: \$2,500

Description: First 5 LA joined the Esperanza Community Housing Annual Gala, that was held in downtown Los Angeles, where members of the local community were honored for their environmental justice and housing advocacy. Esperanza Community Housing is a social justice non-profit in South LA that works to achieve long-term, comprehensive community development.

T.R.U.S.T South LA Gala

Date: 9/29/22

Amount: \$5,000

Description: T.R.U.S.T. South LA was established in 2005 as a permanent and democratic steward of land in South Los Angeles. Since its inception the group has expanded its community membership, has raised and dedicated millions in funds in its effort to improve the way of life for thousands of local residents, businesses, and stakeholders. First LA supported their first ever Awards and Dinner Gala.

UNITE-LA Education Means Business Webinar with CA State Superintendent of Public Instruction, Tony Thurmond

Date: 9/30/22

Amount: \$1,000

Description: First 5 LA joined UNITE-LA in partnership with leading business organizations in the region, for a conversation with Superintendent of Public Instruction Thurmond to discuss California's efforts to support multilingualism for students while embracing diversity and fortifying our ability to remain a global economy. The webinar addressed the English Learner/Dual Language Learner teacher shortage and ways we can build a diverse educator workforce for our early care and K-12 education system.

Eisner Health's Sunset Skyline Social

Date: 10/6/2022

Amount: \$2,500

Description: First 5 LA sponsored Eisner Health's Sunset Skyline Social event, which was geared towards Eisner Health patients and staff and reflected the first time coming together since 2019. The event honored Eisner's commitment to the community and focus on a healthier Los Angeles. It also spotlighted Eisner's mission and work to improve the health and well-being of the people and communities we serve, together. Embedded in this mission is their work to address disparities, improve health care outcomes and access to care across Los Angeles County, regardless of one's ability to pay.

Western Center on Law and Poverty (WCLP) Garden Party

Date: 10/11/22

Amount: \$5,000

Description: First 5 LA joined WCLP's hybrid Garden Party, which celebrated 55 years of Western Center building more of a just community. The Western Center fights to ensure all Californians have access to secure housing, quality affordable health care, and a strong safety net. The Garden Party honored Maya Wiley, President and CEO of the Leadership Conference on Civil and Human Rights among other notable honorees.

Los Angeles County Children and Families First – Proposition 10 Commission Annual Comprehensive Financial Report for the Year Ended June 30, 2022

Board of Commissioners Meeting

Presented by: Raoul Ortega
October 13, 2022



Presentation Overview

- Independent Auditor's Report
- Fiscal Year 2021-22 highlights
- Fund Balance
- Next steps



Independent Auditor's Report

- Clean audit:
 - The CPA firm of Eide Bailly LLP, noted that the financial statements are presented fairly
 - Unmodified opinion
 - No findings or adjustments

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Revenue Highlights

- Total revenue of \$68.8 million:
 - Tobacco tax = \$55.3 million
 - Prop. 56 backfill = \$18.5 million
 - Other revenues = \$6.2 million
 - Fair Value Adjustment/Unrealized Loss = -\$11.2 million

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(Other revenues - IMPACT Program, Investment income, MAA Program, F5CA grants (Dual Language Learner and HV Coordination))

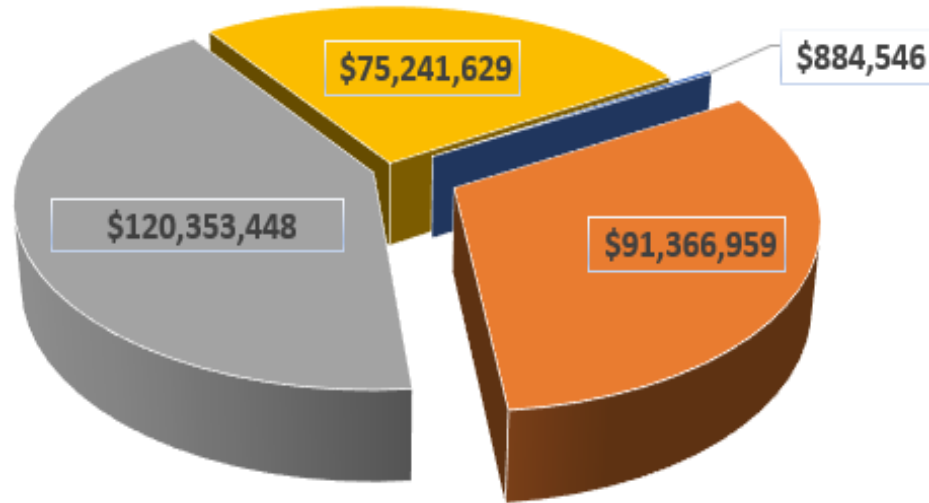
Expenditures Highlights

- Total expenditures of \$94.4 million:
 - Program expenditures = \$75.8 million
 - Program/Operating expenditures = \$6.5 million
 - Administrative expenditures = \$12.1 million

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Fund Balance

Total Fund Balance: \$287,846,582



■ Nonspendable ■ Committed ■ Assigned ■ Unassigned

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Next Steps

- Submission of the Financial Report by 11/1:
 - State Controller's Office
 - First 5 California
- Update the Long-Term Financial Plan (LTFP)

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Questions?



Annual Comprehensive Financial Report
For the Year Ended June 30, 2022

**Los Angeles County Children and
Families First – Proposition 10
Commission**

(a Component Unit of the County of Los Angeles, California)

Los Angeles County Children and Families First – Proposition 10 Commission

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October 13, 2022

Board of Commissioners
 First 5 LA
 750 North Alameda Street, Suite 300
 Los Angeles, CA 90012

Dear Commissioners:

The Annual Comprehensive Financial Report of the Los Angeles County Children and Families First – Proposition 10 Commission (First 5 LA) for the year ending June 30, 2022, is hereby submitted, as mandated by applicable statutes. These statutes require First 5 LA to annually issue a report of its financial position and activity.

A complete audit of the report by an independent firm of certified public accountants is also required. Responsibility for both accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Commission’s management team. The information in this report is intended to present the reader with a comprehensive view of the Commission’s financial position and the results of its operations for the fiscal year, along with additional disclosures and financial information designed to provide an understanding of First 5 LA’s financial activities.

Eide Bailly LLP, Certified Public Accountants, has issued an unmodified (“clean”) opinion on First 5 LA’s financial statements for the year ending June 30, 2022. The independent auditors’ report is located at the beginning of the financial section of this report. Management also provides a narrative introduction, overview, and analysis of the basic financial statements in the form of the Management’s Discussion and Analysis (MD&A).

PROFILE OF THE COMMISSION

First 5 LA was created by the Los Angeles County Board of Supervisors in December 1998 following the passage of Proposition 10, through which California voters made an unprecedented investment in early childhood development.

Over the last 20+ years, First 5 LA has made a lasting positive impact in Los Angeles County through its allocation of over \$2.5 billion to support diverse partnerships, innovative programs, leading policy, and systems change efforts and operations that improve the well-being of young children and families.

ADVANCING OUR STRATEGIC DIRECTION

In Fiscal Year 2021-2022, First 5 LA completed its second year of implementation of the 2020-2028 Strategic Plan which reflects a shift in approach from mainly funding programs toward a focus on systems change – changing policy, practice and public will to strengthen families and improve child outcomes. This strategic approach is based on First 5 LA’s desire to direct its resources to have the greatest impact on families and children prenatal to age five in Los Angeles County. Consistent with the Commission-approved strategic direction, First 5 LA will continue to place greater emphasis on

COMMISSIONERS

Los Angeles County Supervisor	Bobby Cagle	Jonathan E. Sherin,
Sheila Kuehl	Barbara Ferrer, Ph.D.,	M.D., Ph.D.
<i>Chair</i>	M.P.H., M.Ed.	Romalis J. Taylor
Judy Abdo	Astrid Heger, M.D.	Marlene Zepeda, Ph.D.
<i>Vice Chair</i>	Yvette Martinez	

EX OFFICIO MEMBERS

Jacquelyn McCroskey, DSW
Karla Pleitéz Howell
Deanne Tilton
Keesha Woods

EXECUTIVE DIRECTOR

Kim Belshé

EXECUTIVE VICE PRESIDENT

John A. Wagner

efforts to contribute to sustainable public financing, public policy and systems-level change, and less emphasis on funding direct services. Our four strategic priority areas remain:

Strengthen Public and Community Systems: Improve, integrate, and expand systems of early prevention, intervention and learning to become family-centered, child-focused and promote equitable outcomes.

Advance and Build on Community Experience: Connect, maximize, and coordinate public resources, relationships and local assets, and relationships within our 14 Best Start geographies.

Expand Influence and Impact with Data: Expand the availability, use and power of data and parent voice to call attention to disparities, amplify advocacy, and drive policy change, practice change, and will building.

Optimize Our Effectiveness: Heighten organizational performance to enhance our impact.

Building on these priorities, First 5 LA will be focusing on integrated “whole child” advocacy strategies and pursuit to leverage learning from our programmatic efforts to inform and drive state policy change. Examples here include family-strengthening home visiting and early identification and intervention.

The Commission continues to conduct all decision-making processes in accordance with the governance guidelines, approved in March 2014, with the intention of advancing important First 5 LA goals, including:

- Transparency and consistency in First 5 LA’s decision-making;
- Coordination, coherence, and integration of First 5 LA investments; and
- Accountability, acknowledging First 5 LA’s declining revenues.

These guidelines continue to ensure that decisions made by the Commission are guided by the principles of financial responsibility, accountability, and adherence to the Commission’s 2020-2028 Strategic Plan, which will continue to be refined and responsive to the communities we serve in the years ahead.

ORGANIZATIONAL HIGHLIGHTS

- ***Strengthening County child- and family-serving systems.*** First 5 LA is clear that we are not the agent of scale of sustainability. Instead, we partner with County agency systems leaders to strengthen and support their efforts to support more accessible, integrated, sustainable and higher quality child- and family-serving systems. The Commission has pursued investments to build upon a number of critical partnerships with County agencies to catalyze coordination across diverse stakeholders, strengthen cross-sector collaboration, and develop and sustain county-wide systems that serve, support, and strengthen children and families. Examples include LA County home visiting and early care and education systems building.
- ***Implementing our Strategic Plan, adapting to our context.*** As a systems change leader and funder, First 5 LA is attentive to the evolving context in which our work is undertaken. First 5 LA recognizes that addressing the COVID-19 pandemic and contributing to efforts to eradicate racial disparities and systemic inequities are not new, additive pieces to our work; rather, they represent the context in which we are doing work, and our Strategic Plan will guide our response. The budgetary priorities in FY 2021-22 and in the year ahead speak directly to the opportunities we see for First 5 LA to adapt to our context and contribute to an LA County that is just, inclusive, and equitable.

- ***Living our values of diversity, equity, and inclusion.*** First 5 LA's refined Strategic Plan provides a solid roadmap to guide our work as a systems-change leader, grounded in our values and investment guidelines, including diversity, equity, and inclusion (DEI). Consistent with Board direction, we're challenging ourselves in our Strategic Plan implementation to recognize racial disparities and inequities in the systems we seek to change, better identify causes that contribute to inequities, and work to change the underlying policies and practices that continue to hold these inequities in place.

First 5 LA can contribute to addressing the systemic barriers that impede equity and opportunity for Black children and families and communities of color. First 5 LA continues its work with SEED Collaborative and engagement of internal staff through our DEI Governance Board. DEI continues to inform and center our work, such as seen in efforts to close racial disparities in home visiting, our evolving early care and education strategic focus on family child care and the centrality of DEI in First 5 LA's more focused policy agenda. We recognize that the road ahead to live into our DEI value and investment guideline will continue to take time and effort; and we understand this work is critical to how First 5 LA undertakes its work and to the safe, equitable and just future we envision for our County's youngest children.

- ***First 5 LA staff as impact multipliers.*** While attentive to our evolving fiscal context, we recognize we are a resource-rich organization, in terms of our programmatic funding as well as our human resources – each member of the First 5 LA team. The budget recognizes our staff team as one of First 5 LA's most significant investments in systems change and aligns operational expenditures with the functionality required to successfully execute against our Strategic Plan.
- ***Energizing advocacy across our work, diverse partners, and Network of First 5s.*** First 5 LA plays an important and visible role as a connector, convener, and partner in local, county and state advocacy to prioritize young children and their families in policy and practice. The organization recommends continued support of such critical advocacy investments as the Early Care and Education Coalition, the Association of First 5s, and our Sacramento-based advocates. Focus will continue on engaging and building the capacity of early childhood health and family strengthening advocates to shape and help advance a whole child, whole family framework in state and local policies. In addition, the First 5 LA will launch the Childhood Policy and Advocacy Fund, aligned to the more holistic child and family goals outline in the Strategic Plan.
- ***Advancing sustainability of early childhood development priorities, of First 5s.*** Consistent with First 5 LA's investment guidelines, sustainability strategies are embedded within all of our work – a recognition by the Board of the predicted and real decline in Proposition 10 revenue. First 5 LA's fiscal realities require that we bring a comprehensive approach to sustainability, including operating within our fiscal discipline, pursuing new revenue and fund leveraging strategies, and maximizing opportunities to co-invest with partners.
- ***Principal work concludes on improving our capital asset, 750 N Alameda Street.*** As the owner and operator of its building, into which First 5 LA moved in 2005, we have completed significant progress in the Board-approved Capital Improvement Plan (CIP), completing phase milestones and upgrades to the building. In FY 2021-2022, First 5 LA's general contractor for CIP, Dewberry Design-Builders, Inc., led the completion of significant steps, including exterior and interior renovations of three floors of the existing office building, with specific attention to rooftop replacement, HVAC, solar panel installation and site security improvements. While the timeline for this project extends into FY 2022-23, the value for the physical space has already been significantly impacted and the improvements are already being utilized by the First 5 LA team, with a continued goal of maximizing the health and safety of our employees and the public.

LOOKING AHEAD

- Long term financial planning.** First 5 LA's approach to sustainability requires that we take a multi-year view beyond the budget year. Towards that end, the Board-approved Long Term Financial Plan (LTFP) provides financial guardrails to focus and discipline First 5 LA's expenditures over the course of the 2020-2028 Strategic Plan. The LTFP represents a framework for multi-year financial planning to manage continued reduction in tobacco revenue. By taking proactive measures grounded in a longer view, First 5 LA is able to responsibly plan for the future and mitigate the need for dramatic and disruptive reductions in the future.
- Continued refinement and implementation of our 2020-2028 Strategic Plan.** The FY 2022-2023 budget represents resources that will support year three implementation of the 2020-2028 Strategic Plan. Completion of year two and the formation of the budget for year three represents the culmination of internal collaboration across teams, alignment of program costs to our strategic direction and fiscal realities of declining tobacco tax revenues, and the continued evolution of First 5 LA as it fulfills its multiple roles as advocate, convener, funder, catalyst, communicator, and partner. The reduced level of spending, compared to the prior year, reflects the progress undertaken to apply the drivers of strategic plan implementation – focus and prioritization, alignment and integration, and diversity, equity, and inclusion – to our work. This has led to greater clarity around how to deploy and maximize First 5 LA's human and fiscal resources strategically and in alignment with the evolution of First 5 LA, our fiscal reality, and the results we seek for children and families in Los Angeles County.

OTHER FINANCIAL INFORMATION

Internal Controls

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that has been established for this purpose. The internal control structure is designed to protect the Commission's assets from loss, theft, or misuse and to ensure that adequate accounting data is compiled for the preparation of the financial statements in conformity with Generally Accepted Accounting Principles. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable rather than absolute assurance that the financial statements are free of any material misstatements.

Budgetary and Accounting System

The Commission is not required to adopt a budget for the following year before the end of each fiscal year. However, the Commission has historically adopted a budget to ensure controlled spending. Any increase to previously adopted appropriations during the fiscal year requires Commission approval. The Executive Director has the authority to adjust the operating budget in an amount not to exceed \$75,000, and any adjustments to the adopted fiscal year budget for programs must be approved by the Commission. Monthly financial updates are also provided to the Board of Commissioners. The Commission has not adopted or revised any financial policies that may have a significant impact on the current period's financial statements.

Long Term Financial Plan

First 5 LA has annually prepared a long-term financial projection which forecasts future revenues and fund balance, assuming spending trends continue as forecasted and approved. The projection allowed us to test what the future would look like, and it helped the Commission establish financial guardrails to inform future budgeting and spending. Given First 5 LA's declining revenues, fund balance and increased priority on addressing sustainability, First 5 LA staff, with input provided by

the June 11, 2020, meeting of the Board of Commissioners, has transitioned to implement a higher degree of fiscal discipline through the adoption of a long-term financial plan in place of the long-term financial projection. While both processes provide important planning and context for the Board on future spending, the Long-Term Financial Plan will change how the organization plans, adjusting to the organization's fiscal reality and 2020-2028 Strategic Plan goals and establishing spending limits for outer years which will help us to better manage our ever-decreasing fund balance. The future spending limits, grounded in an 85%-15% maximum split of total expenditures between programmatic and administrative costs, respectively, will require changing current norms but also promote shared resources and decision making across the organization to leverage and maximize resources and partnerships. Deviations from the established annual limits will require Board review and approval.

CERTIFICATE OF ACHIEVEMENT

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to First 5 LA for its annual comprehensive financial report for the fiscal year ended June 30, 2021. This was the fourteenth consecutive year that First 5 LA has achieved this prestigious award. In order to be awarded a Certificate of Achievement, First 5 LA must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

The Commission's Annual Comprehensive Financial Report was prepared through the combined efforts of all First 5 LA staff. Special recognition is due to the Finance Department staff for their effort to ensure timely and accurate reporting. I would also like to thank the Board of Commissioners for your responsible and thoughtful fiscal stewardship of First 5 LA's financial operations.

Sincerely,

Kim Belshé
Executive Director

KB:ro

FIRST 5 LA

Commissioners

Sheila James Kuehl, Los Angeles County Supervisor, Chair
Judy Abdo, Vice Chair
Barbara Ferrer, Ph.D., M.P.H., M.Ed.
Astrid Heger, M.D.
Yvette Martinez
Maricela Ramirez
Carol Sigala
Romalis J. Taylor

Ex-Officio Commissioners

Robert Byrd
Karla Pleitéz Howell, J.D.
Jacquelyn McCroskey
Deanne Tilton Durfee

Alternate Commissioners

Luis Bautista
Victor Manalo, Ph.D.
Kristin McGuire
Frank Ramos
Vivian Rescalvo
Sylvia S. Swilley, M.D.

Executive Director

Kim Belshé

Executive Vice President

John A. Wagner

Chief Operating Officer

Teofilo "JR" Nino

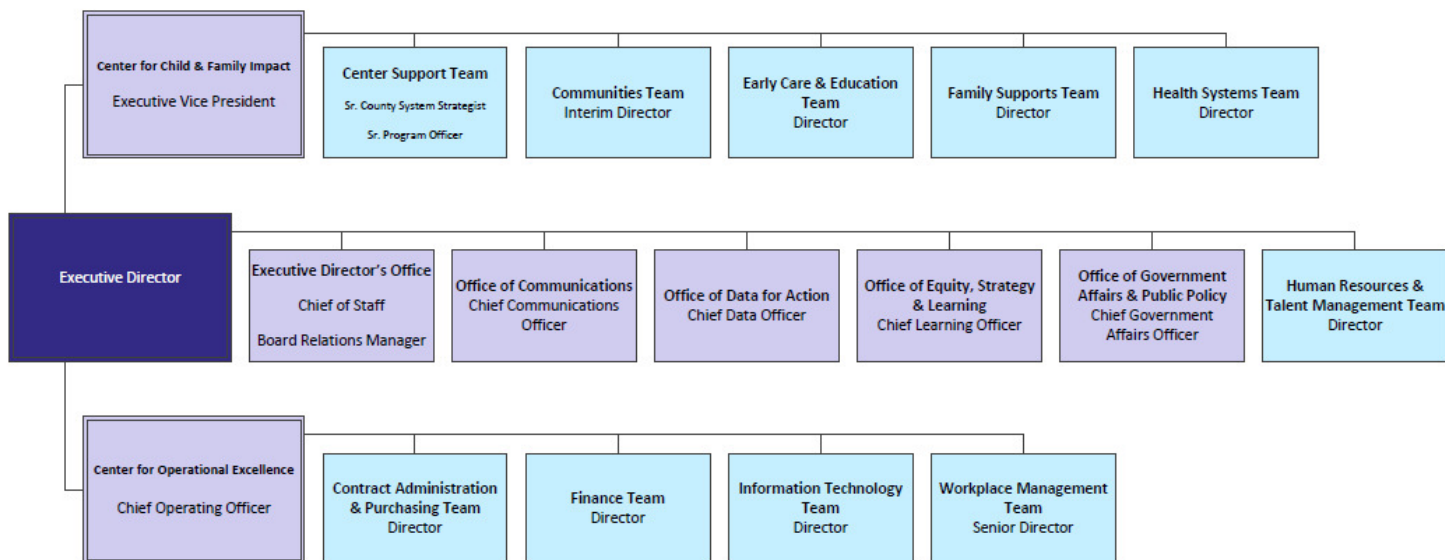
Chief of Staff

Peter Barth

Team/Center/Office Chiefs/Directors

Antoinette Andrews-Bush, Office of Equity, Strategy and Learning
Diana Careaga, Family Supports
Galina Collins, Human Resources & Talent Management
Jennifer L. Eckhart, Contract Administration & Purchasing
Tara Ficek, Health Systems
Jasmine Frost, Information Technology
Kim Hall, Office of Data for Action
Raoul Ortega, Finance
Becca Patton, Early Care and Education
Lee Werbel, Communities
Charna Widby, Office of Government Affairs and Public Policy

Organization Structure First 5 LA





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**First 5 LA
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

Independent Auditor's Report

Board of Commissioners
Los Angeles County Children and Families
First – Proposition 10 Commission
Los Angeles, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and the general fund of the Los Angeles County Children and Families First – Proposition 10 Commission (Commission), a component unit of the County of Los Angeles, California, as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of the Commission, as of June 30, 2022, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The Schedule of First 5 California Funding is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of First 5 California Funding is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

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

Eide Bailly Signature

Rancho Cucamonga, California

**Los Angeles County Children and Families First – Proposition 10 Commission
Management’s Discussion and Analysis
(Unaudited)**

This section of the Los Angeles County Children and Families First – Proposition 10 Commission (the “Commission”) annual comprehensive financial report presents management’s discussion and analysis of the Commission’s financial performance during the year ending June 30, 2022. This discussion and analysis is intended to be read in conjunction with the Commission’s basic financial statements and accompanying notes.

Financial Highlights

- The Commission recognized a total of \$78.4 million in program revenues which include tobacco taxes, Proposition 56 backfill, IMPACT funds, Dual Language Learner Grant, Home Visiting Coordination Grant and pass-through funds for Medi-Cal Administrative Activities. Revenues from First 5 California (the State) totaled \$77.4 million, reflecting a 4.8% decrease of \$3.9 million from \$81.3 million in FY 2020-21.
- Commission expenses totaled \$94.4 million in FY 2021-22, representing an 9.5% decrease of \$9.9 million from \$104.3 million in FY 2020-21.
- The Commission’s liabilities decreased from \$22.9 million in FY 2020-21 to \$21.5 million in FY 2021-22, reflecting a total decrease of approximately \$1.4 million, or 6.1%.
- The Commission’s total net position decreased from \$326.1 million in FY 2020-21 to \$300.6 million in FY 2021-22, a decline of approximately \$25.5 million, or 7.8%.

Overview of the Financial Statements

The annual comprehensive financial report consists of two parts, this management’s discussion and analysis and the basic financial statements, including: government-wide financial statements, fund financial statements, and notes to the basic financial statements. The Commission’s financial statements offer key, high-level financial information about its activities.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Commission’s finances, in a manner similar to a private-sector business. These statements provide both long-term and short-term information about the Commission’s overall financial status.

The Statement of Net Position includes information on all the Commission’s assets and liabilities, with the difference between assets and liabilities reported as net position. Changes in net position may serve as a useful indicator of whether the financial position of the Commission is improving or deteriorating.

The Statement of Activities presents information showing how the Commission’s net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to when the change occurs, regardless of the timing of related cash flows.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All the Commission's activities are accounted for in the general fund.

Governmental fund financial statements focus on near-term inflows and outflows of spendable resources and balances of spendable resources available at the end of the year.

While a nine-member Board of Commissioners governs the Commission, the Commission was created by, and ultimately is, under the authority of the Los Angeles County Board of Supervisors, in accordance with California State Law, through its appointment of the Board of Commissioners and its ability to remove the Commissioners at will. Consequently, the County of Los Angeles Auditor-Controller's Office has designated the Commission as a "discretely presented component unit" of the County of Los Angeles and includes a summary of the Commission's basic financial statements in the County's basic financial statements.

Government-wide Financial Statements Analysis

The following is a summary of the Commission's assets, liabilities and net position comparing FY 2021-22 with FY 2020-21:

	FY 2021-22	FY 2020-21	Percent Increase (Decrease)	Increase (Decrease)
Assets:				
Current and other assets	\$309,181,599	\$338,580,128	-8.68%	(\$29,398,529)
Capital assets	12,880,231	10,394,423	23.91%	2,485,808
Total assets	<u>\$322,061,830</u>	<u>\$348,974,551</u>	<u>-7.71%</u>	<u>(\$26,912,721)</u>
Liabilities:				
Long-term liabilities	\$935,048	\$806,802	15.90%	\$128,246
Other liabilities	20,560,008	22,078,610	-6.88%	(1,518,602)
Total liabilities	<u>\$21,495,056</u>	<u>\$22,885,412</u>	<u>-6.08%</u>	<u>(\$1,390,356)</u>
Net Position:				
Unrestricted	\$287,686,543	\$315,694,716	-8.87%	(\$28,008,173)
Investment in capital assets	12,880,231	10,394,423	23.91%	2,485,808
Total net position	<u>\$300,566,774</u>	<u>\$326,089,139</u>	<u>-7.83%</u>	<u>(\$25,522,365)</u>
Total liabilities and net position	<u>\$322,061,830</u>	<u>\$348,974,551</u>	<u>-7.71%</u>	<u>(\$26,912,721)</u>

The Commission’s total assets of \$322.1 million represent a decrease of \$26.9 million, or a 7.71% decline, compared with the prior year. Of this total, the decrease in current and other assets is approximately \$29.4 million. The key factor contributing to this reduction in total assets is that total expenses, including program expenses (such as provider grants and contractors), were higher than the total revenue by \$25.5 million.

The \$2.5 million increase in capital assets is a result of the organization’s execution of its Capital Improvement Project to provide physical improvements to the 750 N. Alameda Street building. The depreciation expense for FY 2021-22 was \$399,451. Additional information on capital assets can be found in Note 3 of this report.

The following is a summary of the Commission’s revenues; expenses and change in net position comparing FY 2021-22 with FY 2020-21:

	FY 2021-22	FY 2020-21	Percent Increase (Decrease)	Increase (Decrease)
Revenues:				
Program revenues				
Tobacco taxes	\$55,265,755	\$60,590,413	-8.79%	(\$5,324,658)
Prop 56	18,534,434	18,215,617	1.75%	318,817
State Commission program funds	3,574,885	2,469,410	44.77%	1,105,475
Medi-Cal Administrative Activities	189,125	80,319	135.47%	108,806
California Department of Education	0	32,830	-100.00%	(32,830)
Other program revenue	811,368	522,406	55.31%	288,962
Total program revenues	\$78,375,567	\$81,910,995	-4.32%	(\$3,535,428)
General revenues				
Investment income	\$1,629,048	\$1,987,840	-18.05%	(\$358,792)
Net Increase (decrease) in fair value of Investments	(11,173,321)	(2,861,364)	290.49%	(\$8,311,957)
Other general income	18,000	121,894	-85.23%	(\$103,894)
Total general revenues	(9,526,273)	(751,630)	1167.42%	(8,774,643)
Total revenues	\$68,849,294	\$81,159,365	-15.17%	(\$12,310,071)
Expenses:				
Provider grants and other allocations	\$75,838,658	\$84,700,927	-10.46%	(\$8,862,269)
Salaries and benefits	15,131,025	16,838,090	-10.14%	(1,707,065)
Operating services	1,217,057	1,087,787	11.88%	129,270
Consultant services	1,343,030	905,278	48.36%	437,752
Professional services	327,245	426,218	-23.22%	(98,973)
Professional development	113,106	61,235	84.71%	51,871
Other expenses	2,087	86	2326.74%	2,001
Depreciation	399,451	309,554	29.04%	89,897
Total expenses	\$94,371,659	\$104,329,175	-9.54%	(\$9,957,516)
Change in net position:	(25,522,365)	(23,169,810)	10.15%	(2,352,555)
Net position – beginning	326,089,139	349,258,949	-6.63%	(23,169,810)
Net position – ending	\$300,566,774	\$326,089,139	-7.83%	(\$25,522,365)

Revenues

The Commission received a total of roughly \$68.8 million in revenues for FY 2021-22, reflecting a decrease of \$12.4 million, or 15.3% compared with the prior year's total revenues of \$81.2 million. The overall changes in revenue are due to the following:

Tobacco Tax

Tobacco tax revenue decreased from \$60.6 million in FY 2020-21 to \$55.3 million in FY 2021-22, a decrease of \$5.3 million, or 8.8%. Revenue decreased due to a decline in sale of tobacco products.

Proposition 56

Proposition 56 backfill (or "hold harmless") amounts are calculated in arrears, which considered in FY 2016-17 actual revenue loss was attributable to Proposition 56. The backfill amount increases revenue in FY 2021-22 by \$18.5 million compared to \$18.2 million in the prior fiscal year. The backfill is received the following fiscal year and the actual amount represented here is for FY 2020-21.

State Commission Program Funds

State Commission program funds increased from \$2.5 million in FY 2020-21 to \$3.6 million in FY 2021-22, an increase of \$1.1 million. This increase was primarily due to several programs from First 5 CA including IMPACT and Hub funds, Dual Language Learner and Home Visiting Coordination Funds.

Medi-Cal Administrative Activities

The Medi-Cal Administrative Activities (MAA) program increased from \$80,319 in FY 2020-21 to \$189,125 in FY 2021-22. The program, contracted through the County of Los Angeles, assists in the administration of the Medi-Cal program by improving the availability and accessibility of Medi-Cal services to eligible participants. This increase is a result of more timely County reimbursements from prior periods. It is important to note that MAA reimbursements are based on activities that are reimbursed from 18 months prior to billing.

Other Program Revenue

Other Program revenue increased from \$522,406 in FY 2020-21 to \$811,368 in FY 2021-22. This revenue includes grants from Blue Shield of California, Los Angeles County of Education and Aurrera Health Group for ACEs Aware program.

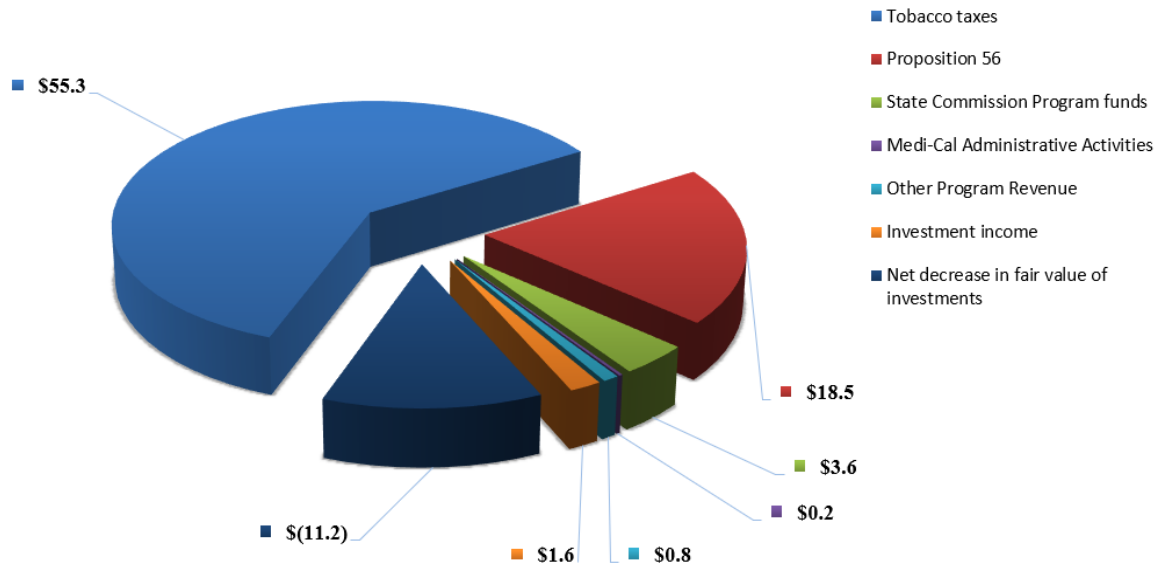
Investment Income

The Commission earned \$1.63 million of investment income in FY 2021-22, which was a decrease of \$358,792, or approximately 18%, compared with the \$1.99 million earned in the prior year. While the overall rate of return for FY21-22 was 0.65%, an increase of .07% over the prior year, lower average fund balances in our investments yielded lower overall interest income.

Fair Value Adjustment

First 5 LA separates the fair value adjustment under investment income from the Statement of Activities to more accurately reflect true interest earned. In FY 2020-21, the fair value of First 5 LA investment portfolio adjustment decrease was \$11.17 million, compared to the \$2.86 million unrealized loss in FY 2020-21. This significant decrease can be attributed to ongoing external macroeconomic economic factors related to low interest rates and overall economic health at this point-in-time.

**Revenues
June 30, 2022
(In Millions)**



Expenses

The Commission recognized expenses of \$94.4 million in FY 2021-22 compared with \$104.3 million in FY 2020-21, a decrease of \$9.9 million, or 9.5%. The \$9.9 million net decrease in overall expenditures encompasses the following from FY 2021-22:

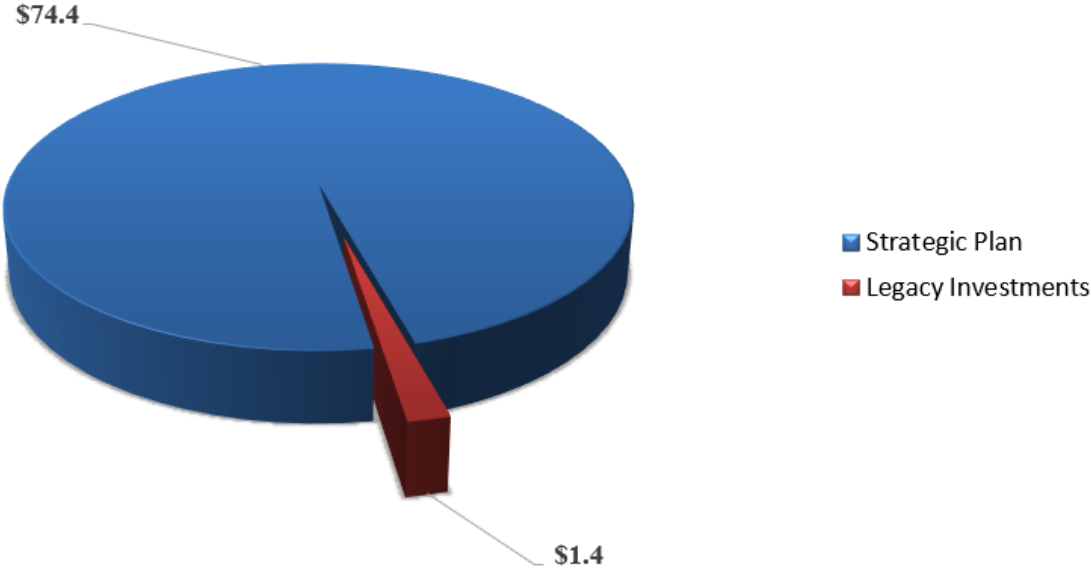
Provider Grants and Other Allocations

The Commission experienced a decrease of \$8.9 million, or 10.5%, expending approximately \$75.8 million in FY 2021-22 compared to \$84.7 million in FY 2020-21 for “Provider grants and other allocations”. The net decrease is the result of refinement of the Long-Term Financial Plan along with ongoing effects of the COVID-19 pandemic, which impacted how services were rendered, the type of services rendered, and the timelines for the proposed activities as well as sunsetted or scaled-back projects. The following details activity based on the Commission’s investment categories, during the fiscal year:

- 2020-2028 Strategic Plan: Focusing for the Future: FY 2021-22 marks the second year of the eight-year 2020-2028 Strategic Plan. Roughly \$74.0 million was expended in FY 2021-22, a decrease of approximately \$8.1 million as compared to FY 2020-21. The primary driver for the decrease was greater alignment to the 2020-2028 Strategic Plan and First 5 LA’s adapted organizational structure which resulted in a restructuring of the organizations sectors, staff reductions and ramp down of numerous projects. Additionally, the decrease also aligns with the long-term financial plan and annual spending limits, reflective of an annual decline in spending. Spending was reduced within the areas of Family Supports, Communities, Early Care and Education (ECE), Office of Communications, and Office of Data for Action, in alignment with the long-term spending plan. In addition, many of the activities within the former Strategic Partnerships, Community Relations, and Integration & Learning departments were ramped down and sunsetted.

- Legacy Investments: This category includes existing multi-year funding scheduled to conclude or be realigned with the 2020-2028 Strategic Plan. Approximately \$1.4 million was expended in FY 2021-22 which reflected a \$1.2 million reduction in spending. The overall continued decline of resources in support of the Legacy Investments is aligned with internal projections and will continue to decrease in the coming years.

**First 5 LA Funded Provider Grants and Other Allocations Expenses
June 30, 2022
(In Millions)**



Salaries and Benefits

Salaries and Benefits decreased from FY 2020-21 by \$1,707,065 or 10.14%. This was primarily due to vacancy savings and a full year of savings resulting from the reorganization and restructure during the fall of 2020 which eliminated selected positions and reduced the overall full-time equivalent positions.

Operating Services

Operating Services increased by \$129,270 or 11.88% from the prior year due to inflationary and macroeconomic factors affecting general operating costs, particularly in facilities, maintenance and utilities. Additionally in 2022, some staff were working in the office either in a hybrid or full-time capacity, increasing facility usage and associated costs.

Consultant Services

The Commission recorded \$1,343,030 in expenses for Consultant services in FY 2021-22, a 48.4% increase from FY 2020-21. The increase is due to the engagement of firms and individuals for assistance in ongoing DEI work, and temporary labor support for IT services and building management services.

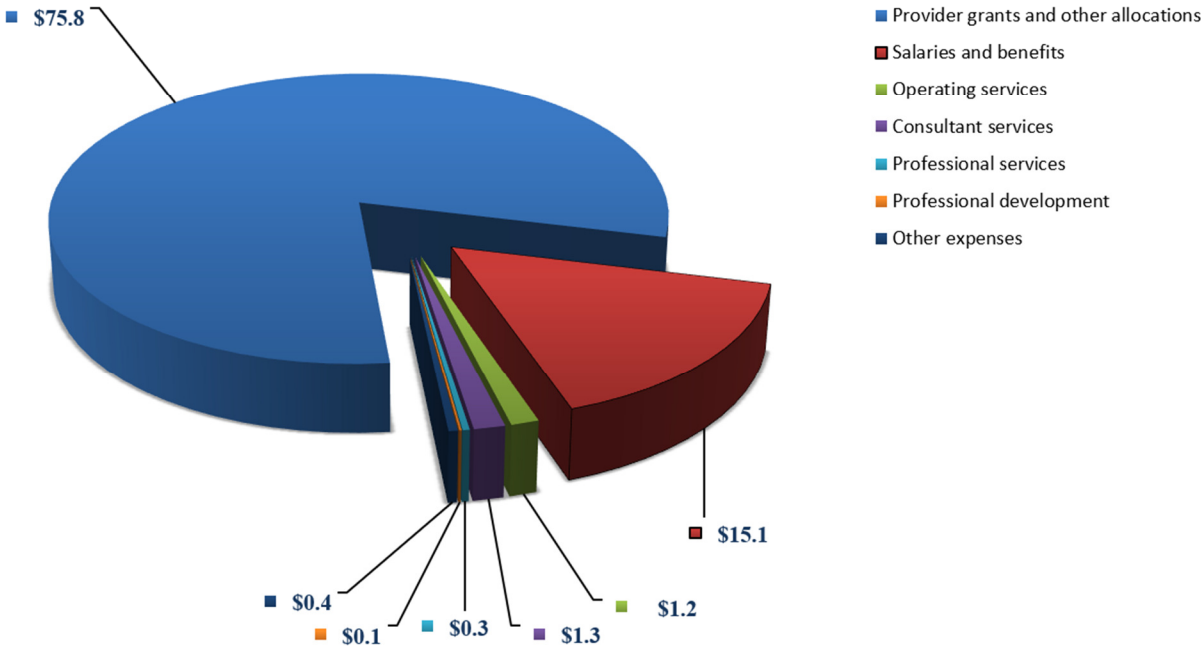
Professional Services

Professional services decreased from FY 2020-21 by \$98,973 or 23.2%. The decrease is largely due to a decline in expenses for legal, audit and staff recruitment services.

Professional Development

Professional development increased in FY 2021-22 by \$51,871 or 84.7% from FY 2020-21. The increase is primarily due to relaxation of COVID-19 pandemic related travel restrictions and the return of some on-site conference opportunities throughout the fiscal year.

**Program and Operating Expenses
June 30, 2022
(In Millions)**



Analysis of the Governmental Fund

The activities are contained in the general fund of the Commission. The focus of the Commission’s governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Commission’s financing requirements. In particular, fund balance may serve as a useful measure of the Commission’s net resources, both committed and available for future operation needs.

At the end of FY 2021-22, the Commission’s general fund reported a total ending fund balance of \$287.8 million, a decrease of \$28.6 million, or 9.0% in comparison with the prior fiscal year balance of \$316.4 million.

Total fund balance decreased due to an ongoing decline between annual incoming revenue and the expenditures that are required to advance the activities and strategies outlined in the 2020-2028 Strategic Plan, including the ongoing responsibility to multi-year commitments for specific initiatives.

Budgetary Highlights:

Based on the information provided in the Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund, the following analysis is presented:

Final Revenue Budget vs. Actual Revenue

The information below provides a summary of the primary factors that caused the variance between revenue estimates and actual revenue.

Tobacco Taxes and Prop 56

Tobacco tax revenue recorded for FY 2021-22 was \$55.3 million of tobacco tax revenue and \$18.5 million of Proposition 56 backfill. The total combined amount of \$73.8 million was approximately \$2.3 million or 3.1% lower than the anticipated amount of \$76.1 million. The original estimate of \$76.1 million was based on data provided by the California Department of Tax and Fee Administration, updated June 2021.

Other Program Revenue

Other program revenue recorded for FY 2021-22 was \$811,368 which was in line with expectations estimated in the Long-Term Financial Plan approved by the Commission in June of 2021. Revenue recorded includes funds from Aurrera Health Group for ACEs Aware, Blue Shield of California and from Los Angeles County Office of Education for the Quality Improvement System project.

Investment Income

Investment income of \$1.63 million was earned in FY 2021-22. The monthly average return of 0.65% is lower than the 1.2% anticipated and included in the Long-Term Financial Projection approved by the Commission in June 2022.

Original Expenditure Budget vs. Final Expenditure Budget

In March 2022, the Commission approved an overall reduction of \$3.9 million or 3.4% to the original approved \$114.3 million of the FY 2021-22 budget. The following provides a brief summary of the primary factors that contributed to the decrease in the final budgeted expenditures compared with the original budgeted expenditures:

Provider Grants and Other Allocations

The overall Program Budget (Provider Grants and Other Allocations) was adjusted downward during the year by \$3.9 million or 4.2%. In March 2022, the Commission approved a mid-year budget revision adjusting the Early Care & Education Systems downward by \$159,000, Health Systems increased by \$10,000, Office of Government Affairs & Public Policy reduction of \$55,750, Office of Communication reduction of \$700,000, Office of Data for Action reduction of \$717,600, Emerging Opportunities Fund reduction of \$1,300,000, and Legacy Investments reduction of \$967,000. The downward adjustment to Early Care & Education systems is due to decreases in the Kindergarten Readiness Assessment (KRA) program. The upward adjustment to the Health Systems budget is due to the receipt of external funding from the Los Angeles County Department of Public Health (LACDPH) and corresponding activities and costs related to the African American Infant and Maternal Mortality (AAIMM) Strategic Communications initiative. The net downward adjustment to the Office of Government Affairs & Public Policy area of the budget is largely due to the ongoing pandemic and state of emergency which has impacted the Conference Funding to Advance the Field of Early Childhood Development's proposed support for in-person conferences. The total downward adjustment to the Office of Communications is the result of a downward adjustment to Strategic Marketing due to the ongoing COVID restrictions which has resulted in fewer in-person marketing events and printing costs and more integrated digital marketing, as well as a delay in a proposed strategic partnership with LA Partnership for Early Childhood Investment (PECI) under the Strategic Communications Partnership. The net downward adjustment to the Office of Data for Action is an aggregate result of reductions to several programs budgets including Data Policies & Practices, WIC Data Mining Research Partnership, Assisting and Supporting Staff with Information for Specialized Tasks, and Impact Framework. The reduction to the Emerging Opportunities Fund is based on a year-to-date spending and anticipated need for the remainder of the fiscal year. In Legacy Investments, the reduction was due to the grantee

acquiring additional funding for the project resulting in a downward adjustment to the First 5 LA Little by Little/One Step Ahead Program budget for FY 21-22.

Operating Services

This category includes several line-item adjustments, both upward and downward, with a total net decrease of \$8,500. Adjustments include a decrease to both Utilities and Building Repairs and Maintenance line items within the Facilities Team Budget, based on reduced anticipated need compared to the original budget. These downward adjustments will be used to offset an increase in Consultant Services. Additional decreases include Outside Printing and Publishing (\$500), Office Supplies (\$1,000), Equipment Rents and Leases (\$1,000), and Internal Meetings (\$14,500). Internal meetings were primarily being driven down by the Communities Team due to far fewer in-person meetings than originally planned. These decreases are offset by increases to Offsite Storage (\$2,500) which was adjusted to align with the revised anticipated needs. The most notable upward adjustments were increases to Hardware and Software Maintenance which is the result of the Consolidation of all (enterprise wide) Adobe Acrobat Pro licenses (\$4,000), Next Request - Software to track Public Records (\$5,000), \$12,000 increase in Blackbaud grantmaking license costs, and increase in miscellaneous costs (\$10,000) to support and enhance the return to office, such as hardware requirements for conference rooms to facilitate remote/in-person meetings.

Consultant Services

This category includes adjustments across multiple departments, resulting in a net overall increase of \$11,000. However, the increase is primarily driven by an increase in the Facilities Team's Other Professional Fees budget. The additional resources, repurposed from Operating Services lower than anticipated spending, were used toward the Facilities Manager's status change from part-time to full-time beginning September 2021 to support the building improvements and renovations. Funds were also adjusted downward at mid-year by \$17,000, driven primarily by a decrease in the Early Care and Education Department budget from which a budget for offsite retreat was eliminated.

Professional Services

This category reflects a net upward adjustment in costs of \$49,000 primarily the result of an increase to Web-Based Services (\$50,000) in the Human Resources & Talent Management (HRTM) Team budget. HRTM is looking into an ADP module for tracking COVID-19 vaccination records for First 5 LA employees, in compliance with Federal mandate. This increase is offset by decreases in other areas that net \$1,000, resulting in an overall \$49,000 increase.

Travel and Meetings

This category includes adjustments to many of the Team/Office/Center travel budgets in response to the ongoing pandemic. There was an overall net decrease in the Travel cost category by \$33,000 as travel in the second half of the fiscal year was affected by the occurrence of the more recent Omicron COVID-19 variant.

Professional Development

This category includes Training Materials & Supplies, Internal Training, Leadership Programs, Conference Registrations and External Education/Training. Downward adjustments were made to Training Materials & Supplies, Internal Training, Leadership Programs, and External Education/Training due to ongoing pandemic challenges. Family Supports and the Health Teams both had increases in their Conference Registration line items due to participation in virtual seminars, conferences, and events. CAP reduced their overall Professional Development line item by \$4,000 and repurposed those resources to Consultant Fees. The overall adjustments to these line items resulted in a net decrease of \$2,200.

Final Expenditure Budget vs. Actual Expenditure Amounts

The following provides a summary of the primary factors causing the significant variances in the actual expenditures compared with the final budgeted expenditures:

Provider Grants and Other Allocations

The total Provider Grants and Other Allocations variance for FY 2021-22 was approximately \$12.6 million. The primary overarching factor contributing to the FY 2021-22 budget to actual variance was the ongoing COVID-19 pandemic and the challenges associated with rethinking our approach to services and engagement. In addition, more time was required to establish the needed partnerships and infrastructure to render services in redefined work structures. In addition:

- Many activity timelines were assessed and extended into the following fiscal year.
- Several activities were assessed and put on a hold or eliminated.
- New external funds were received to offset some budgeted costs.

Salaries and Benefits

Salary and benefit costs were lower than budgeted, with a total variance of \$2,285,545. This is due to a combination of regular employee turnover during this fiscal year and vacant positions that were budgeted but not immediately filled.

General Operating Expenditures were less than final budget by \$614,667. Below is an analysis of the significant activities comprising this variance:

Office Supplies

Office Supplies were lower than budgeted, with a variance of \$34,861. This is due to ongoing remote work and lower utilization of the building and offices for meetings.

Hardware & Software Maintenance

Hardware & Software Maintenance was lower than budgeted with a variance of \$77,976. This is primarily due to several applications that were not utilized in FY 21-22 and did not require licenses to be obtained.

Miscellaneous/Contingency

Miscellaneous and contingency expenses had a savings of \$237,323 for FY 21-22. This is due to a reduction in one-time events or emergency needs over the fiscal year.

Internal Meetings

Internal Meeting expense was lower than budgeted, with a variance of \$56,250. This is due to a large portion of staff still working remotely during this fiscal year and lack of in-person meetings.

Division Capacity Building

There were no costs for division capacity building in FY 21-22, with a variance of \$35,000 or 100%. Remote work, limited hybrid work schedules and lack of in-person meetings with internal staff and contractor/external partner meetings have created ongoing delays in spending within this expense category.

Capital Outlay

Capital outlay fees were significantly lower than budgeted, with a variance of \$131,013. This is due to the utilization of existing computer equipment inventory and any new purchases of laptops and computer equipment transferred and added to fixed asset category and depreciated.

Consultant Services

Total consultant services expenditures were \$469,070 less than the final budget. The variance was primarily the result of delays in project milestones (and related Consultant payments) or no cost extensions into the next fiscal year.

Professional Development

Professional development expenditures were \$249,209 less than the final budget. The variance was primarily the result of timing issues related to Leadership Programs and Conference Registrations which were less than the final budget by \$82,038 and \$81,801 respectively. This is a result of ongoing delays in the ramp up of in-person professional development opportunities, particularly for in-person leadership cohorts and conferences.

Other Potentially Significant Matters

The State projections assume a roughly 3-5% rate of revenue decline on an annual basis starting in FY 2020-21 through FY 2027-28. The projected annual revenue decrease is estimated to be 3.4% through FY 2021-22 based on the most recent estimate from the California Department of Tax and Fee Administration (CDFTA) projections updated June 6, 2021.

First 5 LA continues to receive backfill “hold harmless” payments from the State to keep Proposition 10 revenue whole for participating counties following the passage and implementation of SBx2 and Proposition 56.

Contacting the Commission’s Financial Management

This financial report is designed to provide the public with an overview of the Commission’s financial operations and condition. If you have questions about this report or need additional information, please contact the Commission’s Director of Finance at (213) 482-7545 or 750 N. Alameda Street, Suite 300, Los Angeles, California 90012.

Los Angeles County Children and Families First – Proposition 10 Commission
Statement of Net Position and Governmental Fund Balance Sheet
June 30, 2022

	General Fund	Adjustments (Note 1)	Statement of Net Position
Assets			
Cash and investments	\$ 301,738,376	\$ -	\$ 301,738,376
State receivable	6,351,487	-	6,351,487
Investment income receivable	207,190	-	207,190
Advances to grantees	884,546	-	884,546
Capital assets			
Not depreciated	-	2,039,000	2,039,000
Depreciable capital assets (net)	-	10,841,231	10,841,231
Total assets	<u>\$ 309,181,599</u>	<u>\$ 12,880,231</u>	<u>\$ 322,061,830</u>
Liabilities			
Accounts payable and accrued liabilities	\$ 20,438,045	\$ -	\$ 20,438,045
Compensated absences			
Due within one year	-	121,963	121,963
Due in more than one year	-	935,048	935,048
Total liabilities	<u>20,438,045</u>	<u>1,057,011</u>	<u>21,495,056</u>
Deferred Inflows of Resources			
Unavailable revenue	896,972	(896,972)	-
Total deferred inflows of resources	<u>896,972</u>	<u>(896,972)</u>	<u>-</u>
Fund Balance/Net Position			
Fund balance			
Nonspendable	884,546	(884,546)	-
Committed	91,366,959	(91,366,959)	-
Assigned	120,353,448	(120,353,448)	-
Unassigned	75,241,629	(75,241,629)	-
Total fund balance	<u>287,846,582</u>	<u>(287,846,582)</u>	<u>-</u>
Net position			
Investment in capital assets	-	12,880,231	12,880,231
Unrestricted	-	287,686,543	287,686,543
Total net position	<u>-</u>	<u>300,566,774</u>	<u>300,566,774</u>
Total liabilities, deferred inflows of resources and fund balance/net position	<u>\$ 309,181,599</u>	<u>\$ 12,880,231</u>	<u>\$ 322,061,830</u>

Los Angeles County Children and Families First – Proposition 10 Commission
Statement of Activities and Governmental Fund Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2022

	General Fund	Adjustments (Note 1)	Statement of Activities
Revenues			
Program revenues			
Operating grants and contributions			
Tobacco taxes	\$ 55,265,755	\$ -	\$ 55,265,755
Prop 56	18,534,434	-	18,534,434
State Commission Program Funds	2,901,648	673,237	3,574,885
Medi-Cal Administrative Activities	189,125	-	189,125
Other program revenue	861,659	(50,291)	811,368
Total program revenues	77,752,621	622,946	78,375,567
General revenues			
Investment income	1,629,048	-	1,629,048
Net decrease in fair value of investments	(11,173,321)	-	(11,173,321)
Other general income	18,000		18,000
Total general revenues	(9,526,273)	-	(9,526,273)
Total revenues	68,226,348	622,946	68,849,294
Expenditures/expenses			
Provider grants and other allocations	75,838,658	-	75,838,658
Salaries and benefits	15,075,561	55,464	15,131,025
Operating services	1,217,057	-	1,217,057
Consultant services	1,343,030	-	1,343,030
Professional services	327,245	-	327,245
Professional development	113,106	-	113,106
Travel	2,087	-	2,087
Capital outlay	2,885,259	(2,885,259)	-
Depreciation	-	399,451	399,451
Total expenditures/expenses	96,802,003	(2,430,344)	94,371,659
Net Change in Fund Balance	(28,575,655)	28,575,655	-
Change in Net Position	-	(25,522,365)	(25,522,365)
Fund balance/net position			
Beginning of year	316,422,237	9,666,902	326,089,139
End of year	\$ 287,846,582	\$ 12,720,192	\$ 300,566,774

Los Angeles County Children and Families First – Proposition 10 Commission

Notes to Financial Statements
For the Year Ended June 30, 2022

Note 1 - Organization and Summary of Significant Accounting Policies**Reporting Entity**

With the passage of a ballot initiative in November 1998, California (the “State”) voters approved the establishment of the Los Angeles County Children and Families First – Proposition 10 Commission (the “Commission”), a component unit of Los Angeles County. A thirteen-member Board of Commissioners governs the Commission. The Commission was created by and ultimately is under the authority of the Los Angeles County Board of Supervisors, in accordance with California State Law, through its appointment of the Board of Commissioners and its ability to remove the Commissioners at will. The Commission is a public entity legally separate and apart from the County. The initiative, Proposition 10, mandated an additional 50-cent-per-pack tax on cigarettes and a comparable increase in the tax of other tobacco products and required that the new funds be used on programs focused exclusively on early childhood development for children prenatal up to five years of age.

Following the directive of Proposition 10 to fund programs at the community level, each of the State’s 58 counties created a Proposition 10 Commission as well as a trust fund to receive Proposition 10 revenues. In Los Angeles County, the Board of Supervisors passed an ordinance in December 1998 to establish the Los Angeles County Children and Families First – Proposition 10 Commission, and in May 1999, the Commission held its first meeting, elected officers and established a number of ad hoc committees to address organizational and planning issues. The Commissioners and others who were involved in the effort regarded Proposition 10 as an extraordinary and unprecedented opportunity to begin making a difference in the lives of pregnant women, young children and their families, and to do so at a point in their lives when it can make the most difference. In August 2002, the Commission introduced a new branding identity, First 5 LA, to signify the importance of the first five years of life.

The Commission’s vision statement is that all children throughout Los Angeles’ diverse communities, “are born healthy and raised in a safe, loving and nurturing environment so that they grow up healthy in mind, body, and spirit, are eager to learn with opportunities to reach their full potential.” The Commission’s mission, in partnership with others, is to “strengthen families, communities, and systems of services and support so all children in LA County enter kindergarten ready to succeed in school and life”.

Upon termination of the Commission, all assets of the Commission shall be returned to the State of California. The liabilities of the Commission shall not become liabilities of the County upon either termination of the Commission or the liquidation or disposition of the Commission’s remaining assets.

Los Angeles County Children and Families First – Proposition 10 Commission

Notes to Financial Statements
For the Year Ended June 30, 2022

Basis of Accounting and Measurement Focus**Government-Wide Financial Statements**

Government-wide financial statements consist of the statement of net position and the statement of activities. These statements are presented on an economic resources measurement focus. All economic resources and obligations of the reporting government are reported in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and liabilities associated with operation of the Commission's fund are included on the statement of net position. The statement of activities presents a comparison of the direct expenses and program revenues for the Commission's governmental activities. Program revenues include grants and contributions restricted for the operational requirements of a particular program. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met. Program revenues include tobacco taxes and grants and contributions that are restricted to meeting the operational requirements of a particular program. General revenues are all revenues that do not qualify as program revenues and include investment income and other income. Net position represent the resources that the Commission has available for use in providing services. Net position is composed of investment in capital assets and unrestricted funds. At June 30, 2022, the Commission reported unrestricted net position of \$287,686,543.

Fund Financial Statements

The fund financial statements consist of the balance sheet and the statement of revenues, expenditures and changes in fund balance of the Commission's general fund. These statements are presented on a current-financial resources measurement focus. The fund financial statements focus on near-term inflows and outflows of spendable resources and on balances of spendable resources available at the end of the fiscal year. The statement of revenues, expenditures and changes in fund balance for the governmental fund generally presents increases (revenues) and decreases (expenditures) in net current resources. All operations of the Commission are accounted for in the general fund.

The fund financial statements have been prepared on the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Revenues are considered available if they are received within 60 days after year-end. Revenues susceptible to accrual include tax revenues, grants, and investment income. Expenditures are recognized in the accounting period in which the fund liability is incurred except for compensated absences which are recorded only when payment is due.

Los Angeles County Children and Families First – Proposition 10 Commission
Notes to Financial Statements
For the Year Ended June 30, 2022

Adjustments Between Fund Financial Statements and Government-Wide Financial Statements

Capital Assets

Capital assets are not considered to be financial resources and therefore, are not reported as an asset in the fund financial statements. Capital assets in the amount of \$12,880,231 are capitalized and reported at cost, net of accumulated depreciation, in the government-wide financial statements. Capital assets purchased during the year in the amount of \$2,885,259 are reported as expenditures on the fund financial statements and capitalized on the government-wide financial statements. Depreciation expense for the year ended June 30, 2022 amounted to \$399,451 and is included in the government-wide financial statements.

Long-Term Liabilities

As of June 30, 2022, the Commission estimated its liability for vested compensated absences to be \$1,057,011. Compensated absence obligations are considered long-term in nature and are reported in the fund financial statements as expenditures in the period paid or when due and payable at year-end under the modified accrual basis of accounting. The compensated absences have been accrued in the government-wide financial statements and are included in long-term liabilities. The change in compensated absences during the year of \$55,464 is reported in the statement of activities and does not require the use of current financial resources.

Unavailable Revenue

Under the modified accrual basis of accounting, revenue is recognized in the fund financial statements if it has been collected after year-end within the Commission's established availability period of 60 days. All other accrued revenues due to the Commission are recognized as unavailable revenue at year-end in the fund financial statements. Governmental funds recognized unavailable revenue where receivables are not available to liquidate liabilities of the current period. As of June 30, 2022, the Commission has unavailable revenues of \$896,972. The change in unavailable revenue during the year of \$622,946 is reported in the statement of activities.

Net Position

In the government-wide financial statements, net position represents the difference between assets less liabilities and is classified into two components:

- Investment in capital assets – This balance reflects the net position of the Commission that are invested in capital assets. This amount is generally not accessible for other purposes.
- Unrestricted net position – This balance represents the net amount of the assets and liabilities that are available for general use.

Los Angeles County Children and Families First – Proposition 10 Commission

Notes to Financial Statements
For the Year Ended June 30, 2022

Fund Balance

Fund balance classifications comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The Commission established the following classifications and definitions of fund balance for the year ended June 30, 2022:

- a. **Nonspendable**
Portion of net resources that cannot be spent because they are not in an expendable form (e.g., Advances to Grantees) or the portion of net resources that cannot be spent because they must be maintained intact (e.g., revolving fund or the principal of an endowment).
- b. **Restricted (externally enforceable limitations on use)**
Amounts constrained to specific purposes by their providers (such as creditors, grantors, contributors, or laws and regulations of other governments: e.g., funds advanced by First 5 CA under specific agreements for services such as matching funds for specific initiatives). Amounts constrained by limitations imposed by law through constitutional provisions or enabling legislation (e.g., funds legally restricted by County, state, or federal legislature, or a government's charter or constitution; or amounts collected from non-spendable items such as long term portion of loan outstanding if those amounts are subject to legal constraint).
- c. **Committed (self-imposed limitations in place prior to end of the period)**
Amounts constrained by limitations imposed at the highest level of decision making authority that requires the same formal action at the same level to remove or modify. The formal action required by the Board of Commissioners for funds to be committed is action by way of resolution allocating funding for a specific program or initiative.
- d. **Assigned (limitation resulting from intended use)**
Amounts or limitations that are constrained by the Commission's intent to be used for a specific purpose (the purpose of the assignment must be narrower than the general fund itself) and are not either restricted or committed. Adoption of a Strategic Plan or Long Term Financial Plan with general spending parameters would be examples of the Commission's intent and would constitute an assignment. Accordingly, modification to the Commission's intent would not require formal action. Further, the Commission may designate a body/committee or an official who can specify such purposes. However, as of June 30, 2022, the Commission had not made such a designation.
- e. **Unassigned (residual net resources)**
Resources in the fund balance that cannot be reported in any other classification including a minimum fund balance reserve based on 50% of the operating and programmatic budget. It also includes the negative residual fund balance that cannot be eliminated by offsetting assigned fund balance amounts.

When both restricted and unrestricted resources are available for use, it is the Commission's policy to use restricted resources first and then unrestricted resources as needed. The spending priority of fund balance is restricted, committed, assigned, and then unassigned.

Los Angeles County Children and Families First – Proposition 10 Commission
Notes to Financial Statements
For the Year Ended June 30, 2022

Effect of New Governmental Accounting Standards Board (GASB) Pronouncements

Effective in Current Fiscal Year

GASB Statement No. 87 – In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases; enhancing the comparability of financial statements between governments; and also enhancing the relevance, reliability (representational faithfulness), and consistency of information about the leasing activities of governments. This Statement is effective for reporting periods beginning after June 15, 2021. The Commission implemented this statement effective July 1, 2021 and determined that there was no material impact on the Commission’s financial statements.

GASB Statement No. 91 – In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*. The objective of this Statement is to provide a single method of reporting conduit debt obligations by issues and eliminate diversity in practice. The Statement is effective for reporting periods beginning after December 15, 2021. The Commission has determined that there was no material impact on the Commission’s financial statements.

GASB Statement No. 92 – In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting to improve the consistency of authoritative literature by addressing practices issues that have been identified during implementation and application of certain GASB Statements. The Statement is effective for reporting periods beginning after June 15, 2021. The Commission has determined that there was no material impact on the Commission’s financial statements.

GASB Statement No. 93 – In March 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this Statement is to address the accounting and financial reporting implications that result from the replacement of an IBOR. The Statement is effective for reporting periods beginning after June 15, 2021. The Commission has determined that there was no material impact on the Commission’s financial statements.

Effective in Future Fiscal Years

The GASB has issued the following pronouncements that have effective dates which may impact future financial statement presentation. The Commission has not determined the effect of the following Statements:

GASB Statement No. 94 - *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*.

GASB Statement No. 96 - *Subscription-Based Information Technology Arrangements*.

GASB Statement No. 97 - *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*.

GASB Statement No. 99 - *Omnibus 2022*

GASB Statement No. 100 - *Accounting Changes and Error Corrections*

GASB Statement No. 101 - *Compensated Absences*

Los Angeles County Children and Families First – Proposition 10 Commission

Notes to Financial Statements
For the Year Ended June 30, 2022**Investments**

The Commission participates in the common investment pool of Los Angeles County. Investments are reported at fair value which is the amount at which financial instruments could be exchanged in a current transaction between willing parties. The Commission categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Los Angeles County Treasurer is responsible for establishing and consistently applying a policy for identifying those events that might affect fair value measurements.

Advances to Grantees

The Commission may provide advances to grantees/contractors that are repayable by the end of the fiscal year unless otherwise stipulated by contract or agreement. During fiscal year 2020-21, the Commission entered into agreements with various grantees to support the Commission's 2020-2028 Strategic Plan "North Star" – *that by 2028, all children in Los Angeles County will enter kindergarten ready to succeed in school and life*. The Commission has the following outstanding advances to grantees as of June 30, 2022. This includes an allowance for doubtful accounts of \$673,237. The Commission estimates an allowance for doubtful accounts based on an evaluation of the current status of receivables, historical experience, and other factors as necessary. It is reasonably possible that the Commission's estimate for the allowance for doubtful accounts will change.

Advances to Grantees

California Community Foundation	\$ 6,559
Community Partners	200,194
Los Angeles County Office of Education (LACOE)	545,856
Para Los Ninos	82,354
The Nonprofit Partnership	<u>49,583</u>
Total advances to grantees	<u>\$ 884,546</u>

Capital Assets

Capital assets are composed of land, buildings, building improvements, computer software and accessories, office equipment and furniture and fixtures and are recorded at cost. Donated capital assets are recorded at acquisition value at the date of donation. The Commission capitalizes assets with a cost in excess of \$5,000 and with a useful life greater than one year. The Commission depreciates capital assets using a straight-line method over the estimated useful life of fifty years for buildings, four years for computers and five years for office equipment and furniture and fixtures. Building improvements are depreciated over the remaining useful life of the building.

Los Angeles County Children and Families First – Proposition 10 Commission

Notes to Financial Statements
For the Year Ended June 30, 2022**Deferred Inflows of Resources**

Deferred inflows of resources represent an acquisition of fund balance that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. The Commission has one type of deferred inflow, unavailable revenue, which occurs only under the modified accrual basis of accounting. Accordingly, the item is reported only in the governmental fund balance sheet. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Note 2 - Cash and Investments

Total cash and investments at fair value, as of June 30, 2022 are as follows:

Cash	
Cash in bank	<u>\$ 262,526</u>
Investments	
Money Market Mutual Funds	4,207,569
Investments with County Treasurer	
Pooled cash and investments	<u>297,268,281</u>
Total investments	<u>301,475,850</u>
Total cash and investments	<u><u>\$ 301,738,376</u></u>

Cash in Bank

The California Government Code requires California banks and savings and loan associations to secure the Commission's deposits by pledging government securities as collateral. The market value of pledged securities must equal 110% of an agency's deposits. California law also allows financial institutions to secure an agency's deposits by pledging first trust deed mortgage notes having a value of 150% of an agency's total deposits and collateral is considered to be held in the name of the Commission. At June 30, 2022, cash held by financial institutions of \$267,425 was entirely insured and collateralized as described above. The book balance at June 30, 2022 was \$262,526.

Los Angeles County Children and Families First – Proposition 10 Commission

Notes to Financial Statements
For the Year Ended June 30, 2022**Pooled Cash and Investments**

Investments with the Los Angeles County Treasurer at June 30, 2022 are stated at fair value. The fair value of pooled investments is determined annually and is based on current market prices. The fair value of each participant's position in the pool is the same as the value of the pool shares. The method used to determine the value of participants' equity withdrawn is based on the book value of the participants' percentage participation at the date of such withdrawals. As of June 30, 2022, the Commission's percentage of participation is 0.65. The Los Angeles County Treasury is sponsored and administered by the County of Los Angeles and oversight is conducted by the County Treasury Oversight Committee. At June 30, 2022, the weighted average maturity for the County pool approximated 933 days and the County pool is not rated. For further information regarding the Los Angeles County Investment Pool, refer to the County of Los Angeles Annual Comprehensive Financial Report.

Fair Value Measurements

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

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Commission's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

Deposits and withdrawals are made on the basis of \$1 and not fair value. Accordingly, the Commission's proportionate share of investments in the Los Angeles County Investment Pool and investments in money market mutual funds at June 30, 2022 are uncategorized and not defined as a Level 1, Level 2, or Level 3 input.

The table below identifies the investment types that are authorized by the California Government Code or the Commission's investment policy, where more restrictive. The table also identifies certain provisions of the California Government Code or the Commission's investment policy for a Specifically Invested Portfolio, where more restrictive, that address interest rate risk, credit risk, and concentration of credit risk.

Type	Limit Per Issuer	Total Limit	Maximum Maturity
Certificates of Deposits (CDs)	5%	30%	5 Years
Commercial Paper (CP)	5%	40%	5 Years
Corporate Notes	5%	30%	5 Years
Federal Agencies	15%	60%	5 Years
U.S. Treasuries	100%	100%	5 Years
Los Angeles County Investment Pool	None	None	N/A
Money Market Mutual Funds	None	None	None

Los Angeles County Children and Families First – Proposition 10 Commission

Notes to Financial Statements
For the Year Ended June 30, 2022

The County Treasurer's Investment Policy diversifies investments among issues and issuers with a minimum credit rating to mitigate credit risk. For an issuer of short-term debt, the rating must be no less than P-1/A (Moody's) or A-1/A (S&P) while an issuer of long-term debt shall be rated no less than A. The Commission's investment in money market mutual funds is rated Aaa (Moody's) and AAA (S&P), and has weighted average maturity of 12 days.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover collateral securities that are in the possession of an outside party.

Deposits that potentially subject the Commission to custodial credit risk consist of demand deposits. The Commission had deposits of \$12,526 at June 30, 2022 which were not covered by the FDIC insurance. However, these amounts are secured in accordance with the California Government Code, which requires that financial institutions secure deposits made by state and local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. Collateral is considered held in the Commission's name.

Note 3 - Capital Assets

	Balance June 30, 2021	Increases	Decreases	Balance June 30, 2022
Capital assets, not depreciated				
Land	\$ 2,039,000	\$ -	\$ -	\$ 2,039,000
Capital assets, depreciable				
Building and improvements	12,076,512	2,856,496	-	14,933,008
Computer software and accessories	2,115,729	28,763	-	2,144,492
Office equipment	331,035	-	-	331,035
Furniture and fixtures	627,670	-	-	627,670
Total depreciable capital assets	<u>15,150,946</u>	<u>2,885,259</u>	<u>-</u>	<u>18,036,205</u>
Less accumulated depreciation				
Building and improvements	(3,890,744)	(326,556)	-	(4,217,300)
Computer software and accessories	(1,946,078)	(72,895)	-	(2,018,973)
Office equipment	(331,032)	-	-	(331,032)
Furniture and fixtures	(627,669)	-	-	(627,669)
Total accumulated depreciation	<u>(6,795,523)</u>	<u>(399,451)</u>	<u>-</u>	<u>(7,194,974)</u>
Total capital assets, depreciable (Net)	<u>8,355,423</u>	<u>2,485,808</u>	<u>-</u>	<u>10,841,231</u>
Capital assets, net	<u>\$ 10,394,423</u>	<u>\$ 2,485,808</u>	<u>\$ -</u>	<u>\$ 12,880,231</u>

Los Angeles County Children and Families First – Proposition 10 Commission

Notes to Financial Statements
For the Year Ended June 30, 2022

Note 4 - Changes in Compensated Absences

Compensated absences liability activities for the year ended June 30, 2022 is as follows:

	Balance June 30, 2021	Increases	Decreases	Balance June 30, 2022	Due Within One Year
Compensated absences	\$ 1,001,547	\$ 729,797	\$ (674,333)	\$ 1,057,011	\$ 121,963

Note 5 - Fund Balance

Fund balance is classified using a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance at June 30, 2022 consists of the following:

Initiative/Program Allocation	Nonspendable
Advances	
California Community Foundation	\$ 6,559
Community Partners	200,194
Los Angeles County Office of Education (LACOE)	545,856
Para Los Ninos	82,354
The Nonprofit Partnership	49,583
Total Nonspendable	\$ 884,546
	Committed
Annual Reporting	\$ 87,000
Capital Project Fund	3,269,068
Center Support	600,000
Children's Data Network (CDN)	793,000
Communities	16,302,000
Conference Funding to Advance the Field of Early Childhood Development	50,000
County Data Partnership	147,000
Data Requests	5,000
Early Care & Education Systems	10,942,000
Early Childhood Policy and Advocacy Fund	1,500,000
Emerging Opportunities Fund	150,000
Families	38,170,000
Federal Policy and Sustainability Advocate	75,000
First 5 LA Data Strategy	200,000
Health-Related Systems	5,364,955
Impact Framework	256,000
L.A. Care Health Plan	934,089
Little by Little/One Step Ahead	6,082,847
Organizational Memberships and Stakeholder Engagement Efforts	393,000
Organization-wide Sponsorships to Build Partnerships and Public Will for First 5 LA's Results Areas	200,000
Policy Advocacy Fund Technical Assistance Provider	596,000
State Policy and Sustainability Advocate	366,000
Strategic Communications	1,897,000
Strategic Communications Partnerships	250,000

Los Angeles County Children and Families First – Proposition 10 Commission
Notes to Financial Statements
For the Year Ended June 30, 2022

	Initiative/Program Allocation	
Strategic Marketing		\$ 1,450,000
Strategic Plan Advocacy Strategies		973,000
Women, Infants & Children Data Mining Research Partnership		<u>314,000</u>
Total Committed		<u>\$ 91,366,959</u>
		Assigned
Strategic Plan		<u>\$ 120,353,448</u>
Total Assigned		<u>\$ 120,353,448</u>
		Unassigned
Operating Budget - FY 2022-23		\$22,245,086
Fund Balance Reserve - 50% of total FY 22-23 Budget		<u>52,996,543</u>
Total Unassigned		<u>\$75,241,629</u>
Total Fund Balance		<u><u>\$ 287,846,582</u></u>

Note 6 - Program Evaluation

In accordance with the *Standards and Procedures for Audits of California Counties Participating in the California Children and Families Program*, issued by the California State Controller, the Commission is required to disclose the amounts expended during the fiscal year on program evaluation. Program evaluation costs pertain to those activities undertaken to support the collection, production, analysis, and presentation of evaluation information for Commission management, Commissioners, and other interested parties.

The Commission spent \$2,385,767 on program evaluation during the year ended June 30, 2022.

Note 7 - Deferred Compensation Plans

All regular and limited-term employees of the Commission participate in the 403(b) Savings and Investment Plan, a defined contribution plan administered by The Standard. Benefit provisions under the plan are established by the California Government Code Section 31694(a) and other applicable statutes. The 403(b) Savings and Investment Plan provides for service retirement, death, and disability benefits to plan members. The plan can be amended by executive management of the Commission.

Los Angeles County Children and Families First – Proposition 10 Commission

Notes to Financial Statements
For the Year Ended June 30, 2022

Regular and limited-term employees are eligible to receive both an elective and a non-elective contribution based on years of completed service with the organization. The elective contribution requires employee participation in order to receive the employer match, and is between 1% and 3% depending on the employee’s contribution and the years of service the employee has completed with the organization: 1% for less than one year, 2% after one year and 3% for after two years or more of completed service. The Commission also makes a separate, non-elective contribution into the retirement plan regardless of employee participation. This non-elective employer contribution is between 3% and 7.5% based on years of completed service with the organization: 3% for less than 5 years, 4.5% for 5 to 9 years, 6% for 10 to 14 years, and 7.5% after 15 years or more of completed service. Employer contributions are not 100% vested until an employee has completed three years of service with the organization, with a graded vesting schedule for employees who complete at least one year of service. The Commission contributed a total of \$775,643, comprised of \$641,363 in elective contribution and \$134,280 in non-elective contribution for the fiscal year ended June 30, 2022.

Note 8 - Unavailable Revenue

The general fund reports unavailable revenue on the governmental fund balance sheet in connection with resources that have been earned but are not yet available to finance expenditures of the current fiscal period. This type of deferred inflow of resources occurs only under the modified accrual basis of accounting. Accordingly, unavailable revenue is reported only in the general fund balance sheet. At the end of the current fiscal year, the components of unavailable revenue resulting from funds not received within the 60-day period of availability were as follows:

Unavailable Revenue	
Child360	\$ 673,237
DLL Grant from F5CA	<u>223,735</u>
Total unavailable revenue	<u>\$ 896,972</u>

Note 9 - Risk Management

The Commission is exposed to various risks of loss related to general liability, property liability, health benefits, workers’ compensation and auto. These risks are addressed through commercial insurance policies.

The Commission’s property and liability insurance is provided by insurance companies that are “Non-Admitted” insurance companies in the State of California. If such a company becomes insolvent, the California Insurance Guarantee Association will not settle unpaid claims.

No claims or suits are pending against the Commission arising out of proposed claim settlements covered by insurance. No settlements exceeded insurance coverage during the last three years.

Los Angeles County Children and Families First – Proposition 10 Commission

Notes to Financial Statements
For the Year Ended June 30, 2022

Note 10 - Related Party Transactions

The Commission incurred expenses totaling \$10,716 for County of Los Angeles services provided during the year ended June 30, 2022.

In the fiscal year, the Commission incurred \$54,715,795 of expenditures for provider grants, operating services, consultant services, and professional services to organizations which are represented by 12 members of the Board of Commissioners. As of June 30, 2022, amounts of \$5,053,815 are included in accounts payable to these organizations.

Note 11 - First 5 California Signature Programs

Improve and Maximize Programs so All Children Thrive (IMPACT) Regional Coordination and Training and Technical Assistance Hubs (Hubs) Program

The purpose of IMPACT is to support a network of local quality improvement systems to better coordinate, assesses, and improve the quality of early learning settings to achieve the goal of helping children ages 0 to 5 and their families thrive by increasing the number of high quality early learning settings, including supporting and engaging families in the early learning process. Funding is to center around Continuous Quality Improvement, including a network of local Quality Rating and Improving System (QRIS). All IMPACT funds require a local match based on county size. For the Commission, a one to one match ratio or a dollar of local funding match with a dollar of IMPACT fund is required. The Commission claimed \$1,944,214 in IMPACT Regional Coordination and Training reimbursable expenditures for the year ended June 30, 2022.

For IMPACT Technical Assistance Hubs, the primary focus is to provide coordination and specialized support to consortia within a region or with similar technical assistance needs to create economies of scale while building a local early learning system. The Commission claimed \$741,610 in IMPACT Technical Assistance Hubs reimbursable expenditures for the year ended June 30, 2022.

Required Supplementary Information
June 30, 2022

**Los Angeles County Children and
Families First – Proposition 10
Commission**

Los Angeles County Children and Families First – Proposition 10 Commission
 Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund
 For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Tobacco taxes	\$ 68,806,793	\$ 74,599,402	\$ 55,265,755	\$ (19,333,647)
Prop 56	-	-	18,534,434	18,534,434
State Commission Program Funds	-	-	2,901,648	2,901,648
Medi-Cal Administrative Activities	-	-	189,125	189,125
Other program revenue	5,144,000	5,789,000	861,659	(4,927,341)
Investment income	4,017,415	4,288,532	1,629,048	(2,659,484)
Net increase (decrease) in fair value of investments	-	-	(11,173,321)	(11,173,321)
Other general income	-	-	18,000	18,000
Total revenues	<u>77,968,208</u>	<u>84,676,934</u>	<u>68,226,348</u>	<u>(16,450,586)</u>
Expenditures				
Program Costs				
Provider grants and other allocations	109,152,168	109,945,118	75,838,658	34,106,460
Total program costs	<u>109,152,168</u>	<u>109,945,118</u>	<u>75,838,658</u>	<u>34,106,460</u>
Operations & Administration				
Personnel Related Expenditures				
Salaries and wages	13,151,967	13,108,967	11,564,326	1,544,641
Fringe Benefits	4,252,139	4,252,139	3,511,235	740,904
Total personnel related expenditures	<u>17,404,106</u>	<u>17,361,106</u>	<u>15,075,561</u>	<u>2,285,545</u>
General Operating Expenditures				
ADP Payroll Charges	40,000	40,000	36,336	3,664
Workers' Compensation Insurance	65,000	65,000	44,519	20,481
Utilities	135,000	120,000	129,530	(9,530)
Corporate Insurance	106,000	106,000	104,041	1,959
Mileage and Parking	21,680	21,680	4,823	16,857
Telephones and Modems	70,000	70,000	60,805	9,195
Cell Phones and Mobile Devices	133,800	133,800	117,200	16,600
Outside Printing	1,500	1,000	301	699
Other Supplies	5,250	5,250	-	5,250
Postage and Delivery	8,000	8,000	4,577	3,423
Educational Supplies	3,100	3,100	475	2,625
Office Supplies	59,700	58,700	23,839	34,861
Subscriptions and Publications	31,180	31,180	85,158	(53,978)
Equipment Rental	27,000	26,000	22,849	3,151
Building Repairs and Maintenance	150,000	140,000	137,834	2,166
Equipment Repairs and Maintenance	11,500	11,500	-	11,500
Offsite Storage	27,000	29,500	22,718	6,782
Hardware and Software Maintenance	445,214	476,214	398,238	77,976
Miscellaneous/Contingency	244,000	244,000	6,677	237,323
Stipend/Honorarium	2,100	2,100	700	1,400
Internal Meetings	84,200	69,700	13,450	56,250
Division Capacity Building	35,000	35,000	-	35,000
Capital Outlay	134,000	134,000	2,987	131,013
Total general operating expenditures	<u>1,840,224</u>	<u>1,831,724</u>	<u>1,217,057</u>	<u>614,667</u>

Los Angeles County Children and Families First – Proposition 10 Commission
 Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund
 For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Professional Services				
Audit	\$ 90,000	\$ 90,000	86,105	\$ 3,895
Legal	225,000	225,000	141,532	83,468
Professional Dues	44,023	43,023	31,039	11,984
Staff Recruitment	10,000	10,000	10,798	(798)
Commission Stipends	23,000	23,000	18,000	5,000
Web-Based Services	56,600	106,600	29,055	77,545
Bank & Other Service Charges	20,000	20,000	10,716	9,284
Total professional services	<u>468,623</u>	<u>517,623</u>	<u>327,245</u>	<u>190,378</u>
Consultant Services				
Consultant Fees	1,481,100	1,467,100	992,033	475,067
Other Professional Fees	320,000	345,000	350,997	(5,997)
Total consultant services	<u>1,801,100</u>	<u>1,812,100</u>	<u>1,343,030</u>	<u>469,070</u>
Travel and Meetings				
Airfare	31,850	24,850	1,723	23,127
Lodging	44,900	26,900	295	26,605
Per Diem	20,100	13,850	69	13,781
Other Travel Expense	16,750	15,000	-	15,000
Total travel and meetings	<u>113,600</u>	<u>80,600</u>	<u>2,087</u>	<u>78,513</u>
Professional Development				
Training Materials & Supplies	7,200	6,500	-	6,500
Internal Training	63,500	61,000	4,053	56,947
Leadership Programs	172,000	170,000	87,962	82,038
Conference Registration	87,215	97,215	15,414	81,801
External Education/Training	34,600	27,600	5,677	21,923
Total professional development	<u>364,515</u>	<u>362,315</u>	<u>113,106</u>	<u>249,209</u>
Capital Improvements	-	-	2,885,259	(2,885,259)
Total operating expenditures	<u>21,992,168</u>	<u>21,965,468</u>	<u>20,963,345</u>	<u>1,002,123</u>
Total program costs and operating expenditures	<u>131,144,336</u>	<u>131,910,586</u>	<u>96,802,003</u>	<u>35,108,583</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (53,176,128)</u>	<u>\$ (47,233,652)</u>	(28,575,655)	<u>\$ 18,657,997</u>
Fund balance - Beginning of year			<u>316,422,237</u>	
Fund balance - End of year			<u>\$ 287,846,582</u>	

Los Angeles County Children and Families First – Proposition 10 Commission
Note to the Required Supplementary Information
For the Year Ended June 30, 2022

Note 1 – Budget Adoption

The Commission adopts a budget annually in accordance with generally accepted accounting principles based on estimates of revenue and anticipated expenditures. The Board of Commissioners has given the Executive Director authority to make budget adjustments between line items in the Commission’s annual budget for Operating and Administrative costs in an amount not to exceed \$25,000. Any budget adjustment between line items in excess of \$25,000 requires approval of the Board of Commissioners.

The accompanying Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund includes the budgeted expenditures for the year, along with management’s estimate of revenues for the year. The legal level of budgetary control is at the total fund level. The total final budget for FY 2021-22 was \$131.9 million, which included \$109.9 million for Program costs and \$22 million for Operating and Administrative costs.

Other Supplementary Information
June 30, 2022

**Los Angeles County Children and
Families First – Proposition 10
Commission**

Los Angeles County Children and Families First – Proposition 10 Commission
Schedule of First 5 California Funding
For the Year Ended June 30, 2022

<u>Program</u>	<u>Source</u>	<u>Revenue Funds</u>	<u>Expenditures</u>
IMPACT Regional Coordination and Training Technical Assistance Hubs (Hubs)	First 5 California First 5 California	\$ 1,944,214 741,610	\$ 1,944,214 741,610

Los Angeles County Children and Families First – Proposition 10 Commission

Statistical Section
(Unaudited)

The information in this section is not covered by the Independent Auditor’s Report, but it is presented as supplemental data for the benefit of the readers of the Annual Comprehensive Financial Report. The objectives of statistical section information are to provide financial statement users with additional information to understand and assess the Commission's economic condition.

	Page
Financial Trends	
These schedules contain trend information to help the reader understand how the Commission's financial performance and well-being have changed over time.	36-39
Revenue Capacity	
These schedules contain trend information to help the reader assess the Commission's most significant revenue base.	40-42
Demographic Information	
These schedules offer economic and demographic indicators to help the reader understand how the information in the Commission's financial report relates to the services the Commission provides and the activities it performs.	43-45
Operating Information	
This schedule contains infrastructure data to help the reader understand how the information in the Commission's financial report relates to the services the Commission performs.	46-47

Sources:

Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant years.

Los Angeles County Children and Families First – Proposition 10 Commission
 Net Position by Component
 Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	287,686,543	315,694,716	338,630,916	364,338,314	379,018,838	422,015,244	461,512,770	543,521,742	632,680,166	723,252,516
Investment in capital asset	12,880,231	10,394,423	10,628,033	10,841,379	11,046,294	11,310,273	11,593,026	11,885,041	12,082,438	12,355,226
Total net position	<u>\$ 300,566,774</u>	<u>\$ 326,089,139</u>	<u>\$ 349,258,949</u>	<u>\$ 375,179,693</u>	<u>\$ 390,065,132</u>	<u>\$ 433,325,517</u>	<u>\$ 473,105,796</u>	<u>\$ 555,406,783</u>	<u>\$ 644,762,604</u>	<u>\$ 735,607,742</u>

* The Commission presented net position as unrestricted beginning with 2010.

Los Angeles County Children and Families First – Proposition 10 Commission
Changes Net Position
Last Ten Fiscal Years

	2022	2021	2020	2019	2018*	2017	2016	2015	2014	2013
Revenues										
Tobacco taxes*	\$ 55,265,755	\$ 60,590,413	\$ 60,022,841	\$ 68,580,443	\$ 72,330,836	\$ 83,567,141	\$ 87,942,700	\$ 89,475,135	\$ 90,280,307	\$ 94,112,590
Prop. 56	18,534,434	18,215,617	18,068,329	7,482,310	-	-	-	-	-	-
State School Readiness	-	-	-	-	-	-	-	-	-	-
State Commission Program Funds	3,574,885	2,469,410	922,472	13,986,085	896,040	556,665	5,796,252	10,283,414	18,009,907	2,749,082
Medi-Cal Administrative Activities	189,125	80,319	133,955	350,924	181,859	137,599	159,549	80,799	232,408	316,369
Partnership for Families Fund**	-	-	-	-	-	4,334,967	9,001,152	4,615,313	-	-
California Department of Education	-	32,830	328,658	376,551	298,700	-	-	-	-	-
Other program revenue	811,368	522,406	584,118	123,793	1,016,683	401,956	115,000	-	-	-
Investment income	1,629,048	1,987,840	6,938,051	8,183,532	6,830,856	4,003,489	3,759,751	3,903,275	6,368,593	(3,402,141)
Net increase (decrease) in FMV of investments	(11,173,321)	(2,861,364)	1,354,275	4,898,141	(2,742,856)	(3,026,254)	1,064,007	2,152,879	-	-
Other revenues	18,000	121,894	110,899	133,321	148,135	122,208	119,100	104,072	100,320	98,880
Total revenues:	<u>\$ 68,849,294</u>	<u>\$ 81,159,365</u>	<u>\$ 88,463,598</u>	<u>\$ 104,115,100</u>	<u>\$ 78,960,253</u>	<u>\$ 90,097,771</u>	<u>\$ 107,957,511</u>	<u>\$ 110,614,887</u>	<u>\$ 114,991,535</u>	<u>\$ 93,874,779</u>
Expenses										
Provider grants and other allocations	\$ 75,838,658	\$ 84,700,927	\$ 93,379,930	\$ 97,979,838	\$ 101,364,209	\$ 106,777,128	\$ 159,337,913	\$ 182,991,937	\$ 189,910,283	\$ 185,753,622
Pass-through grants	-	-	65,042	273,294	136,877	4,150,975	13,519,735	N/A	N/A	N/A
AB 99	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
First 5 California (SRI)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Salaries and benefits	15,131,025	16,838,090	17,393,319	17,532,230	17,382,747	15,763,620	14,357,480	13,423,832	12,682,373	11,583,915
Operating services	1,217,057	1,087,787	1,212,116	1,122,911	1,232,687	1,172,319	1,157,290	1,346,532	1,207,259	1,159,609
Consultant services	1,343,030	905,278	1,308,527	881,090	850,154	999,806	990,724	1,216,609	956,488	549,676
Professional services	327,245	426,218	323,816	382,450	500,050	346,529	323,336	404,560	543,038	426,726
Professional development	113,106	61,235	176,217	186,902	166,975	-	-	-	-	-
Other expenses	2,087	86	224,934	339,524	273,951	358,346	255,453	264,892	183,974	149,116
Depreciation	399,451	309,554	300,441	302,300	312,988	309,327	316,567	322,346	353,258	452,182
Total expenses:	<u>\$ 94,371,659</u>	<u>\$ 104,329,175</u>	<u>\$ 114,384,342</u>	<u>\$ 119,000,539</u>	<u>\$ 122,220,638</u>	<u>\$ 129,878,050</u>	<u>\$ 190,258,498</u>	<u>\$ 199,970,708</u>	<u>\$ 205,836,673</u>	<u>\$ 200,074,846</u>
Change in net position	<u>\$ (25,522,365)</u>	<u>\$ (23,169,810)</u>	<u>\$ (25,920,744)</u>	<u>\$ (14,885,439)</u>	<u>\$ (43,260,385)</u>	<u>\$ (39,780,279)</u>	<u>\$ (82,300,987)</u>	<u>\$ (89,355,821)</u>	<u>\$ (90,845,138)</u>	<u>\$ (106,200,066)</u>

* For FY 2018, tobacco taxes include \$3,212,942 of Prop. 56 backfill.

**Partnership for Families initiative was funded by the LA County Department of Children and Family Services (DCFS), with First 5 LA acted as a pass-through entity and received reimbursement from DCFS. This initiative ended December 2016.

Los Angeles County Children and Families First – Proposition 10 Commission
 Fund Balances – General Fund
 Last Ten Fiscal Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Fund Balance										
Nonspendable	\$ 884,546	\$ 2,239,303	\$ 2,193,116	\$ 50,000	\$ 1,044,000	\$ 19,760,505	\$ 34,279,475	\$ 39,411,636	\$ 37,578,099	\$ 27,022,268
Committed	91,366,959	175,100,818	138,338,530	154,580,859	195,282,039	216,214,576	249,515,814	340,879,636	451,133,640	561,003,855
Assigned	120,353,448	59,941,864	113,226,421	141,221,211	125,245,775	128,331,556	114,665,689	78,113,279	57,716,899	64,902,466
Unassigned	75,241,629	79,140,252	84,925,739	56,257,698	57,847,860	57,832,380	61,615,198	78,223,453	79,494,722	70,816,380
Total Fund Balance	<u>\$ 287,846,582</u>	<u>\$ 316,422,237</u>	<u>\$ 338,683,806</u>	<u>\$352,109,768</u>	<u>\$379,419,674</u>	<u>\$ 422,139,017</u>	<u>\$ 460,076,176</u>	<u>\$ 536,628,004</u>	<u>\$ 625,923,360</u>	<u>\$ 723,744,969</u>

Los Angeles County Children and Families First – Proposition 10 Commission
Changes in Fund Balances – General Fund
Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenues										
Tobacco taxes*	\$ 55,265,755	\$ 60,590,413	\$ 71,477,179	\$ 68,580,443	\$ 72,330,836	\$ 83,567,141	\$ 87,942,700	\$ 89,475,135	\$ 90,280,307	\$ 94,112,590
Prop. 56	18,534,434	18,215,617	18,068,329	7,482,310	-	-	-	-	-	-
State School Readiness	-	-	-	-	-	-	-	-	-	-
State Commission Program Funds	2,901,648	2,952,210	1,450,823	13,986,085	896,040	556,665	5,796,252	11,050,327	10,668,187	10,741,413
Medi-Cal Administrative Activities	189,125	80,319	133,955	350,924	181,859	137,599	159,549	80,799	232,408	316,369
Partnership for Families Funds**	-	-	-	-	-	4,334,967	9,001,152	3,701,993	-	-
California Department of Education	-	32,830	328,658	376,551	298,700	-	-	-	-	-
Other program revenue	861,659	531,868	320,982	123,793	1,016,683	401,956	115,000	-	-	-
Investment income	1,629,048	1,987,840	6,938,051	8,183,532	6,830,856	4,003,489	3,759,751	3,903,275	6,368,593	(3,402,141)
Net increase (decrease) in FMV of investments	(11,173,321)	(2,861,364)	1,354,275	4,898,141	(2,742,856)	(3,026,254)	1,064,007	2,152,879	-	-
Other income	18,000	105,414	110,899	133,321	148,135	122,208	119,100	104,072	100,320	98,880
Total revenues:	<u>\$ 68,226,348</u>	<u>\$ 81,635,147</u>	<u>\$ 100,183,151</u>	<u>\$ 104,115,100</u>	<u>\$ 78,960,253</u>	<u>\$ 90,097,771</u>	<u>\$ 107,957,511</u>	<u>\$ 110,468,480</u>	<u>\$ 107,649,815</u>	<u>\$ 101,867,110</u>
Expenditures:										
Provider grants and other allocations	\$ 75,838,658	\$ 84,700,927	\$ 93,379,930	\$ 97,979,838	\$ 101,364,209	\$ 106,777,128	\$ 159,337,913	\$ 182,991,937	\$ 189,910,283	\$ 185,753,622
Pass-through grants	-	-	65,042	273,294	136,877	4,150,975	13,519,735	N/A	N/A	N/A
AB 99	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
First 5 California (SRI)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Salaries and benefits	15,075,561	16,639,241	17,281,687	17,532,230	17,382,747	15,763,620	14,357,480	13,414,357	12,589,911	11,502,328
Operating services	1,217,057	1,087,787	1,212,116	1,122,911	1,232,687	1,172,319	1,157,290	1,346,532	1,207,258	1,159,609
Consultant services	1,343,030	905,278	1,308,527	881,090	850,154	999,806	990,724	1,216,609	956,488	549,676
Professional services	327,245	426,218	323,816	382,450	500,050	346,529	323,336	404,560	543,038	426,726
Professional development	113,106	61,235	176,217	186,902	166,975	-	-	-	-	-
Other expenses	2,087	86	224,934	339,524	273,951	358,346	255,453	264,892	183,974	149,116
Capital outlay	2,885,259	75,944	87,095	302,300	312,988	309,327	\$ 316,567	124,949	80,471	29,648
Total expenditures:	<u>\$ 96,802,003</u>	<u>\$ 103,896,716</u>	<u>\$ 114,059,364</u>	<u>\$ 119,000,539</u>	<u>\$ 122,220,638</u>	<u>\$ 129,878,050</u>	<u>\$ 190,258,498</u>	<u>\$ 199,763,836</u>	<u>\$ 205,471,423</u>	<u>\$ 199,570,724</u>
Excess of revenues over expenditures	<u>\$ (28,575,655)</u>	<u>\$ (22,261,569)</u>	<u>\$ (13,876,213)</u>	<u>\$ (14,885,439)</u>	<u>\$ (43,260,385)</u>	<u>\$ (39,780,279)</u>	<u>\$ (82,300,987)</u>	<u>\$ (89,295,356)</u>	<u>\$ (97,821,608)</u>	<u>\$ (97,703,614)</u>

*For FY 2018, tobacco taxes include \$3,212,942 of Prop. 56 backfill.

**Partnership for Families initiative was funded by the LA County Department of Children and Family Services (DCFS), with First 5 LA acted as a pass-through entity and received reimbursement from DCFS. This initiative ended December 2016.

Los Angeles County Children and Families First – Proposition 10 Commission
 First 5 California County Tax Revenue Projections for FY 2016-2022 – FY 2023-2024

<u>2016 Projected Births</u>	<u>2016 Projected Birthrate</u>	<u>2018-2019 Tax Revenue Projection</u>	<u>2017 Projected Births</u>	<u>2017 Projected Birthrate</u>	<u>2019-2020 Tax Revenue Projection</u>	<u>2018 Projected Births</u>	<u>2018 Projected Birthrate</u>	<u>2020-2021 Tax Revenue Projection</u>	<u>2019 Projected Births</u>	<u>2019 Projected Birthrate</u>	<u>2021-2022 Tax Revenue Projection</u>	<u>2020 Projected Births</u>	<u>2020 Projected Birthrate</u>	<u>2022-2023 Tax Revenue Projection</u>	<u>2021 Projected Births</u>	<u>2021 Projected Birthrate</u>	<u>2023-2024 Tax Revenue Projection</u>
122,958	25.169%	\$ 72,739,589	121,413	24.987%	\$ 71,741,717	119,336	24.735%	\$ 69,271,309	117,752	24.555%	\$ 67,078,213	115,758	24.303%	\$ 64,761,175	114,079	24.070%	\$ 62,565,322

Source:
 "First 5 California County Tax Revenue Projections for FY 2018-19 through 2023-24"
 (Updated 5/20/2019 Utilizing DOF May Revise 2019 Tobacco Tax Projections and DOF Birth Projections for California State and Counties 1990-2040)

Los Angeles County Children and Families First – Proposition 10 Commission
 Cigarette Taxes and Other Tobacco Products Surtax Revenue
 1959-60 to 2020-21
 (In thousands of dollars)

Fiscal year	Cigarette tax			Other tobacco products surtax			
	Revenue a/	Distributors' discounts b/	Gross value of tax indicia c/	Refunds	Revenue	Rate	
2020-21	1,700,943,000	5,053,000	1,705,996,000	335,000	266,694,000	56.93%	
2019-20	1,708,597,000	5,075,000	1,713,672,000	1,191,000	258,560,000	59.27%	
2018-19	1,786,074,000	5,305,000	1,791,379,000	3,659,000	271,772,000	62.78%	
2017-18	1,852,854,000	15,884,000	1,868,738,000	1,033,000	169,244,000	65.08%	
2016-17	948,636,000	8,133,000 d/	956,769,000 d/	1,185,000	95,330,000	27.30%	
2015-16	741,937,000	6,360,000	748,297,000	1,262,000	101,427,000	28.13%	
2014-15	748,022,000	6,413,000	754,434,000	837,000	86,949,000	28.95%	
2013-14	751,513,000	6,443,000	757,956,000	600,000	86,424,000	29.82%	
2012-13	782,115,000	6,705,000	788,820,000	498,000	82,548,000	30.68%	
2011-12	820,322,000	7,032,000	827,355,000	1,017,000	80,424,000	31.73%	
2010-11	828,831,000	7,105,000	835,937,000	1,308,000	77,016,000	33.02%	
2009-10	838,709,000	7,187,000	845,896,000	1,583,000	84,617,000	41.11%	
2008-09	912,724,000	7,819,000	920,543,000	626,000	85,506,000	45.13%	
2007-08	955,030,000	8,185,000	963,215,000	727,000	85,929,000	45.13%	
2006-07	998,723,000	8,558,000	1,007,281,000	1,330,000	79,946,000	46.76%	
2005-06	1,026,497,000	8,795,000	1,035,293,000	1,707,000	67,348,000	46.76%	
2004-05	1,024,272,000	8,778,000	1,033,051,000	1,653,000	58,441,000	46.76%	
2003-04	1,021,366,000	8,755,000	1,030,121,000	4,721,000	44,166,000	46.76%	
2002-03	1,031,772,000	8,845,000	1,040,617,000	13,248,000	40,996,000	48.89%	
2001-02	1,067,004,000	9,146,000	1,076,150,000	10,774,000	50,037,000	52.65% e/	
2000-01	1,110,692,000	9,503,000	1,120,195,000	8,741,000	52,834,000	54.89%	
1999-00	1,166,880,000	9,980,000	1,176,859,000	9,413,000	66,884,000	66.50%	
1998-99	841,911,000	7,206,000	849,117,000	6,808,000	42,137,000 g/	61.53% g/	
1997-98	612,066,000	5,244,000	617,309,000	5,448,000	39,617,000	29.37%	
1996-97	629,579,000	5,394,000	634,973,000	5,060,000	41,590,000	30.38%	
1995-96	639,030,000	5,469,000	644,499,000	6,193,000	32,788,000	31.20%	
1994-95	656,923,000	5,628,000	662,551,000	11,159,000	28,460,000	31.20%	
1993-94	647,993,000	5,553,000	653,546,000	8,353,000	19,773,000	23.03%	
1992-93	667,479,000	5,715,000	673,195,000	9,138,000	21,480,000	26.82%	
1991-92	711,275,000	6,086,000	717,362,000	7,791,000	22,016,000	29.35%	
1990-91	729,612,000	6,242,000	735,854,000	7,904,000	24,064,000	34.17%	
1989-90	770,042,000	6,581,000	776,623,000	11,615,000	24,956,000 h/	37.47%	
1988-89	499,712,000	4,273,000	503,984,000	4,968,000	9,994,000 h/	41.67%	
1987-88	254,869,000	2,180,000	257,049,000	2,970,000			
1986-87	257,337,000	2,202,000	259,539,000	2,661,000			
1985-86	260,960,000	2,231,000	263,190,000	2,834,000			
1984-85	265,070,000	2,267,000	267,337,000	2,390,000			
1983-84	265,265,000	2,267,000	267,532,000	2,756,000			
1982-83	273,748,000	2,336,000	276,084,000	2,060,000			
1981-82	278,667,000	2,383,000	281,050,000	1,843,000			
1980-81	280,087,000	2,395,000	282,482,000	1,567,000			
1979-80	272,119,000	2,327,000	274,446,000	1,645,000			
1978-79	270,658,000	2,315,000	272,973,000	1,408,000			
1977-78	275,042,000	2,352,000	277,394,000	1,239,000			
1976-77	270,502,000	2,315,000	272,817,000	832,000			
1975-76	269,852,000	2,309,000	272,161,000	927,000			
1974-75	264,182,000	2,262,000	266,444,000	745,000			
1973-74	259,738,000	2,222,000	261,960,000	632,000			
1972-73	253,089,000	2,167,000	255,256,000	626,000			
1971-72	248,398,000	2,127,000	250,525,000	677,000			
1970-71	240,372,000	2,058,000	242,430,000	552,000			
1969-70	237,220,000	2,032,000	239,253,000	455,000			

Los Angeles County Children and Families First – Proposition 10 Commission
Cigarette Taxes and Other Tobacco Products Surtax Revenue
1959-60 to 2020-21
(In thousands of dollars)

Fiscal year	Cigarette tax				Other tobacco products surtax	
	Revenue a/	Distributors' discounts b/	Gross value of tax indicia c/	Refunds	Revenue	Rate
1968-69	238,836,000	2,046,000	240,882,000	492,000		
1967-68	208,125,000	1,862,000	209,987,000	328,000		
1966-67	75,659,000	1,543,000	77,202,000	129,000		
1965-66	74,880,000	1,528,000	76,407,000	88,000		
1964-65	74,487,000	1,520,000	76,007,000	61,000		
1963-64	71,530,000	1,459,000	72,989,000	71,000		
1962-63	70,829,000	1,445,000	72,274,000	79,000		
1961-62	68,203,000	1,390,000	69,593,000	47,000		
1960-61	66,051,000	1,675,000 ^{l/}	67,726,000	76,000		
1959-60	61,791,000	767,000 ^{m/}	62,558,000	67,000		

Note: Detail may not compute to total due to rounding.

Footnotes

- a. Net of refunds for tax indicia on cigarettes that become unfit for use (See Refunds).
- b. A discount of .85 percent of gross value of tax indicia is granted to distributors for affixing the stamps. From July 1, 1960, until August 1, 1967, the discount rate was 2 percent.
- c. Includes sales of indicia purchased on credit. Effective July 16, 1961, distributors have been able to purchase tax indicia on credit.
- d. Effective April 1, 2017, the overall tax rate on cigarettes was increased from 87 cents to \$2.87 per pack.
- e. From July 1, 2001, through September 9, 2001, the surtax rate on smokeless tobacco ranged from 131 percent for moist snuff to 490 percent for chewing tobacco. Effective September 10, 2001, the surtax rate on smokeless tobacco was lowered to 52.65 percent.
- f. Effective January 1, 1999, the overall tax rate on cigarettes was increased from 37 cents to 87 cents per pack under voter-approved Proposition 10. The additional 50-cent-per-pack tax was imposed to raise funds for early childhood development programs. Excludes \$87,978,766 in 1998-99 from the floor stocks taxes for both cigarettes and other tobacco products levied on January 1, 1999.
- g. From July 1, 1998, through December 31, 1998, the surtax rate was 26.17 percent for other tobacco products. Effective January 1, 1999, the new surtax imposed under Proposition 10 raised the combined surtax rate to 61.53 percent for other tobacco products. The new surtax is equivalent (in terms of the wholesale costs of other tobacco products) to a 50-cent-per-pack tax on cigarettes.
- h. Effective January 1, 1994, the overall tax rate on cigarettes was increased from 35 cents to 37 cents per pack. The additional 2-cent-per-pack tax was imposed to raise funds for breast cancer research and education.
- i. Effective January 1, 1989, an additional 25-cent-per-pack surtax was imposed on cigarettes and a new 41.67 percent surtax was imposed on other tobacco products. Excludes \$57,927,856 in 1988-89 and \$595,000 in 1989-90 from the floor stocks tax levied on January 1, 1989.
- j. Effective August 1, 1967, the tax rate was increased from 3 cents to 7 cents per pack. On October 1, 1967, the rate was further increased to 10 cents per pack, with the stipulation that 30 percent of the tax be allocated to cities and counties. Includes \$6,515,209 from the 4-cent-per-pack floor stocks tax levied on August 1, 1967; and \$4,889,485 from the 3-cent-per-pack floor stocks tax imposed October 1, 1967.
- k. Refunds made for distributors' discounts in the 1960-61 fiscal year on purchases made in the 1959-60 fiscal year have been deducted. These refunds amounted to \$324,000.
- l. Effective July 1, 1960, a discount was allowed at the time tax indicia were purchased.
- m. Includes \$2,673,048 from the 3-cent-per-pack floor stocks tax imposed July 1, 1959; and also includes the amount of distributors' discounts which were refunded after purchase of indicia. During July and August of 1959, the tax was collected by invoice and no discount was allowed on these collections of \$8,123,700, nor on the \$2,673,048 tax on floor stocks.

Los Angeles County Children and Families First – Proposition 10 Commission
Demographic Data and Economic Statistics

Demographic Data

	2011 (1)	2012 (1)	2013 (1)	2014 (1)	2015 (1)	2016 (1)	2017 (1)	2018 (1)	2019 (1)	2020 (1)
Total Population	9,902,197	9,990,748	10,067,904	10,126,977	10,181,066	10,215,207	10,261,736	10,278,836	10,324,698	10,257,557
White	2,743,604	2,746,860	2,747,854	2,745,389	2,742,057	2,734,611	2,732,047	2,722,365	2,724,168	2,637,825
Black	827,192	830,806	833,290	834,117	833,564	831,614	831,069	828,565	832,355	833,261
American Indian	19,581	19,753	19,859	19,959	20,027	20,093	20,175	20,229	20,410	29,994
Asian	1,344,135	1,354,023	1,364,296	1,372,821	1,381,892	1,385,913	1,393,055	1,395,155	1,395,377	1,646,804
Native Hawaiian & Other Pacific Islander	23,398	23,705	23,919	24,085	24,189	24,289	24,403	24,476	24,597	23,806
Hispanic or Latino	4,759,731	4,827,179	4,886,304	4,934,442	4,979,470	5,015,652	5,054,516	5,078,483	5,114,541	4,877,565
Other	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Multi-race	184,556	188,422	192,382	196,164	199,867	203,035	206,471	209,563	209,563	208,302
Female	5,019,305	5,062,122	5,099,417	5,127,633	5,155,652	5,175,095	5,201,009	5,210,549	5,232,284	5,194,651
Male	4,882,892	4,928,626	4,968,487	4,999,344	5,025,414	5,040,112	5,060,727	5,068,287	5,092,414	5,062,906
Under 5 years	649,434	648,278	646,688	646,206	645,034	634,158	624,988	607,092	587,690	568,989
5-9 years	631,437	638,148	643,942	644,459	643,497	644,771	640,576	636,547	637,200	634,122
10-14 years	662,373	651,743	643,751	637,498	632,422	629,523	634,291	637,463	638,667	632,785
15-19 years	766,806	767,285	755,305	742,241	727,556	713,861	697,383	692,400	691,590	682,645
20-24 years	752,195	764,271	783,178	797,897	807,553	810,493	802,622	786,678	773,665	771,182
25-29 years	740,780	722,040	700,712	681,244	668,489	666,490	676,732	691,365	706,231	705,970
30-39 years	1,429,129	1,437,704	1,447,018	1,450,724	1,447,331	1,440,568	1,431,051	1,413,067	1,397,968	1,423,634
40-49 years	1,428,340	1,432,793	1,429,492	1,423,090	1,419,677	1,414,860	1,413,542	1,406,380	1,400,493	1,351,616
50-59 years	1,257,742	1,285,111	1,311,668	1,330,539	1,343,517	1,348,247	1,354,647	1,355,259	1,362,848	1,333,654
60-69 years	821,450	859,004	896,157	935,625	979,320	1,016,812	1,048,181	1,075,050	1,104,938	1,100,157
70-79 years	449,308	465,003	484,287	504,232	525,638	546,827	579,910	611,339	643,520	657,221
80+ years	313,203	319,368	325,706	333,222	341,032	348,597	357,813	366,196	379,888	395,582

Source:

(1) State of California, Department of Finance, Population Projections for California and Its Counties 2010-2060. Sacramento, CA, January 2013.

Economic Data

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021**
LA County Personal Income	486,733,508	483,578,594	514,516,564	549,073,019	563,907,868	593,741,110	628,808,732	653,482,910	678,829,092	-
LA County Per Capita Personal Income	48,900	48,283	51,111	54,298	55,624	58,419	62,224	65,094	68,272	-
California Personal Income	1,838,567,162	1,861,956,514	1,986,025,976	2,133,664,158	2,212,691,221	2,303,870,496	2,475,727,500	2,632,279,800	2,814,010,800	2,997,205,600
California Per Capita Personal Income	48,359	48,555	51,317	54,664	56,374	58,272	62,586	66,745	71,480	76,386
United States Personal Income	13,904,485,000	14,068,960,000	14,811,388	15,547,661,000	15,913,777,000	16,413,550,863	17,572,929,100	18,551,503,000	19,690,964,000	21,056,621,900
United States Per Capita Personal Income	44,283	44,489	46,486	48,429	49,204	50,392	53,712	49,763	52,992	63,444

Source:

Bureau of Economic Analysis: <http://www.bea.gov/iTable/iTable.cfm?reqid=70&step=1&isuri=1&acrdn=4> (Tables SA1-3 and CA1-3)

Personal income data are shown in thousands of dollars; per capita income data are shown in dollars.

**2021 economic data is not yet available for Los Angeles County.

Data provided reflects the most recent updates released by the Bureau of Economic Analysis.

Los Angeles County Children and Families First – Proposition 10 Commission
Unemployment Rate
2012 - 2021

Area	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
United States	5.3%	8.1%	3.7%	3.7%	4.4%	4.3%	5.3%	6.2%	7.4%	8.1%
California	7.3%	10.1%	4.0%	4.2%	4.8%	4.7%	6.2%	7.5%	8.9%	10.4%
Los Angeles County	8.2%	12.8%	4.0%	4.6%	4.7%	4.6%	6.7%	8.3%	9.9%	10.9%

Source:

Bureau of Labor Statistics (<http://www.bls.gov/>; annual averages)

Los Angeles County Children and Families First – Proposition 10 Commission
 Ten Largest Industries
 Last Year and Ten Years Ago

Industry	June 30, 2021			June 30, 2012		
	Number of Employees	Rank	Percentage of Total	Number of Employees	Rank	Percentage of Total
Educational & Health Services	839,300	1	19.91%	696,000	2	17.15%
Trade, Transportation & Utilities	804,600	2	19.09%	769,200	1	18.96%
Professional & Business Services	598,800	3	14.21%	562,100	4	13.85%
Government	558,700	4	13.26%	571,800	3	14.09%
Leisure & Hospitality	438,300	5	10.40%	420,400	5	10.36%
Manufacturing	306,900	6	7.28%	377,800	6	9.31%
Financial Activities	209,300	7	4.97%	212,900	7	5.25%
Information	177,000	8	4.20%	187,600	8	4.62%
Construction	148,100	9	3.51%	108,600	10	2.68%
Other Services	127,100	10	3.02%	143,000	9	3.52%
Sub-total Ten Largest Industries	4,208,100		99.85%	4,049,400		99.78%
All Other Industries	6,400		0.15%	8,600		0.22%
Total Industries	4,214,500		100.00%	4,058,000		100.00%

Note:

(1) Employment by industry is presented because employment data for individual employers was unavailable.

Source:

County of Los Angeles Annual Comprehensive Financial Report for the year ended June 30, 2021:
<http://auditor.lacounty.gov/wp-content/uploads/2020/01/CAFR-FY-2019-2020.pdf>

Los Angeles County Children and Families First – Proposition 10 Commission
Capital Assets Statistics

Capital Assets (Land, Building, Furniture & Equipment) are used by the Commission for general operating and administrative function. The Commission has only one (1) centrally located building supported by other capital assets.

Los Angeles County Children and Families First – Proposition 10 Commission
 Authorized Positions by Function
 2013 - 2022

Functional Area	2022 (10)	2021 (9)	2020 (8)	2019 (7)	2018 (6)	2017 (5)	2016 (4)	2015 (3)	2014 (2)	2013 (1)
Executive	7	6	8	8	7	8	5	4.5	5.5	3
Administration	34	34	32	32	30	38	37.5	34.5	34	35
Programs	79	80	108	108	111	107	106	101.5	91.5	92
Total	120	120	148	148	148	153	148.5	140.5	131	130

Note:

(1) Data are budgeted authorized positions approved as part of the fiscal year budget. Prior to FY 2010-11, positions were reported by department only, and not according to functional area.

Source:

- (1) First 5 LA Approved FY 2012-13 Operating Budget
- (2) First 5 LA Approved FY 2013-14 Operating Budget
- (3) First 5 LA Approved FY 2014-15 Operating Budget
- (4) First 5 LA Approved FY 2015-16 Operating Budget
- (5) First 5 LA Approved FY 2016-17 Operating Budget
- (6) First 5 LA Approved FY 2017-18 Operating Budget
- (7) First 5 LA Approved FY 2018-19 Operating Budget
- (8) First 5 LA Approved FY 2019-20 Operating Budget
- (9) First 5 LA Approved FY 2020-21 Operating Budget
- (10) First 5 LA Approved FY 2021-22 Operating Budget

Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Commissioners
Los Angeles County Children and Families
First – Proposition 10 Commission
Los Angeles, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the general fund of the Los Angeles County Children and Families First – Proposition 10 Commission (Commission), a component unit of the County of Los Angeles, California, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Commission’s basic financial statements, and have issued our report thereon dated _____.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission’s internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Rancho Cucamonga, California
Report date

Independent Auditor's Report on State Compliance

To the Board of Commissioners
Los Angeles County Children and Families
First – Proposition 10 Commission
Los Angeles, California

Report on Compliance Opinion

We have audited the Los Angeles County Children and Families First – Proposition 10 Commission's (Commission), a component unit of the County of Los Angeles, California, compliance with the requirements specified in *the* State of California's Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act, issued by the State Controller's Office, applicable to the Commission's statutory requirements identified below for the year ended June 30, 2022.

In our opinion, the Commission complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the California Children and Families Program for the year ended June 30, 2022.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the State of California's Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act, issued by the State Controller's Office. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of the Commission's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above, and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the California Children and Families Program.

Auditor’s Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether the material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Commission’s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the *State of California’s Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Commission’s compliance with the requirements of the California Children and Families Program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Commission’s compliance with the compliance requirements referred to above and performing such other procedures as we consider necessary in the circumstances;
- Obtain an understanding of the Commission’s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the State of California’s Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act, but not for the purpose of expressing an opinion on the effectiveness of the Commission’s internal controls over compliance. Accordingly, we express no such opinion; and
- Select and test transactions and records to determine the Commission’s compliance with the state laws and regulations applicable to the following items:

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

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identify during the audit.

Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the State of California's Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act. Accordingly, this report is not suitable for any other purpose.

Rancho Cucamonga, California

Report date

October __, 2022

To the Board of Commissioners
Los Angeles County Children and Families First – Proposition 10 Commission
Los Angeles, California

We have audited the financial statements of the governmental activities and general fund of the Los Angeles County Children and Families First – Proposition 10 Commission (Commission), a component unit of the County of Los Angeles, California, as of and for the year ended June 30, 2022, and have issued our report thereon dated October __, 2022. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in the May 4, 2022 meeting, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Commission solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our comments regarding internal controls during our audit in our Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated October __, 2022.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Commission is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the fiscal year ended June 30, 2022. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

Management's estimate of the fair value of investments as disclosed in Note 1 to the financial statements is based on information provided by the County of Los Angeles. We evaluated the key factors and assumptions used to develop the estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Financial Statement Disclosures

The financial statement disclosures are neutral, consistent, and clear.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Commission's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management which are included in the management representation letter dated **October __, 2022**.

Management’s Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the Commission, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Commission’s auditors.

This report is intended solely for the information and use of the Board of Commissioners, and management of the Commission and is not intended to be, and should not be, used by anyone other than these specified parties.

"Eide Bailly Signature"

Rancho Cucamonga, California

FIRST 5 LA

SUBJECT:

Streamlining the FY22-23 Mid-Year Budget Process

RECOMMENDATION:

Approve a one-time streamlined process for the mid-year revision of the Board-approved FY22-23 Budget to collect and document high-level changes in spending through a “Mid-Year Fiscal Update” memo to receive and file and authorize staff to make and approve budget adjustments between line items in First 5 LA’s FY22-23 Budget in excess of \$25,000 and/or between the Programmatic and Operating portions of the budget, in lieu of the mid-year budget adjustment/review process outlined in the Policy and Guidelines for Adoption and Modifications of the Fiscal Year Budget (A-2308).

BACKGROUND:

One of First 5 LA’s annual processes is the mid-year revision to the FY Board Approved Budget. The goal of this process is to revise the original estimates based on final contracted amounts, the early performance trends of a Team/Office/Center, and/or new developments, and provide transparency as a public agency of the revised detailed spending plan to the Commission. This process affords the Commission with a clear line of sight of the organization’s fiscal position as contract negotiations and actual spending trends can deviate from spending plans generated early in the year, particularly when new programs and initiatives are ramping up.

Transparency continues to be a priority and as reported, the mid-year revised budgets have not changed much over the past few years. This is likely the result of key investments, priorities, and refinements outlined in the 2015-2020 and the 2020-2028 Strategic Plans. The proposed changes to First 5 LA’s current approach, outlined below, will still allow us to share updated budget information regarding the potential revised resource needs for the year, and/or highlight any areas of concern, and will alleviate the time commitment required for an in-depth assessment. Instead, staff as well as Board time can be redirected to other pressing priorities across the organization occurring simultaneously this fiscal year, such as the Strategic Plan Review and Refinement efforts, impact framework updates, work planning and DEI recommendations implementation planning.

Current Approach	Proposed Approach for FY22-23
Four-and-a-half-month process, from kickoff to approval	Three-month (estimated) process, from beginning to submission to board for filing Streamlined process
Three board touch points, two presentations – repetitive, communication to our stakeholders is transparent, information delves into the detail	Memo submitted to board to receive and file – no presentation, communication to our stakeholders is transparent, information is shared at the total budget level (significant changes and concerns are highlighted)
Drafted materials include PowerPoint Presentations, a memo, supplemental appendices presenting program and operating	Finance-led process of providing an update memo to the Board of Commissioners on

details to the program and line-item level to share revisions to our spending plan for FY22-23	current spending to plan, and our revised spending plan for FY22-23 Memo will include high-level information describing the direction of planned spending. The memo will not include recommendations on any specific budget adjustments, however, detailed budget requests will be collected and stored within the existing budget database.
Heavy engagement for finance and organization-wide staff	Lighter touch engagement for staff to inform the update memo (principal responsibility will rest with the Leadership Team and not all staff)

Rationale

- Mid-year adjustments over the past three years have resulted in adjustments to the total budget that represents less than a 3% change to total budget:

FY	Total Adjusted Amount	Net Change (%)
19-20	\$379,000	0.3%
20-21	(\$444,045)	-0.4%
21-22	(\$2,616,050)	-2.3%

- Adherence to annual spending limit approved by the Board in June 2022
 - Any annual spending in excess of the established limit will be presented to the Board
- Substantial board time and energy commitment to discuss the details yielding a less than 3% net change to the budget
- Org-wide engagement of the mid-year budget adjustment process usually occurs from October through January
- This timeline overlaps with our current Strategic Plan Review and Refinement efforts, which includes the accountability dialogues, refinements of our strategy, impact framework, long-term financial plan, work planning and resource forecasting, and DEI recommendations implementation planning
- The timeline also overlaps with the deployment of a new budgeting system and corresponding staff training
- Internal and external engagements related to Strategic Plan Review and Refinements are anticipated to start in October and run through the end of the 22-23 fiscal year

As outlined in the above bullet points, moving forward with the proposed streamlined mid-year process for FY22-23 will enable us to redirect our staff and board resources more effectively to promote other organization-wide efforts as we not only continue to perform our day-to-day responsibilities and annual business processes, but do so while navigating a transition of leadership in the organization.

The current mid-year policy indicates that

The Executive Director has the authority to make budget adjustments between line items in First 5 LA's annual Operating Budget in an amount up to \$25,000 in the fiscal year. Any budget adjustment, including additions or removals of line items, of \$25,000 or more requires

formal approval of the Board of Commissioners, and will be accompanied by a narrative detailing the change. Movement of funds between the Programmatic and Operating portions of the fiscal year Budget is not permitted without formal approval of the Board of Commissioners.

The proposed streamlined approach will be an exemption to the policy noted above. The approach to the FY22-23 mid-year Budget will provide the platform for transparency to highlight any significant modifications to First 5 LA's fiscal year budget in the memo to the Board without going into the minutia, particularly when shifts in line-item spending result in a cost neutral budget.

Next Steps

This memo will be shared with the Board at the November 10, 2022 Meeting of the Board of Commissioners for approval. With approval of the streamlined approach to the FY22-23 mid-year revision process, Finance will work on providing feedback to staff regarding the streamlined mid-year revision process, which includes an outline of what will be required, by whom and when. We will also use this year's alignment process to look at different business processes and may propose changes to their timing, frequency, or length.

These are possible changes but as always, we will continue to seek guidance from our leadership, strategic plan, values, and strategic priorities. Given all we have learned and continue to learn, we will commit to continuous improvement and strive to *optimize our effectiveness*.

FIRST 5 LA

SUBJECT:

2021-2022 Annual Report to First 5 California (State Commission)

RECOMMENDATION:

Approve the First 5 LA Annual Report to First 5 California (State Commission)

BACKGROUND:

Each year staff prepares a report to the State Commission that provides fiscal, demographic, and programmatic information in the format of a State Commission-designated template. Staff is seeking approval of the First 5 LA Annual Report for Fiscal Year 2021-2022 (July 1, 2021 – June 30, 2022), which is due to First 5 California by October 31, 2022. First 5 LA will submit the entire report via the web-based forms provided by the State Commission. This request was brought as information at the September 22, 2022, Special Meeting of the Board of Commissioners/Program and Planning Committee (per the Bylaws).

DISCUSSION:

As part of the data submission requirement, staff must map First 5 LA programmatic efforts to the following result areas defined by First 5 California:

- **Improved Child Health:** Investments in this area include general health education and promotion programs, perinatal and early childhood home visiting services, prenatal and infant/toddler pediatric supports, and early intervention services.
- **Improved Child Development:** Investments in this area include quality early learning supports and early learning program direct costs.
- **Improved Family Functioning:** Investments in this area include short-term non-intensive general family support programs, targeted intensive family support services, and family literacy and book programs.
- **Improved Systems of Care:** Investments in this area include policy and public advocacy as well as program and systems improvement efforts.

Although First 5 CA's result areas do capture the work First 5 LA is doing, it is important to note that First 5 LA does not organize our strategies or outcomes in our current strategic plan by these result areas

Following are descriptions and key findings from each section of the First 5 LA State Annual Report for Fiscal Year 2021-2022. Refer to, "Attachment 1, First 5 LA's FY21-22 State Annual Report" for the full report.

Section 1: Revenue and Expenditure Summary

This section captures First 5 LA's fiscal data showing the relationship between financial resources and First 5 CA categories.

- *Revenue and Expenditures:* First 5 LA revenue for FY 21-22 totaled \$68,226,348 while expenditures totaled \$96,802,003, resulting in a net decrease to our fund balance of \$28,575,655. The total ending fund balance for FY 21-22 is \$287,846,582.
- *Investments:* Consistent with First 5 LA's fiscal reality, programmatic expenditures in FY 21-22 decreased across the First 5 CA result areas, with the exception of Child Health. Investments in Child Health and Systems of Care accounted for more than 90% of programmatic expenditures.

Section 2: Demographic Worksheet

This section captures demographic information about the populations reached by First 5 LA.

- *Populations Reached:* First 5 LA reached a total of 82,087 children, 88,724 caregivers, and 20,497 providers in FY 21-22.
 - Over half of the children and caregivers were reached through the Little by Little early literacy investment. Children and caregivers were also reached by the Welcome Baby, Select Home Visitation, and First Connections investments.
 - Over 95% of providers were primarily reached through the Los Angeles County Early Care and Education Workforce Registry.
- *Demographics:*
 - *Age:* The majority of children reached through First 5 LA investments were younger than 3 years old, which aligns with our emphasis on prioritizing the critical period of development that occurs prenatal through age 3.
 - *Race/Ethnicity:* Consistent with previous years' demographics, majority of children (77.8%) were of Latino/ Hispanic background.
 - *Language:* Of the 82,087 children reached, 66.8% came from households that spoke primarily English and 31.9% from households that spoke primarily Spanish. Refer to Attachment 1 for a more detailed breakdown of the data.

Section 3: Evaluation Summary/County Highlights

This section highlights key accomplishments and summarizes evaluation findings and activities focused on improved family functioning, child development, child health, and systems of care.

- *County Highlights:*
 - First 5 LA supported grantees to implement strategies to advance equity, empower communities, and improve systems through data use.
 - Grantees supported providers in increasing access to equitable and quality care through professional development training. In response to disparities in maternal and infant mortality, systems-level strategies to improve the safety and experience of Black moms/birthing people during childbirth addition were implemented through AAIMM.
 - First 5 LA invested in Best Start communities to develop community priorities, engage in capacity strengthening activities, and advocate for local issues. In some Best Start communities, Participatory Budgeting has been used as a process for community members to decide together how to allocate and prioritize public funding based on community needs.
 - First 5 LA commissioned a survey to better understand the impact of COVID-19 on families with young children. Early childhood development professionals identified the findings as a tool to modify programs, develop effective strategies, and bolster systems of support for families.
- *Evaluation Summary*
 - The Welcome Baby Study developed implementation memo based on client and staff experiences of the virtual home visits. Mothers indicated that breastfeeding stood out as the most helpful, even in a virtual environment. Overall, both staff and clients identified a hybrid approach to Welcome Baby services that will allow flexibility for clients to choose between in-person and virtual visits.
 - An evaluation framework and data collection plan were developed for African American Infant and Maternal Mortality (AAIMM).
 - Refer to Attachment 1 for detailed information on the other evaluation activities completed in FY 21-22.

NEXT STEPS:

- First 5 LA will submit the final State Annual Report to First 5 California by October 31, 2022.
- First 5 LA will compile, analyze and summarize data on our systems change investments for local use. This is particularly important given that First 5 CA currently does not collect detailed data on the systems change work being done by First 5 county commissions.

- First 5 LA needs to have conversations internally as well as with our grantees to take a deeper look at why certain groups we reached are over-represented and others under-represented. Doing so will help us understand and strategize how to address disparities in who we are reaching with our investments.



Annual Report AR-1

Los Angeles Revenue and Expenditure Summary

July 1, 2021 - June 30, 2022

Revenue Detail

Category	Amount
Tobacco Tax Funds	\$73,800,189
First 5 IMPACT 2020 Funds	\$2,604,285
Small Population County Augmentation Funds	\$0
DLL Pilot Funds	\$856,085
Other First 5 California Funds	\$114,515
Other First 5 California Funds Description \$114,515: Home Visiting Coordination Funds (to strengthen early childhood development and family support systems by embedding home visiting as a critical component)	
Other Public Funds	\$189,125
Other Public Funds Description \$189,125: County Medi-Cal Administrative Activities (to provide consulting services to First 5 LA with regards to the Welcome Baby program at California Hospital Medical Center)	
Donations	\$0
Revenue From Interest Earned	\$1,629,048
Grants	\$0
Grants Description	
Other Funds	(\$10,966,899)
Other Funds \$861,659: Other Program Rev.: Blue Shield (to support F5LA's Welcome Baby & Select Home Visitation program) and ACEs Aware (to conduct provider engagement activities on importance of screening for Adverse Childhood Experiences); \$18,000: Other General Rev. (rental income); -\$11,173,321: Net Decrease in Fair Value of Investments (accounting entry to record unrealized loss to value of F5LA's LA County Investment Pool); -\$673,237: Prior Year Adjustment (Account Receivable that may be uncollectible)	
Total Revenue	\$68,226,348

Improved Family Functioning

Service	Grantee	Program(s)	Children	Caregivers	Providers	Amount
Family Literacy and Book Programs	CBO/Non-Profit	<ul style="list-style-type: none"> • Little by Little 	50245	50245	7	\$1,645,331
					Total	\$1,645,331

Improved Child Development

Service	Grantee	Program(s)	Children	Caregivers	Providers	Amount
Quality Early Learning Supports	CBO/Non-Profit	<ul style="list-style-type: none"> • Quality Counts California 	0	0	19766	\$704,595
Quality Early Learning Supports	County Office of Education/School District	<ul style="list-style-type: none"> • Quality Counts California 	0	0	498	\$3,660,649
Quality Early Learning Supports	Resource and Referral Agency (COE or Non-Profit)	<ul style="list-style-type: none"> • Not Applicable (Other) 	0	0	109	\$186,702
					Total	\$4,551,946

Improved Child Health

Service	Grantee	Program(s)	Children	Caregivers	Providers	Unique Families	Amount
General Health Education and Promotion	Hospital/Health Plan	<ul style="list-style-type: none"> Nutrition/Breastfeeding 	0	589	0	0	\$16,680
Early Intervention	CBO/Non-Profit	<ul style="list-style-type: none"> Care Coordination and Linkage 	10868	45	54	0	\$482,746
Early Intervention	Hospital/Health Plan	<ul style="list-style-type: none"> Not Applicable (Other) 	0	55	47	0	\$4,413
Early Intervention	Research/Consulting Firm	<ul style="list-style-type: none"> Not Applicable (Other) 	0	0	16	0	\$33,962
Perinatal and Early Childhood Home Visiting	CBO/Non-Profit	<ul style="list-style-type: none"> Healthy Families America Welcome Baby 	6047	11716	0	6047	\$19,390,796
Perinatal and Early Childhood Home Visiting	Hospital/Health Plan	<ul style="list-style-type: none"> Welcome Baby 	14675	25335	0	14675	\$15,997,995
Perinatal and Early Childhood Home Visiting	Resource and Referral Agency (COE or Non-Profit)	<ul style="list-style-type: none"> Healthy Families America 	252	739	0	252	\$2,302,286
Total							\$38,228,878

Improved Systems Of Care

Service	Grantee	Program(s)	Amount
Policy and Public Advocacy	CBO/Non-Profit	<ul style="list-style-type: none"> • Early Learning • Not Applicable (Other) • Resilient Families and Communities 	\$19,914,187
Policy and Public Advocacy	Higher Education	<ul style="list-style-type: none"> • Not Applicable (Other) 	\$73,539
Policy and Public Advocacy	Research/Consulting Firm	<ul style="list-style-type: none"> • Child Health • Early Learning • Not Applicable (Other) • Resilient Families and Communities 	\$2,836,975
Systems Building	CBO/Non-Profit	<ul style="list-style-type: none"> • Early Identification and Intervention • Health Systems • Not Applicable (Other) 	\$1,826,002
Systems Building	County Health & Human Services	<ul style="list-style-type: none"> • Early Identification and Intervention 	\$1,108,405
Systems Building	County Office of Education/School District	<ul style="list-style-type: none"> • Not Applicable (Other) 	\$3,124,197
Systems Building	Family Resource Center	<ul style="list-style-type: none"> • Early Identification and Intervention 	\$191,308
Systems Building	Higher Education	<ul style="list-style-type: none"> • Health Systems • Not Applicable (Other) 	\$2,059,337
Systems Building	Hospital/Health Plan	<ul style="list-style-type: none"> • Early Identification and Intervention • Health Systems • Trauma-Informed Care/ACES 	\$4,312,048
Systems Building	Other Public	<ul style="list-style-type: none"> • Not Applicable (Other) 	\$43,194

	Total	\$37,889,958
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Service	Grantee	Program(s)	Amount
Systems Building	Research/Consulting Firm	<ul style="list-style-type: none"> • Early Identification and Intervention • Family Resiliency • Health Systems • Not Applicable (Other) • Place-Based 	\$2,318,740
Systems Building	Resource and Referral Agency (COE or Non-Profit)	<ul style="list-style-type: none"> • Not Applicable (Other) 	\$37,902
Emergency and Disaster Relief	CBO/Non-Profit	<ul style="list-style-type: none"> • Coalition Building 	\$44,124
Total			\$37,889,958

Expenditure Details

Category	Amount
Program Expenditures	\$82,316,113
Administrative Expenditures	\$12,100,123
Evaluation Expenditures	\$2,385,767
Total Expenditures	\$96,802,003
Excess (Deficiency) Of Revenues Over (Under) Expenses	(\$28,575,655)

Other Financing Details

Category	Amount
Sale(s) of Capital Assets	\$0
Other	\$0
Total Other Financing Sources	\$0

Net Change in Fund Balance

Category	Amount
Fund Balance - Beginning	\$316,422,237
Fund Balance - Ending	\$287,846,582
Net Change In Fund Balance	(\$28,575,655)

Fiscal Year Fund Balance

Category	Amount
Nonspendable	\$884,546
Restricted	\$0
Committed	\$91,366,959
Assigned	\$120,353,448
Unassigned	\$75,241,629
Total Fund Balance	\$287,846,582

Expenditure Note

No data entered for this section as of 10/4/2022 5:58:53 PM.



Annual Report AR-2
Los Angeles Demographic Worksheet
July 1, 2021 - June 30, 2022

Population Served

Category	Number
Children Less than 3 Years Old	64,267
Children from 3rd to 6th Birthday	17,762
Children – Ages Unknown (birth to 6th Birthday)	58
Primary Caregivers	88,724
Providers	20,497
Total Population Served	191,308

Primary Languages Spoken in the Home

Category	Number of Children	Number of Primary Caregivers
English	54,845	56,170
Spanish	26,195	24,796
Cantonese	8	10
Mandarin	24	20
Vietnamese	6	9
Korean	5	3
Unknown	420	7,246
Other - Specify with text box Tagalog	49	81
Other - Specify with text box Other language not specified or captured	535	389
Totals	82,087	88,724

Race/Ethnicity of Population Served

Category	Number of Children	Number of Primary Caregivers
Black/African-American	5,590	6,184
Native Hawaiian or Other Pacific Islander	107	122
White	5,040	3,356
Two or more races	2,254	1,987
Unknown	896	7,562
Alaska Native/American Indian	77	88
Asian	4,143	4,401
Hispanic/Latino	60,225	61,346
Other – Specify with text box other race not specified or captured	3,755	3,678
Totals	82,087	88,724

Duplication Assessment

Category	Data
Degree of Duplication	15%
Confidence in Data	Somewhat confident
Additional Details (Optional)	We can see unduplicated counts within each grant, but we are not as confident across all grants. It is possible that some individuals were served by more than one grantee. Also, we are somewhat confident in the total number of children served by the F5CA result area, but we are still transitioning into a systems change agent role.



Annual Report AR-3

Los Angeles County Evaluation Summary and Highlights

July 1, 2021 - June 30, 2022

County Evaluation Summary

Evaluation Activities Completed, Findings, and Policy Impact

First 5 LA funded evaluations in the areas of improved child health, child development and systems of care. * The goals of the Welcome Baby (WB) Study's study are to document maternal/child outcomes of virtual home visits (VHV), determine whether outcomes differ based on demographic factors and program dosage, and inform improvements to WB Implementation of VHVs. Evaluation is still ongoing, but in FY21-22, two implementation memos documented staff and client experiences with the WB program's virtual component. Key findings from staff experiences with VHV include that staff were able to implement the program with fidelity including conducting mental health, social support, and resource assessments. It was noted that virtual visits allowed for more flexibility with scheduling. Challenges included inconsistent client access to technology, forming relationships with clients, and providing support with breastfeeding. Key findings from the Client perspective include that receiving the program virtually helped address concerns with in-person visits during the pandemic. In addition, breastfeeding support stood out as most helpful support, despite the virtual environment. Technology was not viewed as a barrier for clients as staff were still able to get physical and electronic resources to clients, as needed. The linguistic and cultural match between staff and clients was seen as important for building rapport and trust. In general, staff and clients would like a hybrid approach to WB services that allows clients to choose between in-person or virtual visits. * Year one of the African American Infant and Maternal Mortality (AAIMM) Evaluation was focused on design and data collection, including the development of an evaluation framework. The framework outlines key interventions and intended actions, including community awareness and infrastructure development; engaging medical systems in change; providing direct care and support services for birthing persons/families; and reducing Black-White gap in maternal and infant health outcomes. Eventual AAIMM evaluation findings will describe the infrastructure developed to implement AAIMM projects and activities, the processes followed to implement them, and subsequent outcomes. * In FY21-22, key work around the Help Me Grow (HMG) LA Evaluation included designing a process and outcome evaluation of the LA Care partnership with HMG LA, including ways to align goals, expectations and context across partners, discussion of key milestones and evaluation timeline. The purpose of the HMG LA Evaluation is to capture implementation learnings for scale and replication of the partnership, sustainability and accountability purposes. * The Home Visitors Apprenticeship (HVA) Evaluation focused on the paid training and mentorship of students in the home visitor apprenticeship. The HVA evaluation is expected to contribute to broader efforts to study California's home visitation workforce development and inform other First 5's that are considering instituting local home visitor apprenticeships.

County Highlights

County Highlight

In FY21-22, over half of First 5 LA's (F5LA) 102 contracts supported organizations that carried out systems of care work in LA County (LAC). Key accomplishments include implementation of strategies to advance equity, empower communities, and improve systems through data use. * Equity: F5LA grantees supported providers to implement strategies to advance equitable access to quality care by providing trainings and facilitating discussions. One grantee trained 400+ home visiting providers on "Navigating Race, Power, and Privilege to Advance Racial Equity in Family Care Systems." Given the disparities in maternal and infant mortality rates for Black population, Cherished Futures for Black Moms & Babies program implemented systems-level strategies, including updated hypertension management protocols, to improve the safety and experience of Black moms/birthing people during childbirth. * Community Power: First 5 LA is investing in Best Start Communities (BSC) to develop and clarify community change priorities, engage in capacity strengthening activities, and provide opportunities for community members to participate in networks by engaging in advocacy, policy, systems, and environmental change. In some BSCs, Participatory Budgeting has been used as a process for community members to decide together how to allocate and prioritize public funding based on community needs. * Data Use for Improving Systems: Select areas of LAC implemented the Early Development Index (EDI) to assess children's readiness for kindergarten. In Pomona, EDI data has been incorporated into the citywide planning process to set policy and spending on youth programming. In addition, F5LA commissioned a survey to better understand the impact of COVID-19 on families with young children. Early childhood development professionals saw the findings as a useful tool in modifying programs, developing more effective strategies, and bolstering systems of support for families in the wake of the pandemic.

First 5 LA Annual Report to the State, FY 21-22 Results

Presentation to the F5LA Board of Commissioners

HaRi Kim Han,
Office of Data For Action, F5LA

October 13, 2022

State Annual Reporting

Partners:

Limor Zimskind, Kari Parsons



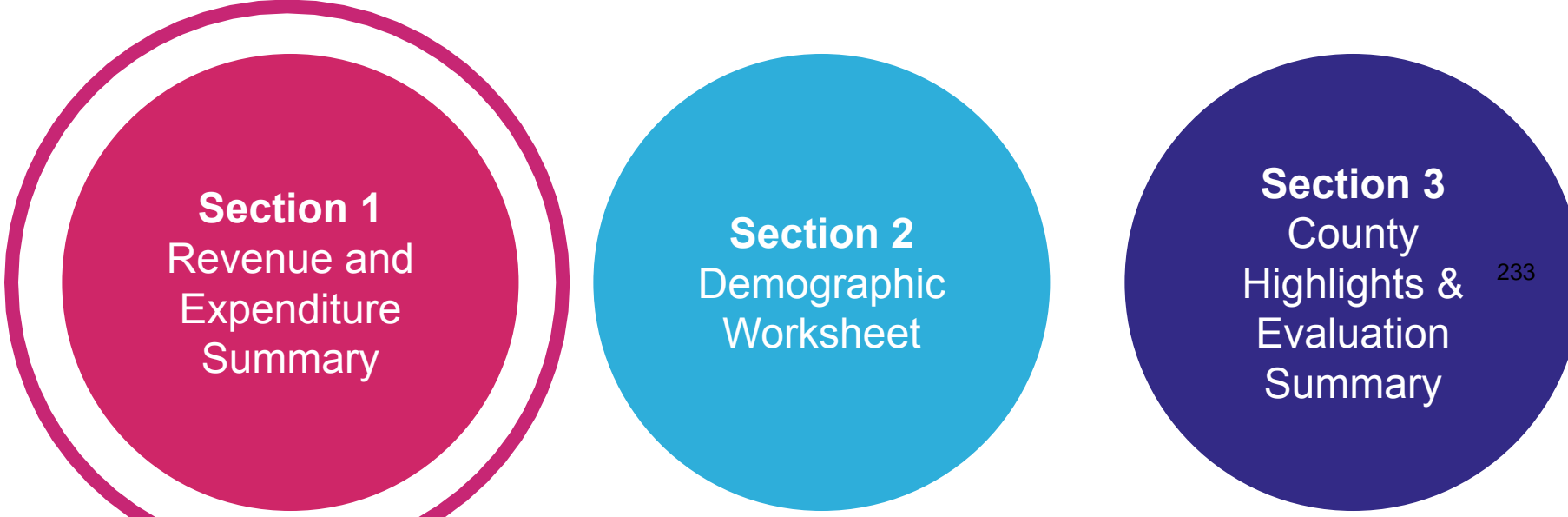
Today We Will...

1. Overview of State Annual Reporting Requirements
2. Review Financial findings
3. Review Summary of Key Report Findings and next steps

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Overview of the State Annual Reporting Requirements



Section 1
Revenue and
Expenditure
Summary

Today's Focus

Section 2
Demographic
Worksheet

Section 3
County
Highlights &
Evaluation
Summary

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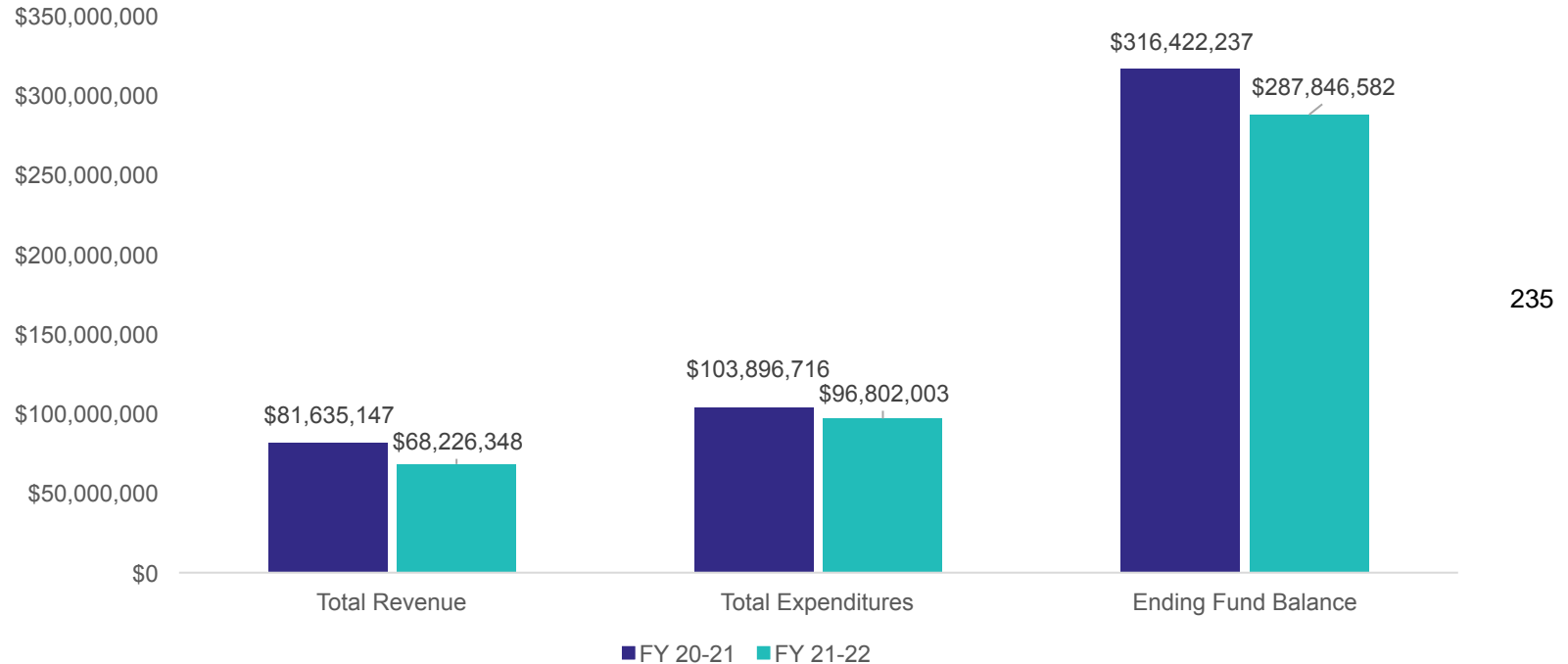


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**Revenue
and Expenditures**

Revenue, expenditures, and ending fund balance continue to decrease

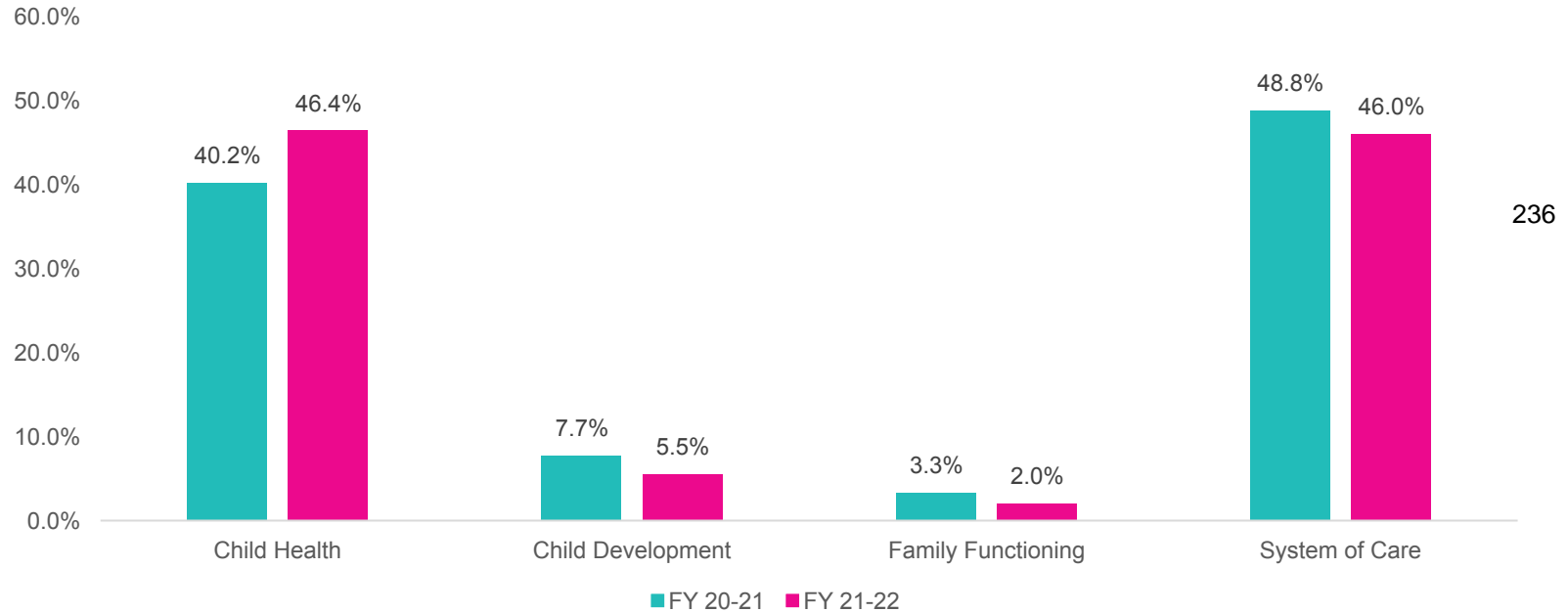
First 5 LA Revenue, Expenditures, and Ending Funding Balance



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In FY 21-22, programmatic expenditures decreased compared to FY 20-21 across Result Areas with the exception of Child Health

Percentage of Programmatic Expenditures by Result Area





Summary of Key Findings

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Summary of Report Findings

Section 1 Revenue & Expenditure Summary

- ▶ Revenues and expenditures have decreased compared to FY20-21.

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Section 2 Demographic Worksheet

- ▶ Most children reached through First 5 LA investments are less than 3 years old.
- ▶ First 5 LA investments are mostly reaching children that are Latino/Hispanic and households that are primarily English-speaking.

Summary of Report Findings

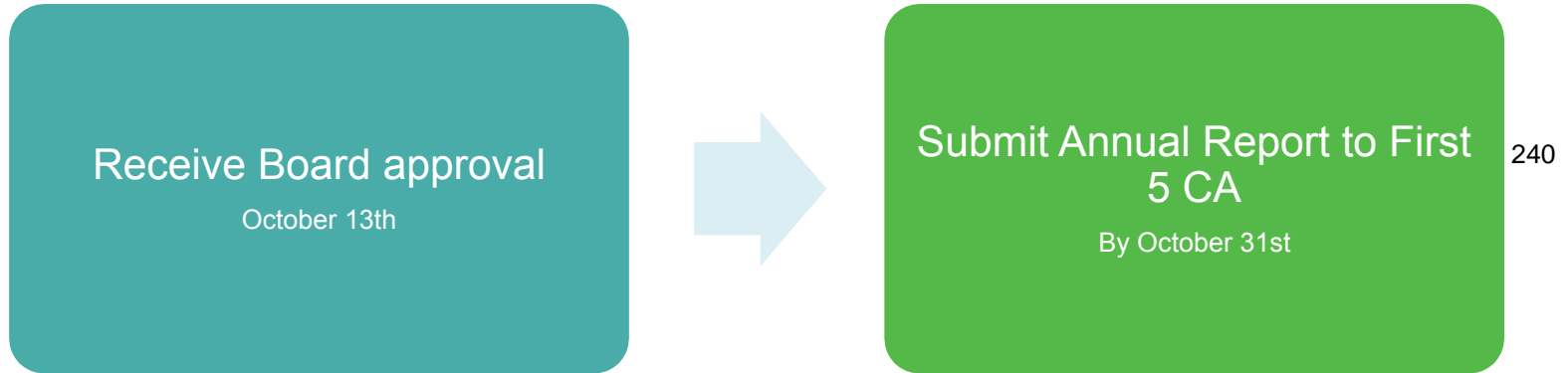
Section 3

County Highlights & Evaluation Summary

- ▶ First 5 LA supported systems of care work that aims to:
 - Promote equity
 - Empower communities
 - Use data to improve systems
- ▶ Evaluation activities in FY 21-22 included development of the AAImm evaluation plan and implementation of the Welcome Baby virtual study.

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Next Steps for Annual Reporting to First 5 California





**Questions?
Suggestions?**

FIRST 5 LA

SUBJECT:

Proposed Amendments to First 5 LA’s Board Bylaws and Governance Guidelines.

RECOMMENDATION:

Review the proposed amendments to First 5 LA’s Board Bylaws and Governance Guidelines, as attached.

BACKGROUND:

Staff recommends that the Board review the attached proposed updates to First 5 LA’s Bylaws and Governance Guidelines. These updates are generally routine, respond to changed operating procedures within the organization, and include some minor clean-up amendments. The Executive Committee reviewed the proposed amendments on September 16, 2022, and voted 4-0 to recommend approval of the amendments to the Board.

Staff is presenting this item for information to the Board today and will be presenting the proposed amendments to the Board for action at the Commission meeting on November 10, 2022. An affirmative vote of 7 of the 9 voting members of the Board will be required to amend the Bylaws in November.

DISCUSSION:

The Bylaws serve as the legally-required rules and operating procedures for the governance of First 5 LA, as required by State law and the Los Angeles County Code. The Bylaws provide the governance structure, operating procedures, and definition of duties for the Board of Commissioners.

Additionally, the Commission makes its decisions guided by the principles of transparency, financial responsibility and accountability, and adherence to the Commission’s Strategic Plan as outlined in the Governance Guidelines.

As First 5 LA has evolved and matured over time, the Commission has updated the Bylaws and Governance Guidelines periodically to reflect then-current circumstances. The proposed amendments, as depicted in the attached and summarized in the charts below, are intended to align the Bylaws and Governance Guidelines documents with current operating procedures. Text to be added is underlined, and text to be deleted is shown in ~~strikethrough~~ in the attachments.

Bylaws:

Page	Article	Section	Proposed Amendment(s)
6	VI	B.a.	Replaced the term “2020-2028 Strategic Plan” with the term “current Strategic Plan”.
6	VI	C.b.	Deleted the term “five-year” in reference to the maximum life of the organization’s financial plan as the current Long Term Financial Plan is ten years, not five.
6	VI	C.c.	Deleted the following sentence as this is no longer a practice adopted by the organization, as the First 5 LA’s expiring legacy initiatives process created in the 2015-2020 strategic plan has ended and is no longer necessary: “Staff will provide the Commission an annual update each spring on expiring grants and contracts.”
6	VI	C.d.	Added a new sentence concerning the Executive Director’s emergency authority to approve contracts under the Board adopted (2021) Procurement Policy.

6	VI	D.b.	Included a reference to the Board adopted executive succession plan in relation to the Commission's duty to select the Executive Director (2022).
6	VI	D.c.	Added a clause concerning the Commission's duty to define the Executive Director's responsibilities, including any emergency authorities granted by the Commission.
10	IX	I	Updated the regular monthly meeting dates to exclude the months of January, April, August, and December, consistent with the Commission's current meeting cadence.
11-12	X	I	Added a provision to allow for the temporary appointment of a Commission member to a Committee in the event of the temporary absence of a Committee member.
12	X	I, II.A.	Added language clarifying that in the absence of a Committee Chairperson, the Committee's Vice Chair will conduct the routine business matters and meetings of the Committee.
12	X	II.A.	Amended the composition of the Executive Committee to include three, rather than two, voting members of the Commission appointed by the Chair of the Board. <u>Note</u> that the proposed revisions to Section II.B. of Article X (discussed below) would also allow for an ex-officio representative of the Board to serve on the Executive Committee should the Commission Chair appoint an ex-officio representative as the Chair of the Program and Planning Committee.
12	X	II.A.	Included a reference to the Board adopted executive succession plan in relation to any duties delegated to the Executive Committee by the Board under the executive succession plan.
12	X	II.A.	Deleted the following sentence, which should have been deleted during the 2021 amendments to the Bylaws which removed all other term limits: "No person shall serve as Chair of the Executive Committee for more than four (4) consecutive terms, although this limit shall apply only to consecutive terms on the Committee, and shall not limit subsequent, non-consecutive terms."
13	X	II.B.	Amended the composition of the Program and Planning Committee to permit the Chair of the Board to appoint a voting member or an ex-officio representative as the Committee Chair. Additionally, should the Board Chair appoint an ex-officio representative as the Committee Chair, the Board Chair must then appoint five, rather than four, voting members to the Program and Planning Committee. <u>Note</u> that per Los Angeles County Code Section 3.72.050, the composition of the Commission includes four ex-officio, non-voting representatives. The following organizations designate an ex-officio representative to serve in an advisory capacity to the Board: <ul style="list-style-type: none"> • The Commission for Children & Families; • The Inter-Agency Council on Child Abuse & Neglect (ICAN); • The Los Angeles County Policy Roundtable for Childcare & Development; and • The Los Angeles County Office of Education (LACOE), the Los Angeles County Department of Children and Family Services (DCFS), the Los Angeles County Department of Public Health (DPH), or the Los Angeles County Department of Mental Health (DMH) on a 4-year rotating basis.

13	X	II.B.	Added language clarifying that in the absence of a Committee Chairperson, the Committee's Vice Chair will conduct the routine business matters and meetings of the Committee. Further, in the absence of both the Committee Chairperson and Vice Chair, their respective alternates may conduct the routine business matters and meetings of the Committee.
13	X	II.B.	Updated the regular meeting cadence for the Program and Planning Committee to state that the Committee will meet at least four times per calendar year, rather than on a monthly basis, consistent with the Committee's current meeting cadence.
13	X	II.C.	Added language clarifying that in the absence of a Committee Chairperson, the Committee's Vice Chair will conduct the routine business matters and meetings of the Committee.

Governance Guidelines:

Page	Heading	Proposed Amendment(s)
2	Long-term financial projection	Deleted the term "five-year" in reference to the maximum life of the organization's financial plan as the current Long Term Financial Plan is ten years, not five.
2	"Paygo"*	Deleted the term "5-year" in reference to spending projections as the current Long Term Financial Plan is ten years, not five.
2	Sustainability*	Added language clarifying that Sustainability Plans are not mandatory but may be required of applicants if applicable to the work.
2	Leveraging*	Added language clarifying that certain financial reporting by applicants is not mandatory but may be required of applicants if applicable to the work.
2	Expiration of contracts/grants	Replaced the term "2015-2020 Strategic Plan" with the term "current Strategic Plan". Deleted the following sentence as this is no longer a practice adopted by the organization, as the First 5 LA's expiring legacy initiatives process created in the 2015-2020 strategic plan has ended and is no longer necessary: "Staff will provide an annual Board update each spring on expiring grants and contracts."
3	Strategic Planning (2015-20)	Replaced the term "Strategic Plan (2015-20)" with the term "Strategic Plan".
3	Alignment of "legacy" investments (from previous Strategic Plans) with 2015-20 Strategic Plan	Replaced the term "2015-2020 Strategic Plan" with the term "current Strategic Plan".
3	Criteria for new initiatives/programs	Corrected a spelling error. Replaced the term "5-year" in reference to spending projections with the term "multi-year" as the current Long Term Financial Plan is ten years, not five.
3	Assigned	Deleted the example, which is no longer current.
3	Committed	Deleted the example, which is no longer current.
3	Unassigned	Updated the reference to how the Fund Balance Reserve is calculated based on the organization's current practices.

RECOMMENDATION:

Staff recommends that the Board review the proposed amendments to First 5 LA's Board Bylaws and Governance Guidelines, as attached to this report.

**LOS ANGELES COUNTY CHILDREN AND FAMILIES FIRST-
PROPOSITION 10 COMMISSION
(FIRST 5 LA)**

**(Amended as of
~~11/10/21~~11/10/22) BYLAWS**

**ARTICLE I
Authority**

The Los Angeles County Children and Families First - Proposition 10 Commission ("Commission") was established pursuant to California Health and Safety Code Section 130110 et seq. ("Children and Families Act") and Chapter 3.72 of the Los Angeles County Code ("Ordinance"). The Commission is also known as "First 5 LA." These Bylaws are adopted as the Operating Procedures of the Commission as required by Los Angeles County Code Section 3.72.070.

**ARTICLE II
Purpose and Intent**

Section I. Purpose

The Los Angeles County Children and Families First - Proposition 10 Commission was established to promote, support and improve the early development of children from the prenatal stage to five years of age. These purposes shall be accomplished through the establishment, institution, coordination and funding of appropriate standards, resources, and integrated, comprehensive, and family-friendly programs emphasizing community awareness, parental involvement, education, nurturing, mental health, child development, child care, social services, health care, health protection, health promotion, disease prevention, prevention of child neglect and abuse, and research.

Section II. Intent

The Commission intends to facilitate the creation and implementation of an integrated, comprehensive, and collaborative system of information and services to enhance optimal early childhood health and development for all children prenatal-5 and their families. This system should function as a network that promotes accessibility to information and effective services. The Commission further intends to emphasize public inclusion and participation and to integrate services in the areas of child safety, childcare, medical, mental health and dental care, including prenatal and preconception, education, early intervention programs and parenting education. The Commission further intends that its activities and services will make clear and measurable contributions to outcomes and goals specified in the Commission's Strategic Plan ("Plan"), as amended and refreshed from time to time. The Commission's compliance with these Bylaws will:

- a. Promote transparency and consistency in Commission decision-making;
- b. Promote coordination, coherence and integration of First 5 LA investments;

- c. Ensure accountability for First 5 LA's revenues, and
- d. Maintain Commission flexibility to respond to significantly changed circumstances and emergencies by authorizing limited exceptions to specified governance guidelines by the affirmative vote of seven (7) of the nine (9) voting members of the Commission, or emergency procurement approvals as specified in the Commission's approved Procurement Policy.

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**ARTICLE III
Commission Composition**

Section I. Members

The Commission shall consist of nine voting members appointed by the Board of Supervisors and shall be composed as follows:

- A. The Chair of the Board of Supervisors or a member of the Board of Supervisors designated by the Chair;
- B. Three voting members and one non-voting representative from among the superintendent of schools for the Los Angeles County Office of Education, the Director of the Los Angeles County Department of Public Health, the Director of the Los Angeles County Department of Mental Health, and the Director of the Los Angeles County Department of Children and Family Services or, in case of absence, their designated Alternates. These members shall have voting rights on a rotating schedule, whereby three members shall serve as voting members at any given time, while the other shall serve as a non-voting representative. The rotation schedule shall be as set forth in Los Angeles County Code Section 3.72.040(B) or any successor ordinance;
- C. Five members, one nominated by each member of the Board of Supervisors, from the following categories: recipients of project services included in the County Strategic Plan; representatives of local child care resource or referral agencies or local child care coordinating groups; representatives of local organizations for prevention of adverse consequences to children prenatal-to 5 and their families or early intervention for families at risk; representatives of county-wide or community-based education, service, or policy- oriented organizations that have the goal of promoting nurturing and early childhood health and development; representatives of local school districts; and representatives of local medical, pediatric, or obstetric associations or societies.
- D. Each member of the Board of Supervisors may nominate one alternate member to serve in the absence of his/her respective Commission appointee, and to perform the duties and responsibilities of such absent member. Any such alternate shall be from one of the categories described in Section IC.

Section II. Ex-Officio Representatives

The Commission shall request that the Commission for Children and Families, the Inter-Agency Council on Child Abuse and Neglect, and one non-voting representative from among the superintendent

of schools for the Los Angeles County Office of Education, the Director of the Los Angeles County Department of Public Health, the Director of the Los Angeles County Department of Mental Health, or the Director of the Los Angeles County Department of Children and Family Services or, in case of absence, their designated Alternates. While the ex-officio representatives will not have voting or other membership rights, they will have the ability to contribute their experience and expertise to the matters considered by the Commission and participate in the work of the Commission in an advisory capacity.

Section III. Terms of Service

Members of the Commission shall serve at the pleasure of the Board of Supervisors. Terms of office for voting Members shall be as provided in the then-applicable provisions of the Los Angeles County Code.

ARTICLE IV Operating Procedures

Section I. Principal Office

The Commission's principal office is 750 North Alameda Street, Suite 300, Los Angeles, California, 90012, but may be moved to another location if deemed necessary by the Commission.

Section II. Quorum

For the purpose of taking action or conducting business, a quorum of the Commission shall consist of a majority of the appointed voting members (50 percent +1).

Section III. Voting

- A. Each voting member of the Commission shall be entitled to one vote.
- B. All votes are to be recorded and reported in the minutes.
- C. Members may not vote by proxy; alternate members may vote in the absence of their principal.
- D. Ex-officio members may not vote at the Commission meetings. However, ex-officio members may vote on procedural issues, such as referrals to staff, scheduling matters or requests for reports, and as part of Committee assignments.
- E. Approval of a routine action requires an affirmative vote by a majority of Commission members present at a business meeting of the Commission, unless these Bylaws specify otherwise, provided there is a quorum present.

- F. Approval of more significant items, otherwise in compliance with the Commission's Governance Guidelines and the Commission's Procurement Policy, shall require an affirmative vote of an absolute majority of the entire voting membership of the Commission at a meeting of the Commission. The items requiring this absolute majority vote for approval include:
- Contracts in excess of \$150,000, when Commission approval is required by the Commission's Procurement Policy;
 - Final adoption or amendment of the Strategic Plan, and
 - Election or removal of Commission officers.
- G. Notwithstanding the foregoing, the waiver or amendment of any element of the Commission's Governance Guidelines adopted March 13, 2014, as the same may be amended from time to time, where necessary to respond to significantly changed circumstances or emergencies shall require the affirmative vote of seven (7) of the nine (9) voting members of the Commission.

Section IV. Compensation and Expenses

Members of the Commission, other than the member of the Board of Supervisors and the Superintendent and Directors of the County Departments and their alternates, shall receive as compensation for each Commission, committee or work group meeting attended, the sum of \$150, not to exceed \$7,200 in any 12-month period. Each member's or ex-officio representative's actual and necessary expenses shall be reimbursed for approved travel in the performance of their duties as Commissioners or representatives including transportation, meals and lodging, not to exceed the amounts authorized by Chapter 5.40 of the County Code. In order to be eligible to receive reimbursement, the expenses must have been incurred when representing the Commission at the request of or with prior approval from the Chair or Commission. Requests for reimbursement must be submitted to the Executive Director within 30 days following the incurring of the expense.

ARTICLE V Commission Officers and Election

Section I. Officers

The officers of the Commission shall be a Chair, Vice-Chair, and such other officers as the Commission may designate. The Chair and Vice-Chair shall perform the duties of their respective offices indicated in these by-laws, and such other duties as the Commission may direct from time to time. The Executive Director or her/his designee shall serve as Secretary to the Commission.

Section II. Election

Officers of the Commission shall be chosen annually by an election to be held not later than February, unless an earlier election is necessary because of a vacancy.

Section III. Terms

The term of office for officers of the Commission is one year from the date of election or until removal or resignation, if earlier.

The Commission may remove an officer prior to the expiration of his or her term, as deemed necessary.

**ARTICLE VI
Duties of the Commission**

The Commission shall be responsible for the following primary duties:

- A. **Statutory Compliance**
 - a. Implement the goals and objectives of the Children and Families Act and other applicable laws;
 - b. Submit its adopted County Strategic Plan, and any subsequent revisions, to the State Children and Families Commission ("State Commission");
 - c. 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 the Strategic Plan;
 - d. Conduct at least one public hearing on each annual report of the State Commission, and
 - e. Comply with all applicable requirements of Health and Safety Code Section 130140, or any applicable successor statute; as such statutes may be amended from time to time.

- B. **Strategic Planning**
 - a. Prepare and adopt an adequate and complete County Strategic Plan in accordance with Section 3.72.080 of the County Code. The Strategic Plan shall be a decision-making document that focuses First 5 LA's strategic direction, aligns the organization's efforts and activities, and clarifies its intended impact. To be included in the new Strategic Plan, proposals for initiatives/programs must include an analysis of each of the following criteria:
 - Clearly defined and measurable outcomes and performance metrics.
 - Alignment with Strategic Plan outcomes, objectives, and strategy.
 - A budget and fiscal impact analysis, including a spending projection for at least 5 years.
 - Realistic implementation timeline.
 - Evidence of or potential for effectiveness.

- Evidence of or potential for sustainability of results.
- Evidence of or potential for scalability, if scalability is an intended outcome.

The appropriate Board Committee will review such requests, make findings and provide a recommendation to the full Commission. Prior Strategic Plan initiatives must expire pursuant to their terms or be clearly aligned with ~~the 2020--~~ 2028current Strategic Plan criteria.

- b. Periodically review the Strategic Plan on at least an annual basis, and revise the Strategic Plan as may be necessary or appropriate in accordance with Section 3.72.080 of the County Code, and

C. Fiscal Oversight and Accountability

- a. Prepare and adopt an annual audit and report and conduct at least one public hearing prior to adopting the annual audit and report;
- b. At least annually, review and adopt the next five-year financial plan for the Commission that at a minimum represents estimated 5-year trends of First 5 LA expenditures and revenues;
- c. Ensure that each First 5 LA contract/grant has an expiration date. Multi-year First 5 LA services-related investments will end pursuant to the time stated in the original procurement or grant award. The Commission is under no obligation to continue funding beyond the initial contract term. Should future requests be forthcoming after the contract term is over, these requests will be evaluated based on ~~the 2020-28~~ Strategic Plan criteria. ~~Staff will provide to the Commission an annual update each spring on expiring grants and contracts;~~
- d. May dDelegate contract approval authority, at Board discretion, to the Executive Director in cases of emergency pursuant to requirements set forth in a Procurement Policy adopted by the Commission;
- e. Protect First 5 LA assets and provide proper financial oversight including, without limitation, overseeing the preparation of an annual budget, monitoring fund balances, overseeing First 5 LA's investment policy, and ensuring that appropriate financial controls are in place and being followed; and
- f. Provide quarterly reports to the County Board of Supervisors on issues including: contracts, program implementation, accounting and budgeting, outcome measures and any other issues the Board of Supervisors deems appropriate.

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D. Governance

- a. Maintain effective governance and oversight, and provide the supports necessary in compliance with Proposition 10 and the Los Angeles County Code to promote the goals and objectives of the organization.
- b. Select the Executive Director ~~and in accordance with the provisions of an executive succession plan adopted by the Commission.~~
- c. Define his or herthe Executive Director's responsibilities, goals, and objectives, including, without limitation, emergency authorities approved pursuant to a resolution

| adopted by the Commission;

| de. Evaluate the Executive Director's performance annually;

7

- ee. Engage in Commission development, training and periodic, comprehensive self-evaluation to maintain the strength and effectiveness of the Commission;
- fe. Establish such ad hoc or standing committees or working groups as are necessary to fulfill the functions of the Commission and accomplish the purposes of the Children and Families Act;
- gf. Establish such technical advisory committees as the Commission deems necessary to provide technical and professional expertise and support for any purposes that will be beneficial in accomplishing the purposes of the Children and Families Act;
- hg. Adopt policies and procedures that are family-friendly and inclusive to encourage broad participation at Commission meetings, and
- ih. Establish, implement, and comply with effective governance structures and guidelines to further the goals of First 5 LA.

ARTICLE VII
Duties of the Chairperson (“Chair”) and Vice Chairperson (“Vice Chair”)

Section I. Administration

- A. The Commission vests in the Executive Director the responsibility to supervise and direct the work of the Commission staff. The Chair and Members of the Commission shall communicate with the Executive Director or his/her designee as to the administration, work and finances of the Commission. The Executive Director shall report to the Chair and the Commission.
- B. At the direction of the Commission or upon independent decision, the Chair may request Commission members, committees of the Commission or Commission staff to review pending legislation or proposed actions of the State Commission for presentation to the Commission for consideration.
- C. In accordance with the Los Angeles County Ordinance and these Bylaws, the Chair shall approve all Commission matters, including all correspondence on behalf of the Commission, other than matters decided by the Commission as a whole.
- D. All travel on Commission business by Commission members, ex-officio representatives and any expenses for which they may seek reimbursement shall be brought to the attention of the Chair by the Executive Director, and shall be subject to approval by the Executive Director. The Chair, or his or her designee, shall review and approve all requests for reimbursement of travel expenses by the Executive Director.
- E. The Chair shall meet with individual Commission members as appropriate, concerning personal conduct which is in conflict with Commission Bylaws, policies or procedures, including excessive absences, late arrivals or early departures which disrupt meetings.

- F. The Secretary or his/her designee shall, as necessary, take minutes of meetings and closed sessions of the Commission, communicate closed session actions and direction to the public or staff, as appropriate or required by law, and review and approve the draft minutes of Commission meetings prior to their consideration by the full Commission.

Section II. Committees

When appropriate and necessary, on his or her own initiative or at the direction of the Commission, the Chair may appoint such ad hoc committees, technical advisory committees or working groups to assist in carrying out the business of the Commission.

Section III. Representation

The Chair, on behalf of the Commission, shall respond to issues from the community, private and public sectors, the Board of Supervisors and its members and the media. The Chair may designate Commission members or the Executive Director to represent the Commission in responding to these issues.

**ARTICLE VIII
Duties and Responsibilities of Commission Members**

Commission members shall be responsible for and adhere to the following primary duties:

- A. When designated by the Chair (or in the Chair's absence, the Vice Chair), serve as a spokesperson for the Commission, representing the Commission in meetings with public officials of other jurisdictions, the community, or the media. A Commission member representing the Commission in an official capacity should state the Commission's approved policies, procedures, or positions and refrain from stating personal preferences. Expenses incurred when representing the Commission at the request of, or with prior approval from, the Chair or the Commission are reimbursable;
- B. When invited to participate in any forum as a Commission member, Commission members should try to confine their remarks to Commission positions. Other remarks a Commission member may need to make should be identified as personal in nature and not reflective of Commission policy. A participating Commission member should report on his or her participation at the next Commission meeting;
- C. Submit, in advance, all correspondence and/or communications written on behalf of the Commission and/or its committees to the Commission Chair for review and approval;
- D. Regularly attend the Commission's meetings and inform staff in advance if unable to attend a meeting. Unexcused absences from more than 25 percent of Commission or committee meetings, during a 12-month period, shall constitute a violation of duty;

- E. Serve and actively participate in the work of any ad hoc committee or working group to which the Commissioner is appointed.
- F. When serving as a committee chairperson, report to the Chair any matters, which the Commission should be aware of, and recommend action when appropriate;
- G. Inform the Chair of any requests for review or assistance or any complaints, inquiries, or notice of problems, within the purview of the Commission;
- H. Refrain from assigning work to the Commission staff unless approved by the Chair or the Executive Director;
- I. Advise the Commission staff of scheduled vacations and absences;
- J. Provide timely notice to the Chair in writing as soon as practicable if the member plans to resign from the Commission, or if his or her employment or status no longer meets the membership criteria set forth in the Ordinance; and
- K. Participate in the selection and annual evaluation of the Executive Director.

**ARTICLE IX
Meetings of the Commission**

Section I. Regular Meetings

Regular meetings of the Commission shall be held on the second Thursday of each month at 1:30 p.m. at the Commission's principal office, excluding January, April, August, and December. The Commission may meet by teleconference as permitted by applicable law. The Commission may adjourn a regular meeting to a time and date certain, and the Chair may cancel or continue a meeting in the case of a lack of quorum or a lack of business to be transacted. Either the Chair or a majority of the Commission may call a special meeting of the Commission in the manner provided for under the Brown Act.

Section II. Order of Meetings

- A. The regular meeting agenda shall include: Call to Order; Approval of Minutes; Report of the Chair; Report from the Executive Director; Consent Calendar; Committee Reports; Commission Business; Statements for the Record by Commission Members, Public Comment. The Commission may meet in Closed Session if necessary and permitted by law.
- B. Agenda items requiring Commission action will first be introduced as information items at a full Commission meeting prior to action at a subsequent meeting. Staff presentations will be provided first and then public comment received thereafter in the first meeting, with referral to appropriate Committee(s) for further discussion if necessary. Non-substantive issues will return thereafter to the full Commission on the Consent calendar; substantive issues will be placed separately on an agenda for further Commission discussion prior to action. Public comment will be incorporated for both Consent and non-Consent action items as requested.

- C. Matters which do not appear on the posted agenda may be acted upon by the Commission at a meeting if by a two-thirds (2/3) vote of the members or, if less than two thirds (2/3) of the members are present, a unanimous vote of those present, the Commission determines that there is a need for immediate action that cannot reasonably wait until the next scheduled meeting and that the need for action came to the attention of the Commission after the agenda was posted. If a specific matter proposed to be added to an agenda under this subsection has not previously been presented to the Commission as an information item, the Commission must also first vote to waive the presentation requirement by the affirmative vote of 7 of the 9 voting members.
- D. Minutes of the previous meeting and agenda of the upcoming meeting should be sent to Commission members no later than three (3) business days before the upcoming meeting. Whenever possible, an explanation of agenda items shall accompany the notification. Commission members who are absent shall receive all material distributed at missed meetings.
- E. All meetings shall be open and public.
1. Any person may request to be heard on an agenda item before it is acted upon.
 2. No person shall address the Commission until he or she has first been recognized by the Chair. All persons addressing the Commission shall be asked to give their names and affiliations for the record.
 3. Notwithstanding any other provision, members of the public shall have the right to address the Commission on items of interest within the subject matter jurisdiction of the Commission. Prior to the public comment, the Chair may, at his or her discretion, announce the total amount of time available for comment and, where appropriate, may set limits on the time to be spent on particular issues and on the amount of time available to each speaker.
 4. The Chair is responsible for meeting agendas. The Commission members may request the Chair place an item on the agenda and the Executive Director may place items on the agenda in consultation with the Chair. The Commission may formally act to place an item on the agenda.
 5. Audio recordings of all the Commissions' Regular Meetings are for the purpose of preparing minutes and may be disposed of thereafter. At the direction of the Commission or the Chair, specific recordings may be retained for a longer period.

ARTICLE X Committees

Section I. Formation of Committees

The Commission may establish one or more standing committee(s), and the Chair may appoint one or more ad hoc committee(s), working groups and/or technical advisory committee(s) to provide technical and professional expertise and support for any purposes that will be beneficial in accomplishing the purposes of the Act. [In the event of a temporary absence of a committee member or](#)

ex-officio representative, the Chair may appoint another member or ex-officio representative, as applicable, to serve on the committee solely for the period of the committee member's temporary absence. The Commission may define and limit the scope and authority of standing committee(s), and establish rules of operation for the committee(s). The Chair may define and limit the scope and authority of ad hoc committee(s) and working groups, and establish rules of operation for these committee(s) and working groups. Each committee shall meet and shall make recommendations and reports as deemed necessary or appropriate by the Commission. Except as otherwise provided for in this Article X, in the absence of the committee chairperson, the committee Vice Chair shall conduct routine business matters and meetings of the committee.

Section II. Committee Structure/Authority

A. Executive Committee

The Executive Committee shall be a standing Committee of the Commission. Membership of the Executive Committee shall be comprised of the Chair of the Program & Planning Committee, ~~two-three~~ other voting members of the Commission appointed each year by the Chair, and the Vice Chair of the Commission. The Vice Chair shall serve as the Chair of the Executive Committee. In the absence of the Committee Chair, the Vice Chair of the Committee shall conduct the routine business matters and meetings of the Committee. The Executive Committee shall meet in open and public sessions in compliance with the Brown Act except where a closed session is warranted and called according to applicable law. The duties of the Executive Committee shall include the review of the draft annual operating budget, supervising and providing oversight of the annual audit of the Commission, review of the draft annual report to the State Commission, advice and feedback to the Executive Director regarding operational issues including, but not limited to:

- contract compliance
- quality assurance
- evaluation
- policy advocacy
- personnel and compensation issues

In addition, the Executive Committee shall draft the annual evaluation of the Executive Director for consideration and action by the full Commission, supervise any Commission self-assessment process initiated by the full-Commission and perform any other function delegated to it by the full Commission or the Chair, including, without limitation, implementing provisions and responsibilities set forth in a Commission-adopted executive succession plan and delegated to the Committee. The term of office on the Executive Committee shall be for one (1) calendar year. ~~No person shall serve as Chair of the Executive Committee for more than four (4) consecutive terms, although this limit shall apply only to consecutive terms on the Committee, and shall not limit subsequent, non-consecutive terms.~~

The Executive Committee shall not make binding decisions that are decisions of the Commission under applicable law and shall periodically report its activities to the full Commission. Minutes of Executive Committee meetings shall be kept and distributed to all members of the Commission.

B. Program and Planning Committee

The Program and Planning Committee shall be a standing Committee of the Commission to serve as the forum for Commissioners, staff and the public to engage and consider program, policy, evaluation and fiscal recommendations for future initiative development and implementation in a study session

format. The Planning Committee shall meet in open and public sessions in compliance with the Brown Act except where a closed session is warranted and called according to applicable law. Recommendations and feedback from Planning Committee meetings shall be used to inform design and evaluation of programs and initiatives and contribute towards the strategic plan development of First 5 LA. In addition, new ideas and concepts for future funding and projects may be introduced at the Planning Committee. The Commission Chair shall appoint a member or an ex-officio representative in January of each year to serve as the Committee Chair, and four other members of the Commission to serve as members of ~~the~~ Committee, ~~although~~ any Commissioner, ~~whether~~ voting ~~or~~ ~~ex-officio~~, may ~~attend~~ and participate in meetings of the Planning Committee. Membership on the Committee is open to all Members of the Commission and ex-officio representatives. If the Commission Chair appoints an ex-officio representative as the Committee Chair, the Commission Chair shall appoint five members of the Commission to serve as members of the Committee. ~~In the absence of the Committee Chair, another member of the Committee Vice Chair designated by the Chair shall serve as Committee Chair~~ conduct the routine business matters and meetings of the Committee. ~~In the absence of both the Committee Chair and Committee Vice Chair, the Committee Chair's alternate member shall conduct the routine business matters and meetings of the Committee and, in the absence of the Committee Chair's alternate member, the Committee Vice Chair's alternate member shall conduct the routine and meetings of the Committee.~~

The jurisdiction of the Planning Committee shall be limited to providing original ideas as well as feedback and recommendations to staff and/or the Commission regarding future actions of the Commission. No binding action of the Commission shall be taken at any Committee meeting. In-person Attendance by three (3) members of the Committee at a noticed meeting shall constitute a quorum for the transaction of Committee business.

Regular meetings of the Planning Committee shall be held each month at least four (4) times per calendar year, unless cancelled or postponed by the Committee Chair or the Executive Director for lack of a quorum or lack of business to be transacted. Special meetings of the full Commission may be held jointly with the Program and Planning Committee at the discretion of the Chair or the Executive Director.

C. Budget and Finance Committee

The Budget and Finance Committee shall be a standing Committee of the Commission. The Commission Chair shall appoint a member each year to serve as the Committee Chair, and three other voting members of the Commission to serve as members of the Committee. In the absence of the Committee Chair, the Committee Vice Chair shall conduct the routine business matters and meetings of the Committee. The Budget and Finance Committee shall oversee the effectiveness of the annual audit process and assist in maintaining the integrity of internal control and financial reporting. The Budget and Finance Committee shall provide feedback and advice to the Executive Director regarding the following budget and fiscal tasks:

- Review draft annual business plan and proposed budgets.
- Review proposed fiscal policies and procedures.
- Review proposed scopes of work for annual audits.
- Ensure that required annual audits occur and review audit reports.
- Review audited financial statements.
- Other tasks delegated to the Committee by the full Commission, the Executive Committee, or as requested by the Executive Director.

The term of office on the Budget and Finance Committee shall be for one (1) calendar year. The Budget and Finance Committee shall meet in open and public sessions in compliance with the Brown Act except where a closed session is warranted and called according to applicable law. The Budget and Finance Committee shall not make binding decisions that are decisions of the Commission under applicable law and shall periodically report its activities to the full Commission. Minutes of the Budget and Finance Committee meetings shall be kept and distributed to all members of the Commission.

Section III. Committee Purpose and Scope of Authority

The status (standing or *ad hoc*), purpose and authority of committees shall be determined by the Commission at the time they are formed. However, the Commission may modify a committee's status, purpose or authority at any time.

A committee may act within the delegated authority without further approval by the Commission. However, as provided for under Article VIII, no committee or committee members shall make or issue policy statements, recommendations, or media releases without prior approval of the Commission. Further, any committee activity which implies action by the Commission or is outside the committee's delegated authority is not permitted without specific Commission approval.

Following the Commission's action establishing a committee, the Executive Director shall provide the committee with a copy of its status, purpose and authority from the Commission minutes, and shall be responsible for providing staff support to the committee.

**ARTICLE XI
Amendments**

Notice of a proposed amendment to these Bylaws shall be given to each member of the Commission at least 21 days prior to the meeting at which it will be considered. Approval of amendments requires an affirmative vote of seven (7) of the nine (9) voting members of the Commission.



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First 5 LA Governance Guidelines

(Approved 2014)

Statement of Purpose

- The First 5 LA Board of Commissioners will make its decisions guided by the principles of transparency, financial responsibility and accountability, and adherence to the Commission's Strategic Plan.

Objectives

- Update and conform First 5 LA decision-making guidelines to reflect current organizational practice and best practices.
- Promote transparency and consistency in decision-making.
- Promote coordination, coherence and integration of First 5 LA investments.
- Ensure accountability for First 5 LA's declining revenues.
- Establish Commission expectations for contractors and grantees that they not expect First 5 LA to be a permanent source of funding for programs and services.
- Maintain Commission flexibility to respond to significantly changed circumstances or emergencies by authorizing exceptions to the Governance Guidelines via a vote of 7 of 9 of the voting members of the Commission.

Governance categories

Process

1. Sequencing of action items. Agenda items requiring Commission action will first be introduced as information at a full Commission meeting prior to action at a subsequent meeting. Staff presentations will be provided and public comment received in one meeting, with referral to appropriate Committee(s) for further discussion. Non-substantive issues will return to the full Commission on the Consent calendar; substantive issues will be agendaized for further Commission discussion pre action. Public comment will be incorporated for both Consent and non-Consent action items.
2. Staff presentations. Staff presentations on Commission agenda items will precede public comment.

Fiscal Accountability

3. Long-term financial projection. At least annually, the Board will review and adopt the next ~~long term~~five-year financial projection that represents at a minimum estimated 5-year trends of First 5 LA expenditures and revenues.
4. "Paygo". Board decisions that have a fiscal impact will require identification of the funding source: e.g., "assigned" funding (per the current Strategic Plan), "committed" (per previous Board-approved allocations) or "unassigned" funds (operations and Reserve). Staff will present to the Board a ~~5-year~~ spending projection for all service-related investments with a fiscal impact, prior to Board action.
5. Sustainability*. It is the Commission's expectation that successful applicants for First 5 LA support will be able to sustain project efforts beyond the contract period and First 5 LA funds. As ~~applicable to the work, a condition of funding,~~ applicants ~~may be required to~~ust provide a Sustainability Plan, including sustainability goals, other (anticipated) sources of funding, and action steps. ~~If a Plan is required, To inform Plan development,~~ First 5 LA will provide specific program outcomes and objectives expected to be sustained and examples that reflect a continuum of possible approaches and recognize the diversity of potential applicants (i.e., size of investment, type of program, capacity of applicant). Sustainability provisions will be included in First 5 LA solicitations, scoring tool, and performance evaluation, as applicable.
6. Leveraging*. It is the Commission's expectation that successful applicants for First 5 LA support will identify opportunities to leverage First 5 LA funding to support the scope, quality and sustainability of program activity. As a condition of funding, First 5 LA may require applicants ~~to~~will report other financial resources they have secured for use in the project other than the First 5 LA funds requested. In addition, for multi-year funding, applicants ~~may be required to~~will provide a detailed description demonstrating incremental increases in leveraging consistent with First 5 LA determined benchmarks. Applicants not able to secure leveraged resources at the time of submission will provide a plan to acquire these funds during the project term. First 5 LA reserves the right to establish milestone-based funding based upon progress in meeting financial and/or programmatic benchmarks. Leveraging provisions will be included in First 5 LA solicitations, scoring tool, and performance evaluation, as applicable.
7. Expiration of contracts/grants. Each First 5 LA contract/grant will have an expiration date. Multi-year First 5 LA services-related investments will end pursuant to the time stated in the original allocation or grant award. The Commission is under no obligation to continue funding beyond the initial contract term. Should future requests be forthcoming after the contract term is over, these requests will be evaluated based on the current 2015-20 Strategic Plan criteria (see below). ~~Staff will provide~~

~~an annual Board update each spring on expiring grants and contracts.~~

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Strategic Planning (2015-20)

8. Decision-making document. The Strategic Plan will represent a decision-making document that focuses First 5 LA's strategic direction, aligns the organization's efforts and activities, and clarifies its intended impact.
9. Alignment of "legacy" investments (from previous Strategic Plans) with current 2015-20 Strategic Plan. Prior Strategic Plan initiatives must expire pursuant to their terms or be clearly aligned with current the 2015-20 Strategic Plan criteria (see below).
10. Criteria for new initiatives/programs. To be included in the new Strategic Plan, initiatives/programs must include the following criteria:
 - Clearly defined and measureablemeasurable outcomes and performance metrics.
 - Alignment with Strategic Plan outcomes, objectives, and strategy.
 - A budget and fiscal impact analysis, including a multi-year5-year spending projection.
 - Realistic implementation timeline.
 - Evidence of or potential for effectiveness.
 - Evidence of or potential for sustainability of results.

The appropriate Board Committee will review such requests, make findings and provide a recommendation to the full Commission.

Definitions:

Guideline #4: "Pay Go"

- Assigned: Funds available for use within the parameters set by the current Strategic Plan. ~~For example, under the 2009-15 Strategic Plan, funds would be available for use within the guidelines of 30-45% for Countywide Activities, 45-60% for Place-Based Activities, 5% for Research and Evaluation, and 5% for Administration.~~
- Committed: Funds have been set aside by the Commission for a specific purpose via Resolution. This can include either annual appropriations or multi-year allocations approved by the Board. ~~For example, in FY 2010-11 the Board approved a \$7.5 million multi-year investment in the Healthy Food Access initiative. These funds remain in Committed unless the Commission takes action to redirect the funds for other purposes via Resolution. In contrast, for a zero-based investment, such as Public Education, only the annual FY 2013-14 appropriation approved by the Commission of \$2.3 million is shown as Committed because this investment does not have an approved multi-year allocation; any spending in future fiscal years would come from Assigned assuming sufficient funds were available.~~
- Unassigned: Funds have been designated for First 5 LA operations (via the annually approved fiscal year Operating Budget) and the Fund Balance Reserve,

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which is determined by the Board's Fund Balance Reserve policy.

- which is calculated annually as 25% of the total fiscal year budget approved by the

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Board in June.

Guideline #5: Sustainability

- The ability to maintain programming and its impact on the well-being of children and families after the expiration of First 5 LA funds.

Guideline #6: Leveraging

- Additional funding that is awarded and/or accessed as a result of First 5 LA funding (distinct from existing funding).

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STRATEGIC PLAN REVIEW AND REFINEMENT CYCLE: A. PUBLIC HEARING: ANNUAL REVIEW OF THE FIRST 5 LA STRATEGIC PLAN B. INITIAL REFINEMENTS TO FIRST 5 LA'S 2020-2028 STRATEGIC PLAN

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Antoinette Andrews Bush, Chief Transformation Officer
Becca Patton, Director, Early Care and Education
Charna Widby, Chief Government Affairs Officer



- Conduct annual public hearing on First 5 LA's Strategic Plan, in accordance with Proposition 10 annual procedural requirements
- Preview initial refinements to First 5 LA's 2020-2028 Strategic Plan:
 - North Star
 - Overarching Systems Change Goal
 - Long-Term Systems Outcomes
 - Public Systems
 - Short-Term Systems Outcomes



Our Pathway for Systems Change



Our North Star

By 2028, all children in L.A. County will enter kindergarten ready to succeed in school and life.

267

We Want Systems To Be

- Accessible
- Quality
- Aligned
- Sustainable

Results for Children and Families

- Families optimize their child's development.
- Children receive early developmental supports and services.
- Children are safe from abuse, neglect, and other trauma.
- Children have high-quality early care and education experiences.

We Change Systems By

- Policy change
- Practice change
- Will building

Our Strategic Priorities

- Strengthen public & community systems
- Advance & build on community experience
- Expand influence & impact with data
- Optimize our effectiveness

Our Values

- Collaboration
- Integrity
- Learning
- Diversity, Equity and Inclusion

Our Investment Guidelines

- Equity • Sustainability • Partnership • Prevention • Systems Change • Evidence and Innovation



Our Pathway for Systems Change



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By 2028, all children in L.A. County will enter kindergarten ready to succeed in school and life.

268

We Want Systems To Be

- Accessible
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P
H
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E
2

We Change Systems By

- Policy change
- Practice change
- Will building

Our Strategic Priorities

- Strengthen public & community systems
- Advance & build on community experience
- Expand influence & impact with data
- Optimize our effectiveness

Our Values

- Collaboration (Icon: Two hands shaking)
- Integrity (Icon: Scales of justice)
- Learning (Icon: Lightbulb)
- Diversity, Equity and Inclusion (Icon: Three people)

**Proposed
Refinements
For Board
Approval
in November
2022**



Our Pathway for Systems Change



Our North Star

By 2028, all children in L.A. County will enter kindergarten ready to succeed in school and life.

270

We Want Systems To Be

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Results for Children and Families

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Our Values

- Collaboration
- Integrity
- Learning
- Diversity, Equity and Inclusion

Our Investment Guidelines

- Equity • Sustainability • Partnership • Prevention • Systems Change • Evidence and Innovation

Current Strategic Plan



Proposed Refinement

By 2028, all children in Los Angeles County will enter kindergarten ready to succeed in school and life.

Every child in Los Angeles County will reach their full developmental potential throughout the critical years of prenatal to age five.

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Current Strategic Plan



Proposed Refinement

Four Results for Children and Families

- Families optimize their child's development.
- Children receive developmental supports and services.
- Children are safe from abuse, neglect, and other trauma.
- Children have high-quality early learning experiences.

Eliminate – our focus, actual work and, therefore, ²⁷² accountability is about systems change to support children's full developmental potential and improve outcomes.



Current Strategic Plan



What We Shared at Sept PPC



What We Heard at Sept PPC



Proposed Refinement

Accessible: Public and community systems provide equitable access to quality supports for all young children

Quality: Public and community systems reflect parent priorities, diverse community needs, and standards that drive results for children

Aligned: Public and community systems connect and link quality supports for children and families

Sustainable: Funding, policies, and public support advance sustainable and equitable investments in young children

Public systems are **connected, coordinated and seamless**, enabling easy access for families

Public systems are **responsive to the needs, experiences, and assets** of families and communities

Families and communities are engaged and have **influence** shaping public systems

The **financing** mechanisms of public systems are **equitable** and incentivize a whole child, whole family, prevention-oriented approach

- Commitment to community engagement
- Use experience and data to inform refinements
- Financing mechanisms include incentives, oversight and timely connection to services
- Importance of upstream systems change to child well-being

Accessible: Public systems are connected, aligned, and seamless

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Equitable: Public systems eliminate systemic biases in mindsets, policies, and practices

Power Sharing: Communities and public systems share power in the development, implementation, and continuous improvement of policies and practices that impact children and families

Financing: The financing mechanisms of public systems are sufficient and incentivize a whole child, whole family, prevention-oriented approach

Initial Refinements for Board Approval in November

North Star: Every child in LA County will reach their full developmental potential throughout the critical years of prenatal to 5.



Overarching Systems Change Goal: Public systems most critical to children's development prenatal to 5 advance belonging and justice for communities which experience significant inequities.

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Long-Term Systems Change Outcomes

Accessible: Public systems are connected, aligned, and seamless


Equitable: Public systems eliminate systemic biases in mindsets, policies, and practices

Power Sharing: Communities and public systems share power in the development, implementation, and continuous improvement of policies and practices that impact children and families

Financing: The financing mechanisms of public systems are sufficient and incentivize a whole child, whole family, prevention-oriented approach

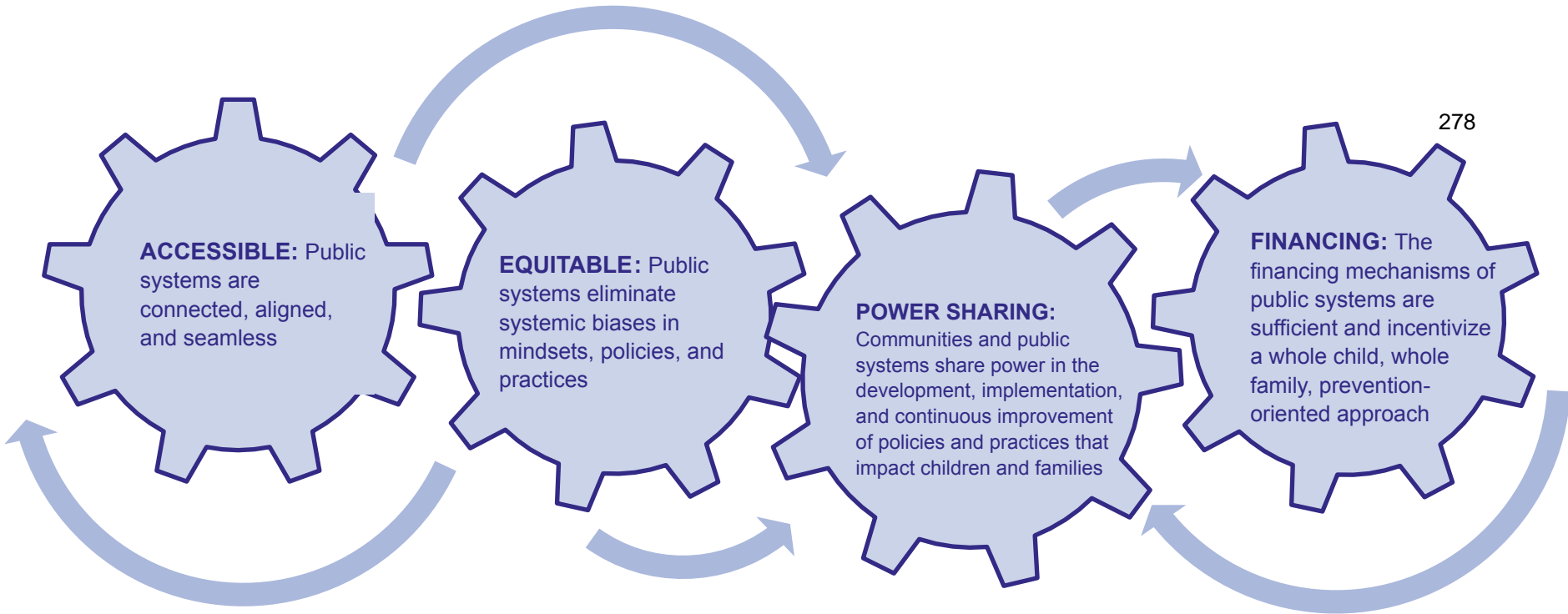
- Do the proposed refinements reflect Commissioners' input and guidance?
 - North Star
 - Overarching Systems Change Goal
 - Long-Term Systems Change Outcomes
- What further questions, considerations, and/or inputs should staff consider prior to requested Board approval in November?

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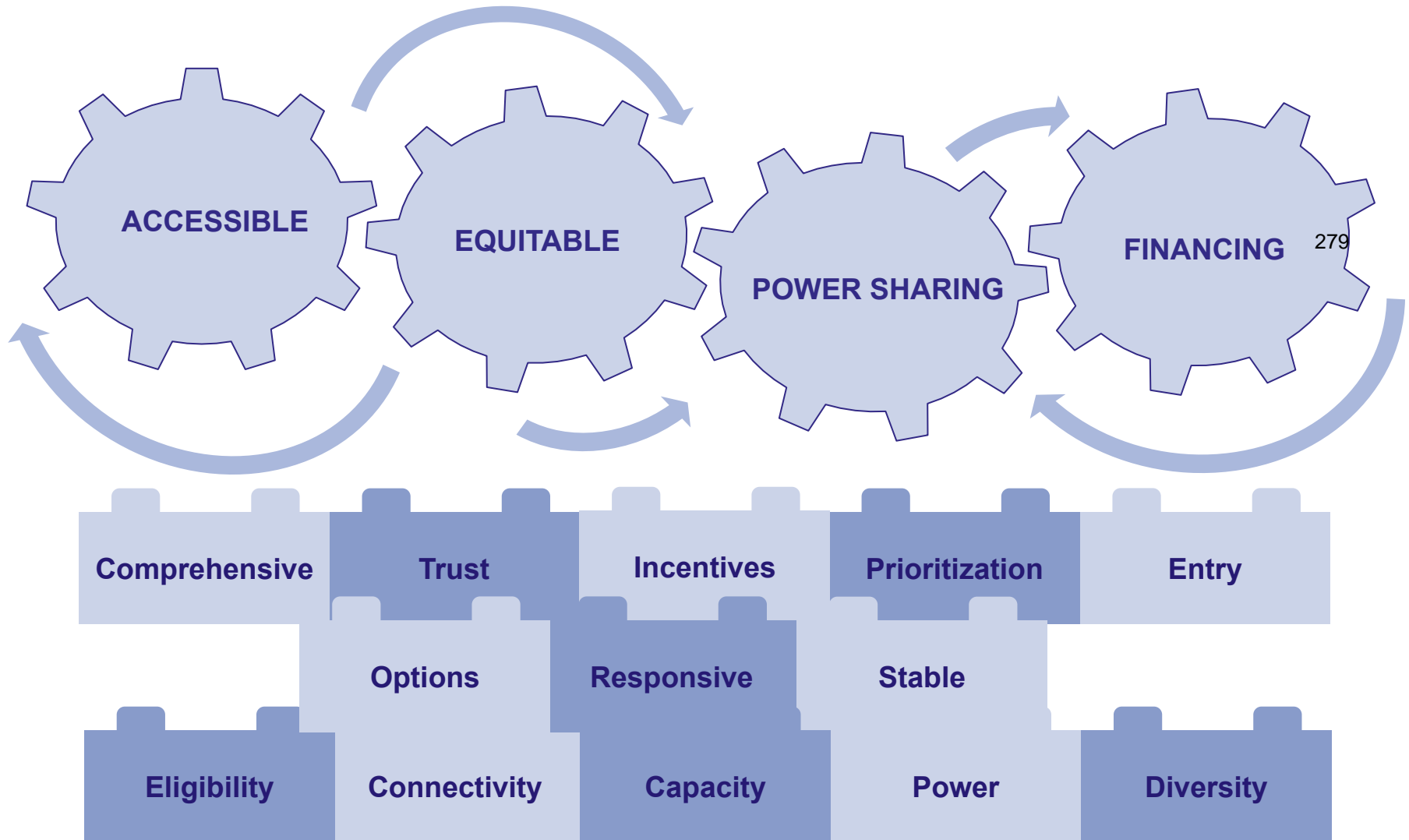


**Connecting
Short-Term
Systems
Outcomes to
Long-Term
Systems
Outcomes**

Long-Term Systems Outcomes



Short-Term Systems Outcomes



ACCESSIBLE: Public systems are connected, aligned, and seamless.

EQUITABLE: Public systems eliminate systemic biases in mindsets, policies, and practices.

Comprehensive: Public systems provide a comprehensive set of services with continuity of care both across and within systems.

Trust: Public systems shift internal culture to trust families, foster understanding and mutuality and become trustworthy.

Entry: Public systems offer multiple entry points with streamlined enrollment processes.

Choice: Public systems offer a range of settings, provider, and service types to meet children and families' diverse needs and preferences.

Eligibility criteria are lowered, consistent and simplified to reduce barriers and link families with various public systems.

Connectivity: Formal and informal structures and networks, including data and referral systems, are connected and serve to link families to publicly funded community supports.

How our systems are designed

POWER SHARING: Communities and public systems **share power** in the development, implementation, and improvement of policies and practices that **impact children and families.**

Responsive: Public systems have structures and processes that institutionalize and prioritize meaningful community participation.

Power: Communities gain power to influence and hold systems accountable for equitable strategies, resources, and outcomes.

Capacity: Communities, CBOs, and institutional partners form and deepen collaboration to support families' ability to provide safe, stable, nurturing relationships and environments for children prenatal to 5

FINANCING: The **financing** mechanisms of public systems are **sufficient** and **incentivize** a whole child, whole family, prevention-oriented approach

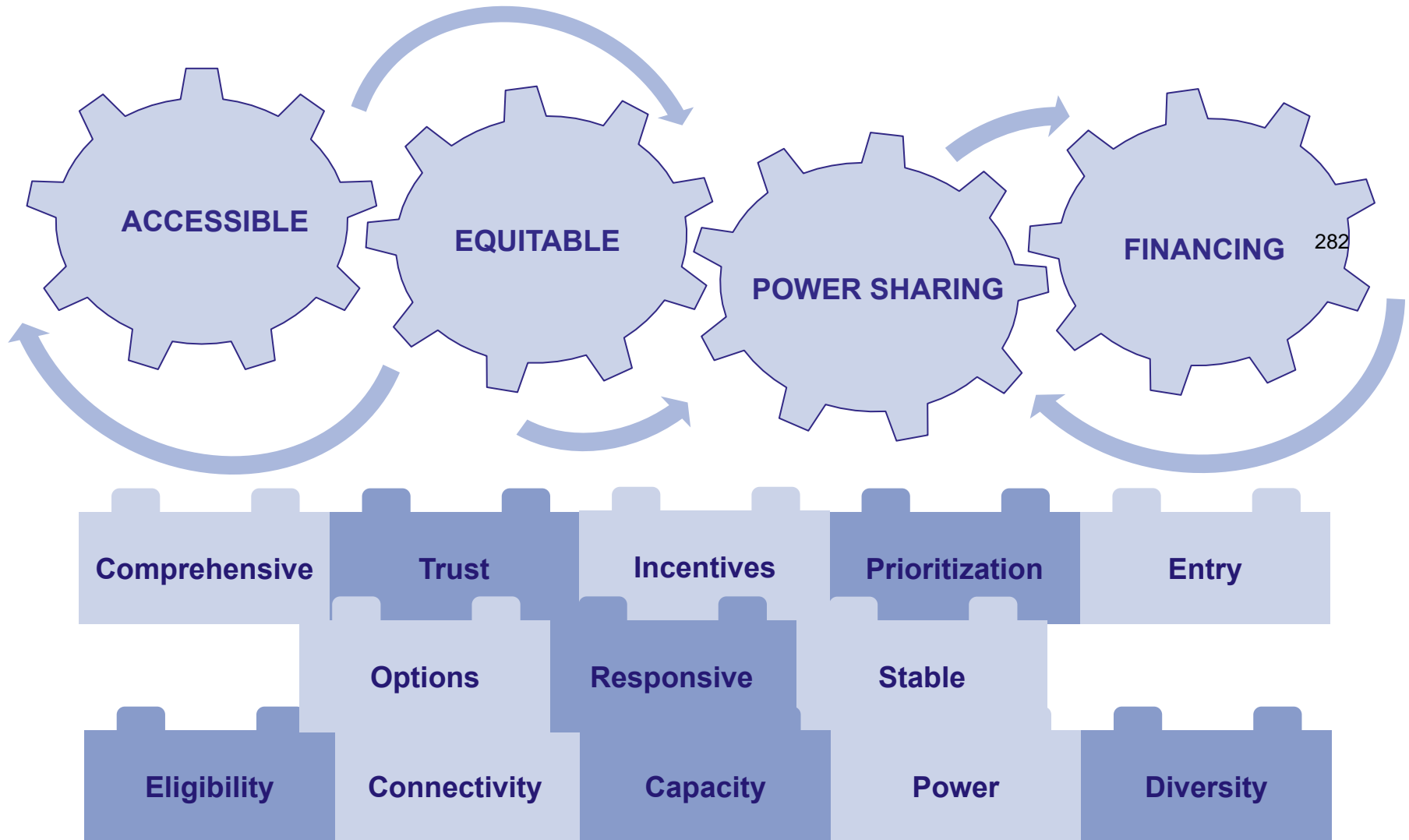
Incentives. Public policy and financing reforms incentivize streamlining systems for families, children and prevention.

Prioritization: Public policy and funding decisions prioritize prenatal to 3 and children and families who live in communities that are under-resourced and experience inequities.

Stable: Durable and adequate financing streams exist to support public systems.

Diversity: Public resources incentivize participation of locally-trusted BIPOC led CBOs to promote family choice

Short-Term Systems Outcomes



Initial thinking of public systems that First 5 LA will prioritize

Public System	Rationale
Healthcare	Healthcare is a near universal system that has a direct impact on child development. 283
Childcare	Childcare systems have a direct responsibility for child development and provide formal and informal caregiving in addition to parents.
Basic Needs <ul data-bbox="98 1039 513 1279" style="list-style-type: none">• Income• Food• Housing• Transportation	Basic needs support systems provide resources that promote family stability and child well-being.

- Given First 5 LA's focus and our unique role, does the following resonate:
 - Short-Term Systems Change Outcomes
 - Public systems that First 5 LA will prioritize
- Any additional considerations?

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November 2022 Board of Commissioners Meeting

- Seek approval of:
 - North Star
 - Overarching Systems Change Goal
 - Long-Term Systems Outcomes

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A young girl with dark hair in two pigtails, wearing a white dress with pink floral patterns, is sitting on a grassy field. She is surrounded by many colorful plastic Easter eggs in shades of red, yellow, green, and blue. She is holding a blue egg in her right hand. In the background, other people are visible, including a man in a white shirt and a woman in a yellow shirt, suggesting an outdoor event or park. The scene is brightly lit, indicating a sunny day.

Appendix

Appendix 1: Key Terms

- **Child Development:** a series of skills and stages that occur in a child between birth and adulthood. Five domains of skills include motor, language, adaptive, social-emotional, and cognitive.
- **Community:** Groups of people who have something in common (demographics, culture, interest, geographic location) who are in relationship with each other and support each other.
- **Public systems:** The combination of policies, programs and institutions--financed, at least in part, by taxpayer dollars--that, collectively, work to meet a particular set of needs.
- **Levers:** Focused action that can produce significant improvements.
- **Outcomes:** A specific change as a result of some known effort.
- **Systems Change:** Shifting, reconfiguring, or transforming policies, procedures, practices, relationships, mindsets, resource flows, and power dynamics to improve how a system functions to achieve its purpose and goals.

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Where We've Been

- **Mid Sept 2022:** Shared refined foundational elements of the Strategic Plan at Board of Commissioners meeting
- **Late Sept 2022:** Shared and gathered feedback on draft long-term systems change outcomes at the Program and Planning Committee meeting

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Where We Are Now

- **Oct 2022:** Present draft systems change outcomes at Board of Commissioners meeting

Where We Are Going

- **Nov 2022:** Request endorsement of refined North Star and long-term systems change outcomes at Board of Commissioners meeting
- **After Nov 2022:** Planning for internal and external community engagement on refinements of other elements of the Strategic Plan (values, investment guidelines, strategy, Impact Framework, Long-Term Financial Plan, DEI implementation planning)

1. Every child in LA County will reach their full developmental potential throughout the critical years of prenatal to 5.

2. In order for children to reach full developmental potential throughout prenatal to 5, they need safe, stable, nurturing, relationships and environments, particularly during the prenatal to 3 window of rapid development.

3. Supportive conditions are needed for families/caregivers to provide safe, stable, nurturing, relationships and environments for children prenatal to 5.

4. Given the scale and reach of public systems, they have a role in facilitating supportive conditions that enable full developmental potential throughout prenatal to 5.

5. Our Problem Statement: Systemic bias and inequities within public systems undermine supportive conditions and disrupt children's full developmental potential.

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- We are an independent county public agency with a mandate, knowledge, and insights to promote, support, and improve the early development of children from the prenatal stage to five years of age in Los Angeles County.
- Our governing board, which includes representatives of family serving public agencies, gives us the knowledge and direct connection to other public agencies that enable us to work within and across systems.
- Our history, relationships, and learning from communities shapes our understanding of families' experiences and priorities and informs what we do and how we approach our work.
- Our commitment to prevention, equity, and systems change compels us to address the effects of systemic bias and inequities within systems that impact the earliest moments of a child's life.

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Work within and across public systems to align,²⁹¹
integrate, and prioritize supports that are
responsive to families and communities,
particularly during the prenatal to 3 window of
rapid development, to eliminate disparities.

- **Comprehensive:** Public systems provide a comprehensive set of services with continuity of care both across and within systems.
- **Trust:** Public systems shift internal culture to trust families, foster understanding and mutuality and become trustworthy.
- **Equity:** Public systems eliminate systemic biases through equitable practices, policies and mindsets
- **Prioritization:** Public policy and funding decisions prioritize prenatal to three year olds and children and families who live in communities, that are under-resourced and experience other inequities.
- **Incentives.** Public policy and financing reforms incentivize streamlining systems for families, children and prevention.
- **Entry:** Public systems offer multiple entry points with streamlined enrollment processes
- **Options:** Public systems offer a range of settings, provider, and service types to meet children and families' diverse needs and preferences.
- **Responsive:** Public systems have structures and processes that institutionalize and prioritize meaningful community participation.
- **Stable:** Durable and adequate financing streams exist to support public systems.
- **Eligibility** criteria are consistent, simplified, and lowered to reduce barriers and link families with various public systems.
- **Connectivity:** Formal and informal structures and networks, including data and referral systems, are connected and serve to link families to publicly funded community supports.
- **Capacity:** Communities, CBOs, and institutional partners form and deepen collaboration to support families' ability to provide safe, stable, nurturing relationships and environments for children prenatal to 5
- **Power:** Communities gain power to influence and hold systems accountable for equitable strategies, resources, and outcomes.
- **Diversity:** Public resources incentivize participation of-local-trusted BIPOC led CBOs to promote family choice

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Appendix 7: Alignment with What We're Hearing and Learning, Community and County Priorities

Overarching Systems Change Goal:

Public systems most critical to children's development prenatal to 5 advance justice and belonging in partnership with communities that experience significant inequities.

Long-Term Systems Change Outcomes:

- Access
- Utilization/Equitable
- Power Sharing
- Financing

Short-Term Systems Change Outcomes:

- Comprehensive
- Entry
- Eligibility
- Trust
- Options
- Connectivity
- Responsive
- Power
- Capacity
- Incentives
- Prioritization
- Stable
- Diversity

What We're Hearing and Learning

- Communities with lived experience are excluded from decision-making that affects them
- Temporary basic needs supports during the pandemic helped stabilize families and are set to expire
- Income eligibility cliffs make it challenging for families to meet basic needs, including childcare
- Navigating multiple, unconnected systems is complex and overwhelming for parents
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- Family childcare providers receive poverty wages due to the reimbursement rate policy
- Administrative policies, procedures, and practices of systems make families feel shame and confused

County and Community Priorities (not an exhaustive list, see Appendix)

- Anti-Racism
- Child Abuse and Neglect
- Child Protection
- Community Capacity Strengthening
- Early Care and Education
- Environmental Health
- Employment and Fair Wages
- Food Security
- Housing
- Healthcare
- Immigration
- Mental Health
- Parks and Open Space
- Safe Neighborhoods
- Transportation
- United Communities

Appendix 8: County and Community Priorities

Though not exhaustive lists, the table below illustrates alignment among county and community priorities.

County Priorities (from L.A. County CEO*)	Community Priorities (from various data sources**)
<ul style="list-style-type: none"> • Anti-Racism • Child Protection • Criminal Justice System Reform • Early Care and Education • Employment and Fair Wages • Food Security • Housing • Environmental Health • Housing • Healthcare • Mental Health • Immigration • Community Capacity Strengthening • Not listed as board-directed priorities on CEO website but investments aligned with community priorities: <ul style="list-style-type: none"> – Transportation (Measure M) – Parks and Open Space (Measure A) – Digital Divide (Office of the Chief Information Officer) 	<ul style="list-style-type: none"> • Anti-racism • Child Abuse and Neglect • Community Capacity Strengthening • Criminal Justice System Reform • Digital Inclusion • Early Care and Education • Employment and Fair Wages • Environmental Health • Food Security • Housing • Healthcare • Immigration • Mental Health • Parks and Open Space • Safe Neighborhoods • Transportation • United Communities <p style="text-align: right;">294</p>

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**Community priorities data sources included in the appendix

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STRATEGIC PLAN REVIEW AND REFINEMENT CYCLE: A. PUBLIC HEARING: ANNUAL REVIEW OF THE FIRST 5 LA STRATEGIC PLAN B. INITIAL REFINEMENTS TO FIRST 5 LA'S 2020-2028 STRATEGIC PLAN

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Antoinette Andrews Bush, Chief Transformation Officer
Becca Patton, Director, Early Care and Education
Charna Widby, Chief Government Affairs Officer



- Conduct annual public hearing on First 5 LA's Strategic Plan, in accordance with Proposition 10 annual procedural requirements
- Preview initial refinements to First 5 LA's 2020-2028 Strategic Plan:
 - North Star
 - Overarching Systems Change Goal
 - Long-Term Systems Outcomes
- Share initial thinking on short-term systems outcomes and public systems to focus and narrow our work



Our Pathway for Systems Change



Our North Star

By 2028, all children in L.A. County will enter kindergarten ready to succeed in school and life.

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We Want Systems To Be

- Accessible
- Quality
- Aligned
- Sustainable

Results for Children and Families

- Families optimize their child's development.
- Children receive early developmental supports and services.
- Children are safe from abuse, neglect, and other trauma.
- Children have high-quality early care and education experiences.

We Change Systems By

- Policy change
- Practice change
- Will building

Our Strategic Priorities

- Strengthen public & community systems
- Advance & build on community experience
- Expand influence & impact with data
- Optimize our effectiveness

Our Values

- Collaboration
- Integrity
- Learning
- Diversity, Equity and Inclusion

Our Investment Guidelines

- Equity • Sustainability • Partnership • Prevention • Systems Change • Evidence and Innovation



Our Pathway for Systems Change



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By 2028, all children in L.A. County will enter kindergarten ready to succeed in school and life.

299

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Equity • Sustainability • Partnership • Prevention • Systems Change • Evidence and Innovation

**Proposed
Refinements
For Board
Approval
in November
2022**



Our Pathway for Systems Change



Our North Star

By 2028, all children in L.A. County will enter kindergarten ready to succeed in school and life.

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- Collaboration
- Integrity
- Learning
- Diversity, Equity and Inclusion

Our Investment Guidelines

- Equity
- Sustainability
- Partnership
- Prevention
- Systems Change
- Evidence and Innovation

Current Strategic Plan



Proposed Refinement

By 2028, all children in Los Angeles County will enter kindergarten ready to succeed in school and life.

Every child in Los Angeles County will reach their full developmental potential throughout the critical years of prenatal to age five.

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Current Strategic Plan



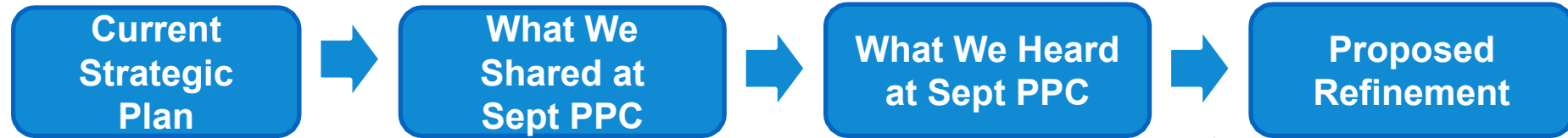
Proposed Refinement

Four Results for Children and Families

- Families optimize their child's development.
- Children receive developmental supports and services.
- Children are safe from abuse, neglect, and other trauma.
- Children have high-quality early learning experiences.

Replace with Overarching Systems Change Goal ³⁰³

- Our focus, actual work and, therefore, accountability is about systems change to support children's full developmental potential and improve outcomes.



None

Public systems most critical to the development of children prenatal to 5 are transformed to advance justice and belonging with communities that have historically been harmed and excluded by them.

- Alignment with the unique opportunity on upstream systems change efforts
- More action oriented
- Uplift justice and belonging as critical components

Public systems most critical to children's development prenatal to 5 advance belonging and justice for communities which experience significant inequities.

Current Strategic Plan



What We Shared at Sept PPC



What We Heard at Sept PPC



Proposed Refinement

Accessible: Public and community systems provide equitable access to quality supports for all young children

Quality: Public and community systems reflect parent priorities, diverse community needs, and standards that drive results for children

Aligned: Public and community systems connect and link quality supports for children and families

Sustainable: Funding, policies, and public support advance sustainable and equitable investments in young children

Public systems are **connected, coordinated and seamless**, enabling easy access for families

Public systems are **responsive to the needs, experiences, and assets** of families and communities

Families and communities are engaged and have **influence** shaping public systems

The **financing** mechanisms of public systems are **equitable** and incentivize a whole child, whole family, prevention-oriented approach

- Commitment to community engagement
- Use experience and data to inform refinements
- Financing mechanisms include incentives, oversight and timely connection to services
- Importance of upstream systems change to child well-being

Accessible: Public systems are connected, aligned, and seamless

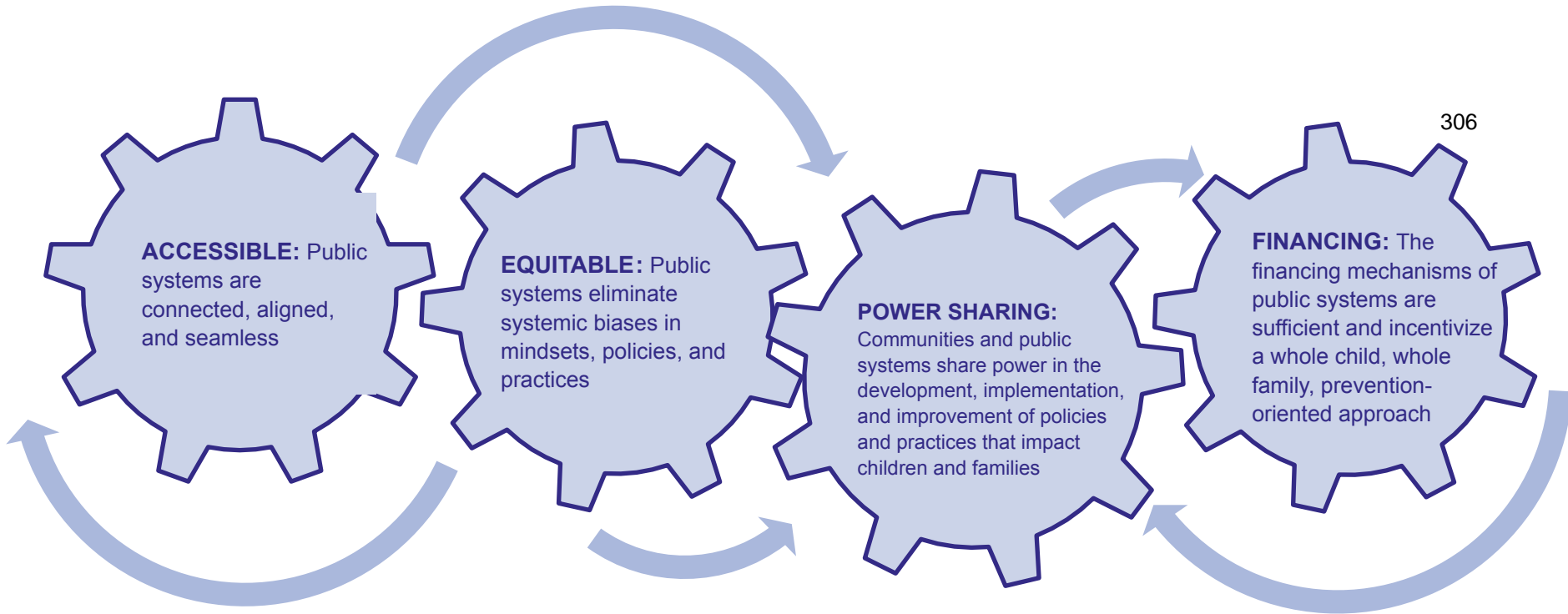
305
Equitable: Public systems eliminate systemic biases in mindsets, policies, and practices

Power Sharing: Communities and public systems share power in the development, implementation, and improvement of policies and practices that impact children and families

Financing: The financing mechanisms of public systems are sufficient and incentivize a whole child, whole family, prevention-oriented approach

Long-Term Systems Outcomes (LTSOs)

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Initial Refinements for Board Approval in November

North Star: Every child in LA County will reach their full developmental potential throughout the critical years of prenatal to 5.



Overarching Systems Change Goal: Public systems most critical to children's development prenatal to 5 advance belonging and justice for communities which experience significant inequities.

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Long-Term Systems Change Outcomes

Accessible: Public systems are connected, aligned, and seamless


Equitable: Public systems eliminate systemic biases in mindsets, policies, and practices

Power Sharing: Communities and public systems share power in the development, implementation, and improvement of policies and practices that impact children and families

Financing: The financing mechanisms of public systems are sufficient and incentivize a whole child, whole family, prevention-oriented approach

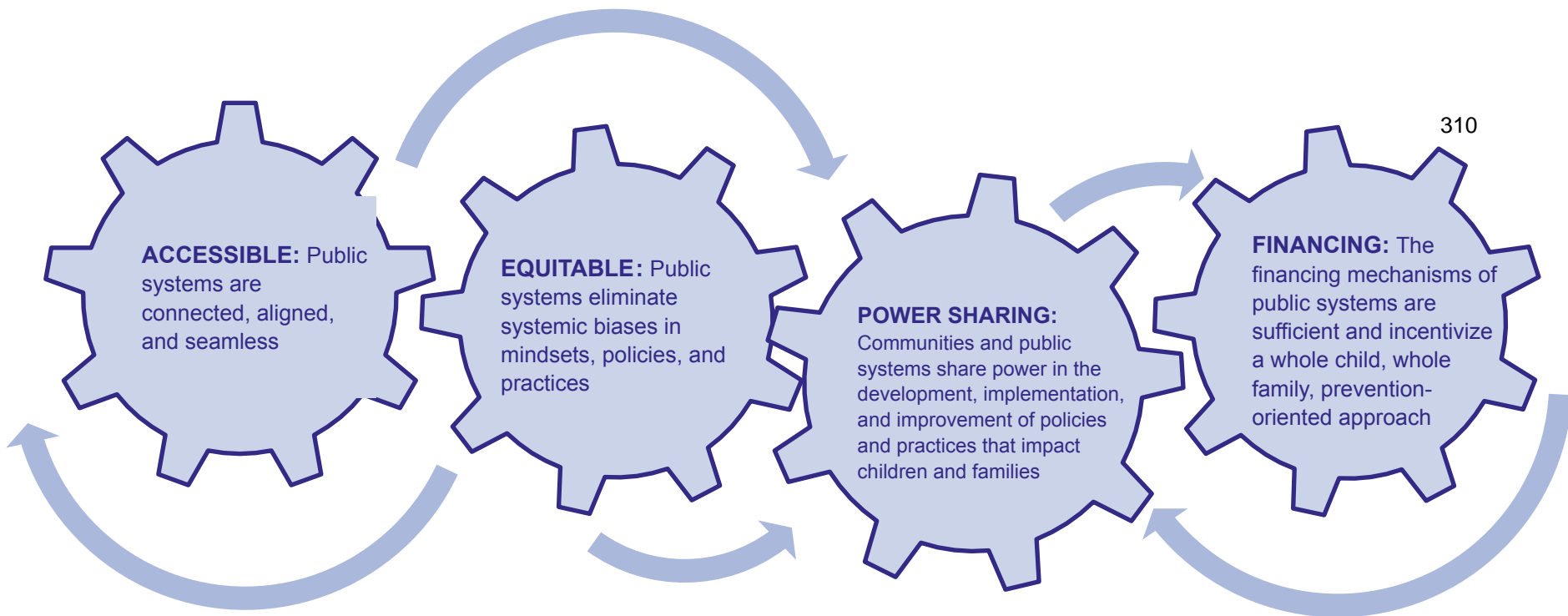
- Do the proposed refinements reflect Commissioners' input and guidance?
 - North Star
 - Overarching Systems Change Goal
 - Long-Term Systems Change Outcomes
- What further questions, considerations, and/or inputs should staff consider prior to requested Board approval in November?

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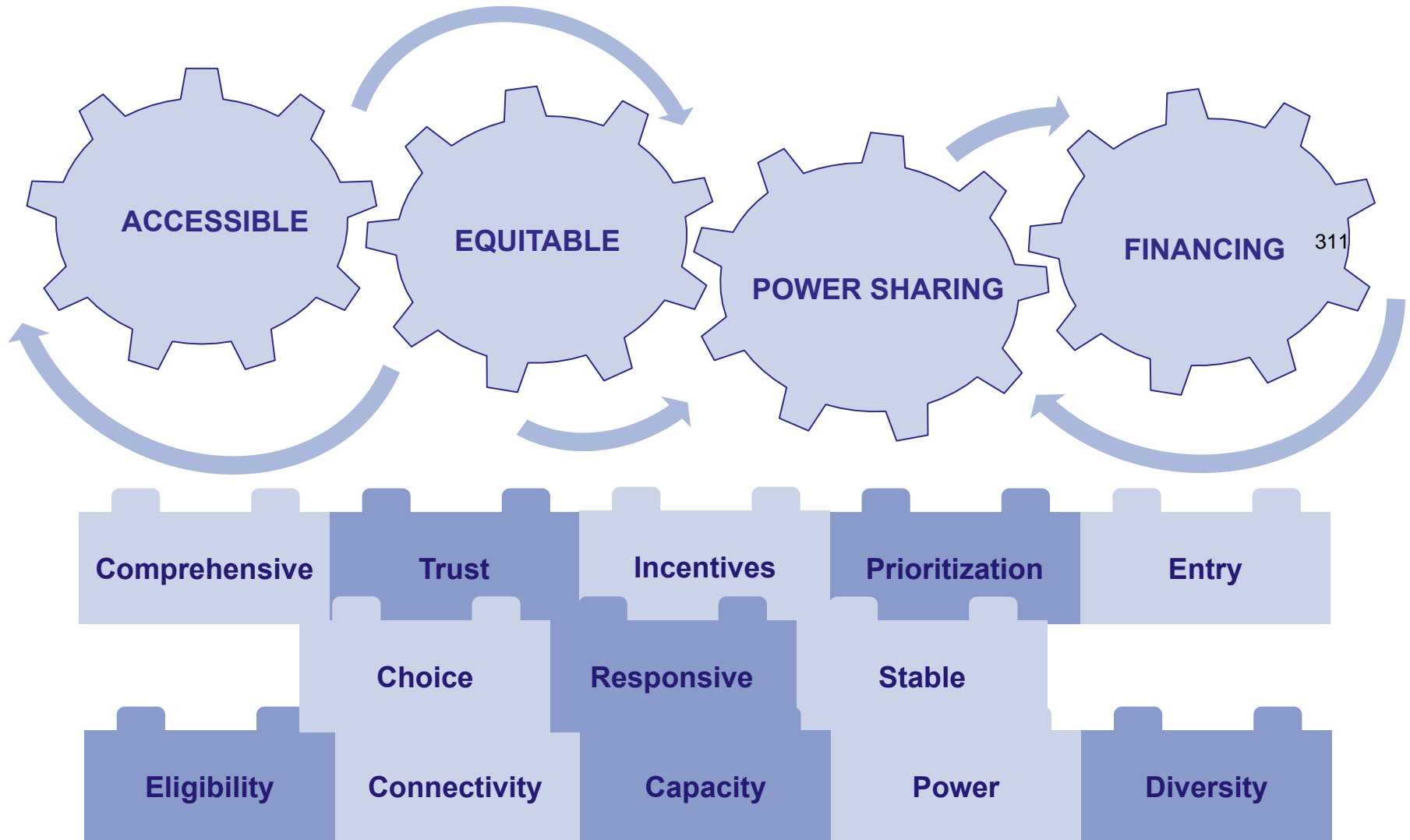


**Connecting
Short-Term
Systems
Outcomes to
Long-Term
Systems
Outcomes**

Long-Term Systems Outcomes



Short-Term Systems Outcomes



ACCESSIBLE: Public systems are connected, aligned, and seamless.

EQUITABLE: Public systems eliminate systemic biases in mindsets, policies, and practices.

Comprehensive: Public systems provide a comprehensive set of services with continuity of care both across and within systems.

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Entry: Public systems offer multiple entry points with streamlined enrollment processes.

Choice: Public systems offer a range of settings, provider, and service types to meet children and families' diverse needs and preferences.

Eligibility criteria are lowered, consistent and simplified to reduce barriers and link families with various public systems.

Connectivity: Formal and informal structures and networks, including data and referral systems, are connected and serve to link families to publicly funded community supports.

How our systems are designed

POWER SHARING: Communities and public systems **share power** in the development, implementation, and improvement of policies and practices that **impact children and families.**

Responsive: Public systems have structures and processes that institutionalize and prioritize meaningful community participation.

Power: Communities gain power to influence and hold systems accountable for equitable strategies, resources, and outcomes.

Capacity: Communities, CBOs, and institutional partners form and deepen collaboration to support families' ability to provide safe, stable, nurturing relationships and environments for children prenatal to 5

FINANCING: The **financing** mechanisms of public systems are **sufficient** and **incentivize** a whole child, whole family, prevention-oriented approach

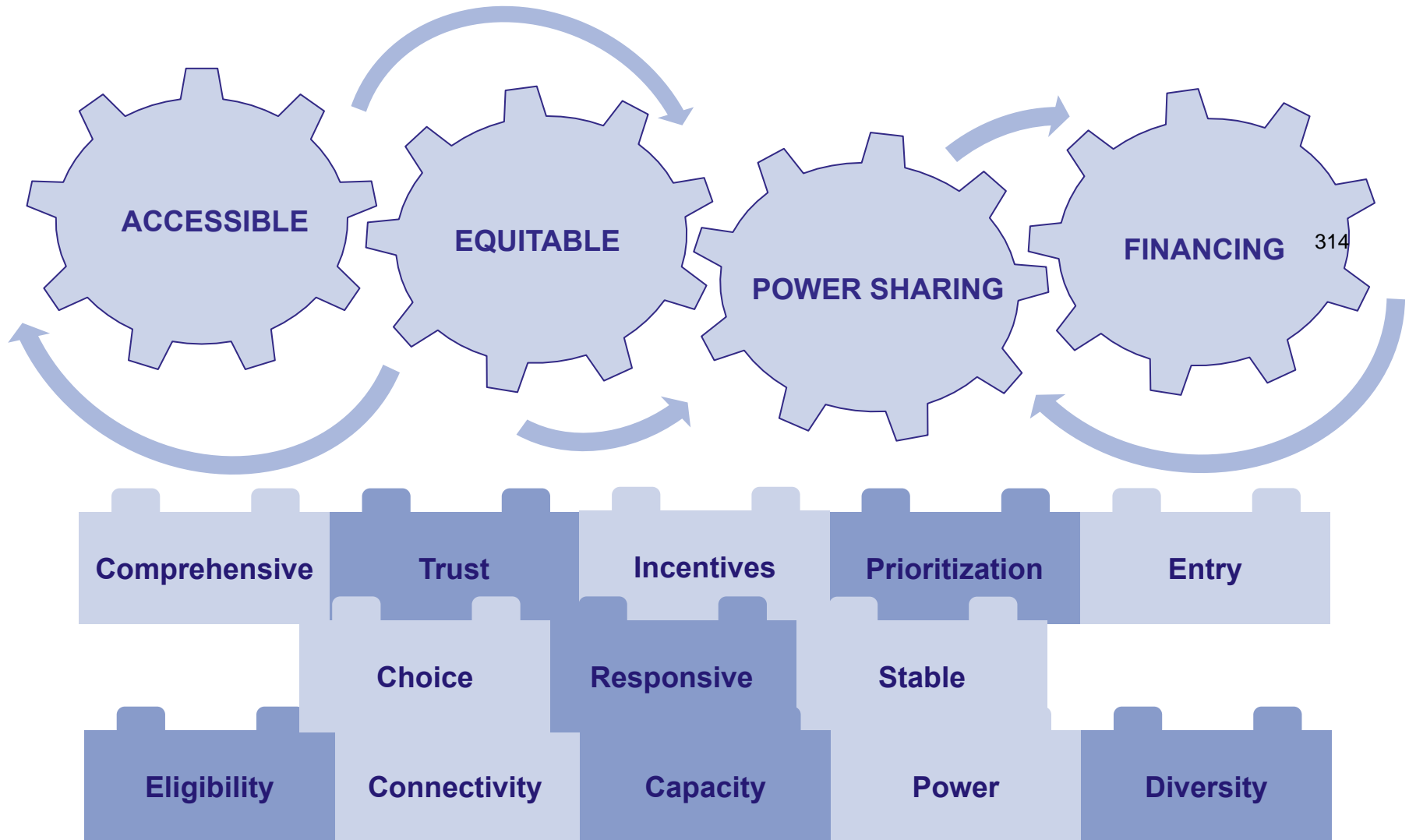
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Stable: Durable and adequate financing streams exist to support public systems.

Diversity: Public resources incentivize participation of locally-trusted BIPOC led CBOs to promote family choice

Short-Term Systems Outcomes



Initial thinking of public systems that First 5 LA will prioritize

Public System	Rationale
Healthcare	Healthcare is a near universal system that has a direct impact on child development. 315
Childcare	Childcare systems have a direct responsibility for child development and provide formal and informal caregiving in addition to parents.
Basic Needs <ul data-bbox="98 1039 513 1282" style="list-style-type: none">• Income• Food• Housing• Transportation	Basic needs support systems provide resources that promote family stability and child well-being.

- Given First 5 LA's focus and our unique role, does the following resonate:
 - Short-Term Systems Change Outcomes
 - Public systems that First 5 LA will prioritize
- Any additional considerations?

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November 2022 Board of Commissioners Meeting

- Seek approval of:
 - North Star
 - Overarching Systems Change Goal
 - Long-Term Systems Outcomes

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A young girl with dark hair in two pigtails, wearing a white dress with pink floral patterns, is sitting on a grassy field. She is surrounded by many colorful plastic Easter eggs in shades of red, yellow, green, and blue. She is holding a blue egg in her right hand. In the background, other people are visible, including a man in a white shirt and a woman in a yellow shirt, suggesting an outdoor event or park. The scene is brightly lit, indicating a sunny day.

Appendix

Appendix 1: Key Terms

- **Child Development:** a series of skills and stages that occur in a child between birth and adulthood. Five domains of skills include motor, language, adaptive, social-emotional, and cognitive.
- **Community:** Groups of people who have something in common (demographics, culture, interest, geographic location) who are in relationship with each other and support each other.
- **Public systems:** The combination of policies, programs and institutions--financed, at least in part, by taxpayer dollars--that, collectively, work to meet a particular set of needs.
- **Levers:** Focused action that can produce significant improvements.
- **Outcomes:** A specific change as a result of some known effort.
- **Systems Change:** Shifting, reconfiguring, or transforming policies, procedures, practices, relationships, mindsets, resource flows, and power dynamics to improve how a system functions to achieve its purpose and goals.

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Where We've Been

- **Mid Sept 2022:** Shared refined foundational elements of the Strategic Plan at Board of Commissioners meeting
- **Late Sept 2022:** Shared and gathered feedback on draft long-term systems change outcomes at the Program and Planning Committee meeting

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- Financing



Short-Term Systems Change Outcomes:

- | | |
|-----------------|------------------|
| • Comprehensive | • Power |
| • Entry | • Capacity |
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