

SUMMARY ACTION MINUTES

REGULAR MEETING FIRST 5 ORANGE COUNTY, CHILDREN & FAMILIES COMMISSION

Wednesday, October 7, 2020, 9:00 A.M.

Orange County Transportation Authority Conference Center
550 South Main Street
Orange, California

RAMIN BASCHSHI, MD
Chair

KENNETH MCFARLAND
Vice Chair

SANDRA BARRY
Chair Pro Tem

DEBRA BAETZ
Commissioner

DOUG CHAFFEE
Commissioner

CLAYTON CHAU, MD
Commissioner

JACKIE FILBECK
Commissioner

YVETTE LAVERY, MPA, MBE
Commissioner

SUSAN MCCLINTIC
Commissioner

ATTENDANCE: All Present (all members participated via zoom)

EXCUSED: None

PRESENT: PRESIDENT/CEO
COMMISSION COUNSEL
CLERK OF THE COMMISSION

Kimberly Goll (participated via zoom)
James Donich (participated via zoom)
Maria Lopez, Deputy (participated via zoom)

PLEDGE OF ALLEGIANCE

Commission Counsel James Donich led the Pledge of Allegiance

PRESENTATIONS: (Item 1)

1. Receive Presentation on Orange County Child Care and Workforce Landscape Analysis

RECEIVED

SUMMARY ACTION MINUTES

CONSENT CALENDAR: (Items 2 - 4)

213456789 **APPROVED AS RECOMMENDED**

2. Receive Update on First 5 Orange County's Equity Work
3. Receive update on the status of Intergovernmental Transfers
4. Receive the 2020/21 Orange County Community Indicators Report and authorize a partnership with the Orange County Business Council to underwrite a portion of its production

PUBLIC HEARING: (Item 5)

5. Conduct Public hearing to Receive and authorize certification of the Fiscal Year 2019/2020 Annual Report C.O. **CLOSED PUBLIC HEARING**

651234789 **APPROVED AS RECOMMENDED**

REGULAR ITEMS: (Items 6 - 9)

6. Conduct biennial review and adopt resolution approving amendment to the Conflict of Interest Code 391245678 **APPROVED AS RECOMMENDED**
RESO: 20-030 C&FC

7. Adopt Resolution Approving Budget for Dual Language Learner (DLL) Program, Subcontracted through Orange County Department of Education (OCDE) 291345678 **APPROVED AS RECOMMENDED**
RESO: 20-031 - 20-032 C&FC

8. Receive update on selected Strategic Plan performance measures 612345789 **APPROVED AS RECOMMENDED**

9. Authorize receipt of funding from the Orange County Social Services Agency to provide CalWORKs home visitation services 981234567 **APPROVED AS RECOMMENDED**
A *(Commissioner Baetz abstained from discussion and vote on this matter and declared her affiliation with Orange County Social Services Agency)*

PRESIDENT/CEO REPORT: (Item 10)

10. Receive the President/CEO's Report
 - a. Fourth Quarter Investment report
 - b. Census Update
 - c. EDI Update
 - d. Community Indicators Report
 - e. Pretend City Distribution**RECEIVED**

SUMMARY ACTION MINUTES

PUBLIC & COMMISSION COMMENTS:

PUBLIC COMMENTS: None

COMMISSION COMMENTS: None

Commissioner Mc Farland - Oral re: Asked if the Secretary of State rushes to close the Census before Oct. 31st would there be an impact on the count accuracy done by First 5?

Commissioner Filbeck - Oral re: Wanted to confirm the next Commission meeting was on December 2nd and not 9th.

ADJOURNED: 10:31 A.M.

*** KEY ***

Left Margin Notes

- 1 Debra Baetz
- 2 Sandra Barry
- 3 Ramin Baschshi, MD
- 4 Doug Chaffee
- 5 Clayton Chau, MD
- 6 Jackie Filbeck
- 7 Yvette Lavery, MPA, MBE
- 8 Susan McClinitc
- 9 Kenn McFarland

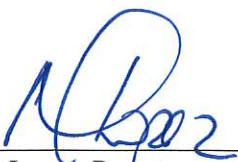
A = Abstained
X = Excused
N = No
C.O. = Commission Order

Reso = Resolution
Ord = Ordinance

(1st number = Moved by; 2nd number = Seconded by)



RAMIN BASCHSHI, MD
Chair




Maria Lopez, Deputy
Clerk of the Commission



Agenda Item 1
October 7, 2020
PRESENTATION ITEM

DATE: September 15, 2020

TO: First 5 Orange County, Children and Families Commission

FROM: Kimberly Goll, President/CEO 

ACTION: Receive Presentation on Orange County Child Care and Workforce Landscape Analysis

First 5 Orange County's 2019-2024 Strategic Plan includes a goal of ensuring children have access to quality early learning experiences and environments, as well as a strategy for aligning systems of care. One of the Strategic Plan's recommendations was to develop a leveraging plan to increase available child care supply, recognizing there is a countywide need to align child care supply and demand in order to improve children's readiness for kindergarten. To support this planning and to increase regional knowledge, First 5 Orange County dedicated resources to conduct a child care landscape analysis.

In July 2019, First 5 Orange County, in partnership with NP Strategies, launched Phase I of the landscape analysis, which focused on the following: availability child care; the flow of public funding to support child care, and key providers and partners involved in providing child care. The resulting report highlights bright spots, opportunities, challenges and system barriers to providing or finding child care. Rebecca Alvarez is a principal and co-founder of NP Strategies, a consulting firm that previously conducted a similar landscape analysis in San Diego County, and will present the findings of Phase I of the landscape analysis.

The presentation will also include an overview and preliminary findings of Phase II of the analysis which began in April of 2020. Phase II focuses on the needs of parents/caregivers and employers, as well as the economic impact effect that occurs when the child care system is not meeting those needs. Given the workforce relevance of the potential findings of Phase II, First 5 Orange County is partnering with Dr. Wallace Walrod, the Chief Economic Adviser overseeing research at the Orange County Business Council since 1997.

In the coming months First 5 Orange County will be working to release the findings of the landscape analysis with the help of Commissioners, our partners and legislative staff. The goal of this work is both to create an awareness of the system-level problems and to co-create a common vision with supportive strategies to address our county's child care needs.

Child care is an important focus for First 5 Orange County. With declining First 5 revenues, funding new child care spaces is not a sustainable or a long-term strategy. Rather, First 5 Orange County can be a convener, focus on building systems, and leverage partnerships to strengthen the child care system. In this role, First 5 Orange County can help to support the development of policy solutions and focused advocacy efforts for systems change work.

ATTACHMENT:

1. Child Care Landscape Analyses – Presentation Slides

Contact: Tiffany Alva

Orange County Child Care + Workforce Landscape Analysis

Phase I Executive Summary and Next
Steps

October 7, 2020

Overview: OC's Child Care + Workforce Analysis

• Phase I: Child Care Landscape Scan

- Conducted Summer 2019-Summer 2020
- Focus: understand the child care system for children 0-5, with a focus on infants/toddlers
- Areas researched: key players, supply & utilization of child care, flow of public funding, bright spots, opportunities, challenges, barriers
- Rebecca Alvarez, NP Strategies

• Phase II: Economic + Workforce Analysis

- Kicked off in April 2020
- Focus: assess the impact of child care issues in Orange County on the economy, employers and working parents
- Dr. Wallace Walrod, Orange County Business Council w/ partnership from NP Strategies

Phase I Summary: Orange County Child Care Landscape Scan

Phase I: OC Child Care Landscape Scan

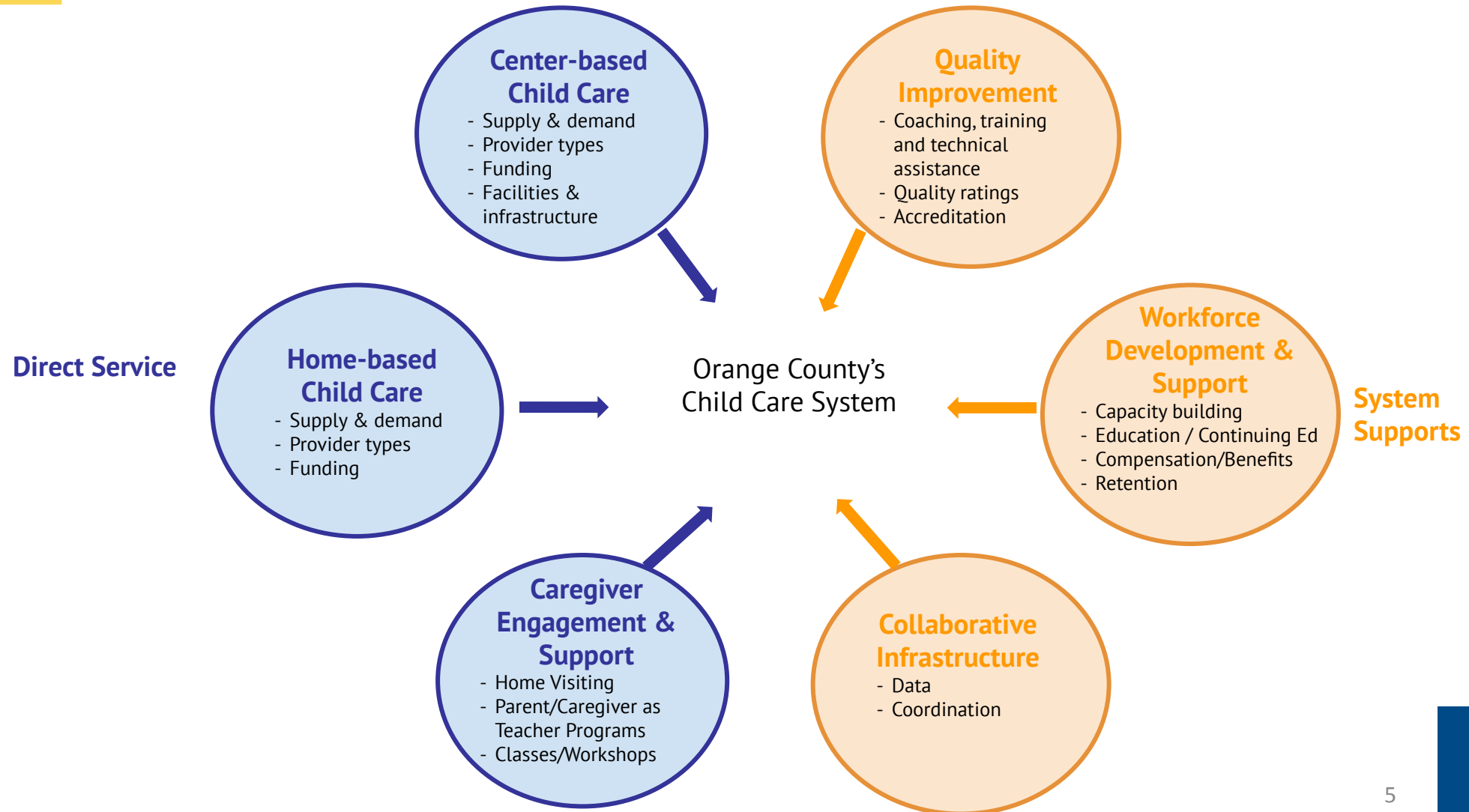
- Methodology

- Extensive interview series (20+ stakeholders)
- Early Learning Specialists from all elementary-serving districts in Orange County
- Partner data analysis
- Secondary research

- Limitations

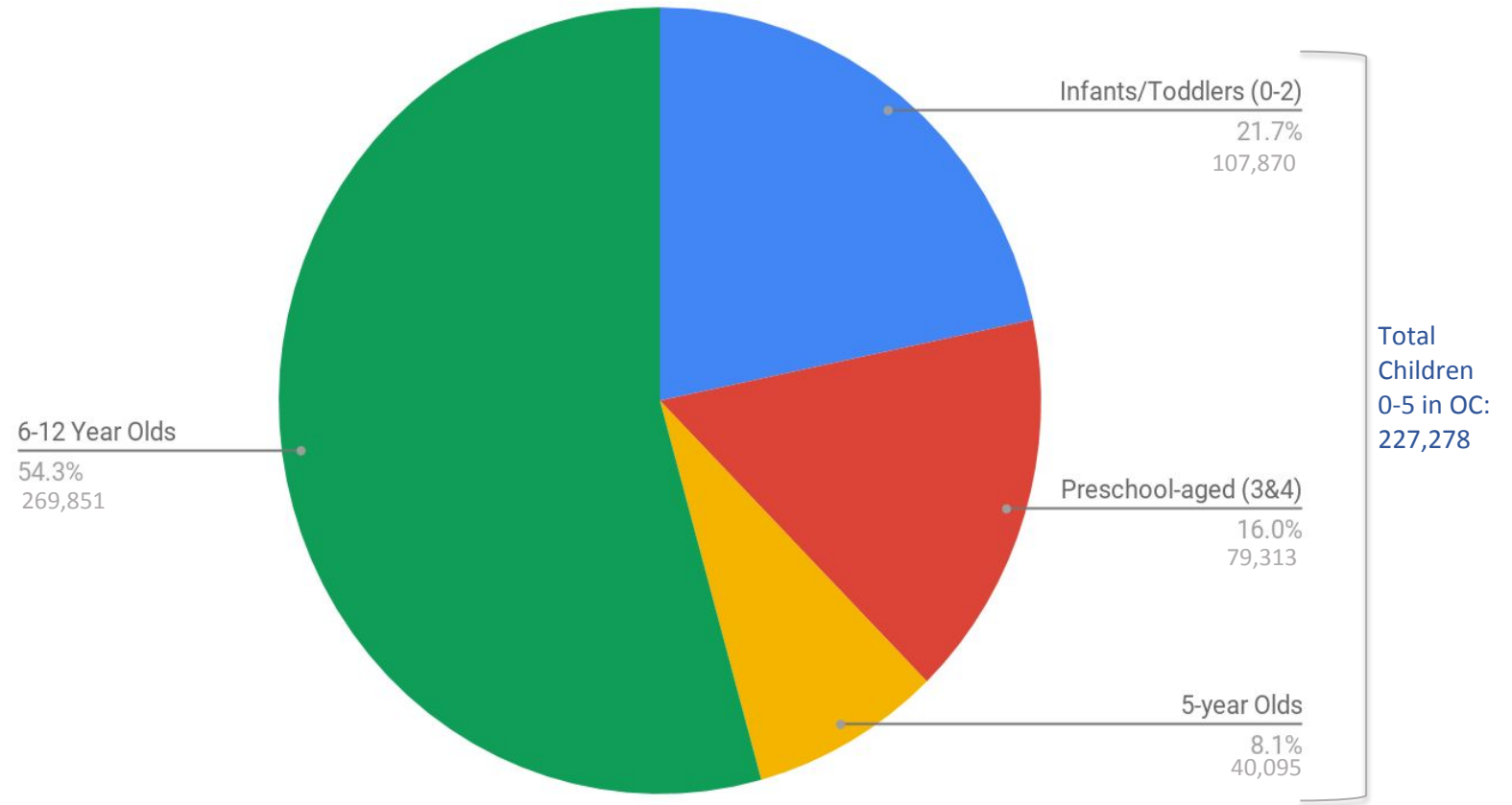
- Timing of data collection (pre-pandemic)
- Demographic data
- Parent/caregiver support programs (e.g. home visiting)
- Special needs programs & funding

Child Care System Framework





Population of Young Children

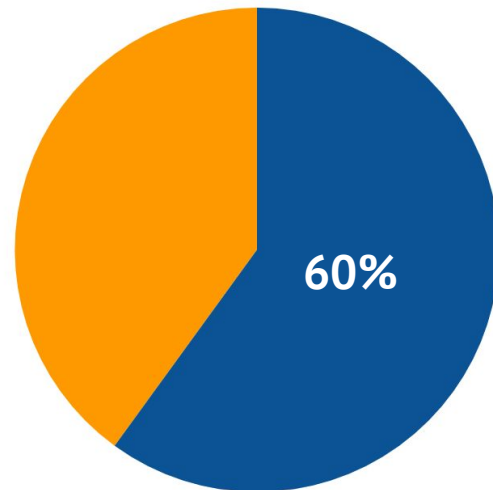


Sources: Orange County 2020-2025 LPC Needs Assessment (submitted 5/30/20); demographics based on American Community Survey (ACS)

Why Affordable Child Care Matters

- Caregivers' abilities to participate in the workforce
 - Throughout CA, and in Orange County in particular, the high cost of living means that the majority of families with young children rely on all parents/caregivers to work

% of Young Children in OC with All Parents Working




% of Young Children with All Available Parents in the Workforce

Orange County (0-4)	60%
California (0-5)	61.40%

Sources: Orange County 2020-2025 LPC Needs Assessment (submitted 5/30/20); Center for American Progress Early Learning Factsheet for California (2019)

Supply/Capacity Compared to # of Children



	Infants/Toddlers (0-2)	Preschool-age Children (3-4)
Number of Children in Orange County	107,870	79,313
Licensed Capacity in Orange County	5,170 licensed slots	55,361 licensed slots
Licensed Centers	4,476	54,274
Licensed Family Child Care Homes	694	1,087
Approx. Number of Children Per Licensed Slot	21	1.4
% of Children for Whom a Licensed Slot is Available	5%	70%

Note: “Licensed slots” refer to the number of child care spots in licensed child care settings at any one time

Sources: Orange County 2020-2025 LPC Needs Assessment (submitted 5/30/20); NP Strategies’ Analysis



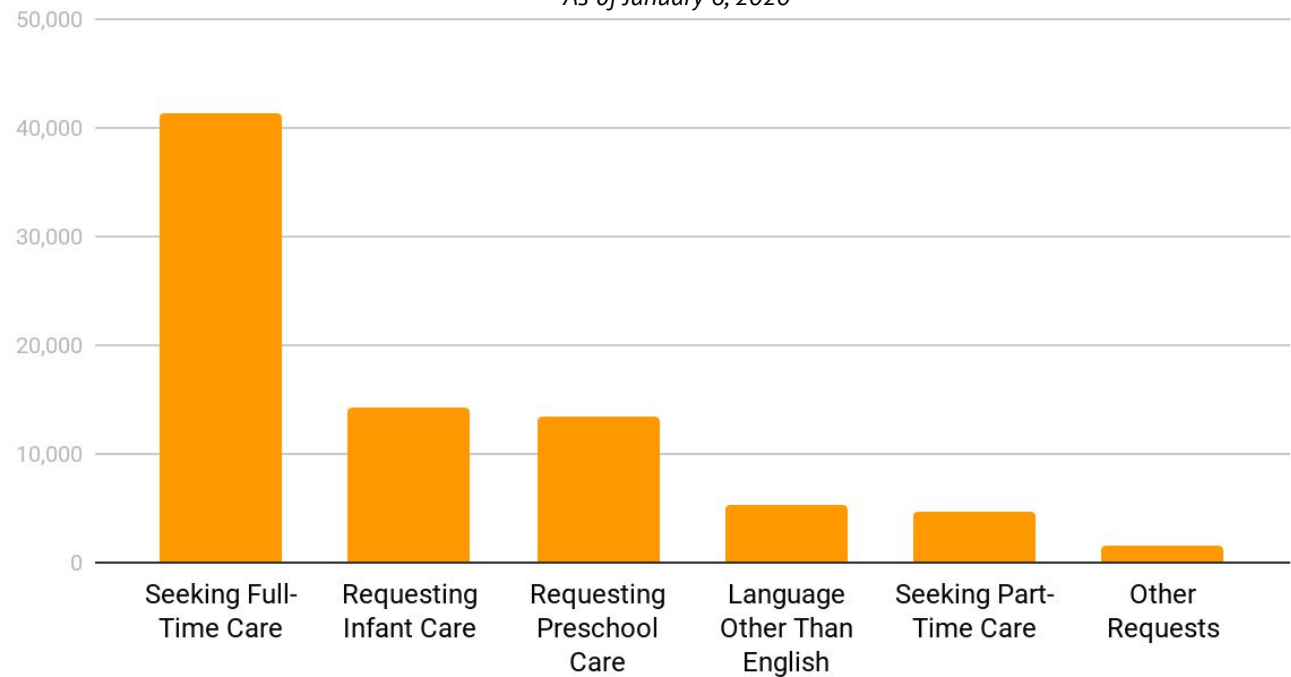
Even if only $\frac{1}{3}$ of infants and toddlers in Orange County required child care, there would still only be enough licensed capacity for 1 in 7 children.



Need for Full Day Care

Child Care Requests to Resource & Referral

As of January 6, 2020



Sources: Resource & Referral (CHS) data as of January 6, 2020, Orange County 2020-2025 LPC Needs Assessment (submitted 5/30/20)



Need for Nontraditional Hours

“What we [family child care providers] hear the most is the need for infant care and nontraditional hours. We are located in Anaheim and are open nearly 24/7. We are not open on Sundays but we consistently have a lot of demand for weekends--families ask for letters saying that we aren’t open on Sundays so they can show their employers and try to not get Sunday shifts.” -- Family Child Care Home Provider

Where are Infants/Toddlers Cared For in OC?

- Home-based child care fills an important need for nontraditional hours, flexibility and a home setting
- However, family child care homes comprise a small portion (less than 15%) of licensed capacity for infants/toddlers in the county
- Assumption is that the of majority infants/toddlers are served in unlicensed settings, where health and safety are unknown and may vary

Sources: LPC Orange County Needs Assessment (Submitted 5/30/20), NP Strategies' interviews

Price of Child Care in OC Breaks Most Families' Budgets



\$15,650

Average Annual Price in OC of
Full-time, Center-based Care for 1
Infant/Toddler

\$26,150

Total Avg Annual Cost in OC for a
Family w/ 2 Young Children in
Full-time Care

\$10,500

Avg Annual Price in OC of Full-time
Center-based Care for 1
Preschooler

26%*

Share of Median Family Income
in OC for a Family w/Children
10% is considered "affordable"

*Based on ACS Median Income in 2018 Inflation-Adjusted dollars (US Census Bureau)

<https://data.census.gov/cedsci/table?q=ACS%20Median%20Income%20Past%2012%20Months&g=0500000US06059&tid=ACST1Y2018.S1903&hidePreview=false>

Sources: LPC Orange County Needs Assessment (Submitted 5/30/20), US Census Bureau

Role of Subsidized Programs

- In Orange County, more than half of children 0-4 are eligible for state or federal subsidy based on income
- Subsidized programs provide the most vulnerable children with access to child care

Infants/Toddlers Served in Subsidized Child Care in Orange County, by Program

Program	Number of Children Served (0-2) Total in OC: 107,870 Estimated # Eligible for State or Federal Subsidy: 56,817 (53%)
Title 5: Center Based Child Care	278
Early Head Start	736
Vouchers CA Alternative Payment Program CalWorks Stage 1 CalWorks Stage 2 CalWorks Stage 3	~2,500
Total infants/toddlers served by state and federal subsidized programs (overall % eligible served)	3,514 (6%)



Sources: LPC Orange County Needs Assessment (Submitted 5/30/20); voucher data collected from 3 sources; Head Start/Early Head Start numbers provided by Lead Agencies in Orange County

Bright Spots

Direct Service

- ★ **Shifts and growth in federal and state funding (e.g. Early Head Start and Center-Based Child Care)** to serve more infants/toddler in Orange County
- ★ **Role of Family Child Care Homes** in supporting families, serving infants/toddlers, and offering nontraditional hours
- ★ **Parent/caregiver support programs** (e.g. Home Visiting, Learning Links)

System Supports

- ★ **Growing appreciation for the importance of quality child care** among all sectors
- ★ **Early Development Index** is becoming more widely recognized as a tool to help us know how children are doing when entering kindergarten
- ★ **Quality efforts:** Quality Start OC, National Association for the Education of Young Children accreditation
- ★ **Innovative programs** that serve as examples for high quality child care

Barriers & Gaps

Direct Service

- **Scarcity of infant/toddler care in Orange County**
- **Insufficient and inappropriate facilities for infant/toddler care**
- **Economics of caring for infants/toddlers are a disincentive for providers**
- **Need for affordable, quality child care options that meet working caregivers' needs**

System Supports

- **The child care system in Orange County is fragmented**, with different components not always coordinating with one another
- **Access to up-to-date, comprehensive data and data sharing** on capacity, enrollment and wait lists would help better understand demand and maximize enrollment
- **Child care workforce challenges** are pervasive in child care, particularly infant/toddler care

First 5 Orange County Opportunities for Impact

Empower champions

- Shine a light on the importance of the child care sector
- Build champions for quality child care across sectors
- Explore what cities and employers can do and support their needs

Coordinate local stakeholders

- Enhance communication and coordination among providers and system players
- Draw more funds into Orange County & leverage those we have

Support system infrastructure

- Seek solutions for improved data sharing and access

Work with partners to address systemic change

- Increase reimbursement rates
- Support for child care workers
- Work on state and federal policy



Phase II Update

Key Questions for Phase II

- What are parents/caregivers' and employers' perspectives on child care challenges?
- What is the impact of child care on labor markets, workforce development, the economy, parents and employers?
 - How does Orange County compare to the state and nation?
- What opportunities exist to work with the business community to address child care issues?

Economic Analysis Overview

- Methodology Review

- Reviewed previous studies, standard economic impact methodology used
- Selected U.S. Chamber of Commerce Foundation framework

- Identified Economic Impacts

- Voluntary and Involuntary Separations
 - Voluntary: When parents choose to leave employment due to child care issues
 - Involuntary: When employers end a relationship with an employee because lack of child care interferes with the employee's ability to fulfill job responsibilities
- Additional Impacts to Consider
 - Full-time workers having to go to Part-time
 - Unable to accept employment at all
 - Unable to go from Part-time to Full-time
 - Workers having to arrive late/leave early due to child care issues
 - Declined promotion

Preliminary Findings

- Overall, economic impacts to employers are large—in the billions of dollars.
- Workers' child care challenges lead to short-term business disruptions that impact employers more than expected.
- Impacts on working parents are even larger.
- Findings are pre-COVID-19; recent surveys suggest the impact will be greater in the COVID era.

Next Steps



Next Steps

- Share findings from the Phase I with different stakeholder groups; invite them to participate in webinars
 - Business Community
 - Civic Leaders
 - Families
 - School Districts
 - Community Organizations
 - Providers
- Complete Phase II
 - Economic analysis
 - Employer interviews
 - Parent input
- Bring findings and recommendations back to the Board

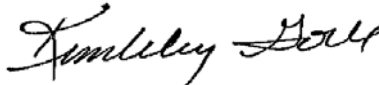
Questions?



Agenda Item 2
October 7, 2020

DATE: September 25, 2020

TO: First 5 Orange County, Children and Families Commission

FROM: Kimberly Goll, President/CEO 

ACTION: Receive Update on First 5 Orange County's Equity Work

SUMMARY:

First 5 Orange County is committed to a learning and discovery process to further promote equity through our work. This report provides an update on activities designed to advance our knowledge about how inequities affect a child's ability to reach their full potential and provides information on next steps.

DISCUSSION:

First 5 Orange County's Strategic Plan places emphasis on using the Early Development Index (EDI) to increase awareness. The EDI is a powerful tool to give communities information on how their young children are faring, and engage neighborhoods in improving outcomes for young children. Equally important to achieving these goals is the understanding that equity is a critical factor in paving the way for desired outcomes for young children. We recognize that not every child starts in the same place, has the same experiences, or has the same needs. When communities, and the young children within them, experience prolonged adversity such as violence, family economic hardship, community disinvestment, and consistent lack of basic needs being met, it can result in a disproportionate occurrence of toxic stress. Given the expansive growth of a child's brain, toxic stress has long-lasting negative effects on a child's physical and emotional health.

First 5 Orange County is driven by a vision of equity in which all members of a community are included justly and fairly and that all children, regardless of race and ethnicity, can participate, prosper, and reach their full potential. Ensuring equity gives all children 0-5, their families and communities the best opportunities in life despite historic patterns of racial and economic exclusion. In public policy, equity is operationalized by focusing programs and investments on the people and places that face the greatest barriers.

As First 5 Orange County staff and consultants work towards an April 2021 update to the Strategic Plan, we are developing an equity framework to guide how we view and use data, how we incorporate equity in staff and consultant professional development, and how we incorporate an equity perspective into the programs funded by First 5 Orange County.

Data through an Equity Lens

For the past few months, First 5 Orange County staff and consultants have discussed changes in the way we use and analyze EDI data. The EDI is a population-based measure of early child development and school readiness. The EDI contains a wealth of data that can highlight the gaps communities of color are facing in being prepared for kindergarten and can help us to target our neighborhood outreach and programmatic investments. University of California, Los Angeles (UCLA) is in the process of analyzing EDI data to identify gaps among Orange County's various races and ethnicities, and will offer ideas about potential next steps to begin to address inequities.

In addition to the EDI data prepared by UCLA, we are working with the University of Southern California's Children's Data Network to better understand the role that race plays when looking at children's outcomes, and the intersection of data sets including EDI, Bridges Connect, California Strong Start Index and family support enrollment data such as Medi-Cal, CalWORKs, CalFresh and WIC. As these data analyses are completed, we will bring findings to the Commission for review and discussion.

Incorporating Equity in Professional Development

Over the last two years, First 5 Orange County has hosted staff and consultant meetings, attended by the individuals that implement all aspects of First 5's work. The July 31st meeting focused on the ways in which issues of race, equity and inclusion can be elevated up First 5 Orange County efforts. At this meeting, the Center for the Study of Social Policy's "Parent Manifesto" (attached) was the guide for our discussion. Published in 2019, the Parent Manifesto provides a lens to address race equity and parent leadership in early childhood systems. Participants at this meeting engaged in a brainstorming session that helped to generate ideas about how we can better incorporate parent voice in program design, evaluation, and implementation efforts. Additionally, staff and consultants have requested implicit bias trainings to become educated about attitudes towards people and/or associated stereotypes about them without conscious knowledge.

Equity and First 5 Orange County Programming

Key to elevating equity in our work, is challenging bias and racism by integrating parents as partners and leaders into the design, development, implementation and evaluation of programs, services and systems change work. Staff is evaluating the best strategies of prioritizing parent voices, specifically ensuring that parents are valued experts in driving the conversations and decision making.

Next Steps

First 5 Orange County is dedicated to creating an organizational culture where inclusion, diversity, and equity are a value and a priority. By focusing on the areas of parent voices, providing staff trainings, and reevaluating the use of data, staff are working to identify potential areas of investment for Commission consideration at the December meeting.

STRATEGIC PLAN & FISCAL SUMMARY:

The recommended action has been reviewed in relation to the Strategic Plan and is consistent with all goal areas. There is no funding action proposed for this item.

PRIOR COMMISSION ACTIONS:

N/A

RECOMMENDED ACTION:

Receive update on equity activities

ATTACHMENTS:

1. Parent Manifesto

Contact: Kim Goll



EC-LINC

MANIFESTO **for Race Equity & Parent** **Leadership in Early** **Childhood Systems**



To help early childhood systems learn to work with parents in ways that promote equitable outcomes and maximize opportunities for all children, 40 parent leaders and agency staff from nine EC-LINC communities came together in January 2018 to create a manifesto for change.

EC-LINC is an
Initiative of CSSP.



**Center for the
Study of
Social Policy**
Ideas into Action

What We Believe

Preamble to Our Manifesto

To ensure that all children have equitable outcomes in education, health, and life, we must view engaging parents and developing their leadership as “Mission Critical.” A parent — by which we mean anyone who is the primary caregiver for a child — is their child’s first teacher and best advocate. And research shows that when parents are engaged as partners and leaders in the programs, services and policies that support young children’s learning and healthy development, children thrive and systems improve.

Families want to work with early childhood systems to improve outcomes for their kids, but face barriers. Rooted in structural racism and bias, which pervade the attitudes, behaviors, policies and practices of these systems and our society as a whole, these barriers prevent many parents of color from being true partners and leaders in their child’s healthy development and early learning.

This Manifesto and its 5 Commitments for Change outlines our vision, goals and strategies for the transformation we want to make so that all parents are supported and empowered to give their children a strong start in life.

This Manifesto builds on the groundbreaking work of Strengthening Families™, which at its heart is about changing how service providers interact with families to support them in building protective factors. This Manifesto seeks to further transform systems to eliminate the barriers families of color face in their day-to-day interactions with systems and elevate their leadership and power.

“The manifesto means we are finally addressing race equity and parent leadership. This is a new lens. If you look around racism is everywhere, but race is never addressed. Even as a child, I dealt with racism, but it was never addressed. It’s important to have it be part of the manifesto. We’re putting it on the front page.”

— Lisa Melara,
Parent Leader, Boston, MA

Our Vision for Race Equity

We envision a transformation in which early childhood systems of care are centered around families and responsive to their needs and ideas. System leaders acknowledge the ways that agency policies, procedures, staffing and culture create barriers to equity and parent engagement and respond by making changes and improving collaboration. Staff reflect the diversity of the community. Systems work to improve families' access, experiences and outcomes.

Because of this transformation, children, families and communities thrive. Families — especially families of color, disenfranchised fathers, parents who do not speak English, and families whose children have special needs — have equitable access to opportunities, resources and supports in their communities, such as social connections, parenting resources, quality schools, good jobs and safe neighborhoods.

- 1. Parents are at the Center:** Agencies and systems center everything they do around families: listening to them, developing their leadership, engaging them at every level and including them in decision-making.
- 2. Parents are Participating at All Levels:** planning and implementing ideas, programs and policies; making decisions, including how funds are spent; gaining career opportunities; influencing policy and organizing in their communities.
- 3. Parents are Valued as Experts:** Staff and providers value parents of all cultures as experts. Parents know their rights and have the tools and resources to access opportunities for their children.
- 4. Parents are Powerful Leaders:** Elected officials regularly engage with parents and the community and take action. Parents develop their leadership and run for office. In partnership with those most affected by racism, parents with privilege advocate for equity.



“The Manifesto means that I’m no longer feeling like just a throw in: Dads and dad language were included from the beginning. In all the programs my son and I got involved in, everything was about moms and kids. There was almost never informative information about Dads. In the offices, there would be 30 pictures of Moms, Mom with her children and not ONE picture of a Dad or Dad with his children. That was mystifying! Workers were telling me to just imagine it said dad every time it said Mom. It made me feel some type of way.”

— Anthony Queen,
Parent Leader, Grand Rapids, MI

Our Beliefs on Race Equity and Parent Engagement

Race equity in early childhood systems means that all children can reach their fullest potential, no matter their race or ethnicity. Additionally, it means that parents are included in their children's learning and healthy development because they are seen as true partners, advocates, and leaders.

Race equity in early childhood systems means that parents are invited to be partners in early childhood systems.

Achieving race equity in early childhood systems means the systems that serve young children and their families must change.



Why Race Equity and Parent Engagement?

- Racism plays a major role in shaping and reinforcing inequitable outcomes for children and families.
- Authentically engaging parents has great potential to create and expand positive and equitable outcomes for children.
- Implicit bias, access to opportunities and power influence how families engage and lead within early childhood systems.

Our Manifesto

The terms we use:

Why “Parent”?

We define a parent as anyone who is the primary caregiver for a child, whether they be the biological, adoptive or foster mother or father, or relatives, such as grandparents, aunts and uncles.

Why “Manifesto”?

We use this term to make clear our commitment to manifest the 5 Commitments — to express them, embody them and realize them in our daily actions and long-term goals.

Why “Equity”?

Equity is distinct from Equality. Equity is giving everyone what they need to be successful. Equality is treating everyone the same. Equity acknowledges that not everyone starts at the same place, and not everyone has the same needs.

“I’m excited about giving a platform to parents experiencing these difficulties to come forward. For a long time, people would shy away from these things because they didn’t know their rights. They were afraid of the things they were seeing going on. This gives us a platform to bring forward things that really mean a lot to everyone.”

— **Deena Smitherman,**
Parent Leader, Boston, MA



This Manifesto is a guide for early childhood agencies and systems to help them address inequities and racism by giving parents a voice and opportunity to be engaged and lead at all levels of change.

The Manifesto details 5 Commitments for Change that will create and promote equitable outcomes for all children.

Race Equity & Parent Engagement



5 Commitments for Change

To support equitable outcomes for children and families, we call on leaders in early childhood agencies and systems to:

1. Challenge Racism
2. Embrace Parent Leadership
3. Prioritize Resources
4. Create Career Pathways
5. Maximize Equitable Outcomes

Challenge Racism



To eliminate barriers, staff and leaders in early childhood systems must enhance capacity and skills to challenge racism and bias and provide a welcoming and respectful environment for families.

ACTIONS

1. Commit to challenging racism through equity-driven parent engagement and leadership strategies.
2. Ensure that the existing workforce is committed to race equity and parent leadership and they have the needed knowledge, skills and support.
3. Be intentional about respecting, welcoming and promoting parents as partners at all levels: as their child's first teacher and best advocate; in planning, implementing and evaluating programs; in opportunities for leadership and advocacy.
4. Provide training for staff to reflect on and navigate through issues of race, power and privilege in relationship to families.
5. Build the knowledge, skills and capacity of policy makers and system leaders to promote race equity and engage families

Embrace Parent Leadership



To fully embrace parents as partners and leaders, agencies and systems leaders must create radical shifts in the way parents are seen and included.

ACTIONS

1. Commit to a strengths-based approach with families, recognizing and bolstering the strengths that families have and asking them to identify where they need support.
2. Share decision-making with parents at every level: the care of their child, program development, policy, funding, etc.
3. Support parents who have the desire to consistently and actively participate do so in diverse ways, including: planning and implementing ideas, programs and policies; creating their own initiatives; making decisions; advancing their careers; advocating and organizing for policy change.
4. Be transparent about how decisions get made, make information accessible and report back to parents how their feedback impacted decisions and priorities.
5. Join with and invest in parent and community-based organizations to support their ideas and priorities.

Prioritize Resources



To realize the positive impact of parent engagement and leadership, agencies and systems must prioritize the funding, time and resources to make these efforts effective over time.

ACTIONS

1. Allocate robust resources to develop parent leadership and advocacy, including staffing and staff development; support for families' full participation; and ongoing leadership development.
2. Provide staff with sufficient time, flexibility and skills training to build relationships with and be responsive to families in their roles as partners and leaders.
3. Provide ongoing funding for parent engagement, leadership development, and family-centered operations.

Create Career Pathways



To better reflect the families and communities served and expand their opportunities, agencies and systems must create career pathways for parents to enter the early childhood workforce.

ACTIONS

1. Partner with community-based and parent-led organizations to recruit parent leaders for open positions and provide support and mentorship.
2. Modify job descriptions to substitute life experience for educational attainment.
3. Create paid positions for parents to become peer educators, system navigators, developmental screeners and outreach workers.
4. Partner with community colleges to create accessible programs for parents to attain their high school diploma or GED and to become early childhood teachers, community health workers, home visitors and other early childhood professions.
5. Provide ongoing professional and leadership development for parents in early childhood career pathways, with the long-term goal of diversifying leadership in early childhood systems and organizations.

Maximize Equitable Outcomes



To maximize equitable outcomes for children and families, agencies and systems must align operations with this goal.

ACTIONS

1. Use data to measure the impact of and continually improve family engagement efforts and be transparent with results.
2. Use data to identify and track disparities in outcomes, access and engagement for children and families from different racial, ethnic, language or socioeconomic backgrounds.
3. Diversify staff and leadership to reflect the communities they serve.
4. Improve collaboration across community, agencies and systems to maximize support for children and families.
5. Be accountable for commitments made and hold partners accountable.



Manifesto Team

Alameda County, CA

First 5 Alameda County

Parent Leaders: D'Jon Banks, Jr.; Michael Ja'Rey; Jacqueline Jackson; Sydney Ledbetter; Katty Perea

Boston, MA

United Way of Massachusetts Bay and Merrimack Valley; Boston Family Engagement Network

Parent Leaders: Lisa Melara; Deena Smitherman

Denver, CO

Denver's Early Childhood Council; The Civic Canopy

Parent Leaders: Jason Vitello; LeVar Williams

Hartford, CT

Catholic Charities Archdiocese of Hartford

Parent Leaders: Caroline Austin; Mary Bastian-Gandelman

Kent County, MI

Great Start Collaborative; First Steps Kent

Parent Leaders: Courtney Myers-Keaton; Anthony Queen

Lamoille Valley, VT

Child Development Division, State of Vermont

Los Angeles County, CA

First 5 Los Angeles; CADRE

Parent Leader: Roslyn Broadnax

Palm Beach County, FL

Children's Services Council of Palm Beach County; Housing Partnership, Inc.

Parent Leaders: Cortney Butler; LaQona Tuff

Ventura County, CA

First 5 Ventura County; Aspiranet; Mixteco/Indigena Community Organizing Project; Port Hueneme/South Oxnard Neighborhood for Learning

Parent leaders: Manny Arroyo; Irene Gomez



EC-LINC

About EC-LINC

The Early Childhood Learning and Innovation Network for Communities (EC-LINC) is developed by and for communities and convened by the Center for the Study of Social Policy. EC-LINC's mission is to support families and improve results for young children in communities across the country, with a focus on accelerating the development of effective, integrated, local early childhood systems.

About CSSP

The Center for the Study of Social Policy works to achieve a racially, economically, and socially just society in which all children and families thrive. We do this by advocating with and for children, youth, and families marginalized by public policies and institutional practices.

Published January 2019

Acknowledgments

A group of 40 parent leaders and agency staff from nine EC-LINC communities, with support from CSSP staff and consultants, came together to create this Manifesto for Race Equity and Parent Leadership in Early Childhood. We are particularly grateful to those Parent Leaders as well as to Chrysta Wilson, Wilson & Associates, for her contributions to the writing; Melia Franklin, consultant, for her editorial contributions; and Stephanie Doyle, CSSP, for her writing and oversight of the work.

“The manifesto is the opportunity to bring to the forefront difficult conversations that people usually shy away from rather than face head on. I have had recent conversations with people who are in charge of programs. They have said they don’t believe race equity and parent leadership belong together. There is no inclusion. The inclusion conversation is not really there. When you try to get in touch with someone to talk about this issue, they don’t respond. The manifesto brings the opportunity to have these difficult conversations.

It upset me when people said race and parent leadership don’t belong together. There are so many ways this matters. If I’m a Black parent sitting at the table with other parents who are not Black and they don’t want to listen or if they shut me out, that’s an issue. In certain areas, some parents have more voice than others because of their color. Those are just the basics, but there are even more nuanced issues that are much deeper. ”

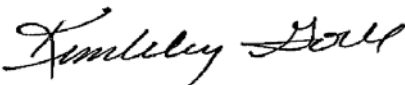
— **Caroline Austin,**
Parent Leader, Hartford, CT

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**Agenda Item 3
October 7, 2020**

DATE: September 23, 2020

TO: First 5 Orange County, Children and Families Commission

FROM: Kimberly Goll, President/CEO 

ACTION: Receive update on the status of Intergovernmental Transfers

SUMMARY:

The federal government has allowed Intergovernmental Transfers (IGTs) to be conducted through Medi-Cal managed care plans since 2006. First 5 Orange County has participated with CalOptima in several IGTs, using our funding as the local match to draw down federal Medicaid funds. This item provides an update on the status of the IGTs in which First 5 Orange County is participating.

DISCUSSION:

The opportunity for First 5 Orange County to participate in an IGT began in 2015 and was linked to First 5 efforts to leverage and sustain our investments. To date, First 5 Orange County has participated with CalOptima in four IGT transactions, and a fifth IGT transaction is awaiting contract execution. Attachment 1 to this agenda item provides a description of the IGT process and background information including a discussion of the eligibility criteria for participation in an IGT. Attachment 2 is a table of IGT funding to date including the anticipated length of time that funds are anticipated to sustain a particular project, if applicable.

Following is a brief summary of the status of each IGT transaction.

MOMS OC

IGT Funding: approximately \$5.6 million
Sustaining Home Visiting Services through 2025

The first IGT distribution to MOMS Orange County was leveraged to fund home visiting services through their Paso a Paso program for a four-year period anticipated to end June 30, 2021. These services include comprehensive case management services, from the prenatal period through the infant's first year, emphasizing maternal and child health and infant development through screening and education. MOMS OC is on pace with the expenditures and services for this transaction. To date they have provided 8,466 home visits through this funding source and continue to report data in the First 5 system. MOMS Orange County's second IGT will continue to fund home visiting services after the first round is exhausted. This additional funding will provide approximately four additional years of services and 16,000 more home visits from July 1, 2021 through June 30, 2025.

While the IGT funding was always positioned as a prime opportunity to leverage resources, the significance has been particularly evident in recent years. With the loss of other funding sources, such as CalOptima in 2018, and an increase in need as a result of the pandemic, IGT has enabled MOMS Orange County to maintain their staffing and service levels and adapt where needed in order to continue to provide valuable services to families.

CHOC Children's Early Childhood Mental Health Support

IGT Funding: approximately \$4 million

One-time catalytic support through 2025

Funding has been used for capital build-out of inpatient facility and seed funding for outpatient mental health services. Approximately \$900,000 was used primarily for construction of the new mental health inpatient unit (MHIC), the first and still only pediatric mental health inpatient unit in the county. Upon opening of the MHIC, the focus shifted to funding additional psychiatrist and social worker time and resource specialist positions located in the emergency department and MHIC. The goals of these positions include reducing average length of stay in the MHIC, providing timely mental health assessments to patients in the emergency department, and providing patients with appropriate resources and referrals. In addition, funding has been used for staff development and the development of a Children's Protocol for managing pediatric mental health in the emergency department.

CHOC Children's Help Me Grow OC

IGT Funding: approximately \$6 million

Sustaining services through 2025

Help Me Grow OC provides a comprehensive, coordinated county-wide system for developmental promotion, early identification, referral and care coordination of children at risk for developmental, behavioral and learning problems from birth through age eight. Help Me Grow works with families, health care providers, and community partners to: improve awareness of developmental services for children and families; connect families to the most appropriate and accessible resources depending on their needs and desires; and maximize utilization of programs for children at-risk-for or with mild-to-severe developmental delays.

A recent evaluation completed by First 5 Orange County for Help Me Grow OC found that between 2016 and 2018, nearly 8,800 children received services from Help Me Grow, with most of the children served ages five and younger. Additionally, most children served lived in the cities of Santa Ana, Anaheim, and Garden Grove. The evaluation showed an increase in the percentage of children's behavioral concerns (20% of all concerns in 2018, up from 17% in 2016), as well as increases in percentages of referrals for mental health counseling (18% in 2018, up from 13% in 2016) and for communication/speech & language (11% in 2018, from 5% in 2016). Almost 98% of caregivers responded positively when asked if their needs were met after receiving referrals or information for their child and family.

CHOC Children's QIAs for Developmental Screening Initiative

IGT Funding: approximately \$2 million

One-time funding for quality improvement project

This initiative funds five Quality Improvement Advisors (QIAs) embedded in CHOC Children's Population Health division. Collectively, and in partnership with Help Me Grow OC, the QIAs outreach to more than 200 Orange County medical practices. In Summer 2019, QIAs administered a physician survey to establish a baseline for evaluation, developed and piloted physician outreach materials and strategies, and began to promote developmental screening through existing communication channels. In January 2020, CHOC began to use IGT funding for full-scale implementation, which included:

- Facilitating training on developmental screening instruments through Help Me Grow OC;

- Assessing medical office flow and recommending process improvements with the aim of increasing the time available for developmental screening; and,
- Promoting use of the OC Children's Screening Registry.

At baseline, 19% of children with Medi-Cal, enrolled in CHOC Health Alliance, and who met the age criteria for developmental screening, were screened at the indicated intervals. During the first 8 months of QIA outreach (January – August 2020), rates increased to 24%. Although momentum was temporarily slowed by the onset of the pandemic, the QIAs quickly transitioned to a virtual outreach model and have begun to see an uptick in the number of physician practices opting into the Registry. As of mid-September 2020, 53 practices, with a combined total of 424 physicians, have signed data use agreements to access the OC Children's Screening Registry. At the same time, monthly entries into the Registry have doubled. There were 482 screens entered in the Registry in January compared with 986 in July.

Consistent with the State's ACES Aware campaign, the QIAs' outreach has expanded to include promotion of Adverse Childhood Experiences (ACE) screening, and with support from First 5 Orange County, the Registry was modified to house screening results received from providers.

CHOC Children's Pediatric Support Services (DULCE)

IGT Funding: approximately \$654,484

Sustaining Case Management services through 2023

This IGT funding is used to sustain an early intervention program called Developmental Understanding and Legal Collaboration for Everyone (DULCE). DULCE is designed for families with infants between the ages of two weeks and six-months, who are experiencing family stressors that can impact a child's developmental trajectory. A 2015 randomized control trial determined that infants in DULCE were more likely to have completed their six-month immunization schedule on time; obtained five or more routine preventive care visits by age one-year; and were less likely to have visited the emergency department by age six-months. This funding will allow these services to continue at two existing sites and expand to a new site CHOC has identified. During the period of IGT funding, CHOC will continue to actively focus on fund development efforts for sustainability including exploration of similar models that may be eligible for innovative reimbursement strategies through MediCal.

CHOC Children's Obesity Prevention

IGT Funding: approximately \$545,403

One-time quality Improvement project

Modeled after the Developmental Screening Initiative approved by the Commission in December 2017, the pediatric obesity prevention quality improvement initiative would engage more than 200 physician practices that contract with CHOC Health Alliance, with the goal of improving pediatric obesity screening, education, linkage with services, tracking and follow-up. Collectively, these physicians serve more than 50 percent of Orange County children ages birth through five covered by Medi-Cal. According to the 25th Annual Report on the Conditions of Children in Orange County, nearly one in five 5th grade students are obese. Excess weight acquired during childhood and adolescence may persist into adulthood and increase the risk for chronic diseases, such as sleep apnea, diabetes, cardiovascular disease and hypertension. Pediatric obesity can be prevented and treated through proper nutrition and physical activity, especially during the critical periods of infancy, two to four years of age, and adolescence.

CHOC Children's Autism Center

IGT Funding: approximately \$981,725

One-time catalytic funding

The Thompson Autism Center at CHOC Children's, which opened in January 2020, specializes in early diagnosis and addressing challenging behaviors. Very young children with autism and their caregivers require an integrated support system to ensure optimal developmental outcomes and quality of life for the family. With IGT funding, the Center team will establish an integrated, sustainable support system tailored to the needs of young children that reduces the considerable strain placed on parents facing both a neurodevelopmental diagnosis and navigation of myriad eligibility-driven and fragmented services in the community.

Maximizing First 5 Orange County's IGT Investment

Each of the above IGT-supported projects requires unique performance management and oversight. For example, for projects where the proceeds of the IGT are focused on quality improvement in pediatric health settings, it is critical that First 5 staff and consultants are integrating and sharing the knowledge gained with our partners such as CalOptima, other health plans and our nonprofit community-based providers. IGT projects that are startups require connecting the new services with established community programs and partners funded by First 5 to ensure robust referral networks and seamless access to expanded services for families.

For those projects that use IGT proceeds to sustain service levels that would otherwise be supported by First 5, their performance management is monitored through ongoing data submission, participation in planning and implementation meetings with staff and consultants.

Two of these IGT-funded programs – MOMS OC and Help Me Grow OC – are integral components of the Prenatal to Three system, providing home visiting and referral and linkage to developmental services. While the use of IGT dollars has significantly extended funding for these programs, there is no guarantee of additional IGT funding in the future. Given First 5 Orange County's declining revenue, it is imperative that we work with community partners to develop long-term strategies to sustain these services into the future.

STRATEGIC PLAN & FISCAL SUMMARY:

The recommended actions have been reviewed in relation to the Strategic Plan and are consistent with all goal areas. There is no funding action proposed for this item.

PRIOR COMMISSION ACTIONS:

- May 2020- adjustment in Funding terms for approved IGT transactions
- April 2020 – Approved IGT Transaction
- October 2018 – Approved IGT Transaction
- December 2017 – Approved IGT Transaction
- March 2017 – Approved IGT Transaction
- April 2016 – Approved Amended Resolution for IGT transaction
- February 2016 – Approved IGT Transaction
- December 2015 – Receive update on proposed Intergovernmental Transfer (IGT)
- October 2015 – Authorized the Executive Director to pursue a potential Intergovernmental Transfer (IGT)
- June 2014 – Annual Planning Meeting, Sustainability Strategies

RECOMMENDED ACTION:

Receive update on the status of Intergovernmental Transfers.

ATTACHMENTS:

1. IGT Process and Background
2. IGT Funding Table

Contact: Lisa Burke

IGT Process and Background

Intergovernmental transfer transactions require a government entity provides non-federal matching funds that the State uses to obtain the highest reimbursement rate that is federally allowable under managed care. As a general guide, for every dollar provided as a match, \$1.00 in federal funding is generated for the originating county. Operationally, once we account for fees paid to the state to conduct the IGT, and Cal Optima removes its fifty percent share of the IGT federal match, the rate of return is 50%.

Participation in an IGT is limited to organizations on both the provider and financing sides that meet the following eligibility criteria:

- *Agencies that have documented uncompensated cost of serving Medi-Cal members* - Since the basis for an IGT is reimbursement for the actual cost of care for services provided, a participating entity must be able to document uncompensated costs for a defined period. The amount of a transaction is based on expenses incurred during a particular fiscal year. For example, an IGT transaction may be based on FY 2019/20 expenses, though the actual legal transaction will occur in FY 2020/21. Typically, the amount of uncompensated care rendered by CalOptima has significantly exceeded First 5 Orange County's capacity for an IGT match.
- *Agencies that are CalOptima-contracted providers* - The determination of uncompensated costs is limited to the difference between CalOptima's payment to providers for authorized benefits and the actual cost of care for these services. Agencies must show that the uncompensated care was for specific services to CalOptima members for which they were a contracted provider. Dental services, for example, are not currently within CalOptima's scope of mandated benefits and are therefore not eligible for reimbursement under an IGT. Of First 5 Orange County's current contracted partners, CHOC Children's is the sole entity to meet all requirements for an IGT transaction.
- *Financing to support the transaction must be provided by a government entity* - The local funds to support IGT transaction financing must be public and cannot be federal funds or private provider donations. First 5 Orange County meets this qualification and is an eligible public entity.
- *IGT revenue must be used for Medi-Cal covered benefits* - Potential uses for IGT funding have narrowed significantly due to federal regulations and state policies. IGT funds are now considered part of the capitation payments that CalOptima receives from the state and thus are subject to the same restrictions. Essentially, funds may only be used for covered Medi-Cal benefits for existing CalOptima members. Given this and other limitations noted above, participation in future IGTs may be increasingly less viable.

Since the recipient of the leveraged funds must be a contracted CalOptima provider, any First 5-supported transaction will result in funding directly to CalOptima, and in turn to the CalOptima-contracted provider. Neither the principal funds that provided the basis for the federal drawdown, nor the matching funds, return to First 5 Orange County directly. First 5 Orange County works with CalOptima to ensure that the principal and leveraged funds are dedicated to agreed-upon priorities for children prenatal through age five.

Additionally, there is no guarantee of future IGTs, which should be considered non-recurring funds best used for one-time investments

IGT Funding Table

First 5 Orange County IGT Round	IGT-Funded Projects/Uses	First 5 OC Matching Funds + 20% State Fee	Federal Funds Returned (net of Cal Optima's return)	Total Funds for Early Childhood	Anticipated years of IGT funding use
A (Cal Optima IGT 5) (Rate Range 2014-15)	CHOC Children's Help Me Grow	\$2,245,497	\$427,028	\$2,672,525	2017 - 2021
	CHOC Children's Mental health services	\$2,000,000	\$1,200,000	\$3,200,000	2017 - 2021
	MOMS OC Home Visiting	\$2,245,496	\$763,469	\$3,008,965	2017 - 2021
Subtotal for Round A		\$6,490,993	\$2,390,497	\$8,881,490	
B (Cal Optima IGT 6) (Rate Range 2015-16)	CHOC Children's Help Me Grow	\$1,996,317	\$907,630	\$2,903,947	2021 - 2025
	CHOC Children's Mental health services	\$751,392	\$76,869	\$828,261	2021 - 2025
	MOMS OC Home Visiting	\$1,949,182	\$701,706	\$2,650,888	2021 - 2025
Subtotal for Round B		\$4,696,891	\$1,686,205	\$6,383,096	
C (Cal Optima IGT 7) (Rate Range 2016-17)	CHOC Children's Quality Improvement Advisors (QIAs) for Developmental Screening Initiative	\$385,110	\$137,984	\$523,094	until all funds are spent


IGT Funding Table

First 5 Orange County IGT Round	IGT-Funded Projects/Uses	First 5 OC Matching Funds + 20% State Fee	Federal Funds Returned (net of Cal Optima's return)	Total Funds for Early Childhood	Anticipated years of IGT funding use
D (Cal Optima IGT 8) (Rate Range 2017-18)	CHOC Children's QIAs for Obesity prevention	\$999,882	\$1,091,110	\$2,090,992	until all funds are spent
	CHOC Children's Pediatric Support Services (DULCE)				
	CHOC Children's Autism Center				
E (Cal Optima IGT 9) (Rate Range 2018-20)	Clinic CHOC Children's Pediatric Support Services (DULCE)	\$1,056,450	\$2,181,612 (estimated)	Not yet received	TBD
	CHOC Children's Adverse Childhood Experiences (ACEs) follow up for children with ACEs score of 4+				
	CHOC Children's Autism Center				

**Agenda Item 4
October 7, 2020**

DATE: September 23, 2020

TO: First 5 Orange County, Children and Families Commission

FROM: Kimberly Goll, President/CEO 

ACTION: Receive the 2020/21 Orange County Community Indicators Report and authorize a partnership with the Orange County Business Council to underwrite a portion of its production

SUMMARY:

First 5 Orange County Children and Families Commission is a partner in the production of the annual Orange County Community Indicators Report. The Orange County Business Council led the development of the 2020/21 Community Indicators Report that tracks countywide trends and includes a special sector on the effects of COVID-19 on the county. This item presents the new report and confirms the partnership with the Orange County Business Council.

DISCUSSION:

The Orange County Community Indicators Report is the culmination of an annual assessment of key topics that impact Orange County, including the economy, housing, income, health, education and public safety. The compilation of data in one comprehensive report is a valuable resource for government, businesses, and non-profit organizations that use the data to guide strategic planning, write grants and policy-related reports, and inform funding decisions.

For many years, First 5 Orange County was the lead organization to coordinate the content and printing of the report and secure sponsors to underwrite the overall production costs. Last year, the leadership role transitioned to the Orange County Business Council (OCBC), one of the county's leading business associations. OCBC managed the development of the report, working in partnership with a leadership committee that includes First 5 Orange County, Orange County Community Foundation, CalOptima, and Orange County United Way.

The 2020-21 Orange County Community Indicators Report was released on September 22nd, with a video launch that includes a panel of speakers sharing their experiences about how the coronavirus pandemic has impacted their area of focus. Keynote speakers include Dr. Jeff Hittenberger from the Orange County Department of Education, Richard Sanchez of CalOptima, and Lucy Dunn and Dr. Wallace Walrod from Orange County Business Council. The full report can be access at <https://www.ocbc.org/wp-content/uploads/2020/09/2020-Community-Indicators-Report.pdf> .

This item authorizes First 5 Orange County to partner with OCBC and underwrite a portion of the Community Indicators Report. The \$10,000 allocation is within the monetary authority of the President/CEO. First 5 Orange County will remain a member of the leadership committee to direct the project with other funding partners.

STRATEGIC PLAN & FISCAL SUMMARY:

The recommended actions have been reviewed in relation to the Strategic Plan and are consistent with all goal areas. An allocation of \$10,000 to underwrite the Orange County Community

Indicators Report is included in the Fiscal Year 2020/21 budget within the evaluation funding category.

PRIOR COMMISSION ACTIONS:

- October 2019- Authorize partnership with Orange County Business Council for the production of the 2019/20 report
- September 2018 - Received presentation of the 2018 Orange County Community Indicators Report
- December 2017 – Authorized agreements to provide evaluation, project management and graphic design services for the 2018 Orange County Community Indicators Report

RECOMMENDED ACTIONS:

1. Receive the 2020/21 Orange County Community Indicators Report.
2. Authorize a partnership with the Orange County Business Council to allocate \$10,000 to underwrite the production of the Orange County Community Indicators Report.

ATTACHMENT:

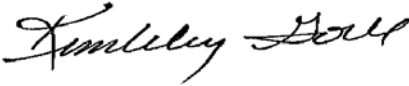
None

Contact: Kim Goll

**Agenda Item 5
October 7, 2020**

DATE: September 29, 2020

TO: First 5 Orange County, Children and Families Commission

FROM: Kimberly Goll, President/CEO 

ACTION: Conduct Public hearing to Receive and authorize certification of the Fiscal Year 2019/2020 Annual Report

SUMMARY:

First 5 Orange County is required to conduct a public hearing to approve the annual program report and audit that is then submitted to First 5 California and the State Controller's Office. This item includes the annual program report and an update regarding the independent audit conducted by Eide Bailly LLP.

DISCUSSION:

The California Children and Families Act of 1998 (Health and Safety Code Sections 130140 & 130150) requires that each county commission complete an annual audit and program report of the preceding fiscal year, conduct a public hearing on the audit and program reports, and submit both to the First 5 California Commission, and the audit report to the State Controller's Office on or before November 1 of each year. The annual program report has been completed and is submitted for the public hearing.

First 5 California annually requests each county commission's Executive Director to certify compliance with Health and Safety Code Section 130140 (Fiscal Memo 10-01) prior to July 1 in order to remain eligible to receive Proposition 10 tobacco tax revenues. This certification was submitted to First 5 California in May 2020 prior to the prescribed deadline. First 5 California also requests that each county commission certify that Commission funds have been used only to supplement, not supplant, existing program funding for grantees. Commission authorization is requested for the President/CEO to provide the required statement that First 5 Orange County did not use its funding to supplant existing program funds.

Annual Program Report

County commissions are required to report to First 5 California their fiscal revenues and expenditures and also to detail the population that is served by each Commission. Counties report data annually and these data are aggregated to the State level. In addition to reporting these data, First 5 Orange County also collects data to prepare the Fiscal Year 2019/2020 Annual Report Summary to supplement the information reported in Attachment 1. A digital version of this summary Annual Report is provided as Attachment 2, and a hard copy will be mailed to each Commissioner (more copies are available at your request).

In Fiscal Year 2019/20, Commission-funded programs reported that:

- 59,136 children from birth through age 5 received 1,371,824 services
- 65,713 parents received 754,117 services

Specific highlights, by Commission goal area, include:

Resilient Families

- 99,634 emergency or transitional shelter bed nights were provided to children and families
- 46,019 home and office visits were conducted to improve parent knowledge of healthy child development
- 16,522 parents received the Kit for New Parents
- 433 parents received weekly case management services as they transitioned to stable housing

Quality Early Learning

- 82,913 children participated in early literacy programs
- 73,067 new and used books were distributed to children
- 19,058 parents participated in programs designed to increase the frequency of reading at home
- 3,686 children and parents participated in a drop-in, family-focused early learning program

Comprehensive Health and Development

- 14,242 children were screened for up-to-date immunizations
- 13,313 mothers received breastfeeding education, intervention and support
- 11,498 children received developmental or behavioral screenings
- 8,852 children received a screening for healthy weight
- 7,892 children received preventative dental treatments

Comprehensive Annual Financial Report (CAFR)

Due to circumstances outside of the control of Commission staff and auditors, an extension to file the annual financial statements to both the California State Controller's Office and First 5 California has been submitted.

As a participant in the County of Orange Retiree Medical Plan, First 5 Orange County is required to comply with Government Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions for the fiscal year ending June 30, 2020. In order to fully comply with all requirements of the accounting standard, a detailed actuarial report of the County Plan is required to be completed by an actuary and audited by an independent auditing firm. The County Plan has provided the actuarial report and is on the process of having it audited.

The Commission financial statements cannot be finalized in time to meet the filing deadline for the October meeting. The Comprehensive Annual Financial Report will be finalized and presented at the Commission's December meeting in order to meet the extended deadline of December 7, 2020.

STRATEGIC PLAN & FISCAL SUMMARY:

The reports and recommended actions presented in this report have been reviewed in relation to the Commission's Strategic Plan and are consistent with applicable goals. There is no funding action proposed for this item.

PRIOR COMMISSION ACTIONS:

- April 2019 – Conducted public hearing receiving First 5 California's Fiscal Year 2017/18 Annual Report
- October 2019 – Conducted public hearing receiving on Fiscal Year 2018/19 Annual Report and approving submittal to First 5 California
- April 2020 – Conducted public hearing receiving First 5 California's Fiscal Year 2018/19 Annual Report

RECOMMENDED ACTIONS:

1. Conduct Public Hearing
2. Authorize the Executive Director to execute required certifications (Attachment 1) to the First 5 California Commission and to incorporate revisions to the annual data summary as needed to the Annual Program Report for Fiscal Year 2019/2020 prior to submittal.

ATTACHMENTS:

1. First 5 Annual Program Report: July 1 2019 – June 30, 2020 Forms AR-1, AR-2, and AR-3
2. Summary Annual Report for FY 2019/2020

Contacts: Michael Garcell/Lisa Burke



Annual Report AR-1

Orange Revenue and Expenditure Summary

July 1, 2019 - June 30, 2020

Revenue Detail

Category	Amount
Tobacco Tax Funds	\$28,541,094
First 5 Impact Funds	\$1,238,020
Small Population County Augmentation Funds	\$0
DLL Pilot Funds	\$0
Other First 5 California Funds	\$0
Other First 5 California Funds Description	
Other Public Funds	\$6,452,556
Other Public Funds Description DHCS Dental Transformation Initiative, CalWorks Home Visitation Program, County of Orange funded Conditions of Children Report	
Donations	\$0
Revenue From Interest Earned	\$1,021,339
Grants	\$0
Grants Description	
Other Funds	\$151,169
Other Funds SMIF	
Total Revenue	\$37,404,178

Improved Family Functioning

Service	Grantee	Program(s)	Children	Caregivers	Providers	Amount
General Family Support	CBO/Non-Profit	<ul style="list-style-type: none"> Not Applicable 	1	0	0	\$167,808
Intensive Family Support	CBO/Non-Profit	<ul style="list-style-type: none"> Not Applicable 	1032	1077	8	\$3,244,704
Total						\$3,412,512

Improved Child Development

Service	Grantee	Program(s)	Children	Caregivers	Providers	Amount
Quality Early Learning Supports	County Office of Education/School District	<ul style="list-style-type: none"> Not Applicable 	12937	12629	1125	\$5,659,491
Early Learning Programs	CBO/Non-Profit	<ul style="list-style-type: none"> Not Applicable 	597	584	0	\$313,767
Total						\$5,973,258

Improved Systems Of Care

Service	Grantee	Program(s)	Amount
Policy and Public Advocacy	CBO/Non-Profit	• Not Applicable	\$121,648
Policy and Public Advocacy	Research/Consulting Firm	• Not Applicable	\$44,048
Policy and Public Advocacy	Higher Education	• Not Applicable	\$35,000
Programs and Systems Improvement Efforts	CBO/Non-Profit	• Not Applicable	\$1,704,486
Programs and Systems Improvement Efforts	Research/Consulting Firm	• Not Applicable	\$1,273,649
Programs and Systems Improvement Efforts	First 5 County Commission	• Not Applicable	\$1,078,281
Programs and Systems Improvement Efforts	Other Public	• Not Applicable	\$1,056,450
Programs and Systems Improvement Efforts	Higher Education	• Not Applicable	\$97,784
Total			\$5,411,346

Expenditure Details

Category	Amount
Program Expenditures	\$29,394,232
Administrative Expenditures	\$1,395,976
Evaluation Expenditures	\$581,489
Total Expenditures	\$31,371,697
Excess (Deficiency) Of Revenues Over (Under) Expenses	\$6,032,481

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	\$37,293,188
Fund Balance - Ending	\$43,325,669
Net Change In Fund Balance	\$6,032,481

Fiscal Year Fund Balance

Category	Amount
Nonspendable	\$3,958,321
Restricted	\$0
Committed	\$13,237,942
Assigned	\$26,129,406
Unassigned	\$0
Total Fund Balance	\$43,325,669



Annual Report AR-2
Orange Demographic Worksheet
July 1, 2019 - June 30, 2020

Population Served

Category	Number
Children Less than 3 Years Old	14,541
Children from 3rd to 6th Birthday	37,272
Children – Ages Unknown (birth to 6th Birthday)	7,323
Primary Caregivers	65,713
Providers	4,991
Total Population Served	129,840

Primary Languages Spoken in the Home

Category	Number of Children	Number of Primary Caregivers
English	20,360	18,015
Spanish	18,147	15,468
Cantonese	1	2
Mandarin	278	450
Vietnamese	2,026	1,538
Korean	161	161
Other - Specify with text box	2,834	3,368
Unknown	15,329	26,711
Totals	59,136	65,713

Race/Ethnicity of Population Served

Category	Number of Children	Number of Primary Caregivers
Alaska Native/American Indian	1,001	705
Asian	4,930	3,931
Black/African-American	477	443
Hispanic/Latino	25,053	21,462
Native Hawaiian or Other Pacific Islander	148	193
Other – Specify with text box	1,671	1,259
Two or more races	969	1,140
White	7,300	7,508
Unknown	17,587	29,072
Totals	59,136	65,713

Duplication Assessment

Category	Data
Degree of Duplication	85%
Confidence in Data	Moderately confident
Additional Details (Optional)	



Annual Report AR-3

Orange County Evaluation Summary and Highlights

July 1, 2019 - June 30, 2020

County Evaluation Summary

Evaluation Activities Completed, Findings, and Policy Impact

Early Development Index (EDI) —UC-Irvine and UC-LA, with support from F5OC, concluded a study that was accepted for publication in *Early Childhood Research Quarterly* (<https://escholarship.org/uc/item/1hr6p9t6>). Titled "The Kindergarten Early Development Instrument Predicts Third Grade Academic Proficiency", the study assessed whether EDI ratings in kindergarten predict third grade proficiency in mathematics and English Language Arts on state assessments. Ratings on the EDI were strongly associated with proficiency in both academic areas, even in the presence of controls for child-level factors and neighborhood fixed effects. Among its correlated components, ratings on the language and cognitive development, communication skills and general knowledge, and social competence areas strongly differentiated children's likelihood of later proficiency in both academic areas.

Help Me Grow (HMG) — In 2020, Datalink Partners conducted a three-year analysis of HMG data. During the period of 2016-2018, almost 8,800 children received services from HMG. Almost 98% of caregivers responded positively when asked if their needs were met after receiving referrals or information for their child and family. And in almost 95% of the Regional Center of OC referrals where children received an evaluation, these children were found eligible for Early Start and were receiving services.

Neighborhood Resource Network (NRN)—In FY19/20, F5OC continued implementation of the NRN pilot, which focuses on families with at least one child age 0-5, who had an initial Child Abuse Registry report, with the targeted outcome to reduce the risk of subsequent maltreatment. As of June 2020, 161 families have completed the NRN program. Of these families, 25 families have yet to reach the 6-month CAR status check. Among families who had reached the 6-month mark, 88% had not re-entered the child welfare system.

Infant Home Visitation (IHV) Keys to Interactive Parenting (KIP) Analysis—In July 2019, a review was conducted of parenting behaviors before and after participation in a Bridges Network IHV program to understand the influence of services on parenting using KIPS. The review focused on 1,521 mothers served through Bridges in 2014-2018. Findings demonstrated participants improved in all skills measured, with largest improvements made in parents' promotion of exploration and curiosity, parents' openness to child's agenda, and overall parenting quality. These findings highlighted the effectiveness of current program curriculum implementation, as well as areas offering opportunity for quality improvement.

Bridges Hospital Risk Distribution Project —To inform its current funding cycle, First 5 OC engaged Children's Data Network (CDN) in the second quarter of FY 19-20 to estimate the risk distribution of families served across hospital partners funded through First 5 OC's Bridges Prenatal to Three Network. Risk factors were applied to vital birth records spanning 2013-2017. The goal of this project was more targeted, data-informed, standardized, and equitable funding allocations to ensure that resources go where they can make the greatest impact. Findings were used in conjunction with program performance data to determine funding investments.

CalWORKs Home Visiting Program (HVP) Evaluation (in progress)— The California Department of Social Services (CDSS), in partnership with UC-SF and Resource Development Associates (RDA), is conducting a legislatively-mandated evaluation of the CalWORKs HVP across 44 counties. F5OC provides program management support to OC's local implementation of these services through the Bridges Prenatal to Three Network. Evaluation findings will describe the types of services and referrals that CalWORKs HVP families received as well as demonstrate whether positive outcomes (such as fewer severe health outcomes, a higher likelihood of employment and/or higher income, etc.) can be associated with participation in services.

County Highlights

County Highlight

Responding to Covid-19: In response to the pandemic, F50C used its vast network to bolster support for childcare facilities, frontline nonprofits and providers addressing family homelessness. Measures ranged from procuring essential supplies and personal protective equipment for childcare centers, to providing additional funding to keep families safe and housed, to creating a resources webpage to assist families with young children. Engaged Neighborhoods: F50C's Engaged Neighborhoods work focuses on closing opportunity gaps in communities through advocacy to improve the system of care for early childhood. The engagement effort includes outreach to school districts, city leadership, the business community, local nonprofits and, most impo

FY 2019/20 Annual Report Summary

Ensuring All Orange County Children Reach Their Full Potential



FIRST 5
ORANGE COUNTY

Vision: All Children Reach Their Full Potential

First 5 Orange County **served 59,136 children** ages 0 to 5 and **65,713 family members**.

During fiscal year 2019/20 First 5 Orange County has witnessed innumerable inspiring examples of resolve.

Along the way, we and our community partners have strengthened our shared commitment to the vision that all children should have the opportunity to reach their full potential.

Among our collective priorities and achievements:

- We began the year focused on our core programs of hospital screenings at birth, home visiting to support children's healthy development and caregivers' parenting skills, and numerous other activities to advance Orange County children's school readiness. As in-person visits and gatherings became a health risk, providers quickly pivoted to offer virtual services in order to continue to serve and support families as they navigated new circumstances and increased needs.
- As more families and child care facilities were impacted by COVID-19, it became clear that the child care system – while a critical underpinning to the local economy – is fragile and ripe for systemwide improvements.
- In response to the pandemic, we used our vast network to bolster support for child care facilities, frontline nonprofits and providers addressing family homelessness. Measures ranged from procuring essential supplies and personal protective equipment for child care centers, to providing additional funding to keep families safe and housed, to creating a resources web page to assist families with young children in categories that included Connection to Services, Health and Mental Health, Child Care, Food & Supplies, and Tips for Talking to Your Child About COVID-19.

The experiences we've had during the 2019/20 fiscal year have opened up additional lines of communication, toppled silos, and forged new coalitions bringing more people together for a common goal. These actions – and the results they are producing on behalf of children and families – leave no doubt that even in challenging times we can create positive and lasting change when we pull together.

Commission Approves Three-Year Funding For flagship services

Prenatal-to-Three

\$14,275,000

over the next three years to support agencies that provide prenatal-to-three services

Believing in the vital importance of early prevention and intervention during children's most rapid stage of brain development from birth to age 3, **First 5 Orange County invests in services that help mitigate the impacts of childhood adversity and foster long-term individual and family resilience.** Our funds support prenatal care, hospital screenings, home visiting, mental health and parenting support and resources. We employ a two-generation approach to cultivate child and caregiver well-being while strengthening the foundational relationships between young children and caregivers that fortify children's healthy development.

School District Partnerships

\$17,000,000

over the next three years to support our school district partnerships

Our funding supports each of Orange County's 25 elementary school districts as they prioritize early childhood, collect Early Development Index data, and develop the system of care needed so that every child starts kindergarten with the opportunity to achieve their full potential. Districts engage with parents and community partners to create linkages between early care and education, health and family support systems.

Homeless Prevention

\$3,750,000

over the next three years to support system improvement work along with funding shelter operations

Providing safe, caring homes in times of crises, **First 5 Orange County funds shelters that help pregnant mothers and families with young children.** First 5 Orange County also funds the Family Solutions Collaborative. This collaborative works on a system level to align resources for homeless families in a streamlined process.

Getting Involved Early

First 5 Orange County is committed to making preventative and early intervention services accessible to children and their families, as early as in the womb, so they have the opportunity to thrive during those early, foundational years leading to preschool.

Hospital screenings

Through First 5 Orange County's partnership with 10 high-birth hospitals, nearly 70 percent of all births in Orange County are screened to identify babies and families most likely to benefit from home visiting and other services that support the child's health and a safe, stable, and nurturing home.

Home visits with pregnant women and parents

Trained home visitors build relationships with parents – providing breastfeeding support, interactive parenting education, assistance with medically fragile infants, aid with perinatal mood and anxiety disorder and mental health support, help for parents struggling with substance use disorder, and more.

Comprehensive early childhood screening and interventions

In 2019/20 First 5 Orange County led the effort with CHOC Children's to convene a multi-sector steering group of 11 agencies known as Detect & Connect OC. The collaborative's vision is to ensure all children in Orange County receive timely, recommended developmental screenings in accordance with national, evidence-based guidelines, and are connected to resources and interventions as early as possible.

Our accomplishments in 2019/20 included:

46,019 home and office visits to expand parenting knowledge and promote healthy child development

14,242 children were screened for up-to-date immunizations

16,522 families received the Kit for New Parents, which includes educational materials and parenting resources

11,498 children received developmental or behavioral screenings

8,852 children received a screening for healthy weight

13,313 mothers received breastfeeding education and support

7,892 children received preventative dental treatment

Elevating Equity



First 5 Orange County's "Engaged Neighborhoods" work focuses on closing opportunity gaps in communities.

The engagement effort includes outreach to school districts, city leadership, the business community, local nonprofits and, most importantly, residents in targeted communities.

The work looks different in each community, but the objectives are the same: to connect families on their journey, from prenatal through the start of school, to resources and supports that help children be ready for school and success.

The Early Development Index (EDI) gauges five key domains of children's development: physical health, social competence, emotional maturity, language and cognitive development, and communications skills and general knowledge. The results of the EDI are mapped by neighborhood, allowing us to see how children are doing, what programs and opportunities are helping, and where additional resources can be leveraged.

First 5 Orange County also worked with the U.S. Census Bureau and community partners to reach families in the county's hard-to-reach neighborhoods to ensure that infants and young children are counted in this once-a-decade event that informs where funding is allocated at the federal, state and local levels.

First 5 Orange County's accomplishments in 2019/20 included:

- Engaging stakeholders in Anaheim policy development focusing on early childhood, using the EDI as a guide post.
- Forming the La Habra Little Learners task force where members work to educate the community on the importance of "learning through play every day."
- Working with the Santa Ana community through Neighborhood Leadership Teams engaging in 13 targeted elementary school neighborhoods to build capacity for parent leaders with the support of the Santa Ana Early Learning Initiative.
- Embarking on steps to include Garden Grove in future Engaged Neighborhood efforts.

Empowering Champions



First 5 Orange County places a high priority on connecting with, strengthening, encouraging and supporting parents, leaders, public agencies and community organizations to advocate for solutions to issues facing young children and their families.

In particular, **this year we focused on child care, an industry we have learned during the pandemic is all too fragile.** Sixty percent of children under age 5 are in homes with both parents working, and the average cost of full-time, center-based care in Orange County for just one infant is \$15,650 per year.

We see a desperate need for child care for infants and toddlers age 2 and younger. This age group makes up 22 percent of children needing child care; yet just 5 percent of licensed child care center capacity includes children up to age 2.

Working to build champions to address this issue, First 5 Orange County held the first-ever virtual Advocacy Day on April 30, with wide participation from federal, state, and local legislative offices who learned about First 5's child care related work.

Together with childcare providers, the Orange County Business Council and our community partners, **First 5 Orange County is spearheading a major study to uncover the severity of the child care problem specific to our area.** In addition to quantifying the economic impact of inadequate child care supply, we are interviewing Orange County parents and employers to understand their unique child care-related needs, and will use our findings to chart a strategic course to expand high-quality child care options.

Our accomplishments in 2019/20 included:

- Early in the pandemic, we partnered with Early Childhood OC to create Orange County's first-ever database of open child care centers and made that information available to the public.
- We teamed with the Boys and Girls Clubs of Garden Grove to provide emergency sanitation and PPE supplies, diapers and wipes so child care centers could keep their doors open, and connected families to food and other resources.
- In partnership with the Orange County Emergency Childcare Task Force, we hosted a webinar for more than 400 child care providers to distribute information on the county's emergency plans, available resources, health and safety protocols for re-opening.

Aligning Systems of Care



By encouraging childhood systems of care to work together, we're creating a holistic, supportive infrastructure that will let families experience seamless connections to quality services.

Take, for example, our work in the area of mental health. Perinatal Mood and Anxiety Disorders, the term for depression and anxiety occurring during pregnancy or up to 12 months after birth, affect 1 in 5 pregnant and postpartum women in Orange County, and 1 in 10 men nationwide. Nearly half of those with a diagnosis of one of these conditions are unable to get the treatment they need. And yet, the well-being of parents is crucial for the healthy development of their children.

To guide a systems approach to the issue, First 5 Orange County's Pritzker Fellow gathered a wide array of community partners to collaborate on a systems approach to addressing the mental well-being of new parents and the subsequent social and emotional development of their infants. Recognizing providers' need for resources on how to screen for depression and anxiety and where to refer parents for help, the OC Perinatal Mood and Anxiety Disorder Collaborative created the *OC Perinatal Mental Health Toolkit*. The toolkit offers resources for healthcare and other service providers to help them address their clients' mental well-being and connect them to resources as early as possible.

Accomplishments from participation in the Pritzker Fellowship include:

- The number of maternal mental health services received by patients more than doubled from 1,500 the prior year to 3,904 in 2019.
- A maternal mental health symposium with UC Irvine in October 2019 featured health experts, survivor stories, and comedian Angela Spicer to raise awareness about the issue.
- An "Addiction to Resiliency" event highlighted a Pritzker Fellow who shared her story and practical tips on effective and respectful ways to engage pregnant and postpartum women impacted by substance use. The presentation was followed by a conversation with key community partners to explore ways in which to better support substance exposed mothers and infants through recovery.

Program Funding Expenditures – Fiscal Year 2019/20



In 2019/20, First 5 Orange County provided a total of **1,371,824 services to children** ages 0-5, and **754,117 services to their family members.**

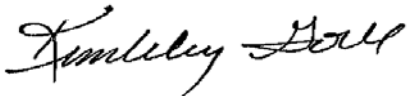
	PROGRAM EXPENDITURES	CATALYTIC EXPENDITURES
Comprehensive Health and Development		
Bridges Prenatal to Three Network	\$ 4,456,625	\$ –
Community Health Access and Education	586,979	–
Children’s Dental	5,647,714	1,328,247
Pediatric Health Services	1,812,070	1,059,750
School Readiness Nursing	3,065,522	–
Healthy Children Program Support	559,233	–
	\$ 16,128,143	\$ 2,387,997
Resilient Families		
Family Support Services	\$ 1,267,592	\$ 137,387
Homeless Prevention	995,044	246,930
Strong Families Program Support	96,761	–
	\$ 2,359,397	\$ 384,317
Quality Early Learning		
Early Literacy Programs	\$ 780,076	\$ 500,000
First 5 CA Early Learning Programs	3,173,522	–
Community Based Early Learning Programs	546,007	–
Early Learning Program Support	255,918	–
Early Learning Specialists	2,504,679	–
	\$ 7,260,202	\$ 500,000
Capacity Building		
Grants and Matching Funds	\$ 127,510	\$ 84,000
Fund Development and Technical Support	151,846	–
Capacity Building Program Support	10,822	–
	\$ 290,178	\$ 84,000
TOTAL	\$ 26,037,920	\$3,356,314

Note: Catalytic expenditures are one-time funding actions designed to reduce ongoing demand on First 5 Orange County’s budget, while making system-wide impacts on services for young children.

**Agenda Item 6
October 7, 2020**

DATE: October 7, 2020

TO: Children and Families Commission of Orange County

FROM: Kimberly Goll, President/CEO 

ACTION: Conduct biennial review and adopt resolution approving amendment to the Conflict of Interest Code

SUMMARY:

The Political Reform Act requires every agency to adopt a Conflict of Interest Code and perform a biennial review to ensure the Code is current and accurate or that the Code must be amended. At the August 2018 meeting, the First 5 Orange County Children and Families Commission of Orange County performed the biennial review confirming the status of the Conflict of Interest Code and authorized the Clerk of the Commission to submit the biennial notice to the code reviewing body. Thereafter, revisions were made to the Code and approved by First 5 Orange County in October 2018 and December 2019 to reflect updates to conflict of interest laws and regulations, the renaming of the Technical Advisory Committee, and updates to First 5 Orange County's staff organizational chart. This item requests approval of amendments to the Code.

DISCUSSION:

The Orange County Board of Supervisors is the code reviewing body for County boards and commissions, which includes the First 5 Orange County Children and Families Commission. Their responsibilities include the review and approval of local agency Conflict of Interest Codes and code amendments. The amendments are processed through the eDisclosure System.

First 5 Orange County performed its biennial review and approved the Conflict of Interest Code at the August 2018 meeting and, thereafter, approved updates to the Code in October 2018 and December 2019. These changes have already been implemented in the eDisclosure System.

Amendments are requested to reflect the change in title from Executive Director to President/Chief Executive Officer as well as recent updates to the staff organization chart, which as attached for reference. The Senior Finance Analyst was also removed from the Code as that position does not involve making, or participating in making, governmental decisions. Commission Counsel has reviewed the Conflict of Interest Code and recommends approval of the amendments. The Clerk of the Commission will submit the revisions and biennial notice upon approval.

STRATEGIC PLAN & FISCAL SUMMARY:

The recommended action has been reviewed in relation to the Strategic Plan and is consistent with all goal areas. There is no funding action proposed for this item.

PRIOR COMMISSION ACTIONS:

- December 2019 – Adopted resolution approving the amended Conflict of Interest Code

- October 2018 – Adopted resolution approving the amended Conflict of Interest Code
- August 2018 – Received report confirming the status of the Conflict of Interest Code
- September 2016 - Adopted resolution approving the amended Conflict of Interest Code
- September 2014 - Adopted resolution approving the amended Conflict of Interest Code
- October 2012 – Received report confirming the status of the Conflict of Interest Code
- November 2011 – Adopted Resolution approving amended Conflict of Interest Code to reflect the new name for the Community Advisory Committee
- November 2010 – Adopted Resolution approving amended Conflict of Interest Code
- May 2008 - Approved the amended Conflict of Interest Code for the 2008 Conflict of Interest Code Biennial Review

RECOMMENDED ACTIONS:

1. Conduct biennial review
2. Adopt Resolution approving the amended the Conflict of Interest Code
3. Authorize the Clerk of the Commission to submit the biennial notice as required

ATTACHMENTS:

1. Resolution
2. Organizational Chart

Contact: Rhonda Esera

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY

RESOLUTION NO. 18-_____ C&FC

October 7, 2020

**A RESOLUTION OF THE CHILDREN AND FAMILIES
COMMISSION OF ORANGE COUNTY AMENDING THE
CONFLICT OF INTEREST CODE AS REQUESTED BY THE
CLERK OF THE BOARD OF SUPERVISORS**

WHEREAS, the Political Reform Act of 1974, Government Code Section 81000, et seq., (“the Act”), requires a local government agency to adopt a Conflict of Interest Code pursuant to the Act; and

WHEREAS, the Children and Families Commission of Orange County has previously adopted a Conflict of Interest Code and that Code now requires updating; and

WHEREAS, amendments to the Act have in the past and in the foreseeable future will require conforming amendments to be made to the Conflict of Interest Code; and

WHEREAS, the Fair Political Practices Commission has adopted a regulation, Title 2, California Code of Regulations, Section 18730, which contains terms for a standard model Conflict of Interest Code, which, together with amendments thereto, may be adopted by public agencies and incorporated by reference to save public agencies time and money by minimizing the actions required of such agencies to keep their codes in conformity with the Political Reform Act.

NOW THEREFORE, BE IT RESOLVED:

Section 1 The terms of Title 2, California Code of Regulations, Section 18730 (Attachment A) and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference and, together with Exhibits A and B in which members and employees are designated and disclosure categories are set forth, constitute the Conflict of Interest Code of the Children and Families Commission of Orange County.

Section 2 The provisions of all Conflict of Interest Codes and amendments thereto previously adopted by the Children and Families Commission of Orange County are hereby superseded.

Section 3 The Filing Officer is hereby authorized to forward a copy of this Resolution to the Clerk of the Orange County Board of Supervisors for review and approval by the Orange County Board of Supervisors as required by California Government Code Section 87303. Subject to approval by the Orange County Board of Supervisors, it is intended that this Resolution become operative October 7, 2020.

The foregoing resolution was passed and adopted by the following vote of the Children and Families Commission of Orange County on October 7, 2020 to wit:

AYES Commissioners: _____

NOES: Commissioner(s): _____

EXCUSED: Commissioner(s): _____

ABSTAINED: Commissioner(s): _____

CHAIR

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

I, ROBIN STIELER, Clerk of the Commission of Orange County, California, hereby certify that a copy of this document has been delivered to the Chair of the Commission and that the above and foregoing Resolution was duly and regularly adopted by the Children and Families Commission of Orange County.

IN WITNESS WHEREOF, I have hereto set my hand and seal.

ROBIN STIELER

Clerk of the Commission, Children and Families Commission
of Orange County, County of Orange, State of California

Resolution No: ____-18-C&FC

Agenda Date: October 7, 2020

Item No. ____



I certify that the foregoing is a true and correct copy of the Resolution adopted by the

Robin Stieler, Clerk of the Commission

By: _____
Deputy

CONFLICT OF INTEREST CODE FOR THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY

The Political Reform Act, Government Code Sections 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. Section 18730) which contains the terms of a standard Conflict of Interest Code, which may be incorporated by reference in an agency's 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 by reference. This regulation and the attached Exhibits designating officials and employees and establishing disclosure categories shall constitute the Conflict of Interest Code of the Children and Families Commission of Orange County.

DESIGNATED EMPLOYEES

Designated employees shall file Statements of Economic Interests with the Clerk of the Orange County Board of Supervisors who will make the statements available for public inspection and reproduction (Government Code Section 81008).

GOVERNMENT CODE SECTION 87200 FILERS

Public officials enumerated in Government Code Section 87200, including officials who manage public investments as defined by 2 California Code of Regulations Section 18700.3(b), are NOT subject to the Commission's code, but are subject to the disclosure requirements of the Act (Government Code Section 87200, et seq.). [Regs. §18730(b)(3)] These positions are listed here for informational purposes only.

For purposes of the Commission's Code, the positions listed below are Commission officials enumerated in Government Code Section 87200:

President/CEO

Commission Counsel

These positions shall also file original Statements of Economic Interests with the Clerk of the Orange County Board of Supervisors.

The disclosure categories and requirements for these positions are set forth in Article 2 of Chapter 7 of the Political Reform Act, Government Code Section 87200, et seq. They generally

require the disclosure of interests in real property in the agency's jurisdiction, as well as investments, business positions and sources of income (including gifts, loans and travel payments).

**CONFLICT OF INTEREST CODE FOR THE
CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
LIST OF DESIGNATED POSITIONS**

<u>Designated Positions</u>	<u>Disclosure Category</u>
Commissioners	OC-48
Alternate Commissioners	OC-48
Members of the Commission Technical Advisory Committee	OC-48
Vice President Learning and Integration	OC-48
Vice President Programs	OC-48
Director of Partnerships and Government Affairs	OC-48
Director of Administration	OC-48
Senior Manager, Contracts and Administration	OC-48
Senior Program Manager	OC-48
Program Manager	OC-48
Consultants (*See Note below)	OC-48

***Consultants shall be included in the list of designated employees and shall disclose pursuant to disclosure category OC-48 in the code subject to the following limitation:**

The Executive Director of the Commission (or the Commission, as requested by the Executive Director) may determine in writing that a particular consultant, although a “designated position,” is hired to perform a range of duties or provide certain services that are limited in scope, term of service, or amount of compensation and that do not involve direct participation in the making of decision(s) which may foreseeably have a material financial effect on a personal financial interest, and thus such consultant is not required to comply with the disclosure requirements set forth herein. Such written determination by the Executive Director (or, as applicable, the Commission) shall explain the basic reason(s) for excluding a particular consultant. The Executive Director’s (or, as applicable, the Commission’s) determination is a public record and shall be retained for public inspection by the Commission filing officer with an information copy provided to the Commissioners.

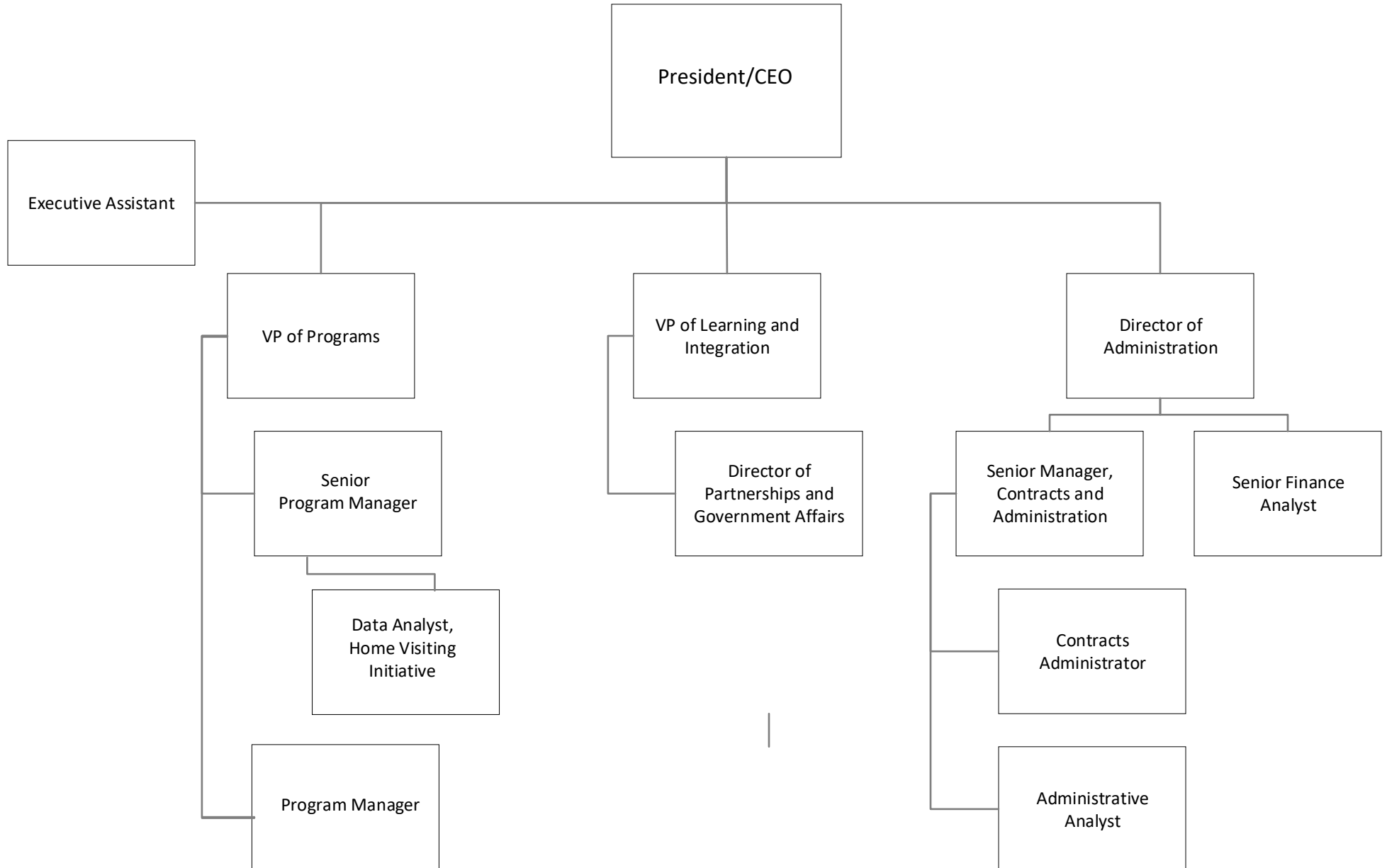
**CONFLICT OF INTEREST CODE FOR THE
CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
DISCLOSURE CATEGORIES / DESCRIPTIONS**

<u>Disclosure Category</u>	<u>Disclosure Description</u>
OC-48	All interests in real property in Orange County, as well as all investments in, business positions with, and income (including gifts, loans, and travel payments) from sources engaged in the direct or indirect provision of early development services to or for children. As used herein, “early development services” means the services, which the Commission is authorized by statute to promote, support or improve.



FIRST 5

ORANGE COUNTY
CHILDREN & FAMILIES COMMISSION






Agenda Item 7
October 7, 2020

DATE: September 22, 2020

TO: First 5 Orange County, Children and Families Commission

FROM: Kimberly Goll, President/CEO 

ACTION: Adopt Resolution Approving Budget for Dual Language Learner (DLL) Program, Subcontracted through Orange County Department of Education (OCDE)

SUMMARY:

First 5 Orange County participates in a Dual Language Learner (DLL) Pilot Study funded by First 5 California. This item provides an update, and requests both approval to receive \$832,293 in continued funding from First 5 California and the adoption of a resolution authorizing the next phase of the pilot.

DISCUSSION:

Nearly 60 percent of California's children five years of age or younger are Dual Language Learners (DLLs), compared to 22 percent of children nationwide, with research showing that children who have a primary language other than English benefit from enhanced cognitive skills, resulting in improved academic outcomes in school and long-term economic gains. In 2014, First 5 California authorized the DLL Pilot Study to evaluate the effectiveness and feasibility of existing early learning, professional development and family engagement strategies for these learners in early learning and care settings.

The study was separated into three stages. The first phase, completed in late 2019, sought to understand county priorities, policies, and infrastructure to support learning outcomes for DLLs and challenges to implementing priorities and supporting DLLs. A report summarizing the findings was released on February 6, 2020 with a legislative briefing at the State Capitol. The second phase was an in-depth study of collected data in the 2019-20 school year, and focused on describing the range and distribution of learning experiences for DLLs in California, and understanding how these experiences are linked to positive child and family outcomes. First 5 Orange County was funded by First 5 California to participate in the in-depth study. Findings about best practices will be disseminated to relevant stakeholders and practitioners to inform policy and programmatic decisions to maximize the academic and economic potential of DLLs. First 5 California will also provide funds to counties and programs to implement evidence-based practices that are highlighted. Results from phase two of the study will be available in late 2020 or early 2021.

This third phase of the project will examine how specific strategies in instruction, professional development, and family engagement support positive outcomes for DLL children and their families. The study will consider the use of strategies for different age groups, in different settings, and with children speaking different languages represented in California.

The DLL Expansion Funding from First 5 California has been made available to 16 counties participating in the DLL Pilot Study in an effort to build on and expand the work of that evaluation. The funding is being allocated to expand effective strategies to support DLLs and to identify policy recommendations that can accelerate scaling.

First 5 Orange County applied for and has been awarded just over \$800,000 in funding to expand the Preschool Guided Language Acquisition Design (GLAD) program. Preschool GLAD was developed using evidence-based best practices with a cohort model used to promote collaboration. Preschool teacher participants observe then practice strategies and receive feedback designed to strengthen instruction and delivery. The goals of this DLL program are to:

- strengthen teacher knowledge and use of instructional activities supporting DLL children's learning,
- strengthen family engagement strategies that support families through the COVID-19 pandemic, and
- strengthen a system wide commitment to DLLs and cross-agency plan for supporting DLL's learning and development.

First 5 Orange County proposes to contract with the Orange County Department of Education (OCDE) to support the Preschool Guided Language Acquisition Design (GLAD) program. This funding will be used to support our work serving families in our Engaged Neighborhoods with a focus on our most vulnerable neighborhoods in Anaheim, Santa Ana, La Habra and Garden Grove. In addition, OCDE will also provide devices and interactive/instructional dual language books to children and their families.

Staff recommends accepting \$832,293 in funding from First 5 California and authorizing a contract with Orange County Department of Education for \$670,000 to assist with the implementation.

STRATEGIC PLAN & FISCAL SUMMARY:

The recommended action has been specifically reviewed in relation to the First 5 Orange County's Strategic Plan and is consistent with the strategies of Get Involved Early, Elevate Equity, Empower Champions and Align Systems of Care. The Fiscal Year 2020/21 Budget will be amended to reflect both the program revenue to be received from First 5 California and related program expenditures.

PRIOR COMMISSION ACTIONS:

1. August 7, 2019-Receive funding from First 5 California to participate in study and subcontract with Orange County Department of Education to implement

RECOMMENDED ACTIONS:

1. Authorize receipt of \$832,293 from First 5 California and adopt resolution (Attachment 1) authorizing the President/CEO, or designee, and Commission Counsel to prepare and negotiate an agreement for the Dual Language Learner (DLL) Expansion with First 5 California for a total maximum obligation of \$832,293 for the term November 1, 2020 – December 31, 2021, with a possible later start date at the discretion of the President/CEO.
2. Adopt resolution (Attachment 2) authorizing the President/CEO, or designee, and Commission Counsel to prepare and negotiate Agreement FCI-DLL-02 with Orange County Superintendent of Schools in an amount not to exceed \$670,000 to support families, educators and leaders participating in the Preschool Guided Language Acquisition Design (GLAD) program for the term November 1, 2020 - December 31, 2021, with a possible later start date at the discretion of the President/CEO.

ATTACHMENTS:

1. Resolution – First 5 California
2. Resolution - Orange County Department of Education

Contact: Mike Anderson

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY

RESOLUTION NO. ____-20-C&FC

October 7, 2020

A RESOLUTION OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY DIRECTING THE PRESIDENT/CEO AND COMMISSION COUNSEL TO PREPARE AND NEGOTIATE AN AGREEMENT WITH FIRST 5 CALIFORNIA FOR THE DUAL LANGUAGE LEARNER (DLL) EXPANSION; AND, AUTHORIZING APPROVAL AND EXECUTION OF SUCH AGREEMENT ON BEHALF OF THE COMMISSION

WHEREAS, in order to facilitate the creation and implementation of an integrated, comprehensive, and collaborative system of information and services to enhance optimal early childhood development, the legislature adopted legislation set forth in the California Children and Families Act of 1998, Health and Safety Code Section 130100, *et seq.* (as amended, the “Act”) implementing the Children and Families First Initiative passed by the California electorate in November, 1998 and establishing the California Children and Families Commission and County Children and Families Commissions, including this Children and Families Commission of Orange County (“Commission”); and

WHEREAS, Commission desires to prepare and negotiate an Agreement with First 5 California, hereinafter referred to as the “Contractor,” for the Dual Language Learner (DLL) Expansion for the terms and in the amount and on the conditions as described in the staff report for the October 7, 2020 Commission Meeting; and

WHEREAS, Contractor desires to enter into agreement in furtherance of the purposes of the Act and the Strategic Plan on the terms and conditions set forth in the Agreement; and

WHEREAS, Commission has reviewed the staff report for the October 7, 2020 Commission meeting relating to the scope of services to be provided and hereby finds and determines that the proposed Agreement is in furtherance of and consistent with the Commission’s Strategic Plan; and

WHEREAS, Commission desires to authorize the Commission Chair and Commission Clerk to execute the Agreement with Contractor for the terms, in the amounts and on the conditions as specified in the October 7, 2020 staff report for this Agenda Item.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY AS FOLLOWS:

Section 1 Commission finds and determines the foregoing Recitals are true and correct and are a substantive part of this Resolution.

Section 2 Commission authorizes the President/CEO, or designee, and Commission Counsel to prepare and negotiate the Agreement with Contractor as described in the October 7, 2020 staff report for this Agenda Item.

Section 3 The form of the Agreement with Contractor, for the terms and conditions specified in the October 7, 2020 staff report for this Agenda Item shall on a template be provided by Contractor and reviewed and approved by the President/CEO, or designee, and Commission Counsel.

The approval by the President/CEO, or designee, of the Agreement shall be conclusively evidenced by the execution of such Agreements by the Commission Chair and delivery thereof to the Commission Clerk.

Section 4 Commission hereby approves the Agreement with the Contractor for the terms and conditions as specified in the October 7, 2020 staff report for this Agenda Item.

Section 5 The Commission Chair and the Clerk of the Commission are hereby authorized to execute and attest, respectively, the Agreement on behalf of the Commission.

Section 6 A copy of the Agreement when executed by the Commission Chair and attested by the Clerk of the Commission shall be appended hereto as a part of Exhibit A to this Resolution. Exhibit A is hereby fully incorporated as a part of this Resolution by this reference and made a part hereof. The final executed Agreement shall be placed on file in the office of the Clerk of the Commission.

Section 7 In addition to the authorization of Section 2 above, the President/CEO, or designee, is hereby authorized, on behalf of the Commission, (i) to sign all documents necessary and appropriate to carry out and implement the Agreement(s), (ii) to cause the issuance of warrants, (iii) to administer the Commission's obligations, responsibilities, and duties to be performed under such agreement(s), and (iv) during the term thereof to provide waivers, administrative interpretations, and minor modifications of the provisions of such agreement(s) in the furtherance thereof.

Section 8 The Clerk of the Commission shall certify to the adoption of this Resolution.

The foregoing resolution was passed and adopted by the following vote of the Children and Families Commission of Orange County on October 7, 2020 to wit:

AYES Commissioners: _____

NOES Commissioner(s): _____

EXCUSED Commissioner(s): _____

ABSTAINED Commissioner(s): _____

CHAIR

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

I, ROBIN STIELER, Clerk of the Commission of Orange County, California, hereby certify that a copy of this document has been delivered to the Chair of the Commission and that the above and foregoing Resolution was duly and regularly adopted by the Children and Families Commission of Orange County.

IN WITNESS WHEREOF, I have hereto set my hand and seal.

Robin Stieler
Clerk of the Commission, Children and Families Commission of
Orange County, County of Orange, State of California

Resolution No: __-20-C&FC

Agenda Date: October 7, 2020

Item No. __



I certify that the foregoing is a true and correct copy of the Resolution adopted by the

ROBIN STIELER, Clerk of the Commission

By: _____
Deputy

EXHIBIT A TO RESOLUTION OF COMMISSION

(Attach copy of final executed Agreement)

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY

RESOLUTION NO. ____-20-C&FC

October 7, 2020

A RESOLUTION OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY DIRECTING THE PRESIDENT/CEO AND COMMISSION COUNSEL TO PREPARE AND NEGOTIATE AGREEMENT NO. FCI-DLL-02 WITH ORANGE COUNTY SUPERINTENDENT OF SCHOOLS TO SUPPORT FAMILIES, EDUCATORS AND LEADERS PARTICIPATING IN THE PRESCHOOL GUIDED LANGUAGE ACQUISITION DESIGN (GLAD) PROGRAM; AND, AUTHORIZING APPROVAL AND EXECUTION OF SUCH AGREEMENT ON BEHALF OF THE COMMISSION

WHEREAS, in order to facilitate the creation and implementation of an integrated, comprehensive, and collaborative system of information and services to enhance optimal early childhood development, the legislature adopted legislation set forth in the California Children and Families Act of 1998, Health and Safety Code Section 130100, *et seq.* (as amended, the “Act”) implementing the Children and Families First Initiative passed by the California electorate in November, 1998 and establishing the California Children and Families Commission and County Children and Families Commissions, including this Children and Families Commission of Orange County (“Commission”); and

WHEREAS, the Commission desires to prepare and negotiate an Agreement with Orange County Superintendent of Schools, hereinafter referred to as the “Contractor,” identified in the staff report for the October 7, 2020 Commission meeting to support families, educators and leaders participating in the Preschool Guided Language Acquisition Design (GLAD) program for the terms and in the amount and on the conditions as described in therein; and

WHEREAS, Contractor desires to enter into Agreement No. FCI-DLL-02 (“Agreement”) in furtherance of the purposes of the Act and the Strategic Plan on the terms and conditions set forth in the Agreement; and

WHEREAS, Commission has reviewed the staff report for the October 7, 2020 Commission meeting relating to the scope of services to be provided and hereby finds and determines that the proposed Agreement is in furtherance of and consistent with the Commission’s Strategic Plan; and

WHEREAS, Commission desires to authorize the Commission Chair and Commission Clerk to execute the Agreement with Contractor for the terms, in the amounts and on the conditions as specified in the October 7, 2020 staff report for this Agenda Item.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY AS FOLLOWS:

Section 1 Commission finds and determines the foregoing Recitals are true and correct and are a substantive part of this Resolution.

Section 2 Commission authorizes the President/CEO, or designee, and Commission Counsel to prepare and negotiate the Agreement with Contractor as described in the October 7, 2020 staff report for this Agenda Item.

Section 3 The form of the Agreement with the Contractor shall be substantially similar to the standard form Non-Profit Agreement, subject to minor, non-substantive revisions as reviewed and approved by the President/CEO, or designee, and Commission Counsel. The Agreement may contain additional requirements imposed by other government agencies providing funding for the Agreement as reviewed and approved by the President/CEO, or designee, or Commission Counsel. The approval by the President/CEO, or designee, of the Agreement shall be conclusively evidenced by the execution of such Agreement by the Commission Chair and delivery thereof to the Commission Clerk.

Section 4 Commission hereby approves the Agreements with the Contractor for the terms and conditions as specified in the October 7, 2020 staff report for this Agenda Item.

Section 5 The Commission Chair and the Clerk of the Commission are hereby authorized to execute and attest, respectively, the Agreement on behalf of the Commission.

Section 6 A copy of the Agreement when executed by the Commission Chair and attested by the Clerk of the Commission shall be appended hereto as a part of Exhibit A to this Resolution. Exhibit A is hereby fully incorporated as a part of this Resolution by this reference and made a part hereof. The final executed Agreement shall be placed on file in the office of the Clerk of the Commission.

Section 7 In addition to the authorization of Section 2 above, the President/CEO, or designee, is hereby authorized, on behalf of the Commission, (i) to sign all documents necessary and appropriate to carry out and implement the Agreement(s), (ii) to cause the issuance of warrants, (iii) to administer the Commission's obligations, responsibilities, and duties to be performed under such agreement(s), and (iv) during the term thereof to provide waivers, administrative interpretations, and minor modifications of the provisions of such agreement(s) in the furtherance thereof.

Section 8 The Clerk of the Commission shall certify to the adoption of this Resolution.

The foregoing resolution was passed and adopted by the following vote of the Children and Families Commission of Orange County on October 7, 2020 to wit:

AYES Commissioners: _____

NOES Commissioner(s): _____

EXCUSED Commissioner(s): _____

ABSTAINED Commissioner(s): _____

CHAIR

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

I, ROBIN STIELER, Clerk of the Commission of Orange County, California, hereby certify that a copy of this document has been delivered to the Chair of the Commission and that the above and foregoing Resolution was duly and regularly adopted by the Children and Families Commission of Orange County.

IN WITNESS WHEREOF, I have hereto set my hand and seal.

Robin Stieler
Clerk of the Commission, Children and Families Commission of
Orange County, County of Orange, State of California

Resolution No: __-20-C&FC

Agenda Date: October 7, 2020

Item No. __



I certify that the foregoing is a true and correct copy of the
Resolution adopted by the

ROBIN STIELER, Clerk of the Commission

By: _____
Deputy

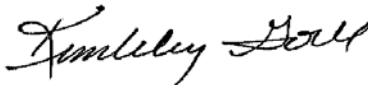
EXHIBIT A TO RESOLUTION OF COMMISSION

(Attach copy of final executed Agreement)

**Agenda Item 8
October 7, 2020**

DATE: September 17, 2020

TO: First 5 Orange County, Children and Families Commission

FROM: Kimberly Goll, President/CEO 

ACTION: Receive Update on Selected Strategic Plan Performance Measures

SUMMARY:

First 5 Orange County staff and Commissioners are using Fiscal Year 2020/21 to refine the Strategic Plan in an effort to define and streamline our work. This staff report provides an update on the essential conditions needed to achieve our vision, and performance measurements to track progress toward those conditions.

DISCUSSION:

At the August meeting, we presented a schedule leading up to the anticipated April 2021 adoption of First 5 Orange County's updated Strategic Plan (Attachment 1). That agenda item included four proposed strategies to achieve First 5 Orange County's vision that all children reach their full potential. In essence, the strategies provide the parameters that guide how First 5 Orange County engages partners, prioritizes our work, and interacts with our community. They include: Get Involved Early, Elevate Equity, Empower Champions, and Align Systems of Care.

This agenda item outlines a set of conditions we believe will result from careful and consistent application of those strategies in our daily work. These conditions are situational and environmental realities that must exist for a young child and their family to reach their full potential. The working titles and descriptions of these conditions appear below:

- **Health and Development:** children 0-5 and their families receive appropriate support to optimize children's physical and mental health and cognitive development.
- **Home:** children 0-5 live in safe and stable home environments where parents and caregivers build positive foundational relationships.
- **Neighborhoods:** neighborhoods have the ability and capacity to support families and children 0-5, building healthy social relationships including at early childhood settings and schools.
- **Equity:** the systems and communities affecting children 0-5 and their families enact policies and practices to address the structural barriers that perpetuate equity gaps and racism.

Staff has identified several population-level performance measures to gauge progress toward the creation of these essential conditions and the fulfillment of our vision. These indicators track how young children are faring countywide and offer a "big picture" look at the effectiveness of systems serving young children and families. They are not program-specific nor indicative of First 5 Orange County's efforts alone, but they do reflect whether children and families are better able to access services and supports over time to improve their outcomes.

The proposed population-level performance measures, included as Attachment 2, have been revised from those included in the April 2019 Strategic Plan and the June 2020 staff report. We

anticipate there will be further modifications to the strategies, conditions and measures in the Plan as we seek feedback from the Board and our community partners, including parents.

Staff and the Policy & Communications Ad Hoc committee have begun to think about how First 5 Orange County's Commissioners can also help address the pressing issues facing young children and families, with the importance of quality child care availability and accessibility front and center. Several ideas were raised for how Commissioners can support and promote the work of First 5 Orange County. Staff will seek ongoing Commissioner input and involvement, including identifying specific activities for Commissioner participation such as hosting webinars, authoring op-eds or promoting social media outreach.

STRATEGIC PLAN & FISCAL SUMMARY:

The recommended action has been reviewed in relation to the Strategic Plan and is consistent with all goal areas. There is no funding action proposed for this item.

PRIOR COMMISSION ACTIONS:

- August 2020 – update on Strategic Plan vision and strategies
- June 2020 – update on Strategic Plan performance measurement
- April 2019 – adopted First 5 Orange County 2019-2024 Strategic Plan

RECOMMENDED ACTION:

Receive update on essential conditions children and families must have to achieve their full potential and selected performance measures to track progress toward these conditions.

ATTACHMENT:

1. Strategic Plan Update Schedule
2. Proposed Performance Measures

Contact: Lisa Burke

Strategic Plan Update Process and Schedule

Timeline	Action
August 2020	Review First 5 Orange County strategies to achieve vision
October 2020	Review proposed Strategic Plan conditions and performance measures
Nov., Dec., Jan. 2020/21	Seek community input through town hall and survey efforts
February 2021	Present results of community input to the Commission, including plans to incorporate input and share back out to community participants
April 2021	Review and adopt the updated Strategic Plan

Population-level Measurements Summary

We propose to track these measures to inform our progress, though we understand First 5 Orange County is one of many actors influencing their movement. We will revisit these measures each year to ensure they remain pertinent and adequate.

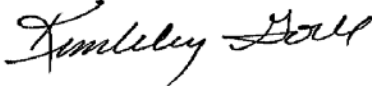
Condition	Potential Measures
Health and Development: Children 0-5 and families receive appropriate support to optimize children's physical and mental health and cognitive development	<ul style="list-style-type: none"> • Children screened by age and overall number • Well-child visits • Children vulnerable by EDI developmental domain • Health status and IEP status by EDI teacher reporting
Home: Children 0-5 live in safe and stable home environments where parents and caregivers build positive foundational relationships	<ul style="list-style-type: none"> • Number and proportion of maltreated or neglected children ages 0-5 • Number of homeless families with children ages 0-5 • Strong Start Index • Number of children 0-5 screened for ACES • Gap in eligibility vs. enrollment in economic supports, e.g. CalFresh (CDN study - future) • ACES risk levels in young children (PEARLS - future)
Neighborhoods: Neighborhoods have the ability and capacity to support families and children 0-5, building healthy social relationships including at early childhood settings and schools.	<ul style="list-style-type: none"> • % of children ready for kinder in all neighborhoods (EDI) • % of early care and education programs participating in Quality Start OC
Equity: The systems and communities affecting children 0-5 and their families enact policies and practices to address the structural barriers that perpetuate equity gaps and racism	<ul style="list-style-type: none"> • Race and ethnicity gap in kindergarten readiness by mean income (EDI) • Number of neighborhoods that are high risk per the Neighborhood Risk Index • Child Care indicator(s) TBD after F5 OC Board receives presentation on Child Care at October meeting

Gray font indicates future performance measure

**Agenda Item 9
October 7, 2020**

DATE: September 24, 2020

TO: First 5 Orange County Children and Families Commission

FROM: Kimberly Goll, President/CEO 

ACTION: Authorize receipt of funding from the Orange County Social Services Agency to provide CalWORKs home visitation services

SUMMARY:

Orange County Social Services Agency (SSA) received an additional allocation of funding from the California Department of Social Services to support home visiting within the California Work Opportunity & Responsibility for Kids (CalWORKs) program and will provide an additional \$250,000 of CalWORKs funding to First 5 Orange County for implementation of the CalWORKs Home Visitation Program (HVP). This item is to request authorization to receive the additional funds and to amend the agreement with SSA to receive an additional \$250,000 for Fiscal Year (FY) 2020-21 for continued program operation.

DISCUSSION:

The CalWORKs Home Visiting Program (HVP) was created in FY18/19 and will be funded through June 2022 by a \$158.5 million set-aside of CalWORKs funding through the State's Temporary Assistance for Needy Families (TANF) program.

The Bridges Prenatal to Three Network provides the platform for implementation of CalWORKs-funded expansion of home visiting services. The CalWORKs HVP leverages several Bridges program assets, which include the electronic infrastructure to screen women and babies at time of birth, the established home visitation programs, and subject-matter expertise for the targeted services and population. Orange County's HVP-funded services also incorporate a new component that helps families connect with Learning Links, quality childcare, and other services that promote early learning.

Authorization is recommended to further amend First 5 Orange County's agreement with SSA for the CalWORKs HVP to incorporate additional funding of \$250,000 for FY 2020/2021. Staff will return in December 2020 for authorization to augment provider agreements, commensurate with the additional funding.

STRATEGIC PLAN & FISCAL SUMMARY:

The recommended actions have been reviewed in relation to the Strategic Plan and are consistent with the Comprehensive Health and Development and Resilient Families goal areas. The funding to support the expansion of home visiting services will be incorporated as part of the Fiscal Year 2020/2021 Amended Budget, contingent on an agreement with the Orange County Social Services Agency to receive funding from the State Department of Social Services.

PRIOR COMMISSION ACTIONS:

- June 2020- Authorized agreements with designated organizations to provide Prenatal-to-Three services.
- April 2020- Authorized receipt of funding from the Orange County Social Services Agency (SSA) and amend agreement with SSA.
- February 2020 – Authorized agreements with designated organizations to provide Prenatal-to-Three services.
- October 2019 – Authorized receipt of funding from the Orange County Social Services Agency and adopted resolution authorizing agreements and amendments to agreements to provide CalWORKs home visitation services.
- April 2019 – Authorized amendments to agreements with contractors to provide services under the CalWORKs Home Visiting.
- December 2018 – Authorized amendments to agreements with contractors to provide services under the CalWORKs Home Visiting.
- October 2018 – Authorized receipt of approximately \$2,208,894 from, and enter into agreement with, the Orange County Social Services Agency to implement CalWORKs Home Visiting.
- Various prior actions authorizing agreements with contractors and consultants (whose scopes did not include CalWORKs Home Visitation).

RECOMMENDED ACTION:

Authorize the Executive Director, or designee, to receive approximately \$250,000 additional funding from and amend the agreement with the Orange County Social Services Agency, upon approval by the Orange County Board of Supervisors, to allocate the additional funding for CalWORKs Home Visitation Program.

ATTACHMENT:

None

Contact: Lisa Burke



DATE: September 9, 2020

TO: First 5 Orange County Children and Families Commission

FROM: Kimberly Goll, President/CEO

ACTION: Receive the President/CEO's Report

A. Financial and Quarterly Investment Report

Pursuant to First 5 Orange County's Fiscal Year 2019/2020 Investment Policy Statement, the Orange County Treasurer submits Quarterly Investment Reports to the Commission. This Investment Report summarizes investment activities for the three-month period from April 1 through June 30, 2020. The primary objective of the Treasurer is to invest the Commission's funds to provide safety of principal and liquidity, while providing a reasonable return on investments. Currently, the Treasurer has invested 100 percent of the Commission's funds in the Orange County Investment Pool (OCIP). As of June 30, 2020, these totaled \$45,357,450. All funds are managed by the Office of the Orange County Treasurer. A summary of key OCIP investment information is in Attachment 1.

B. Census Update

The 2020 Census remains underway with final responses due to the US Census Bureau in October. The US Census Bureau has started reducing the number of field workers in the community going door-to-door for those households who have yet to respond to the Census. Collectively, the State's response rate currently stands at 68.4 percent, and Orange County's overall response rate stands at 75.1 percent. This is better than Orange County's final 2010 Census response rate of 70 percent.

In an effort to ensure all young children are counted in the 2020 Census, First 5 Orange County has continued to support Census outreach and efforts, including working with our funded partners who are reaching our families. In late June, First 5 Orange County donated thousands of diapers to be distributed as part of Census outreach efforts to families with young children. The diapers were stored by the Honda Center, which allowed for a phased delivery of the diapers and census materials to partners who could logistically organize mini distributions in the communities with low response rates. Diapers were packaged in Census tote bags along with informational postcards speaking directly to parents about the importance of completing their Census. Following the diaper distributions in July and August, the targeted neighborhoods reported additional household responses.

Additionally, First 5 Orange County has been supporting Census engagement through our Home Visiting programs, which continue to conduct regular calls with families. Census scripts were created for the In-Home Visitors to use as they speak to families, including education and support for the family to complete the Census survey. Updated scripts have been provided monthly since June.

In looking towards the final weeks of Census outreach, First 5 will continue to support targeted efforts in the lowest reporting Census tracts that have families with children ages zero-five. Efforts will include informational distribution at grocery stores, updates to the In-Home visitation script, and promotion of Census education through schools and childcare centers.

Final numbers and results will be available following the completion of the non-response follow up period in October.

C. Early Developmental Index (EDI) Update

First 5 Orange County, with the help of our school districts serving kindergarteners, had planned to collect Early Development Index (EDI) data during the 2020/21 school year. However, with the onset of COVID-19 and the transition to remote learning for many of the schools, reconsideration was necessary as much of the data would be deemed invalid. Teachers rely on in-person, individualized assessments to complete the EDI with students and would be unable to answer many of the EDI questions while teaching remotely, specifically questions around social and emotional development. After thoughtful consideration and working with the UCLA team, we will not move forward with EDI data collection this year and will wait until next year.. This decision provides First 5 Orange County the opportunity to continue work with community partners, stakeholders and parents to ensure that their current neighborhood boundaries are representative of their community. The remapping of these boundaries will begin in the fall.

D. Community Indicators Report

The 2020-21 Orange County Community Indicators Report was released on September 22nd, with a video launch that included a panel of speakers sharing their experiences about how the coronavirus pandemic has impacted their area of focus. Keynote speakers included Dr. Jeff Hittenberger from the Orange County Department of Education, Richard Sanchez of CalOptima, and Lucy Dunn and Dr. Wallace Walrod from Orange County Business Council.

The development of this countywide report is a collaborative effort led by Orange County Business Council (OCBC) with the support of several community partners including First 5 Orange County, Orange County Community Foundation, OC United Way, and CalOptima. You may recall that last year, First 5 Orange County transitioned the lead role in report development over to OCBC who has generated additional content partners and revenue. The report provides data trends in areas such as the economy, education, health, civic engagement, transportation, and arts and culture. I represented First 5 Orange County in a closing panel of speakers for the event.

E. Pretend City Distribution

The Orange County Emergency Childcare Task Force, formed in response to the COVID-19 pandemic, recently collaborated to bring much-needed essential supplies to child care providers who have remained open. The Task Force includes First 5 Orange County, Early Childhood OC, Children's Home Society of California, Orange County Department of Education, Local Child Development and Planning Council, Community Care Licensing, and Orange County Social Services Agency.

Through surveys and conversations, it became apparent that both Center-based and Family Childcare providers alike were faced with rapidly changing and increased health and safety standards but were unable to access items such as wipes, masks, gloves, diapers, and cleaning supplies. In April of 2020, First 5 Orange County distributed supplies received from First 5 CA to child care facilities. Most recently, we funded additional supplies, working with Pretend City to set up a drive-through distribution. We distributed care packages consisting of no-touch thermometers, batteries, gloves, hand-sanitizer, masks, in addition to early childhood development kits. Using Early Development Index data, we focused our initial outreach to child care sites in those communities with the highest proportion of children not

ready for kindergarten. First 5 Orange County is in the process of securing a quote for another \$100,000 of cleaning supplies for another round of distribution through Pretend City in late September or Early October.

ATTACHMENTS:

1. Financial highlights summary report

First 5 Orange County, Children & Families Commission
Quarterly Investment Report
April 1, 2020 through June 30, 2020

OVERVIEW

Pursuant to the First 5 Orange County, Children & Families Commission (Commission) fiscal year 2019/2020 Investment Policy Statement (IPS), the Treasurer submits this Quarterly Investment Report to the Commission. This Investment Report summarizes investment activities for the Commission for the three-month period from April 1 through June 30, 2020.

COMMISSION INVESTMENTS

The primary objective of the Treasurer is to invest the Commission's funds to provide safety of principal and liquidity, while providing a reasonable return on investments. Currently, the Treasurer has invested 100% of the Commission's funds in the Orange County Investment Pool (OCIP). As of June 30, 2020, these totaled \$45,357,450. All funds are managed by the Office of the Orange County Treasurer. We have attached a summary of key OCIP investment information (Attachment A).

ORANGE COUNTY INVESTMENT POOL

The primary goal of the OCIP is to invest public funds in a manner which will provide the maximum security of principal invested with secondary emphasis on providing adequate liquidity to Pool Participants and lastly to achieve a market rate of return.

PORTFOLIO PERFORMANCE SUMMARY – QUARTERLY

The following table presents an overview of the Commission's investments for the months of April, May and June 2020. The net year-to-date yield for fiscal year 2019/2020 is 1.81%, net of the estimated investment administrative fee. The OCIP has a net asset value (NAV) of 1.01 and there is sufficient liquidity to meet the forecasted expenditures for the next six months. As noted in the prior quarter's report, the Treasurer added additional liquidity.

Month Ended	Commission's Month End Balance	Commission's Monthly Gross Yield	OCIP Market Value	OCIP Book Value	Weighted Average Maturity	Net Asset Value	Modified Duration
April	\$45,062,377	1.48%	\$5,911,069,820	\$5,863,747,829	258 days	1.01	0.70
May	\$42,865,689	1.28%	\$5,320,352,184	\$5,274,140,372	282 days	1.01	0.77
June	\$45,357,450	1.26%	\$5,000,216,064	\$4,958,626,803	289 days	1.01	0.78

ECONOMIC UPDATE

In the second quarter of 2020, COVID-19 continued to disrupt the global economy and markets. The job market lost 20,787,000 (revised) jobs in April, added 2,699,000 (revised) jobs in May, and 4,800,000 jobs in June. The unemployment rate increased to 14.7% in April from the prior month, decreased to 13.3% in May, and further decreased to 11.1% in June. The U.S. Gross Domestic Product first quarter of 2020 rate decreased to -5.0% from the fourth quarter's revised rate of 2.1%. The index for pending home sales on a year-over-year basis decreased by 14.5%, 34.6% and 10.4% in April, May and June respectively.

U.S. Treasury Yield Curve: Yields on the Treasury 3-month and 30-year increased and yields on the 2-year, 5-year and 10-year decreased during the Quarter Ended June, 2020.

	Quarter Ended March 31, 2020	Quarter Ended June 30, 2020
3 - Month	0.11%	0.16%
2 - Year	0.23%	0.16%
5 - Year	0.37%	0.29%
10 - Year	0.70%	0.66%
30 - Year	1.35%	1.41%

COMPLIANCE MONITORING

As of June 30, 2020, 100% of the holdings of the Commission are in compliance with the Commission's IPS. The investment portfolios had no compliance exceptions for the quarter and year ended June 30, 2020. The County Treasurer's investments are audited regularly by the County Auditor-Controller Internal Audit Division (ACIAD). The ACIAD issued two reports (Attachments D and E) during the quarter ended June 30, 2020 as follows:

- Compliance Monitoring of the Treasurer's Investment Portfolio for the Quarter ended March 31, 2020
The ACIAD report dated May 11, 2020 stated that based on procedures performed, no instances of noncompliance were identified.
- Independent Audit Report on Agreed-Upon Procedures Related to Investment Compliance Fiscal Year Ended June 30, 2018
The report issued on May 8, 2020 contained one exception resulting when the withdrawal analysis approval for one voluntary pool participant's transaction was not signed by the County Treasurer or designee. The Treasurer has subsequently updated the Voluntary Participant withdrawal process to require signed approvals before processing withdrawals.

We have attached the Investment Policy and Treasury Oversight Committee Compliance Summary as reported in the Treasurer's Monthly Report for the months of April, May and June 2020 (Attachment B). This summary tracks compliance in a variety of areas.

PORTFOLIO HOLDINGS OF DEBT ISSUED BY POOL PARTICIPANTS

Under guidelines outlined in the County's current IPS, the County Treasurer may invest in A or above rated securities issued by municipalities. Municipal debt issued by the County of Orange is exempt from this credit rating requirement. OCIP may invest no more than 5% of pool assets in any one issuer, with the exception of the County of Orange which has a 10% limit. As of June 30, 2020, OCIP has a total market value of \$463.9 million (per June report) in County of Orange debt, which represents approximately 4.3% of total OCIP assets.

STATEMENT OF ACTIVITY

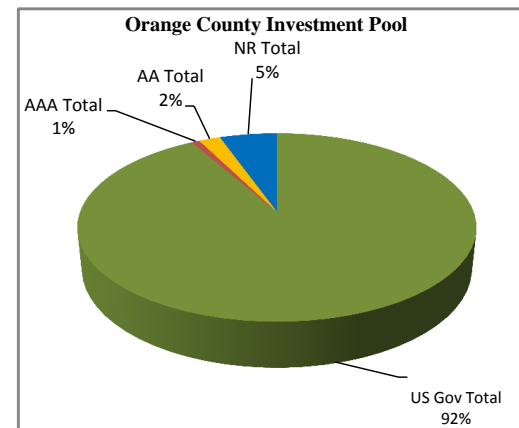
We have attached the Statement of Activity for the months of April, May and June 2020. (Attachment C). These Statements report the beginning and ending balances of the Commission's funds invested in the OCIP.

Attachments:

- Orange County Investment Pool Summary
- Investment Policy and Treasury Oversight Committee Compliance Summary for April, May and June 2020
- Statement of Activity for the months of April, May and June 2020
- Compliance Monitoring of the Treasurer's Investment Portfolio for the Quarter ended March 31, 2020
- Independent Audit Report on Agreed-Upon Procedures Related to Investment Compliance Fiscal Year Ended June 30, 2018

**ORANGE COUNTY TREASURER-TAX COLLECTOR
ORANGE COUNTY INVESTMENT POOL
INVESTMENT POOL SUMMARY
AT JUNE 30, 2020**

OCIP PORTFOLIO COMPOSITION				
Security Type	Market Value	% of Market Value	Book Value	Unrealized Gain (Loss)
U.S. GOVERNMENT AGENCIES	\$ 2,372,266,692	47.44%	\$ 2,340,390,338	\$ 31,876,354
U.S. TREASURIES	1,322,130,385	26.44%	1,314,191,845	7,938,540
MEDIUM-TERM NOTES	140,967,525	2.82%	139,193,158	1,774,367
MUNICIPAL DEBT	237,315,832	4.75%	237,315,832	-
MONEY MARKET MUTUAL FUNDS	79,082,744	1.58%	540,417,439	(461,334,695)
LOCAL AGENCY INVESTMENT FUND	848,452,886	16.97%	848,452,886	-
CERTIFICATES OF DEPOSIT	-	0.00%	-	-
TOTAL	\$ 5,000,216,064	100.00%	\$ 5,419,961,498	\$ (419,745,434)



US GOV Includes Agency Debt, Treasury Debt and US Gov. MMMF's
AA includes AA+, AA-, & AA
NR Includes LAIF and Orange County Pension Obligation Bonds

**SUMMARY OF INVESTMENT DATA
INVESTMENT TRENDS
OCIP**

	JUNE 2020	MAY 2020	INCREASE (DECREASE)	NET CHANGE %	JUNE 2019	INCREASE (DECREASE)	NET CHANGE %
Orange County Investment Pool (OCIP)							
End Of Month Market Value ^{1,2}	\$ 5,000,216,064	\$ 5,320,352,184	\$ (320,136,120)	-6.02%	\$ 4,239,244,793	\$ 760,971,271	17.95%
End Of Month Book Value ²	\$ 4,958,626,803	\$ 5,274,140,372	\$ (315,513,569)	-5.98%	\$ 4,221,920,455	\$ 736,706,348	17.45%
Monthly Average Balance ²	\$ 5,141,369,946	\$ 5,272,070,842	\$ (130,700,896)	-2.48%	\$ 4,418,532,671	\$ 722,837,275	16.36%
Year-To-Date Average Balance	\$ 4,730,379,557	\$ 4,693,016,794	\$ 37,362,763	0.80%	\$ 4,463,311,973	\$ 267,067,584	5.98%
Monthly Accrued Earnings ³	\$ 5,338,738	\$ 6,103,911	\$ (765,173)	-12.54%	\$ 8,667,884	\$ (3,329,147)	-38.41%
Monthly Net Yield ^{2,3,4}	1.22%	1.22%	0.00%	-0.08%	2.33%	-1.11%	-47.74%
Year-To-Date Net Yield ³	1.81%	1.87%	-0.06%	-3.05%	2.05%	-0.24%	-11.71%
Annual Estimated Gross Yield ^{3,4}	1.86%	1.86%	0.00%	0.00%	2.11%	-0.25%	-11.72%
Weighted Average Maturity (WAM) ⁵	289	282	7	2.48%	325	(36)	-11.08%

¹ Market values provided by Bloomberg and Northern Trust.

² In June 2020, the OCIP End of Month Market Values, End of Month Book Values, and Monthly Average Balances were higher than the prior year due to higher property tax receipts and the receipt of the \$554 million CARES Act funds from the Federal Government.

³ In June, the OCIP Monthly Accrued Earnings were lower than the prior month and Monthly Accrued Earnings, Monthly Net Yield, Year-To-Date Net Yield and Annual Estimated Gross Yield were lower than the prior year primarily due to the five Federal Reserve short-term rate cuts totaling 2.25% since June 2019.

⁴ The OCIP Annual Estimated Gross Yield for June 2020 is reported at the actual annual adjusted gross yields for both FY 18-19 and FY 19-20.

⁵ In June 2020, OCIP Weighted Average Maturity (WAM) declined from the prior year primarily due to the investment strategy put in place in March to increase liquidity in the pooled funds.

**ORANGE COUNTY TREASURER-TAX COLLECTOR
INVESTMENT POLICY (IPS) AND TREASURY OVERSIGHT COMMITTEE (TOC) COMPLIANCE SUMMARY
April 30, 2020**

COMPLIANCE CATEGORY	RESPONSIBLE PARTY	REGULATORY/POLICY GUIDELINES	CURRENT STATUS
Annual Compliance Audit	TOC	Performance Evaluation-Cal Govt. Code 27134	June 30, 2018 in progress (report issued on May 8, 2020). June 30, 2019 in progress.
Quarterly Compliance Monitoring	TOC	TOC Directive	March 31, 2020 in progress.
Annual Statement of Assets Audit	AC	Performance Evaluation-Cal Govt. Code 26920(b)	June 30, 2018 in progress and June 30, 2019 in progress.
Quarterly Statement of Assets Review	AC	Performance Evaluation-Cal Govt. Code 26920(a)	December 31, 2019 in progress and March 31, 2020 in progress.
Investment Administrative Fee	TTC	Compensation Agreement-Cal Govt. Code 27013	FY 17/18 and FY 18/19 in progress.
Annual Broker/Dealer Review	TTC	Authorized Financial Dealers and Qualified Institutions	Calendar years 2018 and 2019 in progress.
Annual Broker/Dealer IPS Certification	TTC	Authorized Financial Dealers and Qualified Institutions	2020 IPS certifications for active approved brokers in progress.
IPS Compliance Deficiencies	TTC	Investment/Diversification/Maturity Restrictions	FY 19/20 identified zero compliance incidents as of April 30, 2020.
TOC Bylaw Changes	BOS	TOC Review and BOS Annual Approval	The TOC reviewed Bylaws and made no changes at the October 30, 2019 meeting. No BOS approval required.
Annual IPS Approval	BOS	TOC Review and BOS Annual Approval	The TOC reviewed proposed IPS changes at the October 30, 2019 meeting and did not make any additional changes. BOS approved November 19, 2019.
TOC Annual Report	BOS	TOC Bylaws Rule 30 - Oral and Written Report	The TOC 2019 Annual Report was approved by TOC on January 29, 2020 and was received and filed by the BOS on April 28, 2020.
Broker/Financial Institution List	TTC	OC Gift Ban Ordinance and Form 700	The TOC members were provided a list of active TTC Broker/Dealers and Financial Institutions at the TOC meeting on October 30, 2019.
Certificates of Compliance	TTC	TOC Bylaws Rule 34 - Annual	Certificates of compliance review for calendar year 2020 in progress.
Ethics Training	TTC	TOC Bylaws Rule 34 - Every Two Years	The TOC members are in compliance for calendar year 2018.
Conflict of Interest Form 700 Filing	TTC	TOC Bylaws Rule 34 / IPS - Every Year	All current TOC members and designated employees are in compliance for calendar year 2018. Calendar year 2019 deadline to file extended to June 1, 2020.

LEGEND	
Auditor-Controller	AC
Board of Supervisors	BOS
Treasury Oversight Committee	TOC
Office of Treasurer-Tax Collector	TTC

**ORANGE COUNTY TREASURER-TAX COLLECTOR
INVESTMENT POLICY (IPS) AND TREASURY OVERSIGHT COMMITTEE (TOC) COMPLIANCE SUMMARY
May 31, 2020**

COMPLIANCE CATEGORY	RESPONSIBLE PARTY	REGULATORY/POLICY GUIDELINES	CURRENT STATUS
Annual Compliance Audit	TOC	Performance Evaluation-Cal Govt. Code 27134	June 30, 2018 completed and June 30, 2019 in progress.
Quarterly Compliance Monitoring	TOC	TOC Directive	March 31, 2020 completed.
Annual Statement of Assets Audit	AC	Performance Evaluation-Cal Govt. Code 26920(b)	June 30, 2018 in progress and June 30, 2019 in progress.
Quarterly Statement of Assets Review	AC	Performance Evaluation-Cal Govt. Code 26920(a)	December 31, 2019 in progress and March 31, 2020 in progress.
Investment Administrative Fee	TTC	Compensation Agreement-Cal Govt. Code 27013	FY 17/18 in progress and FY 18/19 in progress.
Annual Broker/Dealer Review	TTC	Authorized Financial Dealers and Qualified Institutions	Calendar years 2018 and 2019 in progress.
Annual Broker/Dealer IPS Certification	TTC	Authorized Financial Dealers and Qualified Institutions	2020 IPS certifications for active approved brokers in progress.
IPS Compliance Deficiencies	TTC	Investment/Diversification/Maturity Restrictions	FY 19/20 identified zero compliance incidents as of May 31, 2020.
TOC Bylaw Changes	BOS	TOC Review and BOS Annual Approval	The TOC reviewed Bylaws and made no changes at the October 30, 2019 meeting. No BOS approval required.
Annual IPS Approval	BOS	TOC Review and BOS Annual Approval	The TOC reviewed proposed IPS changes at the October 30, 2019 meeting and did not make any additional changes. BOS approved November 19, 2019.
TOC Annual Report	BOS	TOC Bylaws Rule 30 - Oral and Written Report	The TOC 2019 Annual Report was approved by TOC on January 29, 2020. The BOS approved the written report on April 28, 2020 and the verbal report requirement was waived due to COVID-19.
Broker/Financial Institution List	TTC	OC Gift Ban Ordinance and Form 700	The TOC members were provided a list of active TTC Broker/Dealers and Financial Institutions at the TOC meeting on October 30, 2019.
Certificates of Compliance	TTC	TOC Bylaws Rule 34 - Annual	Certificates of compliance review for calendar year 2020 in progress.
Ethics Training	TTC	TOC Bylaws Rule 34 - Every Two Years	The TOC members are in compliance for calendar year 2018.
Conflict of Interest Form 700 Filing	TTC	TOC Bylaws Rule 34 / IPS - Every Year	All current TOC members and designated employees are in compliance for calendar year 2018. Calendar year 2019 deadline to file extended to June 1, 2020.

LEGEND	
Auditor-Controller	AC
Board of Supervisors	BOS
Treasury Oversight Committee	TOC
Office of Treasurer-Tax Collector	TTC

**ORANGE COUNTY TREASURER-TAX COLLECTOR
INVESTMENT POLICY (IPS) AND TREASURY OVERSIGHT COMMITTEE (TOC) COMPLIANCE SUMMARY
June 30, 2020**

COMPLIANCE CATEGORY	RESPONSIBLE PARTY	REGULATORY/POLICY GUIDELINES	CURRENT STATUS
Annual Compliance Audit	TOC	Performance Evaluation-Cal Govt. Code 27134	June 30, 2019 in progress.
Quarterly Compliance Monitoring	TOC	TOC Directive	March 31, 2020 completed. June 30, 2020 in progress.
Annual Statement of Assets Audit	AC	Performance Evaluation-Cal Govt. Code 26920(b)	June 30, 2018 in progress and June 30, 2019 in progress.
Quarterly Statement of Assets Review	AC	Performance Evaluation-Cal Govt. Code 26920(a)	December 31, 2019 completed. March 31, 2020 in progress.
Investment Administrative Fee	TTC	Compensation Agreement-Cal Govt. Code 27013	FY 17/18 and FY 18/19 in progress.
Annual Broker/Dealer Review	TTC	Authorized Financial Dealers and Qualified Institutions	Calendar year 2018 in progress (completed July 2020). Calendar year 2019 in progress.
Annual Broker/Dealer IPS Certification	TTC	Authorized Financial Dealers and Qualified Institutions	2020 IPS certifications for active approved brokers in progress.
IPS Compliance Deficiencies	TTC	Investment/Diversification/Maturity Restrictions	FY 19/20 identified zero compliance incidents as of June 30, 2020.
TOC Bylaw Changes	BOS	TOC Review and BOS Annual Approval	The TOC reviewed Bylaws and made no changes at the October 30, 2019 meeting. No BOS approval required.
Annual IPS Approval	BOS	TOC Review and BOS Annual Approval	The TOC reviewed proposed IPS changes at the October 30, 2019 meeting and did not make any additional changes. BOS approved November 19, 2019.
TOC Annual Report	BOS	TOC Bylaws Rule 30 - Oral and Written Report	The TOC 2019 Annual Report was approved by TOC on January 29, 2020 and approved by the BOS on April 28, 2020.
Broker/Financial Institution List	TTC	OC Gift Ban Ordinance and Form 700	The TOC members were provided a list of active TTC Broker/Dealers and Financial Institutions at the TOC meeting on October 30, 2019.
Certificates of Compliance	TTC	TOC Bylaws Rule 34 - Annual	Certificates of compliance review for calendar year 2020 in progress.
Ethics Training	TTC	TOC Bylaws Rule 34 - Every Two Years	The TOC members are in compliance for calendar year 2018.
Conflict of Interest Form 700 Filing	TTC	TOC Bylaws Rule 34 / IPS - Every Year	All current TOC members and designated employees are in compliance for calendar year 2018. Calendar year 2019 deadline to file extended to June 1, 2020, review in progress.

LEGEND	
Auditor-Controller	AC
Board of Supervisors	BOS
Treasury Oversight Committee	TOC
Office of Treasurer-Tax Collector	TTC



COUNTY OF ORANGE
OFFICE OF THE TREASURER-TAX COLLECTOR
Shari L. Freidenrich, CPA, CCMT, CPFA, ACPFIM
P. O. BOX 4515
SANTA ANA, CA 92702-4515

Attachment C



ocgov.com/ocinvestments

April 30, 2020

FIRST 5 ORANGE COUNTY, CHILDREN & FAMILIES COMMISSION

Attn: Kimberly Goll, Executive Director
1505 E. 17th Street, Suite 230
Santa Ana, CA 92705

Monthly Apportionment Gross Yield: 1.479%
Estimated Investment Administration Fee Rate: -0.059%
Monthly Apportionment Net Yield: 1.420%

Fund Number : 225

APRIL 2020 STATEMENT

INVESTMENT BALANCE IN OCIP

Transactions

<u>Transaction Date</u>	<u>Transaction Description</u>	<u>Amount</u>
04/01/2020	March 2020 Investment Admin Fee	\$ (2,261.98)
04/29/2020	January 2020 Interest Paid	\$ 69,845.48

Summary

Total Deposit:	\$ 451,411.12	Beginning Balance:	\$ 45,695,376.73
Total Withdrawal:	\$ (1,084,411.32)	Ending Balance:	\$ 45,062,376.53

ACCRUED INVESTMENT INCOME

<u>Description</u>	<u>Amount</u>
February 2020 Interest Accrued	\$ 75,746.86
March 2020 Interest Accrued	\$ 69,189.92
Total	<u>\$ 144,936.78</u>



COUNTY OF ORANGE
OFFICE OF THE TREASURER-TAX COLLECTOR
Shari L. Freidenrich, CPA, CCMT, CPFA, ACPFIM
P. O. BOX 4515
SANTA ANA, CA 92702-4515

Attachment C



ocgov.com/ocinvestments

May 31, 2020

FIRST 5 ORANGE COUNTY, CHILDREN & FAMILIES COMMISSION

Attn: Kimberly Goll, Executive Director
1505 E. 17th Street, Suite 230
Santa Ana, CA 92705

Monthly Apportionment Gross Yield: 1.276%
Estimated Investment Administration Fee Rate: -0.059%
Monthly Apportionment Net Yield: 1.217%

Fund Number : 225

MAY 2020 STATEMENT

INVESTMENT BALANCE IN OCIP

Transactions

<u>Transaction Date</u>	<u>Transaction Description</u>	<u>Amount</u>
05/01/2020	April 2020 Investment Admin Fee	\$ (2,227.36)
05/28/2020	February 2020 Interest Paid	\$ 75,746.86

Summary

Total Deposit:	\$ 1,426,559.22	Beginning Balance:	\$ 45,062,376.53
Total Withdrawal:	\$ (3,623,246.64)	Ending Balance:	\$ 42,865,689.11

ACCRUED INVESTMENT INCOME

Description

Amount

March 2020 Interest Accrued	\$ 69,189.92
April 2020 Interest Accrued	\$ 55,971.57
Total	<u>\$ 125,161.49</u>

May 2020 Interest to be accrued in June 2020	\$ 49,827.75
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COUNTY OF ORANGE
OFFICE OF THE TREASURER-TAX COLLECTOR
Shari L. Freidenrich, CPA, CCMT, CPFA, ACPFIM
P. O. BOX 4515
SANTA ANA, CA 92702-4515

Attachment C



ocgov.com/ocinvestments

June 30, 2020

FIRST 5 ORANGE COUNTY, CHILDREN & FAMILIES COMMISSION

Attn: Kimberly Goll, Executive Director
1505 E. 17th Street, Suite 230
Santa Ana, CA 92705

Monthly Apportionment Gross Yield: 1.261%
Estimated Investment Administration Fee Rate: -0.045%
Monthly Apportionment Net Yield: 1.216%

Fund Number : 225

JUNE 2020 STATEMENT

INVESTMENT BALANCE IN OCIP

Transactions

<u>Transaction Date</u>	<u>Transaction Description</u>	<u>Amount</u>
06/01/2020	May 2020 Investment Admin Fee	\$ (2,298.11)
06/30/2020	March 2020 Interest Paid	\$ 69,189.92

Summary

Total Deposit:	\$ 4,410,172.88	Beginning Balance:	\$ 42,865,689.11
Total Withdrawal:	\$ (1,918,411.80)	Ending Balance:	\$ 45,357,450.19

ACCRUED INVESTMENT INCOME

Description

<u>Description</u>	<u>Amount</u>
April 2020 Interest Accrued	\$ 55,971.57
May 2020 Interest Accrued	\$ 49,827.75
Total	<u>\$ 105,799.32</u>
June 2020 Interest to be accrued in July 2020	\$ 47,622.97



Frank Davies, CPA

Orange County Auditor-Controller

Internal Audit



Compliance Monitoring of the Treasurer's Investment Portfolio for the Quarter Ended March 31, 2020

Audit Manager: Michael Steinhaus, CPA, CGMA
Auditor II: JC Lim

Audit Number 1904
Report Date: May 11, 2020



OFFICE OF THE
ORANGE COUNTY AUDITOR-CONTROLLER

FRANK DAVIES, CPA
AUDITOR-CONTROLLER

Transmittal Letter

Audit No. 1904

May 11, 2020

TO: Members, Treasury Oversight Committee

SUBJECT: Compliance Monitoring of the Treasurer's Investment Portfolio for the Quarter Ended March 31, 2020

At the request of the Treasury Oversight Committee, we have completed our compliance monitoring of the Treasurer's investment portfolio for the quarter ended March 31, 2020. Our final report is attached for your review.

We appreciate the assistance extended to us by the personnel of the Treasurer-Tax Collector during this engagement. If you have any questions please contact me at 714-834-2457 or Michael Steinhaus, Audit Manager, at 714-834-6106.

A handwritten signature in blue ink, appearing to read "Frank Davies".

Frank Davies, CPA
Auditor-Controller

Other recipients of this report:

Members, Board of Supervisors
Members, Audit Oversight Committee
Shari Freidenrich, Treasurer-Tax Collector
Frank Kim, County Executive Officer
Larry Walker, Assistant Treasurer-Tax Collector
Gary Nguyen, Director of Investments, Treasurer-Tax Collector – Treasury
Salvador Lopez, Chief Deputy Auditor-Controller
Foreperson, Grand Jury
Robin Stieler, Clerk of the Board of Supervisors
Eide Bailly LLP, County External Auditors



Internal Auditor's Report

Alisa Backstrom, CCMT, CPFIM, Chair
Treasury Oversight Committee

We have completed our compliance monitoring of the Treasurer's investment portfolio for the quarter ended March 31, 2020. The purpose of our engagement was to determine whether the pooled and non-pooled funds complied with the Treasurer's Investment Policy Statement (IPS) and instances of noncompliance, including technical incidents, were reported in the Treasurer's Monthly Investment Report. The funds covered by this engagement include those of the Orange County Investment Pool (OCIP), Orange County Educational Investment Pool (OCEIP), and John Wayne Airport (JWA) Investment Fund. The Treasurer invests pooled funds from the OCIP and OCEIP into three funds: the Orange County Money Market Fund and the Orange County Educational Money Market Fund (collectively referred to as Money Market Funds), and the Extended Fund.

We performed our compliance monitoring of the Treasury's investment portfolio at the request of the Treasury Oversight Committee. It is designed to provide limited assurance to the Treasury Oversight Committee and the Office of the Treasurer-Tax Collector that the Treasurer's investment portfolio complies with the IPS and the Treasurer reports all instances of noncompliance.

Our procedures included judgmentally selecting five business days for testing from each month importing the selected electronic downloads from the Treasurer's Quantum system into TeamMate Analytics, an Excel-based data analytics software, to perform calculations and determine whether investment purchases complied with the IPS.

Based on the procedures performed, no instances of noncompliance were identified.

The following lists the procedures performed and the results achieved:

1. Authorized Investments (IPS Sections VI, VII, VIII, IX, and XI): We judgmentally selected a sample of 15 investments purchased during the quarter (one investment for each of the 15 business days selected for testing). We confirmed that the investments conformed to the investment requirements at the time of purchase and were purchased from issuers or brokers on the Treasurer's authorized lists per the IPS.

Results: We found no exceptions.

2. Diversification Limits (IPS Section VIII.1): We confirmed that the investments did not exceed the diversification limits for investment types per the IPS.

Results: We found no exceptions.

3. Weighted Average Maturity (WAM) Limits (IPS Section VIII.2): We confirmed that WAM did not exceed 60 days for the Money Market Funds per the IPS, and that WAM did not exceed 90 days for the JWA Investment Fund.

Results: We found no exceptions.



Internal Auditor's Report

4. Maximum Maturity Limits (IPS Section VIII.2): We confirmed that the maximum maturity of any investment purchased did not exceed 397 days for the Money Market Funds and five years for the Extended Fund per the IPS, and that the maximum maturity did not exceed 15 months for the JWA Investment Fund.

Results: We found no exceptions.

5. Investment Type Maximum Maturity Limits (IPS Section VIII.1): We confirmed that the maximum maturity of investment types purchased that have lower limits than those covered by IPS Section VIII.2 did not exceed 180 days for repurchase agreements in the Extended Fund and bankers' acceptances, 270 days for commercial paper, 18 months for negotiable certificates of deposit, and two years for medium-term notes in accordance with the IPS.

Results: We found no exceptions.

6. Issuer Concentration Limits (IPS Section VIII.1): We confirmed that the investments did not exceed the issuer concentration limits per the IPS.

Results: We found no exceptions.

7. Financial Reporting (IPS Section XXI): We confirmed that any instances of noncompliance were reported in the Treasurer's Monthly Investment Report per the IPS.

Results: We found no exceptions.

This report is intended solely for the information and use of the Treasury Oversight Committee and the Office of the Treasurer-Tax Collector; however, this report is a matter of public record and its distribution is not limited.

A handwritten signature in blue ink, appearing to read "Frank Davies", is located above the printed name.

Frank Davies, CPA
Auditor-Controller
May 11, 2020



Agreed-Upon Procedures
Related to Investment Compliance
Fiscal Year Ended June 30, 2018
County of Orange, California

County of Orange, California
Agreed Upon Procedures Related to Investment Compliance
Table of Contents
June 30, 2018

Independent Accountant’s Report On Applying Agreed-Upon Procedures	1
Procedures and Findings.....	2



Independent Accountant's Report On Applying Agreed-Upon Procedures

To the Treasury Oversight Committee
County of Orange, California

We have performed the procedures described in Attachment A, which were agreed to by the Treasury Oversight Committee (TOC) and the County of Orange, California (County) Treasurer-Tax Collector. This engagement is solely to assist the County in determining if the County is in compliance with certain provisions of Article 6, Sections 27130 through 27137 of the California Government Code (CGC) and the County Investment Policy Statements (IPS) for the fiscal year ended June 30, 2018. The County Treasurer-Tax Collector is responsible for the County's compliance with those provisions. The sufficiency of these procedures is solely the responsibility of the TOC and County Treasurer-Tax Collector. Consequently, we make no representation regarding the sufficiency of the procedures described in Attachment A either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are listed in Attachment A.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the County's compliance with the provisions of Article 6, Sections 27130 through 27137 of the CGC and the IPS. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Treasury Oversight Committee and management of the County, and is not intended to be, and should not be, used by anyone other than those specified parties.

A handwritten signature in black ink that reads "Eide Bailly LLP".

Laguna Hills, California,
May 8, 2020

County of Orange, California
Agreed Upon Procedures Related to Investment Compliance
Procedures and Findings
Fiscal Year Ended June 30, 2018

Attachment A

The procedures and associated findings are as follows:

Compliance with CGC Article 6, Sections 27130 through 27137:

1. Review Board of Supervisors (BOS) resolution establishing the Treasury Oversight Committee (TOC), review applicable BOS approved TOC Bylaws and TOC meeting minutes to determine that the local agencies, including school districts, participated in reviewing the policies that guide the pooled investments in accordance with CGC Section 27130, and that the TOC was established in accordance with the criteria stated in CGC Section 27131(a) and consists of members appointed from the following as specified in CGC Section 27132 a) - g) or as further defined in the TOC Bylaws for the fiscal year ended June 30, 2018:
 - (a) The County of Orange (County) Treasurer.
 - (b) The County Auditor-Controller.
 - (c) A representative appointed by the BOS.
 - (d) The County Superintendent of Schools or their designee.
 - (e) A representative selected by the majority of the presiding officers of the governing bodies of the school districts and community colleges in the County.
 - (f) A representative selected by the majority of the presiding officers of the legislative bodies of the special districts in the County that are required or authorized to deposit funds in the County Treasury.
 - (g) Up to five other members of the public.

Finding – No exceptions were found as a result of our procedures.

2. Review BOS resolutions, applicable BOS approved TOC Bylaws and applicable Agenda Staff Reports (ASR) nominating/appointing TOC members, job descriptions and background information of TOC members to determine that the TOC members meet the criteria specified in CGC Section 27132(1) and (2) or as alternatively defined in applicable TOC Bylaws and that they or their replacement was properly confirmed by the BOS for the fiscal year ended June 30, 2018.

Finding – No exceptions were found as a result of our procedures.

3. Obtain and review signed Certificate of Compliance statements from each TOC member stating the member has not been employed by an entity that has (a) contributed to the campaign of a candidate for the office of local treasurer, or (b) contributed to the campaign of a candidate to be a member of a legislative body of any local agency that has deposited funds in the County Treasury, in the previous three years or during the period that the employee is a member of the TOC, as specified in CGC Section 27132.1 for the fiscal year ended June 30, 2018.

Finding – No exceptions were found as a result of our procedures.

County of Orange, California
Agreed Upon Procedures Related to Investment Compliance
Procedures and Findings
Fiscal Year Ended June 30, 2018

Attachment A

4. Obtain and review signed Certificate of Compliance statements from each TOC member stating the member has not directly or indirectly raised money for a candidate for local treasurer or a member of the governing board of any local agency that has deposited funds in the County Treasury while a TOC member as specified in CGC Section 27132.2 for the fiscal year ended June 30, 2018.

Finding – No exceptions were found as a result of our procedures.

5. Obtain and review signed Certificate of Compliance statements from each TOC member stating the member did not/will not secure employment with bond underwriters, bond counsel, security brokerages or dealers, or with financial services firms, with whom the Treasurer is doing business with, during the period the person was/is a member of the TOC or for one year after leaving the TOC as specified in CGC Section 27132.3 for the fiscal year ended June 30, 2018.

Finding – No exceptions were found as a result of our procedures.

6. Review TOC minutes for the fiscal year ended June 30, 2018, to ensure they are approved and the date, time and location of upcoming meetings are included. Review the TOC agenda to determine that public comments were posted prior to each meeting as required under the Brown Act to comply with CGC Section 27132.4 for the fiscal year ended June 30, 2018.

Finding – No exceptions were found as a result of our procedures.

7. Determine that the County Treasurer prepared an IPS for the fiscal year ended June 30, 2018, which is reviewed and monitored by the TOC as specified in CGC Section 27133. For each revision of the respective IPS, determine if the Treasurer properly presented the IPS changes to the TOC and the BOS and if all changes were approved by the TOC and the BOS.

Finding – No exceptions were found as a result of our procedures.

8. Obtain the respective Investment Policy Statement for the fiscal year ended June 30, 2018, and determine that it contains the following elements as specified in CGC Section 27133 (a)-(h):
 - (a) authorized investments;
 - (b) maximum security terms;
 - (c) selection criteria for brokers and dealers;
 - (d) limits on the receipt of gifts;
 - (e) investment reporting criteria;
 - (f) cost calculation and apportionment policy;
 - (g) deposit terms and conditions for voluntary participants;
 - (h) criteria for the withdrawal of funds.

Finding – No exceptions were found as a result of our procedures.

County of Orange, California

Agreed Upon Procedures Related to Investment Compliance

Procedures and Findings

Fiscal Year Ended June 30, 2018

Attachment A

9. Obtain the annual audit for the previous year as specified by CGC Section 27134 to determine compliance with the compliance requirements specified in CGC Sections 27130-27137 for the fiscal year ended June 30, 2017.

Finding – We obtained and inspected the Agreed-Upon Procedures Report dated April 15, 2019, in which procedures were performed over compliance requirements specified in CGC Sections 27130-27137 for the twelve-month period ended December 31, 2016 and the six-months ended June 30, 2017.

10. Obtain and review the Annual Review of Investment Administrative Costs vs. Revenue analysis for the fiscal year ended June 30, 2018, to determine whether the costs of complying with CGC Sections 27130 through 27137 (Article 6) were included as County charges, allowed by CGC 27135.

Finding – As of the date of this report, the analysis for the fiscal year ended June 30, 2018 was not completed. Therefore, we were unable to perform the procedure.

11. Select a sample of five (5) withdrawals of voluntary participant funds for the purpose of investing or depositing these funds outside of the County Treasury during the fiscal year ended June 30, 2018, and determine compliance with CGC Section 27136 (a) and (b) and Section XVIII of the IPS and review for the following:

- (a) Withdrawals from pool participants shall require written approval (transaction request) from the pool participant.
- (b) Prior to approving or disapproving the withdrawal request, the County Treasurer or designee shall make a finding of the effect on the stability and predictability of the investments and on the interests of the other depositors in the County Treasury by completing a withdrawal analysis.

Finding – No exceptions were found as a result of applying procedure 11(a). As a result of applying procedure 11(b), we identified the withdrawal analysis was not signed by the County Treasurer or designee for one (1) out of five (5) samples selected.

12. Obtain and review signed Certificate of Compliance statements from each TOC member stating the member obtained a copy of the TOC Bylaws that state under Rule 30, that the TOC shall not direct individual investment decisions, select individual investment advisors, brokers, or dealers, or impinge on the day-to-day operations of the County Treasury to comply with CGC Section 27137 for the fiscal year ended June 30, 2018.

Finding – No exceptions were found as a result of our procedures.

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Compliance with Orange County Investment Policy Statement (IPS)

1. Review BOS resolution approving the IPS applicable to the fiscal year ended June 30, 2018, per CGC Section 53646(a).

Finding – No exceptions were found as a result of our procedures.

2. Select one (1) day per month of transactions which include purchases and/or sales/maturities for the fiscal year ended June 30, 2018 and determine the County's compliance with Sections VI, VII, VIII, IX and XIII of the applicable approved IPS by performing the procedures outlined below:

Purchases

- a. Verify approval signatures on the trade packets.
- b. Verify information in the trade packets agrees with the information in the Daily Investment Worksheets.
- c. Verify approval signatures on the Daily Investment Worksheets.
- d. Verify the purchased investment issuer was listed on the Approved Issuer List and that the purchase complied with IPS restrictions.
- e. Verify the purchased investment was an authorized type of investment per the CGC Section 53601.
- f. Verify the maturity date of the purchased investment meets the required limit of the IPS.
- g. When a repurchase agreements is invested, verify the County is in compliance with the IPS collateralization requirement.
- h. Verify the purchased security agrees with the trade confirmation provided by the brokers/dealers.
- i. Confirm securities are held by third party custodian, and/or safekeeping statement containing pertinent information is issued to the Treasurer.

Sales/Maturities

- a. Verify approval signatures on the trade packets (sales only).
- b. Verify approval signature on the Daily Investment Worksheets.
- c. Verify the sale agrees with the trade confirmation provided by the brokers/dealers.
- d. Trace the proceeds to the custodian statement.

Finding – We selected twelve (12) days of transactions during the fiscal year ended June 30, 2018, as follows:

- | | |
|-----------------------|---------------------|
| 1. July 14, 2017 | 7. January 22, 2018 |
| 2. August 9, 2017 | 8. February 6, 2018 |
| 3. September 21, 2017 | 9. March 14, 2018 |
| 4. October 2, 2017 | 10. April 24, 2018 |
| 5. November 20, 2017 | 11. May 8, 2018 |
| 6. December 5, 2017 | 12. June 11, 2018 |

No exceptions were found as a result of our procedures.

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3. Obtain Form 700 Statement of Economic Interests for 2018 covering the period January 1, 2018 through December 31, 2018, filed annually by the Treasurer, Auditor Controller, TOC members and designated County Treasury employees to ensure compliance with Section X of the approved IPS in effect.

Finding – No exceptions were found as a result of our procedures.

4. Review the County's Annual Broker Dealer Review packets for the fiscal year ended June 30, 2018 to ensure that the County performed an evaluation of the brokers in accordance with the *Authorized Broker/Dealers and Financial Institutions* as specified in Section XI of the current IPS in effect.

Finding – No exceptions were found as a result of our procedures.

5. Determine that the County Treasurer submitted the monthly investment reports to the TOC, the pool participants, the County Executive Officer, the Director of Auditor-Controller Internal Audit, the Auditor Controller, and the BOS, as specified in Section XX.I of the current IPS in effect.

Finding – No exceptions were found as a result of our procedures.

6. Verify that the Treasurer reconciled the estimated administrative costs and actual administrative costs incurred and adjusted participant accounts accordingly on an annual basis for the fiscal year ended June 30, 2018, as specified in Section XVI of the current IPS in effect.

Finding – Consistent with the finding for Procedure 10 in the previous section, as of the date of this report, the analysis for the fiscal year ended June 30, 2018 was not completed. Therefore, we were unable to perform the procedure.

7. Select a sample of four (4) Treasurer's Monthly Investment Reports (reports) for the fiscal year ended June 30, 2018, and perform the following as specified in the IPS Section XXI:
 - a. Confirm that reports were provided to the BOS, the County Executive Officer, the Chief Financial Officer, the Director of Auditor-Controller Internal Audit, the Auditor Controller, the TOC, the presiding judge of the Superior Court, and Treasurer or other official responsible for the funds of any local agency who has investments in the County Treasury as allowed by CGC Sections 53607, 53646, and 53686.
 - b. Compare the investments listed to the types of investments authorized by CGC Section 53601.
 - c. Recalculate and verify the issuer concentration permitted in the respective IPS' in effect.
 - d. Determine the selected reports include the following information for each investment:
 - i. type of investment;
 - ii. name of issuer;
 - iii. maturity date;
 - iv. par value;
 - v. current market value; and
 - vi. securities S&P/Moody's rating.

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- e. The reports were provided within 30 days following the end of the period of the report.
- f. The reports state compliance of the portfolio with the respective IPS in effect or if not in compliance, states the manner in which the portfolio is not in compliance.
- g. The reports include a statement denoting the ability of the County to meet its pool's expenditure requirements for the next six months, or provide an explanation as to why sufficient money shall or may not be available.

Finding – We selected September 2017, December 2017, February 2018, and May 2018 reports for the fiscal year ended June 30, 2018. No exceptions were found as a result of our procedures.