

REVISED
SUMMARY ACTION MINUTES

REGULAR MEETING
FIRST 5 ORANGE COUNTY, CHILDREN & FAMILIES COMMISSION

Wednesday, June 7, 2023, 9:00 A.M.

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

RAMIN BASCHSHI, MD
Chair

DOUG CHAFFEE
Vice Chair

JACKIE FILBECK
Commissioner

YVETTE LAVERY, MPA, MBE
Commissioner

SUSAN MCCLINTIC
Commissioner

SOLEDAD L. RIVERA
Commissioner

ANGIE ROWE
Commissioner

AN TRAN
Commissioner

MINDY WINTERSWYK
Commissioner

ATTENDANCE: Commissioners Baschshi, Chaffee, Filbeck, Lavery, McClintic, Rivera, Rowe, Winterswyk and Rodriguez (Alternate for Tran)

EXCUSED: Commissioner Tran

PRESENT: PRESIDENT/CEO
COMMISSION COUNSEL
CLERK OF THE COMMISSION

Kimberly Goll
Cassie Trapesonian
Jamie Ross, Deputy

PLEDGE OF ALLEGIANCE

Pledge of Allegiance was led by Commission Counsel, Cassie Trapesonian

PRESENTATIONS: (Item 1)

1. Receive Presentation on Kid Builders
PRESENTED

REVISED
SUMMARY ACTION MINUTES

CONSENT CALENDAR: (Item 2 – 4)

241356789 10 **APPROVED AS RECOMMENDED**

x

2. Approve First 5 Orange County Board Meeting Teleconferencing Policy
3. Receive and file the California State Controller's results of Audit Oversight of County Commissions
4. Receive update on OC Grantmakers Early Childhood Issue Table

PUBLIC HEARING: (Item 5 – 6)

5. Conduct public hearing, review and confirm Strategic Plan, and adopt resolutions approving the Fiscal Year 2023-2024 proposed budget and final amendments to the Fiscal Year 2022-2023 budget

C.O. **CLOSED PUBLIC HEARING**

421356789 10 **APPROVED AS RECOMMENDED**

x

RESOS: 23-010 - 011 C&FC

6. Conduct public hearing, adopt Children and Families Commission of Orange County's Salary and Benefits Policy resolution, and approve updates to Administrative Policies and Procedures section 7.01

C.O. **CLOSED PUBLIC HEARING**

321456789 10 **APPROVED AS RECOMMENDED**

x

RESO: 23-012 C&FC

REGULAR ITEMS: (Item 7 - 14)

7. Adopt resolution acknowledging receipt of the Children and Families Commission of Orange County Investment Policy Statement and affirm delegation of authority to the Orange County Treasurer as the First 5 Orange County Treasurer for Fiscal Year 2023-2024

421356789 10 **APPROVED AS RECOMMENDED**

x

RESO: 23-013 C&FC

8. Adopt resolution authorizing an amendment to the Lease Agreement with the Orange County Shared Spaces Foundation for First 5 Orange County office space

531246789 10 **APPROVED AS RECOMMENDED**

x

RESO: 23-014 C&FC

9. Adopt resolution authorizing agreements with Fiscal Intermediaries for Engaged Neighborhood Collaboratives in Anaheim, Santa Ana, La Habra, and Garden Grove

54123678910 **APPROVED AS RECOMMENDED**

x

RESO: 23-015 C&FC

REVISED
SUMMARY ACTION MINUTES

10. Adopt resolutions authorizing receipt of funding from First 5 Riverside and agreements with designated organizations to implement First 5 California's Improve and Maximize Programs so All Children Thrive (IMPACT) Legacy

621345789 10 **APPROVED AS RECOMMENDED**

A X

RESOS: 23-016 - 017 C&FC

(Commissioner McClintic abstained from discussion and vote on this matter and declared her affiliation with Orange County Association for Education of Young Children)

11. Adopt resolution to approve agreements with Region Partners and Health Management Associates to implement First 5 California's Home Visiting Collaboration scope of work

961234578 10 **APPROVED AS RECOMMENDED**

x

RESO: 23-018 C&FC

12. Adopt resolution authorizing amendments and agreements with designated organizations to provide Prenatal-to-Three Home Visiting services

651234789 10 **APPROVED AS RECOMMENDED**

x

RESO: 23-019 C&FC

13. Approve roster of qualified applicants and adopt resolutions authorizing agreements and amendments to agreements with designated individuals and organizations to provide consulting and data collection and management services

361245789 10 **APPROVED AS RECOMMENDED**

x

RESOS: 23-020 - 024 C&FC

14. Election of Commission Officers

351246789 10 **NOMINATED AND ELECTED COMMISSION BASCHSHI TO SERVE AS CHAIR**

x

412356789 10 **NOMINATED AND ELECTED COMMISSIONER CHAFFEE TO SERVE AS VICE CHAIR**

x

PRESIDENT/CEO REPORT: (Item 15)

15. Receive the President/CEO's Report

RECEIVED

PUBLIC & COMMISSION COMMENTS:

PUBLIC COMMENTS:

Carrie Buck – Oral Re.: With Family Solutions Collaborative. Looking forward to working with the Commission.

Nishtha Mohendra – Oral Re.: With Families Forward. Thanked Commission for their leadership and for the support received from Commission staff.

COMMISSION COMMENTS:

Commissioner Filbeck – Oral Re.: Honored to serve another term. Welcomed new Commissioners. Announced Tiffany Alva was named Advocate of the Year by the Local Planning Council and Woman of Distinction for advocacy by State Senator Tom Umberg.

ADJOURNED: 10:09 A.M.

REVISED
SUMMARY ACTION MINUTES

*** KEY ***

Left Margin Notes

1 Ramin Baschshi, MD	A = Abstained
2 Doug Chaffee	X = Excused
3 Jackie Filbeck	N = No
4 Yvette Lavery, MPA, MBE	C.O. = Commission Order
5 Susan McClintic	
6 Soledad L. Rivera	
7 Angie Rowe	Reso = Resolution
8 An Tran	Ord = Ordinance
9 Mindy Winterswyk	
10 Veronica Rodriguez (Alternate)	

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

/s/

RAMIN BASCHSHI, MD
Chair

/s/

Jamie Ross, Deputy
Clerk of the Commission

PRESENTATION
Agenda Item 1
June 7, 2023

DATE: April 28, 2023

TO: First 5 Orange County

FROM: Kimberly Goll, President/CEO



ACTION: Receive Presentation on Kid Builders

First 5 Orange County's vision is that all children reach their full potential and toward that end, our Strategic Plan includes a focus on children's development through well-child visits and developmental screenings. We know that children reach milestones in how they play, learn, speak, act, and move, and that every child develops at their own rate.

On May 11th, we kicked off a refreshed "Kid Builders," which is a set of free, fun, and easy activities that parents and caregivers can do with their young kids to help them grow and develop important skills. Kid Builders activities include the whole child: their mind, words, body, relationships, safety, and health, and were developed especially for each age between birth and 5 years.

This item outlines the strategies and activities we are planning to implement on an ongoing basis to spread the word about Kid Builders, and creatively engage families and providers to use this impactful resource.

Elysse James, from Cornerstone Communications, will join Lisa Burke to present the slides.

ATTACHMENT:
Presentation

CONTACT: Lisa Burke



Kid Builders Update

Item 1 – Attachment 1

Background

Kid Builder Activities

- Six domains: Body, Mind, Health, Safety, Words, Relationships
- Five developmentally unique age groups: baby, 1 year, 2 years, 3 years, and 4 & 5 years



Background



Opportunity to:

- Update content and illustrations
- Modernize delivery platform
- Launch First 5 OC's Instagram
- [Kid Builders website](#)

Updating the Activities

- Team of Development Experts
 - Representatives from AAP-OC, Start Well, Orange County Department of Education, Active Play specialist
- Parent Focus Groups
- Vital Village and Mission Viejo Library Events
- Transition from App to Website
- Update design, include animation, build photo, video and graphic image “bank”





May 11 Kick Off Event

- Introduction by Dr. Baschshi, Commissioner Filbeck and Superintendent Downing
- 5 Kid Builder Stations
- Learning Link Tours
- 185+ attendees, including 40 families with young children and community members
- Attendance by offices of Supervisor Sarmiento, Assemblymember Valencia, Senator Newman, Anaheim City Council, and special guest Wild Wing



Spreading the Word: Audiences

- Families countywide
- Targeted communities (Engaged Neighborhoods, Family Ambassadors)
- Family-facing organizations
- Government and community partners

Spreading the Word: Outreach Strategies

- Op-Eds/Letters to the Editor
- Media/Ads/Social media
- Contests
- Paid advertising
- Events and presentations
- Parent groups
- Toolkit for family-facing organizations
- Promotional materials with QR code





Spreading the Word: Promotional Materials with QR Code

- Post Cards
- Beach Balls
- Growth Charts
- Coloring Book and Crayons
- Bubbles
- Stickers



Next Steps

- Schedule outreach activities to various audiences
- Convene groups to develop toolkits
- Explore sponsorships for collateral materials

DATE: May 16, 2023**TO:** First 5 Orange County**FROM:** Kimberly Goll, President/CEO**ACTION:** Approve First 5 Orange County Board Meeting Teleconferencing Policy**SUMMARY:**

First 5 Orange County currently holds in-person meetings of its Board of Commissioners in accordance with the requirements of the Ralph M. Brown Act (Government Code Section 54950 et seq.), which governs open meeting laws for public agencies in California. This item requests approval of a policy setting forth the procedures for Commissioners to participate in meetings remotely by teleconference in compliance with the Brown Act.

DISCUSSION:

The Brown Act has historically permitted teleconferencing from open and noticed teleconference locations that are accessible to the public. During the pandemic, the Brown Act was amended to allow fully virtual meetings to protect the health and safety of board members, staff, and attendees during a proclaimed state of emergency. With the passage of Assembly Bill (AB) 2449 (Chapter 285, Statutes of 2022), an alternative, but limited, means of teleconferencing for “just cause” and “emergency circumstances” is now permitted. A high-level overview of each of the teleconferencing options permitted under the Brown Act is included as Attachment 1.

In December of 2022, the First 5 Orange County Board of Commissioners received an update on the Brown Act teleconferencing options, as amended by AB 2449. Effective January 1, 2023, AB 2449 has expanded the teleconferencing options under the Brown Act to permit members of the legislative body to teleconference into public meetings for just cause and emergency circumstances, as defined. At the December meeting, Commissioners provided direction to staff to move forward with a process to allow Commissioners to teleconference for just cause and emergency circumstances in compliance with the Brown Act.

As discussed at the December meeting, in order for a Commissioner to teleconference for just cause or emergency circumstances, First 5 Orange County must broadcast the meeting to allow the public to remotely hear, visually observe, and remotely address the Board of Commissioners as described in Government Code Section 54953. Beginning with the February Commission Meeting, First 5 Orange County staff has been broadcasting the meetings via Zoom and allowing virtual public participation. Given that the Orange County Transportation Authority’s meeting location appears to be capable of meeting the requirements of the Brown Act, a formal policy is provided for approval setting forth the procedures for Commissioners to participate in public meetings by teleconference.

The policy sets forth the requirements for a Commissioner to participate by teleconference under the traditional method as well as for just cause or emergency circumstances, and includes a number of requirements to comply with the Brown Act rules, including timeframes to provide notice to First 5 Orange County Staff as well as the request contents, depending on which type

of teleconferencing is desired. It is important to note that strict adherence to the policy will be required in order for a request to teleconference to be permitted to avoid a Brown Act violation, which might otherwise jeopardize the business conducted at the meeting. For Commission Members to teleconference for emergency circumstances or just cause, a quorum of the Commissioners (five members) will have to participate in person at the Commission's meeting location, which also must have the technological capabilities to broadcast the meeting virtually and allow for remote public participation. In the event of a disruption that prevents the public from being able to participate, the meeting will recess or adjourn until public access is restored.

First 5 Orange County staff recommends approval of the attached Policy (Attachment 2) setting forth the procedures for Commissioners to participate in Commission Meetings by teleconference.

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 2022 – Receive update on Brown Act teleconferencing options

RECOMMENDED ACTION:

Approve the First 5 Orange County Board Meeting Teleconferencing Policy (Attachment 1).

ATTACHMENTS:

1. Overview of Teleconferencing Options
2. First 5 Orange County Board Meeting Teleconferencing Policy

CONTACT: Kim Goll

<u>Traditional</u>	<u>State of Emergency (AB 361)</u>	<u>Justification (AB 2449)</u>
<p>Permits members to participate from various teleconference locations if:</p> <ul style="list-style-type: none"> • A quorum of the Board members are located within agency's jurisdiction; • The address of each location is noticed on the agenda; • All teleconference locations are open to the public to attend and provide comment; and • Each location meets ADA accessibility requirements. 	<p>Allows a fully virtual meeting during a proclaimed state of emergency.</p> <ul style="list-style-type: none"> • The Board must adopt a resolution every 30 days. • All members can participate remotely from various teleconference locations, which do not have to be noticed on the agenda or made available to the public. • Public must be able to address the Committee remotely either through a call-in or internet-based service option. • Sunsets on January 1, 2024. 	<p>Allows limited members to teleconference for "just cause" or "emergency circumstances:"</p> <ul style="list-style-type: none"> • <u>Just Cause:</u> (1) childcare or caregiving needs, (2) contagious illness, (3) a need related to a physical or mental disability, or (4) travel while on official business for a public agency. <ul style="list-style-type: none"> ○ Member provides notice to the full Board. • <u>Emergency Circumstances:</u> a physical or family medical emergency that prevents a member from attending in person. <ul style="list-style-type: none"> ○ Member submits request that requires approval by a majority of the Board. • A quorum of the Board must be physically present in person for the meeting. • The remote member must participate through audio and visual technology. • The public must be able to visually observe, hear, and remotely address the Board (i.e., Zoom). • Cannot be used by a member for more than two meetings per calendar year. • Sunsets on January 1, 2026.

FIRST 5 ORANGE COUNTY BOARD MEETING TELECONFERENCING POLICY

PURPOSE

The purpose of this policy is to outline the procedures for the First 5 Orange County Children and Families Commission Board of Commissioners to participate in public meetings by teleconference pursuant to the Ralph M. Brown Act (Government Code Section 54950 et seq.).

POLICY STATEMENT

It is the policy of First 5 Orange County Board of Commissioners to hold public meetings in accordance with the Ralph M. Brown Act ("Brown Act"). The Board of Commissioners has elected to permit Commission Members to participate in public meetings in accordance with the teleconferencing provisions set forth in the Brown Act, including, but not limited to, traditional teleconferencing as well as teleconferencing for just cause and emergency circumstances. Teleconferencing is available for both regular and special meetings.

For any meeting where a Commissioner participates by teleconference, First 5 Orange County will provide notice on the agenda of the means by which members of the public may access the meeting and provide public comment. Any action taken during the meeting will be done by rollcall vote. This Policy sets forth the procedures for Commission Members to submit requests to participate in meetings via teleconference.

1. Traditional Brown Act Teleconferencing

The traditional teleconferencing method allows Commission Members to participate from a publicly noticed location that is open and accessible to the public. Commissioners may participate remotely under the traditional teleconferencing method provided that all of the following requirements are met:

- a. The request to teleconference must be timely submitted to the Executive Assistant to the President/CEO prior to the agenda posting deadline. To provide First 5 Orange County with ample time to comply with the Brown Act noticing requirements, the request must be provided at least 9 days prior to a regular meeting and 5 days prior to a special meeting. The teleconference location will be identified on the meeting agenda. Once noticed on the agenda, the teleconference location becomes subject to Brown Act requirements for posting and public accessibility.
- b. The teleconference location is accessible under Americans with Disabilities Act requirements.
- c. The teleconference location is open to members of the public to participate in the meeting and address the Board of Commissioners.

- d. The meeting agenda is posted at the teleconference location in accordance with the timeframes required by the Brown Act.
- e. A quorum of the Commission Members participates in the meeting from locations within the jurisdiction of First 5 Orange County.

2. Teleconferencing due to “Just Cause” or “Emergency Circumstances”

The Brown Act also permits teleconferencing for “just cause” or “emergency circumstances,” as defined by Government Code Section 54953, provided that the meeting is broadcasted publicly and members of the public are able to participate in the meeting remotely through an internet-based service or call-in option. In order to teleconference for just cause or emergency circumstances, all of the following must be met:

- a. Requests to teleconference for just cause:
 - i. The request must be submitted to the Executive Assistant to the President/CEO at the earliest opportunity possible.
 - ii. The request must include a general description of the circumstances relating to the Commission Member’s need to appear remotely for just cause during the meeting.
 - iii. This request does not require formal Commission approval.
- b. Requests to teleconference for emergency circumstances:
 - i. The request must be submitted to the Executive Assistant to the President/CEO at the earliest opportunity possible.
 - ii. The request must include a general description of the circumstances relating to the need to appear remotely for emergency circumstances, which generally does not need to exceed twenty (20) words, nor shall it require the Commissioner to disclose any medical diagnosis, disability, or other personal medical information that is otherwise protected by law.
 - iii. The request will be posted as an item on the meeting agenda if it is submitted prior to the agenda posting deadlines under the Brown Act.
 - iv. This request requires formal approval by the Board of Commissioners, which may take action on a request at the earliest opportunity. If the request does not allow sufficient time to place the item on the posted agenda, then the Commission may take action at the beginning of the meeting to consider the request.
- c. The Brown Act does not permit a Commissioner to teleconference for just cause or emergency circumstances for more than two (2) meetings per calendar year.
- d. A Commission Member must make a separate request for each meeting to participate remotely as the Brown Act does not permit ongoing requests.

- e. A least a quorum of the Commission Members must attend the meeting in person from a single location that is identified on the agenda and open to the public.
- f. If a Commissioner participates remotely due to just cause or emergency circumstances, First 5 Orange County must provide a means by which the public may remotely hear, visually observe the meeting, and remotely address the Commission through a call-in option or internet-based service option (i.e., Zoom) as further described in Government Code Section 54953. If First 5 Orange County cannot broadcast the meeting to the public for technological or other reasons, the request will be denied.
- g. The remote Commission Member must participate in the meeting through both audio and visual technology, meaning that the Commission Member's camera should be on at all times during the meeting.
- h. Before any action is taken during the meeting, the remote Commission Member must disclose at the meeting whether any other adults are present in the room and the nature of the Commissioner's relationship with any such individuals.
- i. No action can be taken during the meeting in the event of a disruption that prevents First 5 Orange County from broadcasting the meeting to members of the public, or in the event of a disruption within First 5 Orange County's control that prevents members of the public from offering public comments, until public access is restored.

If the requirements in this Policy cannot be met, then the Board Chair, in consultation with staff, shall deny the request to participate by teleconference to avoid a Brown Act violation, which might otherwise jeopardize the business conducted at the meeting. This Policy is not intended to encourage members to teleconference into meetings when members would otherwise not attend meetings because of more pressing personal or professional matters or due to illness. The Board of Commissioners recognizes that circumstances occur during the year which require the immediate attention of its members and will cause them to miss a meeting. Additionally, this Policy does not prohibit the Board of Commissioners from utilizing any additional teleconferencing methods that are expressly permitted by the Brown Act (i.e., teleconferencing during a proclaimed state of emergency).

DATE: May 9, 2023**TO:** First 5 Orange County**FROM:** Kimberly Goll, President/CEO**ACTION:** Receive and File the California State Controller's Results of Audit Oversight of County Commissions

SUMMARY:

First 5 Orange County annually receives the State Controller's report on their independent review of the county commission audits. This item is to receive and file the California State Controller's Annual Report to the First 5 Commission: Results of the Audit Oversight of County Commissions for 2020-2021.

DISCUSSION:

As mandated by law, First 5 California's Annual Report agenda item, filed to their Commission, includes the California State Controller's annual review of the county commissions' independent audit (Attachment 1). This annual audit review is consistent with the expanded audit statutes chaptered into law in 2005.

STRATEGIC PLAN & FISCAL SUMMARY:

The recommended action has been reviewed in relation to the Strategic Plan and is consistent with all goal areas. This agenda item does not include a funding request.

PRIOR COMMISSION ACTIONS:

- April 2022 – Conducted the Public Hearing to receive and file the First 5 California 2019-2020 Annual Report and Audit Results Excerpts
- April 2021 – Conducted the Public Hearing to receive and file the First 5 California 2018-2019 Annual Report and Audit Results Excerpts

RECOMMENDED ACTION:

Receive and file the First 5 California 2020-2021 Annual Report and the California State Controller's Annual Report to the First 5 Commission: Results of the Audit Oversight of County Commissions for 2020-2021.

ATTACHMENT:

California State Controller's Annual Report to the First 5 California Commission: Results of Audit Oversight of County Commissions for the Period July 1, 2020 through June 30, 2021

CONTACT: Michael Garcell

ANNUAL REPORT TO THE FIRST 5 CALIFORNIA COMMISSION

RESULTS OF AUDIT OVERSIGHT OF COUNTY COMMISSIONS

For the Period of July 1, 2020, through June 30, 2021



BETTY T. YEE
California State Controller

November 2022



BETTY T. YEE
California State Controller

November 1, 2022

Jackie Thu-Huong Wong, Executive Director
First 5 California Commission
2389 Gateway Oaks Drive, Suite 260
Sacramento, CA 95833

Dear Ms. Wong:

I am pleased to submit our annual report to the First 5 California Commission in accordance with Senate Bill 35 (Chapter 243, Statutes of 2005). The State Controller's Office oversight responsibility includes providing audit guidelines, reviewing county commissions' annual audit reports for compliance with applicable auditing standards and guidelines, and following up on findings contained in the audit reports to ensure compliance with policies and practices specified in the California Health and Safety Code.

This report summarizes the results of our review and certification of the independent annual audits of the First 5 county commissions submitted for fiscal year 2020-21. Additionally, this report summarizes our review of the audit findings disclosed in the independent annual auditor's reports on the First 5 county commissions and our follow-up on the status of the corrective actions.

I hope that our report will be useful to you in assessing the county commissions' activities and compiling your annual report to the California State Legislature. Please direct any comments regarding the content of the report to Joel James, Chief of the Controller's Financial Audits Bureau, at jjames@sco.ca.gov or (916) 323-1573.

Sincerely,

Original signed by

KIMBERLY TARVIN, CPA
Chief, Division of Audits

KT/lis

cc: Marcia Thomas, Director
Fiscal Services Office
First 5 California Commission

Contents

Executive Summary	1
Introduction	
Overview	3
Background	4
Results of Oversight Activities	
Audit Report Submissions	5
Audit Review and Certification Process	10
Audit Report Deficiencies.....	11
Findings Reported by the Independent Auditors	11
SCO Follow-up of Reported Audit Findings	12
Compliance with Requirement for Public Discussion of Reported Audit Findings	13
Appendix	
Summary of Independent Audit Report Deficiencies (Three-Year Comparison)	17

This page left blank intentionally.

Executive Summary

The California Children and Families Act was created in 1998 by the passage of Proposition 10. The California Children and Families Act was amended in 2005, giving the State Controller's Office (SCO) oversight responsibility for audits of the First 5 county commissions. The objective of the amendment was to provide the First 5 California Commission with independently verified fiscal and state compliance information obtained from audits performed in accordance with applicable standards and requirements.

SCO oversight responsibilities include:

- Providing audit guidelines;
- Reviewing county commissions' annual audit reports for compliance with applicable auditing standards and guidelines; and
- Following up on findings contained in the audit reports to ensure compliance with policies and practices specified in the California Health and Safety Code.

SCO approves and makes substantive changes to the audit guide as necessary after consultation with an audit guide committee composed of representatives from the First 5 California Commission and county commissions. Our review of the county commissions' independent audit reports for fiscal year (FY) 2020-21 identified the following:

- Of the 58 independent audit reports, 53 (91%) independent auditors complied with audit guide requirements and/or audit standards. In comparison, compliance was 91 % in FY 2019-20 and 81% in FY 2018-19.
- Of the 58 counties, 44 (76%) submitted the required audit reports by the November 1 deadline. In comparison, 67% of the audit reports in FY 2019-20 and 71% of the audit reports in FY 2018-19 were submitted by the deadline.

The independent auditors identified a total of eight audit findings at seven county commissions; seven of the audit findings were categorized as internal control and one was categorized as state compliance. In comparison, six of the FY 2019-2020 audit reports contained a total of eight audit findings, all eight were internal control audit findings. There were no state compliance audit findings. Nine of the FY 2018-19 audit reports contained a total of 14 audit findings (11 internal control and three state compliance).

We noted that the independent auditor for one of the 58 county commissions issued a qualified opinion on the local commission's Governmental Activities.¹ The local commission did not comply with Governmental Activities reporting requirements. During the review cycle for FY 2019-20, one local commission's independent auditor issued a qualified opinion. In FY 2018-19, the independent auditor for one local commission issued a qualified opinion.

For FY 2020-21, SCO did not recommend withholding funding allocations from any commission for failure to correct—or provide a viable plan to correct—audit findings.

¹ An auditor expresses a qualified opinion when either: 1) the auditor, having obtained sufficient appropriate audit evidence, concludes that misstatements, individually or in the aggregate, are material but not pervasive to the financial statements; or 2) the auditor is unable to obtain sufficient appropriate audit evidence on which to base an opinion, but the auditor concludes that the possible effects on the financial statements of undetected misstatements, if any, could be material but not pervasive.

Introduction

Overview

First 5 California distributes funds to local communities through the state's 58 counties, all of which have a local First 5 county commission. SCO's Division of Audits is responsible for performing the oversight activities for independent audits of the county commissions. The oversight activities consist of:

- Developing an audit guide based on the Health and Safety Code and applicable auditing standards;
- Verifying (via desk reviews and/or analysis) that independent audit reports, contracted for by the county commissions, complied with auditing standards and the audit guide; and
- Verifying county commission compliance with policies and practices specified in the Health and Safety Code by reviewing and following up on audit findings reported in the independent audits.

Health and Safety Code (HSC) section 130151 (added by Chapter 243, Statutes of 2005) requires SCO to issue guidelines for annual expanded audits.² As part of these expanded audits, independent auditors are required to review county commissions' compliance with policies and practices related to:

- Contracting and procurement
- Administrative costs
- Conflict of interest
- County ordinance(s)
- Long-range financial plans
- Financial condition of the commission
- Program evaluation
- Salaries and benefits policies

HSC section 130151 also requires that SCO:

- Determine, within six months of the state or county commission's response pursuant to subdivision 130151(d), whether the county commission has successfully implemented corrective action in response to the findings contained in its audit report;

²*Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act* (the First 5 Audit Guide).

- Recommend that the First 5 California Commission withhold funding allocations for county commissions unable to provide SCO with a viable plan to correct identified audit findings; and
- Submit to the First 5 California Commission, by November 1 of each year, a report summarizing the results of the reviews of the county commissions' audits for the preceding reporting cycle.

Background

First 5 Program

The California Children and Families Act authorized the First 5 program. The California Children and Families Act requires that the First 5 program be funded by surtaxes imposed on the sale and distribution of cigarettes and tobacco products. The California Children and Families Act further requires that the funds be deposited into the California Children and Families Trust Fund for the implementation of comprehensive early childhood and smoking-prevention programs.

SCO Oversight

Senate Bill 35 (Chapter 243, Statutes of 2005) requires SCO oversight and reporting on the independent audits of the First 5 county commissions. HSC section 130151 (b) specifies the scope of the independent audits. In accordance with HSC section 130151(b), SCO—along with a committee composed of representatives from the First 5 California Commission, county commissions, the Government Finance Officers Association, county auditor-controllers, and independent auditors—developed the initial audit guide. This guide is updated as necessary by a committee composed of representatives from SCO, the First 5 California Commission, and the county commissions.

Independent Audit Report Requirements

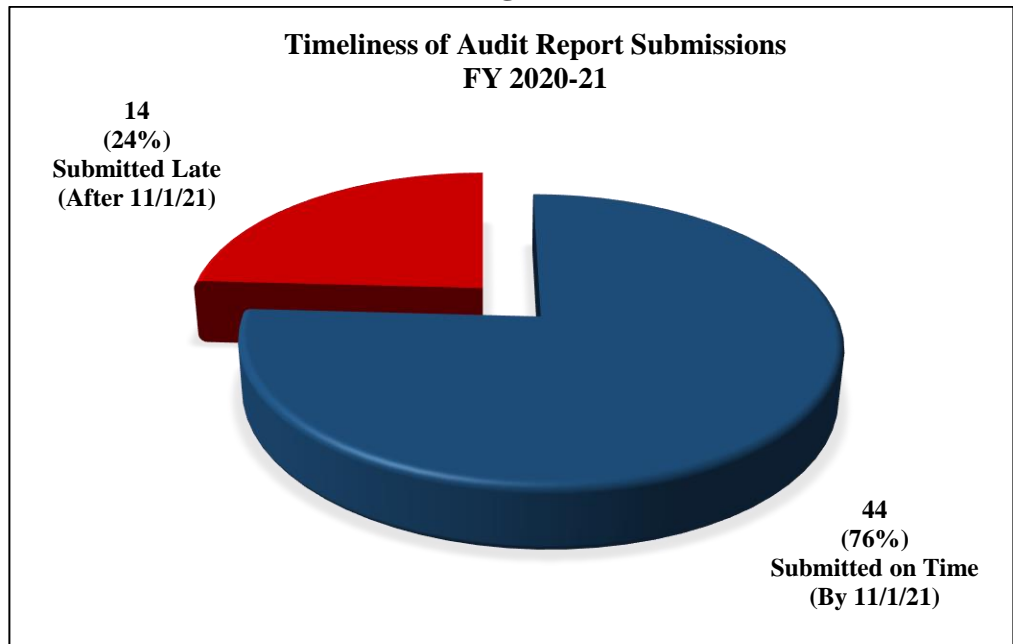
HSC section 130151(c) requires the auditors for county commissions, or county commissions themselves, to submit an independent audit report to both SCO and the First 5 California Commission. Pursuant to HSC section 130150(a), the audit reports are due by November 1 of each year.

Results of Oversight Activities

Audit Report Submissions

Independent auditors' reports for each county commission for the preceding fiscal year must be submitted to SCO by November 1 of the current fiscal year. During the FY 2020-21 review cycle, 44 (or 76%) of 58 county commission audit reports were submitted by the required deadline, and 14 (or 24%) were submitted after the required deadline. The timeliness of audit report submissions is summarized in Figure 1.

Figure 1



Of the 14 reports submitted after the required deadline, seven (or 12%) were submitted within 30 days of the deadline. The remaining seven (or 12%) audit reports were submitted more than 30 days late for the following reasons:

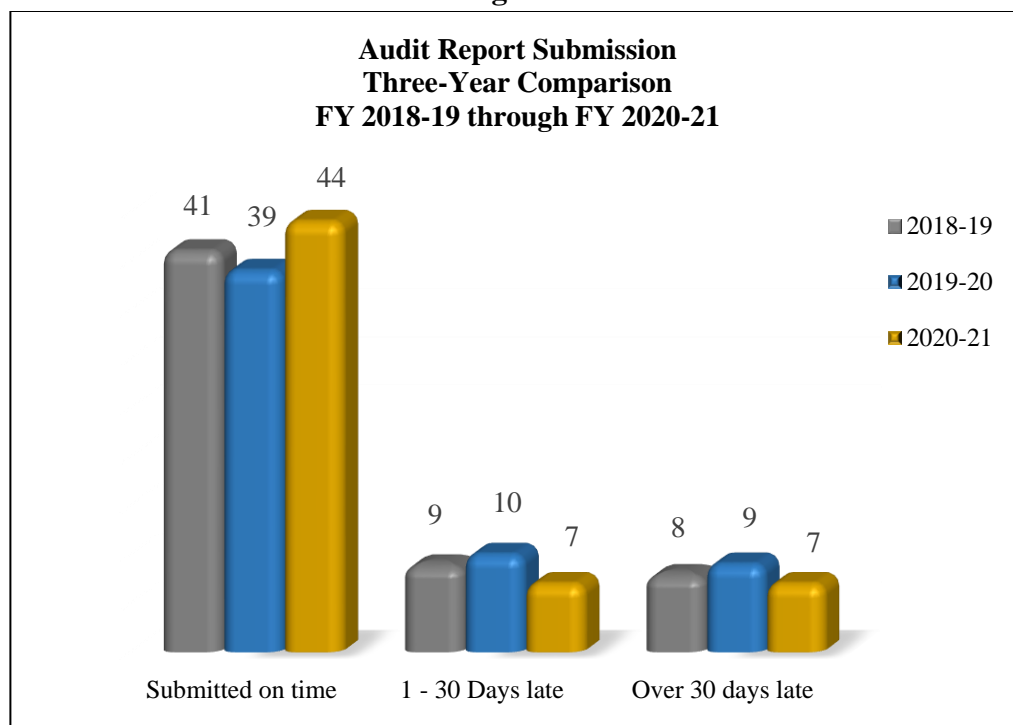
- Delayed financial statements – One county commission was unable to provide timely financial statements because the county auditor controller's office was late in posting FY 2020-21 beginning balances for the local commission's account.
- Reporting requirements – Three county commissions experienced delays in obtaining financial documentation, required by Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, from the agencies that manage their pension benefits.

- Staffing shortages – One county commission’s report was late because the local commission’s independent auditor did not have staff available to conduct the audit.
- Human error – The remaining two county commissions submitted their reports late because they overlooked the report submission date.

During the FY 2020-21 audit review cycle, 44 reports were submitted on time. This represents an increase from FY 2019-20 and FY 2018-19. During the FY 2019-20 review cycle, 39 audit reports were submitted on time; and during the FY 2018-19 review cycle, 41 audit reports were submitted on time.

For the FY 2020-21 review cycle, seven audit reports were submitted more than 30 days late. See Figure 2 for comparative data on report submissions.

Figure 2



Audit Review and Certification Process

In accordance with HSC section 130151, SCO reviews and certifies the annual independent audit reports issued by the auditors for each county commission for compliance with applicable auditing standards and the audit guidelines set forth in *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act* (the First 5 Audit Guide). This report summarizes the instances of non-compliance that we found within the independent auditors’ reports.

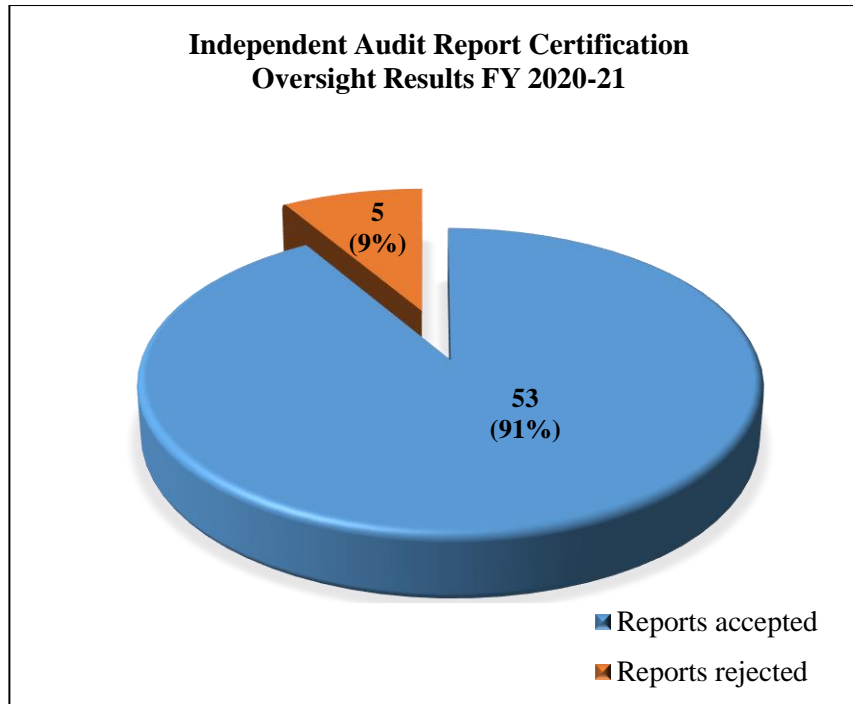
To facilitate the consistent review and certification of each audit report, SCO created a comprehensive desk review checklist that details and categorizes the program requirements specified in the First 5 Audit Guide. The desk review checklist also includes the required components of an audit report based on auditing standards generally accepted in the United States and the standards applicable to financial audits set forth in *Government Auditing Standards*, issued by the Comptroller General of the United States. The desk review checklist is updated annually, in response to changes in auditing standards and program requirements.

Audit Report Deficiencies

A deficiency is an instance of an independent auditor's non-compliance with auditing standards and/or the First 5 Audit Guide issued by SCO. Independent auditors, not county commissions, are responsible for addressing deficiencies in their reports on the county commissions.

Based on our desk reviews of the FY 2020-21 county commission audits, we found that five of the 58 independent audit reports contained deficiencies (see Figure 3). SCO notified each independent auditor and county commission in writing that the audit report required correction(s). The rejection letters identified the deficiency or deficiencies noted during our review, and the criteria used to determine noncompliance.

Figure 3



***Notable Audit Report
Deficiencies***

During our review and certification cycle, we identified 12 deficiencies in five rejected reports. The majority of the deficiencies that we identified during our review pertained to the Independent Auditor's Report and the Finding and Recommendations sections of the audit report. Specifically, the Independent Auditor's Report did not identify the required supplementary information or the schedules that pertain to the Supplementary Information section; and the financial statement findings did not include the recommendation, views of responsible officials, or corrective action plan.

We also identified the following notable deficiencies:

- The Notes to the Financial Statements on other post-employment benefit plans (OPEBs) were outdated and did not comply with the requirements of GASB Statement No. 75.
- The report did not include a schedule of the entity's defined benefit OPEB liability.
- The Report on Internal Control Over Financial Reporting and on Compliance and Other Matters did not include a statement regarding test results.
- The Report on State Compliance did not include the correct number of audit procedures.

***Comparison of
Independent Audit
Report Deficiencies
by Fiscal Year***

During the FY 2020-21 review cycle, we found 12 independent audit report deficiencies. This represents an increase from the prior year; there were five deficiencies in FY 2019-20. In FY 2018-19, we identified 13 deficiencies.

Of the 12 independent audit report deficiencies identified for FY 2020-21, ten (83%) were related to the auditor's reporting in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits set forth in *Government Auditing Standards*, issued by the Comptroller General of the United States. The other two deficiencies were due to an incorrect number of required audit procedures being listed in the Report on State Compliance.

During this review cycle, SCO identified one independent audit report that contained a recurring deficiency previously identified during the FY 2019-20 review cycle. For the FY 2019-20 and FY 2018-19 review cycles there were no recurring audit report deficiencies.

Figure 4 provides a breakdown by category of independent audit report deficiencies for the current and previous reporting periods.

The Appendix provides additional detail for each category for the three audit fiscal years.

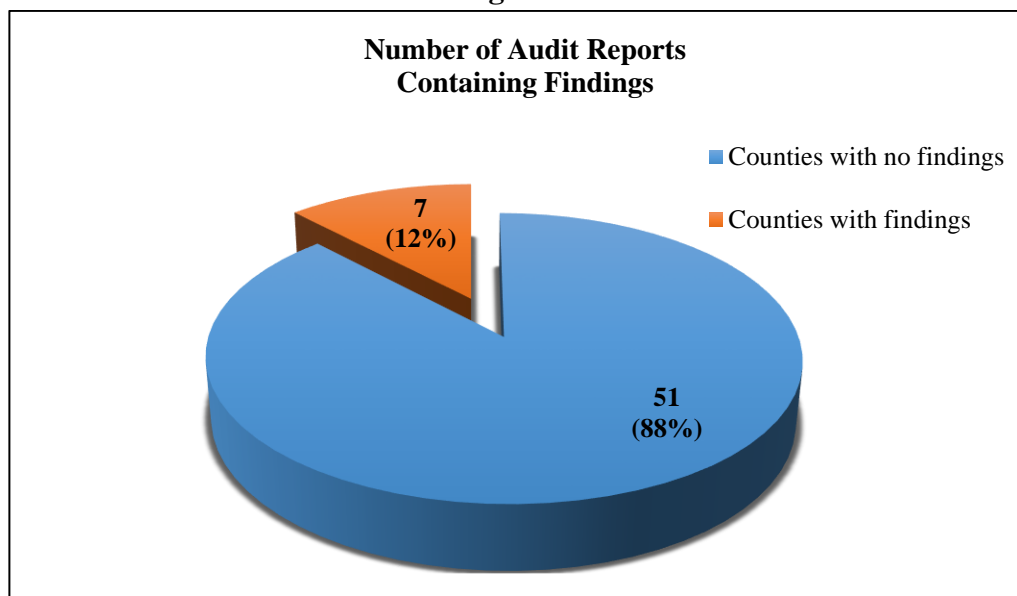
Figure 4

Independent Audit Report Deficiencies – Comparison by Fiscal Year			
Category	Number of Occurrences		
	FY 2020-21	FY 2019-20	FY 2018-19
Findings and Recommendations Section	3	0	4
Independent Auditor's Report	3	3	1
Notes to the Financial Statements	2	2	7
Report on State Compliance	2	0	1
Government Auditing Standards Report	1	0	0
Required Supplementary Information	1	0	0
Total	12	5	13

Findings Reported by the Independent Auditors

The independent auditors for seven of the 58 county commissions reported a total of eight audit findings (see Figure 5). Seven audit findings were categorized as internal control, and one was categorized as state compliance.

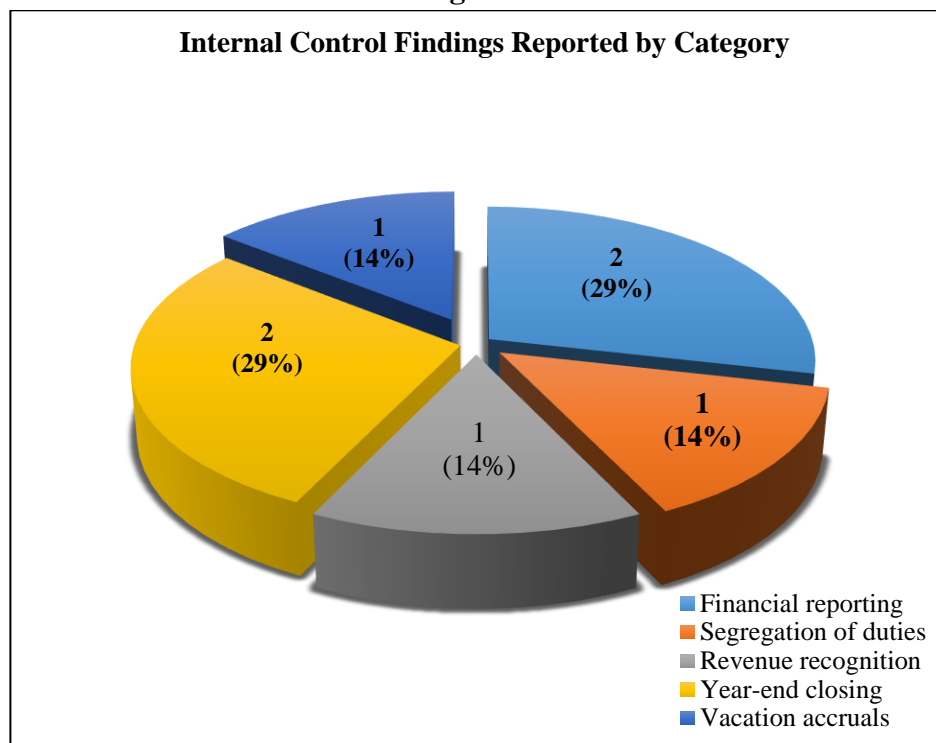
Figure 5



**Breakdown of
Reported Internal
Control Findings**

During the FY 2020-21 review cycle, we identified five functional areas within the seven internal control findings that were reported, as summarized in Figure 6.

Figure 6



Two of the seven internal control findings are in the financial reporting category. The findings are related to a recurring situation that is not readily corrected in one reporting cycle: specifically, the county commissions' reliance on their independent auditors to draft financial statements and/or accompanying notes to the financial statements.

Consistent with Clarified Statements on Auditing Standards, section AU-C 200.05, management has acknowledged responsibility for financial statements and accompanying notes. Therefore, when an independent auditor prepares (or significantly assists in preparing) these documents, it must be reported as an internal control finding under auditing standards applicable to FY 2020-21. These findings for the county commissions' reports indicate that the commissions do not find it feasible to hire additional staff, or to hire additional independent auditors to prepare financial statements and/or accompanying notes.

Based on our follow-up of these audit findings, our review of the corrective action plans included in the commission meeting minutes, and the county commissions' responses to the audit findings, the county commissions have found it cost-prohibitive to hire staff or retain public accountants to prepare their financial

statements. However, the county auditor-controllers are assisting the county commissions to prepare the financial statements and/or accompanying notes.

Our review of the county commissions' board meeting minutes indicated that the county commissions apprised their governing commissions of attempts to take corrective action or implement mitigating procedures. This issue with the preparation of financial statements is not easily remedied due to a number of factors, including limited resources and options for smaller or remote county commissions. The repeat finding from FY 2020-21 is a result of the county commissions' reliance on their auditors to prepare financial statements and accompanying notes.

***Breakdown of
Reported State
Compliance Findings***

For FY 2020-21, there was one state compliance finding. There were no state compliance findings for the FY 2019-20 review cycle; there were three for the FY 2018-19 review cycle. Figure 7 presents a year-by-year comparison.

Figure 7

Comparative Detail of Audit Findings – State Compliance			
Audit Findings	FY 2020-21	FY 2019-20	FY 2018-19
Administrative costs	1	0	1
Payroll	0	0	1
Salaries and benefits	0	0	1
Total Findings	1	0	3

***Qualified Opinion on
Governmental Activities***

For FY 2020-21, the independent auditor for one of the 58 county commissions issued a qualified opinion on the local commission's governmental activities. Specifically, the local commission did not comply with the reporting requirements of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. Except for the effects of the qualified opinion, the independent auditor for the local commission issued an unmodified opinion on the basic financial statements and the respective financial positions of the local commission's governmental activities.

For FY 2019-20, the independent auditor for one local commission issued a qualified opinion for noncompliance with the reporting requirements of GASB Statement No. 68. For FY 2018-19, independent auditors for two local commissions issued qualified opinions; one was for the local commission's failure to implement GASB Statement No. 68, and the other was for another local commission's failure to comply with the policies and practices specified in Health and Safety Code.

SCO Follow-up of Reported Audit Findings

In addition to performing our desk review of the county commission audits, SCO is required to follow up on findings reported in the county commission audits. Specifically, HSC section 130151(e) requires:

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

County commissions are required to submit responses to findings in their audit reports, pursuant to HSC section 130151(d) and *Government Auditing Standards* paragraphs 4.33 through 4.36. The SCO's audit finding follow-up is accomplished in three ways:

- Review of evidence that the county commission has adopted a corrective action plan and/or resolved any findings. Evidence reviewed includes commission minutes, signed commission meeting agenda item documentation, and commission-approved audit finding responses;
- Review of the subsequent financial and compliance audit report, issued after the fiscal year with reported findings. Audit standards require that the independent auditor or auditor-controller determine the status of previously reported audit findings; and
- Onsite visits by SCO staff members or telephone conferences between SCO staff members and county commissions with audit findings.

For the FY 2020-21 audit review cycle, SCO performed follow-up of audit findings via telephone conference with four of the seven county commissions whose independent audit reports contained findings. Our follow-up resulted in a review of 50% of the total reported findings for all seven county commissions. These county commissions provided corrective action plans and other documentation to substantiate resolution of their FY 2020-21 audit findings.

Based on our desk reviews of commission meeting minutes and telephone conference follow-up of audit findings, SCO did not recommend withholding funding allocations from any commissions for failure to correct or to provide a viable plan to correct audit findings.

Compliance with Requirement for Public Discussion of Reported Audit Findings

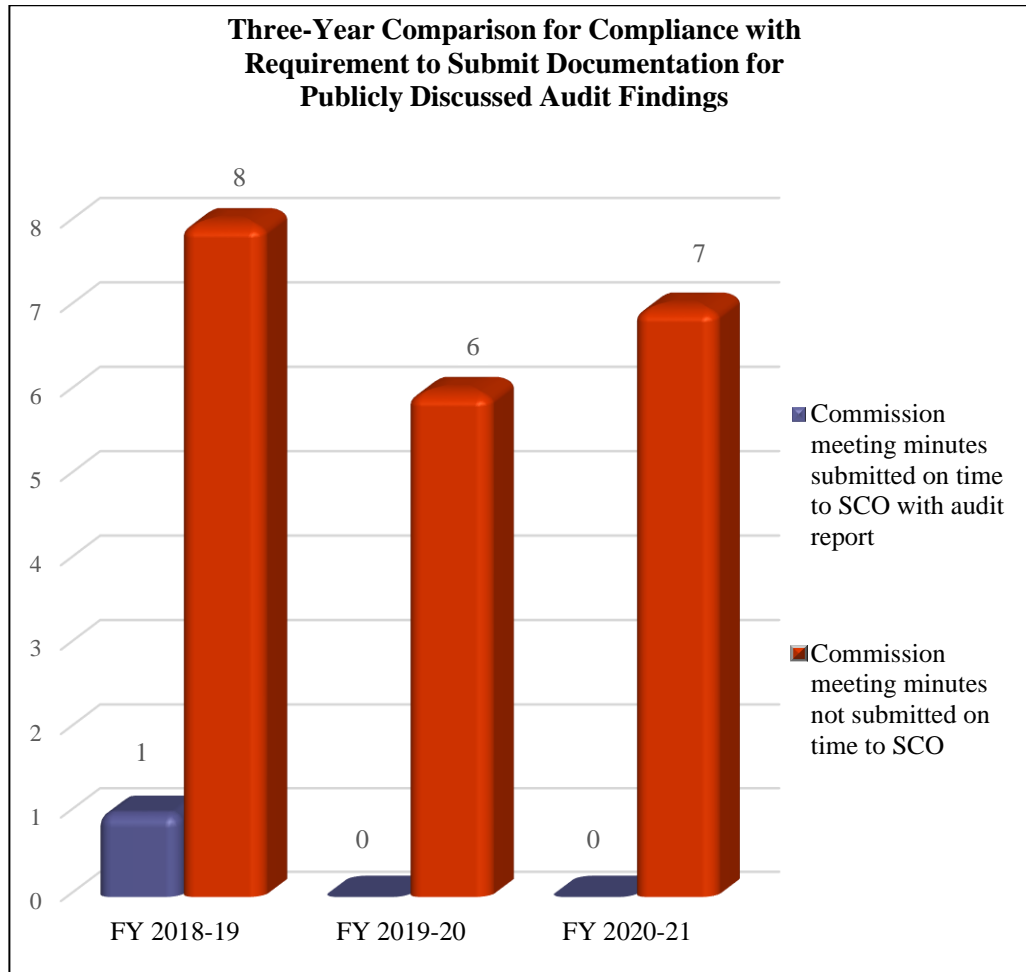
The county commissions are required to discuss the audit findings in a public hearing, and submit their responses to the audit findings to SCO. HSC section 130151(d) states, in part:

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

In September 2009, SCO issued an advisory requesting that county commissions submit evidence (e.g., commission minutes and signed documentation for commission meeting agenda items) of public discussion of audit findings and any related corrective action plans with their independent audit reports. However, for the last 14 review cycles, multiple county commissions have failed to submit the required documentation until they were requested to do so by SCO.

For FY 2020-21, none of the seven county commissions whose independent audits contained findings submitted public discussion-related documentation to the SCO with their audit reports (see Figure 8). Upon request, all seven county commissions submitted the required documentation. Based on our review of the documentation, all seven county commissions with audit findings held public hearings discussing the findings and related corrective action plans as required by HSC section 130151(d).

Figure 8



Appendix

Summary of Independent Audit Report Deficiencies (Three-Year Comparison)

Description of Audit Report Deficiency	Number of Occurrences		
	FY 2018-19	FY 2019-20	FY 2020-21
<u>Independent Auditor's Report on the Financial Statements</u>			
The report did not include the reference to the <i>Government Auditing Standards</i> in the statement that the audit was conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Government Auditing Standards, issued by the Comptroller General of the United States.	0	2	0
Auditor's report did not include all of the elements in the required supplementary information (RSI) section, and included erroneous information.	1	0	2
Auditor's report did not specifically identify the supplementary information and the schedules that pertain to the section.	0	0	1
Auditor's report contains an inaccurate or inconsistent reference to a separate report.	0	1	0
<u>Notes to the Financial Statements</u>			
The Notes to the Financial Statements on Other Postemployment Benefit (OPEB) plan is not in compliance with GASB Statement No. 75. An allocation of benefits or actuarial valuation or valuation performed by alternative method was not performed as required every two years.	0	1	1
The Notes to the Financial Statements did not identify the plan administrator and identification of the OPEB plan as single-employer, agent, cost-sharing, or multi-employer.	0	1	0
The Notes to the Financial Statements did not include the OPEB plan benefit terms.	1	0	0
The Notes to the Financial Statements did not include the number of employees covered by the benefit terms of the OPEB plan.	4	0	0
The Notes to the Financial Statements did not disclose the fiduciary net position of the OPEB plan.	1	0	0
The Notes to the Financial Statements did not include the schedule of changes in the OPEB liability.	1	0	0
The Program Evaluation note disclosed total amount spent on program evaluations which did not agree to the sum of individual amounts disclosed in the note.	0	0	1

Appendix (continued)

Description of Audit Report Deficiency	Number of Occurrences		
	FY 2018-19	FY 2019-20	FY 2020-21
<u>Required Supplementary Information</u>			
The report did not include the entity's OPEB liability, changes in the net OPEB liability, or entity's proportionate share of the net OPEB liability or a schedule of the entity's OPEB contributions.	0	0	1
<u>Government Auditing Standards Report</u>			
The Report on Internal Control Over Financial Reporting and on Compliance and Other Matters did not include the statement that identifies whether the results of tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.	0	0	1
<u>Report on State Compliance</u>			
The list of required audit procedures reported in the Report on State Compliance was incomplete and/or inaccurate.	1	0	2
<u>Findings and Recommendations</u>			
The audit finding did not include the criteria.	1	0	0
The audit finding did not include the recommendation.	2	0	1
Audit finding did not include the views of responsible officials.	0	0	1
Audit finding did not include the auditee's corrective action plan.	0	0	1
The audit finding was not coded with a reference number.	1	0	0
Total	13	5	12

**State Controller's Office
Division of Audits
Post Office Box 942850
Sacramento, CA 94250**

www.sco.ca.gov

DATE: April 24, 2023

TO: First 5 Orange County

FROM: Kimberly Goll, President/CEO



ACTION: Receive Update on OC Grantmakers Early Childhood Issue Table

SUMMARY:

This item provides an update on First 5 Orange County's partnership with Orange County Grantmakers and the work of the Early Childhood Issue Table.

DISCUSSION:

Over the past 17 years, OC Grantmakers (OCG) has evolved from a small, peer-networking group to a thriving regional leadership association for funders and philanthropists. First 5 OC was one of the founding agencies and has made significant contributions to this collaborative effort. Tiffany Alva, First 5 OC's Director of Partnerships and Government Affairs, currently services as the Chair of the OCG Board.

In 2021, OCG underwent its first formal strategic planning process, working with an outside consultant to develop a five-year, equity-focused roadmap for the future. Their Strategic Plan includes eight goal areas:

1. Create Power Sharing Spaces with the nonprofit community;
2. Align OCG Affiliate Groups to the OCG equity commitments;
3. Serve as a hub for funders to connect;
4. Target outreach for capacity building and training to undeserved geographies and demographics;
5. Advance equity internally and externally by integrating a focus on equity
6. Promote best practices;
7. Engage with Native Nations; and
8. Develop a sustainable leadership pipeline for BIPOC foundation leaders and staff.

As part of this work, OCG has developed Funder Issue Tables on specific topics that funders are interested in learning more about. There are currently four issue tables hosted by OCG: Health Funders, Food Security, Early Childhood and the Orange County Opportunity Initiative (focused on immigrant and refugee communities). First 5 OC is pleased that early childhood was elevated during the annual Orange County State of Philanthropy Report development, and that there is interest among the OCG membership to meet, deepen their knowledge, and explore strategies to promote investment in early childhood.

A group of eight funders met for the first time in March 2023 and will continue to meet quarterly to provide a space for funders to come together to learn about the latest research, program innovations, and policy affecting young children and their families so that all children have an equitable opportunity for healthy development and learning.

Given First 5 OC's ongoing work to build additional champions for young children and improve coordination among Orange County funders, we provided OCG with funding to explore opportunities to align and leverage philanthropic investment in systemic, equity-focused approaches to early childhood. Our funding totals \$50,000 over two years and supports the facilitation of the Early Childhood Issue Table meetings, scheduling site visits for funders, and providing follow-up with the funders after the quarterly Early Childhood Issue Tables meetings. We will provide updates to the Board on the Early Childhood Issue Table's progress and activities.

STRATEGIC PLAN & FISCAL SUMMARY:

The update has been reviewed in relation to the Strategic Plan and is consistent with all goal areas. The \$50,000 for OC Grantmakers will be included in the System Building Support, Policy, and Partnerships category in the Fiscal Year 2023-2024 and 2024-2025 budgets.

PRIOR COMMISSION ACTION:

- February 2023 – Adopted a resolution authorizing annual membership

RECOMMENDED ACTION:

1. Receive update on funding allocated to OC Grantmakers for the Early Childhood Issue Table.

ATTACHMENTS:

None

CONTACT: Tiffany Alva

DATE: May 1, 2023

TO: First 5 Orange County

FROM: Kim Goll, President/CEO



ACTION: Conduct Public Hearing, Review and Confirm Strategic Plan, and Adopt Resolution Approving the Fiscal Year 2023-2024 Proposed Budget and Final Amendments to the Fiscal Year 2022-2023 Budget

SUMMARY:

California statute requires county Children and Families Commissions to review their strategic plans at least annually and make updates as appropriate. Additionally, First 5 Orange County must prepare and adopt an annual budget. This agenda item is to review First 5 OC's Strategic Plan and approve the annual operating budget.

DISCUSSION:

Strategic Plan

In April 2021, First 5 Orange County updated its Strategic Plan, including all elements needed to meet the requirements of the California statute. The plan outlines our vision that *all children reach their full potential* and includes the strategies of getting involved early, empowering champions, elevating equity, and aligning systems of care to make positive change on behalf of young children and families. Our Strategic Plan includes three focus areas and a series of actions under each focus area to prioritize and guide our day-to-day work. It also identifies a set of indicators to track our progress in achieving the strategies laid out in the plan. We do not propose any revisions to the Strategic Plan, provided as Attachment 1, as part of today's agenda item.

As you know from previous agenda items, we have been working with this Strategic Plan and developing Action Plans for related activities for the past two years. Going forward, we believe it will be helpful to tighten up the focus areas so they are at the same level. For example, the current focus area titled "Well-child Visits, Screenings, and Linkage to Services," is narrowly focused, compared with the focus area, "Quality Infant and Toddler Child Care," and the focus area called "Resilience Among children and Families" is very broad, combining several different topics under one grouping (e.g., perinatal mood and anxiety disorders, home visiting, engaged neighborhoods, family homeless prevention). Over the next year, we propose to update the Strategic Plan focus areas to level-set and more clearly categorize First 5 OC's priorities.

Staff has already begun this work to name the specific work through Action Plans, and recategorize and prioritize the focus areas. Once staff has completed an initial refinement of the focus areas and Action Plans, we want to share these with community partners

including families. We propose to hold an open house to gather feedback and engage partners, reflect on and incorporate their input, and then share a further refined plan with the Board for review and input, most likely in Fall 2023.

We then propose to spend a few months reviewing and refining the tools we will use to measure our progress towards the Strategic Plan implementation and return to the Board with those recommended refinements in early 2024.

Proposed Fiscal Year 2023-2024 Budget

The Long-Term Financial Plan was discussed in February and March and updated at the April First 5 Board meeting. The Proposed Fiscal Year 2023-2024 Budget has been developed to be aligned with the program funding levels as approved in the plan. In response to the decline in revenue because of the ban of flavored tobacco products, the funding level target included in the financial plan was a total operating budget of \$21.6 million, and the Proposed Fiscal Year 2023-2024 Budget recommended for approval aligns with the plan at \$21.6 million.

Below is a summary of the key drivers for this year's budget.

Revenue

- Following the latest revenue projections from the California Department of Finance, tobacco tax revenue is budgeted to be \$17.94 million which is a 12.4% decrease from the prior-year budget. This revenue projection is aligned with the projections included in the approved financial plan and the decline is a result of the flavor ban that was upheld in November 2022.
- Estimated revenue has been budgeted for First 5 Orange County's pass-through and subcontracted programs: First 5 California funded Childcare Quality Improvements (\$875,000), First 5 CA funded Home Visiting Coordination (\$875,000) and CalWORKs Home Visitation (\$2 million).
- Other revenue sources consist of contributions for both the Conditions of Children Report, investment earnings, and other miscellaneous anticipated reimbursements and payments.
- Total revenue is less than budgeted expenses by \$3.8 million in the proposed budget. Of this amount, \$725,000 is from one-time System Building funds. The remaining \$3.08 million will be pulled from fund balance reserves to cover the deficit of expenses over revenue in the operating budget as approved in the financial plan.

Program Funding

- The current budget presents program funding under the goal areas of Prenatal-to-Three, School Readiness Initiative, Homeless Prevention, Children's Dental, and System Building.
- One-time Systems Building projects are tracked separately from annual budgeted programs. Estimates of System Building expenses are included in the proposed Fiscal Year 2023-2024 budget. \$350,000 of the total \$725,000 is included for HeathySteps expansion, \$75,000 is included for Homeless System Building expenses, and \$300,000 is included for the final year of Children's Dental service.
- Program management, evaluation and administrative consultants are included in the proposed budget.

- Staff salaries and benefits supporting a specific First 5 Orange County program or project are allocated to the related program goal area totaling approximately \$2.4 million. Allocations are based on First 5's organizational staffing chart and consider specific job descriptions and staff assignments. The budgeted salaries reflect the organizational structure and align with the priorities and responsibilities articulated in the current strategic plan.

Administrative Budget

- Total administrative expenses of \$1.78 million are 5% higher than the previous year due to small increases in staff benefits and office expenses.
- All staff salaries and benefits dedicated to administrative activities are included along with office operations, travel, meetings, communications, and professional services.
- The proposed administrative budget is 6.8% of the total annual operating budget of \$26.2 million. The staffing budget aligns with the priorities and responsibilities articulated in the current strategic plan. Benefits are provided through the County of Orange and budgeted at the current rates.

The Fiscal Year 2023-2024 Proposed Budget is fully compliant with the policy to limit administrative expenses to 10% of the annual budget. California Health and Safety Code Section 130140 requires the Commission to adopt a limit on the percentage of the operating budget that may be spent on administrative functions. Administrative costs and functions are defined by the First 5 California Commission guidelines pursuant to Chapter 284, Statutes of 2005 (AB 109). Adoption of the Fiscal Year 2023-2024 budget includes a 10% limitation of the operating budget on administrative function expenditures. Approval of the Fiscal Year 2023-2024 Proposed Budget (Attachment 2) is requested.

Final Amended Fiscal Year 2022-2023 Budget

The Fiscal Year 2022-2023 Budget was approved at the June 2022 Board meeting. Current program allocations and encumbrances were analyzed and a proposed amended operating budget for Fiscal Year 2022-2023 (Attachment 4) has been developed. The amended operating budget includes one-time catalytic funding. The proposed adjustments do not increase the approved operating spending levels for the fiscal year as the funding described below is disbursed from one-time system building funds that have already been allocated and reserved for their specific purpose.

- One-time Systems Funding for the Intergovernmental Transfer (IGT): Up to \$875,000 was approved as a one-time allocation to focus on children engaged with Child Protective Services. This adjustment adds \$680,000 to the original budget due to the timing of the disbursements from the one-time funding and matches the final amount of disbursement as calculated by the CA Department of Health Care Services.
- One-time Systems Funding for Children's Dental Education, Outreach, Prevention, and Treatment: In 2012, \$20 million was approved as a one-time allocation for children's dental programs. This adjustment adds \$2.7 million due to the timing of the disbursements from the one-time funding.
- One-time Systems Funding for Homeless services: In 2012, \$7 million was approved as a one-time allocation for homeless services in partnership with HomeAid. This adjustment adds \$200,000 to the original budget due to the timing of the disbursements from the one-time funding.

Next Steps

Over the next fiscal year, as future year budgets and spending targets in the Long-Term Financial Plan are considered, staff will review the Strategic Plan and line-item Budget and explore how linkages in the presentation of each document can be improved. This may involve reorganizing and relabeling current budget line items. Staff would also like to consider the option of multi-year budgeting. The organization-wide budget has historically been considered on a year-by-year basis. Using a multi-year budget development process may provide additional foresight and transparency in how the future-year spending targets in the Financial Plan will be met along with the opportunity to discuss the implications for the Strategic Plan.

STRATEGIC PLAN & FISCAL SUMMARY:

The Fiscal Year 2023-2024 proposed Operating Budget and Final Amended Fiscal Year 2022-2023 Budget and recommended actions presented in this staff report have been reviewed and are consistent with the Strategic Plan as presented.

PRIOR COMMISSION ACTIONS:

- April 2023 – Confirm the Annual Long-Term Financial Plan Update
- June 2022 – Approve the Fiscal Year 2022-2023 Annual Operating Budget
- April 2022 – Approve Updated First 5 OC Strategic Plan
- April 2021 – Approve the Updated Strategic Plan for Fiscal Year 2021-2022 through Fiscal Year 2025-2026

RECOMMENDED ACTIONS:

1. Conduct Public Hearing.
2. Review First 5 OC Strategic Plan (Attachment 1).
3. Adopt resolution (Attachment 3) approving the Annual Operating Budget for Fiscal Year 2023-2024 (Attachment 2) and confirming the 10 percent limitation on administrative expenditures for the operating budget.
4. Adopt resolution (Attachment 5) approving the Fiscal Year 2022-2023 Amended Operating Budget (Attachment 4).

ATTACHMENTS:

1. First 5 OC Strategic Plan
2. Fiscal Year 2023-2024 Proposed Budget
3. Resolution – Fiscal Year 2023-2024 Operating Budget
4. Fiscal Year 2022-2023 Final Amended Budget
5. Resolution – Fiscal Year 2022-2023 Final Amended Budget

CONTACT: Lisa Burke and Michael Garcell

2021-2025 Strategic Plan



OUR VISION

We envision an Orange County in which **“All children reach their full potential.”** The groundwork for this vision to be achieved is set during a child’s earliest years. First 5 Orange County partners with many organizations working towards creating and maintaining an early childhood system that families experience as a seamless network of care.

Each child is unique, and every child’s full potential will look different. We know from years of research that a child’s experiences during their early years establish a foundation that, if strong, sets children up to achieve more in school and life, be physically healthier and more emotionally resilient, and participate more in society.

At First 5 Orange County, we aim to build bridges and remove barriers so children of every culture, color, and condition can thrive. In partnership with health, social service, family support, and education agencies in Orange County, we strive to provide programs and initiatives that build up children and encourage whole family engagement and health.

Conditions for Children to Thrive

For children to thrive, the following set of situational and environmental conditions are needed.



These conditions reflect our conviction that the entities surrounding children (parents, caregivers, communities, and early childhood systems such as health care and child care) directly influence their development and are inextricably linked.

Early and Ongoing Health and Development

Decades of research support the benefits of early intervention for children and the importance of physical and mental healthcare. When met, the health and development condition looks like this: children prenatal to age 5 and their families receive support to optimize children's physical and mental health and cognitive development; and a planned progression of quality services is available at a variety of natural interaction points with systems of care. For example, a mother might receive breastfeeding education, a depression screening, and support if needed for a healthy pregnancy during a prenatal visit. Or a child might receive a developmental screening and their family could be connected with services during a pediatric well visit appointment.

A Safe, Stable, and Nurturing Home

The value of nurturing environments for young children to build resiliency and protective factors is well documented. A child's family is its first and most influential setting, and well-equipped parents and caregivers provide foundational relationships and emotional stability. When the Home condition is met, parents and caregivers have access and capability to attend to their own mental health and can provide positive, responsive parenting to the young children in their care.

Neighborhoods that Support Young Children and Families

Beyond the home, the community surrounding a child also influences their growth and development. Children thrive when they have safe places to play, access to early learning opportunities (such as child care or libraries), and other supports such as family resource centers, nearby healthcare, and access to healthy food. When this condition is met, neighborhoods have the infrastructure to support children and the capacity to sustain healthy social relationships.

Equitable Distribution of Resources

A condition for all children to achieve their full potential is a society where inclusion, diversity, and equity are a value and a priority, and policies and practices are put in place to address the structural barriers that perpetuate equity gaps and racism. When this condition is met, parents and families are put at the center and supported to co-create and advocate for solutions to the pressing issues facing them. First 5 Orange County prioritizes the county's most vulnerable families to reduce disparities in access to equitable, quality services and positive outcomes

We believe these conditions are non-negotiable, minimum standards Orange County must meet for all its families.

Strategies to Make a Positive Change

We believe these four strategies have the most impact on improving the conditions needed for children and families to thrive. These strategies guide us and are the lens through which we prioritize our work:

Get Involved Early

We invest in programs, services, and partnerships that focus on prevention, identify mental and developmental health needs as early as possible, and link children and families to resources.

Elevate Equity

We prioritize the county's most vulnerable families to reduce disparities in access to quality services and outcomes for kids.

Empower Champions

We connect with, strengthen, and support parents, community leaders, public agencies, and community organizations to co-create and advocate for solutions to pressing issues facing young children and families.

Align Systems of Care

We coordinate early childhood systems of care to work together, creating a supportive infrastructure so families can experience seamless connections to quality services.

In summary, this is **First 5 Orange County's** logic for how we achieve change:

Strategies

Agency parameters to guide how we select funded partners, prioritize our work, and interact with our community

Conditions

Situational and environmental truths that must exist for a young child/family to thrive

Vision

All children reach their full potential

Our focus between 2021 and 2025

1 Well-child visits, screenings, and linkage to services

Partner with stakeholders to help families get the most out of well-child visits and screenings:

- Identify and remove barriers to well-child visits, where most needed
- Set a community target for completion of well-child visits
- Promote the importance of medical homes (a regular place for health care) in children's health
- Improve parent and provider messaging about well-child visits and screenings (developmental, behavioral and trauma)
- Promote earliest possible screenings and linkage to services
- Expand use of the OC Children's Screening Registry
- Smooth transition to school-based services
- Advocate to increase compliance with screenings in the medical home

2 Resilience among children and families

Promote services that support Protective Factors¹ for children and families:

- Improve diagnosis of perinatal mood and anxiety disorders and linkage to treatment and dyadic care models
- Expand home visiting through coordination and advocacy
- Expand opportunities for families within Engaged Neighborhoods to access concrete supports, grow parent knowledge, build resilience, increase social connectivity, and strengthen children's social/emotional competencies
- Improve coordination, linkage to, and expansion of services to special populations²
- Support community efforts to increase awareness of and access to financial supports,³ including addressing barriers, streamlining application processes, and identifying advocacy opportunities

¹ Protective Factors include parental resilience, social connections, concrete support in times of need, knowledge of parenting and child development and social and emotional competence of children.

² Special populations include children at risk for abuse and neglect; infants who have been substance-exposed; foster youth who are parenting; families experiencing homelessness.

³ Examples of financial supports are CalFresh, CalWORKs, and WIC.



3

Quality infant and toddler child care

Increase availability and accessibility of quality infant and toddler child care:









- Co-create a policy and advocacy agenda with community partners to increase the quality and amount of infant and toddler child care
- Strengthen and build capacity of infant and toddler child care providers through connections with school districts; technical assistance in the operation of 0-3 services; business resources; and shared learning opportunities
- Streamline access to child care for special populations to ease the burden on families that have unique needs for child care but lack ability/resources to find it
- Engage local community businesses, philanthropists, and the construction industry to assist in the acquisition and development of property that can house infant and toddler programs



Measuring Progress

We use a set of progress indicators to determine whether we are contributing to the achievement of the four conditions needed for children and families to thrive.

Though we understand First 5 Orange County is one of many organizations influencing these metrics, they are critical representations of the reality children and families face and reflect our commitment to definitively contribute to the achievement of each condition in Orange County.

Progress Indicator	Desired Trend	Baseline
Percentage of children on Medi-Cal completing well-child visits in the first 15 months of life		66.7%
Age of children entered in the OC Children's Screening Registry		29% 0 – 11 months 35% 12 – 23 months 27% 24 – 35 months
Children's social and emotional vulnerability (Resilient Families Measure)		9.7%
Gap between the percentage of young children who are eligible for and enrolled in CalFresh (Resilient Families Measure)		29.2%
Availability of infant and toddler child care		5,170 licensed spaces (5% of OC's children ages 0-2)
Proportion of children who are ready for kindergarten		52.9%
Neighborhoods with increasing proportion of children ready for kindergarten		35 neighborhoods (15%)
Gap in children's likelihood of being ready for kindergarten (Disparity Index)		Not yet available

A full set of progress indicators are available on our website. See **"First 5 Orange County Strategic Plan Progress Indicators."**

First 5 Orange County Children and Families Commission

Fiscal Year 2023-2024 Proposed Budget

	23/24 Proposed Budget
<u>FINANCING</u>	
Prop 10 Tax Allocations	\$ 17,940,000
Other Revenues	
Investment Earnings	100,000
MAA Revenue	250,000
First 5 CA Home Visiting Coordination	875,000
CalWORKs Home Visitation Program	2,000,000
Childcare Quality Improvement: First 5 CA	980,000
Other Revenue	232,700
	22,377,700
<u>PROGRAM SERVICES</u>	
Prenatal-to-Three	
Maternal Child Health Network Hospitals	1,451,980
Maternal Child Health Network Home Visiting Services	4,046,250
CalWORKs Home Visitation Program	2,000,000
First 5 CA Home Visiting Coordination	875,000
Early Relational and Mental Health Systems	387,000
Autism and Pediatric Support	965,240
Prenatal-to-Three Catalytic Funding	350,000
Prenatal-to-Three Program Support	1,097,550
Prenatal-to-Three Subtotal	11,173,020
School Readiness Initiative	
School District Partnerships	5,394,317
Childcare Quality Improvement: First 5 CA	1,740,260
School Readiness Initiative Program Support	852,283
School Readiness Initiative Subtotal	7,986,860

First 5 Orange County Children and Families Commission

Fiscal Year 2023-2024 Proposed Budget

	23/24 Proposed Budget
Homeless Prevention	
Homeless Prevention Operational Support	558,000
Homeless Prevention Systems Building	75,000
Homeless Prevention Subtotal	<u>633,000</u>
Children's Dental	
Children's Dental Education, Outreach, Prevention and Treatment	300,000
Children's Dental Subtotal	<u>300,000</u>
System Building	
System Building	1,859,000
Engaged Neighborhoods	667,000
System Building Support, Policy, and Partnerships	1,075,952
Systems Building Subtotal	<u>3,601,952</u>
Performance Evaluation	
Performance Management - Data Systems Platforms	170,000
Evaluation and Performance Management Support	538,000
Performance Evaluation Subtotal	<u>708,000</u>
Total Program	24,402,832
Administrative Functions	
Administrative Staff Salary and Benefits	662,926
Strategic Communications	29,000
Professional and Technical Services	593,000
Office, Training & Operating Costs	491,990
Administrative Functions Subtotal	<u>1,776,916</u>
Fiscal Year 2023-2024 Proposed Budget Total	\$ 26,179,748

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY

RESOLUTION NO. ____-23-C&FC

June 7, 2023

**A RESOLUTION OF THE CHILDREN AND FAMILIES
COMMISSION OF ORANGE COUNTY (1) ADOPTING THE
FISCAL YEAR 2023-2024 OPERATING BUDGET, AND (2)
CONFIRMING A 10% LIMIT ON ADMINISTRATIVE
EXPENSES**

WHEREAS, the Children and Families Act of 1998 requires the Children and Families Commission of Orange County (“Commission”) to adopt and annually review its Strategic Plan in order to define how funds authorized under the Act and allocated to the Commission should best be used to meet the critical needs of Orange County’s children prenatal to five years of age as codified in the Act; and

WHEREAS, the Act requires the Commission to conduct a public hearing with respect to (1) its adoption of an Annual Operating Budget, and (2) adoption of a percentage limitation of its operating budget that may be spent on administrative functions; and

WHEREAS, at its meeting of June 7, 2023, the Commission conducted a public hearing and reviewed the following documents prepared and recommended by staff and identified in the staff report for the June 7, 2023 Commission meeting with the Attachment number set forth herein: The Annual Operating Budget for the Fiscal Year 2023-24 (Attachment 2).

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

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

Section 2 The Commission hereby adopts the Annual Operating Budget for Fiscal Year 2023-24.

Section 3 Pursuant to California Health and Safety Code Section 130140(d)(5), the Commission confirms 10% of the operating budget as the limit that may be expended on administrative functions.

Section 4 Notwithstanding the approval of the budget, no expenditures from the line item categories for grant funding for Program Services (or any subcategory within such categories) is authorized or may be approved except by subsequent action of the Board of Commissioners, no category is required to be funded at any particular level, no grant funding decisions for individual applicants or types of applicant will be made except in connection with specific grant processes, and no ceiling or floor for such categories is established by this budget.

Section 5 Approval by the Board of Commissioners is required to increase or decrease the existing total amount of budgeted appropriations, revenues, and/or reserves as adopted by the Board of Commissioners. The President/CEO, or designee, is authorized to transfer existing budgeted

appropriations mid-fiscal year between existing budget categories and accounts in order to pay for required operating expenses. In accordance with the Commission's Budgetary Control policy, the Commission renews its delegation of authority to approve budgetary transfers to the President/CEO for Fiscal Year 2023-24.

Section 6 The Clerk of the Commission shall append to this Resolution a copy of the Annual Operating Budget for Fiscal Year 2023-24 set forth in Section 2, as Exhibit A (which shall correspond to Attachment 2 of the June 7, 2023 staff report). Exhibit A is hereby fully incorporated as part of this Resolution by this reference and made a part hereof as though fully set forth herein.

Section 7 Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase in this Resolution or any part thereof is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this resolution or any part thereof. The Commission Board hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof irrespective of the fact that any one (1) or more subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional, or invalid, or ineffective.

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 June 7, 2023 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: __-23-C&FC

Agenda Date: June 7, 2023

Item No. ____



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

ROBIN STEILER, Clerk of the Commission

By: _____
Deputy

EXHIBIT A TO RESOLUTION OF COMMISSION
(ANNUAL OPERATING BUDGET FOR FISCAL YEAR 2023-2024)
(attached)

First 5 Orange County Children and Families Commission
Fiscal Year 2022-2023 Amended Budget

	22/23 Approved Budget	Carryover	Modification	22/23 Amended Budget
<u>FINANCING</u>				
Prop 10 Tax Allocations	24,350,000		(3,863,679)	20,486,321
Other Revenues				
Investment Earnings	100,000			100,000
MAA Revenue	250,000			250,000
Childcare Quality Improvement: First 5 CA	1,000,000			1,000,000
CalWORKS Home Visitation Program	2,000,000			2,000,000
Other Revenue	232,700			232,700
	27,932,700	0	(3,863,679)	24,069,021
<u>PROGRAM SERVICES</u>				
Prenatal-to-Three				
Bridges: Maternal Child Health Network Hospitals	1,248,500	0	0	1,248,500
Bridges: Maternal Child Health Network Home Visiting Services	4,040,000	0	0	4,040,000
CalWORKS Home Visitation Program	2,000,000	0	0	2,000,000
Early Relational and Mental Health Systems	310,000	0	0	310,000
Autism and Pediatric Support	875,240	0	0	875,240
Prenatal-to-Three Catalytic Funding	350,000	0	680,000	1,030,000
Prenatal-to-Three Program Support	905,284	0	0	905,284
Prenatal-to-Three Subtotal	9,729,024	0	680,000	10,409,024
School Readiness Initiative				
School District Partnerships	5,950,400	0	0	5,950,400
Childcare	1,311,000	0	0	1,311,000
Early Literacy and Math Programs	35,260	0	0	35,260
School Readiness Initiative Program Support	700,156	0	0	700,156
School Readiness Initiative Subtotal	7,996,816	0	0	7,996,816

First 5 Orange County Children and Families Commission
Fiscal Year 2022-2023 Amended Budget

	22/23 Approved Budget	Carryover	Modification	22/23 Amended Budget
Homeless Prevention				
Homeless Prevention Operational Support	1,168,000	0	0	1,168,000
Homeless Prevention Systems Building	250,000	0	200,000	450,000
Homeless Prevention Subtotal	1,418,000	0	200,000	1,618,000
Children's Dental				
Children's Dental Education, Outreach, Prevention and Treatment	0	0	2,700,000	2,700,000
Children's Dental Subtotal	0	0	2,700,000	2,700,000
System Building				
System Building	475,000	0	0	475,000
Engaged Neighborhoods	708,000	0	0	708,000
System Building Support	795,573	0	0	795,573
Systems Building Subtotal	1,978,573	0	0	1,978,573
Performance Evaluation				
Performance Management - Data Systems Platforms	305,000	0	0	305,000
Evaluation and Performance Management Support	575,750	0	0	575,750
Performance Evaluation Subtotal	880,750	0	0	880,750
Total Program	22,003,163	0	3,580,000	25,583,163
Administrative Functions				
Administrative Staff Salary and Benefits	631,116	0	0	631,116
Strategic Communications	142,600	0	0	142,600
Professional and Technical Services	549,000	0	0	549,000
Office, Training & Operating Costs	290,690	0	0	290,690
Administrative Functions Subtotal	1,613,406	0	0	1,613,406
Fiscal Year 2022-2023 Proposed Budget Total	23,616,569	0	3,580,000	27,196,569

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY

RESOLUTION NO. ____-23-C&FC

June 7, 2023

**A RESOLUTION OF THE CHILDREN AND FAMILIES COMMISSION OF
ORANGE COUNTY ADOPTING THE AMENDED FISCAL YEAR 2022-23
OPERATING BUDGET**

WHEREAS, at its meeting of June 1, 2022, the Commission conducted a public hearing and reviewed and adopted the following documents prepared and recommended by staff and identified in the staff report for the June 1, 2022 Commission meeting: The Annual Operating Budget for the Fiscal Year 2022-23, including the Administrative Budget; and

WHEREAS, at its meeting of June 7, 2023, the Commission reviewed and adopted an Amended Annual Operating Budget for the Fiscal Year 2022-23 prepared and recommended by staff and identified in the staff report for the June 7, 2023 Commission meeting as Attachment 4.

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

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

Section 2 The Commission hereby adopts the Amended Annual Operating Budget for Fiscal Year 2022-23.

Section 3 Notwithstanding the approval of the amended budget, no expenditures from the line item categories for grant funding for Program Services (or any subcategory within such categories) is authorized or may be approved except by subsequent action of the Board of Commissioners; no category is required to be funded at any particular level; no grant funding decisions for individual applicants or types of applicant will be made except in connection with specific grant processes, and no ceiling or floor for such categories is established by this budget.

Section 4 Approval by the Board of Commissioners is required to increase or decrease the existing total amount of budgeted appropriations, revenues, and/or reserves as adopted by the Board of Commissioners. The President/CEO, or designee, is authorized to transfer existing budgeted appropriations mid-fiscal year between existing budget categories and accounts in order to pay for required operating expenses. In accordance with the Commission's Budgetary Control policy, the Commission renews its delegation of authority to approve budgetary transfers to the President/CEO for Fiscal Year 2022-23.

Section 5 The Clerk of the Commission shall append to this Resolution a copy of the Amended Annual Operating Budget for Fiscal Year 2022-23, identifying it as Exhibit A, which shall correspond to Attachment 4 of the June 7, 2023 staff report. By this reference such exhibit is incorporated as though fully set forth herein.

Section 6 Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase in this Resolution or any part thereof is for any reason held to be unconstitutional or

invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this resolution or any part thereof. The Commission Board hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof irrespective of the fact that any one (1) or more subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional, or invalid, or ineffective.

Section 7 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 June 7, 2023 to wit:

AYES Commissioner(s): _____

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: __-23-C&FC

Agenda Date: June 7, 2023

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
AMENDED ANNUAL OPERATING BUDGET FOR FISCAL YEAR 2022-23
(attached)

DATE: May 16, 2023**TO:** First 5 Orange County**FROM:** Kimberly Goll, President/CEO**ACTION:** Review Updates to Administrative Policies and Procedures Section 7.01

SUMMARY:

First 5 Orange County staff worked with a Human Resources consultant to review and update our current practices and policies. This item seeks approval for an update to Policies and Procedures Section 7.01.

DISCUSSION:

First 5 Orange County's Administrative Policies and Procedures were originally adopted in November 2001. The Policies and Procedures are reviewed annually to ensure they remain current and are updated as needed. In August of 2022, we launched a review of our Human Resources policies and practices. This review included the employee handbook, our personnel file storage system, and review of our benchmarking for employee salaries.

As a result of that work, we have an updated our employee handbook and the related policy. The handbook now reflects the most up to date information regarding applicable state and federal law and policies of First 5 OC in one place for all employees. Guided by the Human Resources consultant, the development process included all staff as well as Commission Counsel. The updated handbook (Attachment 3) includes a comprehensive description of benefits, guidance on hybrid work allowances, and guidance on policies for anti-bullying, discrimination, and harassment.

In addition to the handbook development, the Human Resources consultant conducted a benchmark analysis for staff salaries. The findings of the benchmarking place First 5 OC's base salaries at 75% of the mid-point for nonprofits with 50 employees or less, which was the most comparable industry. This salary level coupled with other benefits such as generous time-off, pension, agency benefit contributions, a tuition reimbursement program, and hybrid work arrangements places First 5 OC in the most competitive place possible given our revenue constraints. This total-rewards approach ensures we are competitive in the market and can hire skilled talent that is passionate to serve our mission. An agency organizational chart is provided as Attachment 4 for reference.

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 specific funding action proposed for this item. All salary and benefits are included in the Proposed Fiscal Year Budget presented to the Commission each year.

PRIOR COMMISSION ACTIONS:

- August 2022 – Approve the updated Administrative Policies and Procedures.
- August 2021 – Approve the updated Administrative Policies and Procedures.
- August 2020 – Approve the updated Administrative Policies and Procedures.
- August 2019 – Approve the updated Administrative Policies and Procedures.

RECOMMENDED ACTIONS:

1. Conduct public hearing.
2. Adopt Commission's Salary and Benefits Policy Resolution.
3. Approve updates to Administrative Policies and Procedures section 7.01.

ATTACHMENTS:

1. Policy 7.01
2. Resolution – Salary and Benefits Policy (7.01)
3. Handbook
4. Organizational Chart

CONTACT: Kim Goll

POLICIES AND PROCEDURES**No: 7.01****PERSONNEL AND SALARY**

PURPOSE

The purpose of this policy is to set forth the rules and guidelines necessary to govern the appointment, classification, compensation, and other terms of employment for all persons employed by the First 5 Orange County Children and Families Commission. This policy is adopted by the Commission by resolution pursuant to Health and Safety Code Section 130140.

POLICY STATEMENT

It is the policy of the Commission to comply with all terms and conditions as described in the Salary and Benefits Resolution and Handbook for the First 5 Orange County Children and Families Commission.

ATTACHMENTS

1. Salary and Benefits Resolution
2. First 5 Orange County Handbook

RESOLUTION NO. 23-____
June 7 __, 2023**A RESOLUTION OF THE CHILDREN & FAMILIES
COMMISSION OF ORANGE COUNTY REVISING AND
ADOPTING THE SALARY AND BENEFITS POLICY
PURSUANT TO HEALTH AND SAFETY CODE SECTION
130140(d)(6)**

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 Orange County Children and Families Commission (“Commission”); and

WHEREAS, the Commission adopted a Strategic Plan to define how funds authorized under the Act and allocated to the Commission should best be used to meet the critical needs of Orange County’s children prenatal to five years of age as codified in the Act; and

WHEREAS, Health and Safety Code section 130140(d)(6) requires that the Children and Families Commission of Orange County has adopted, in a public hearing, policies and procedures establishing the salaries and benefits of employees of the Commission.

WHEREAS, the purpose of this policy is to require compliance with all applicable State and Federal salary and benefits laws and to set forth the rules and guidelines necessary to govern the appointment, classification, compensation, and other terms of employment for all persons employed by the Commission; and

WHEREAS, it is the policy of the Commission that salaries and benefits of Commission employees shall be established in accordance with the Salary and Benefits Policy and that salary and benefits of Commission employees shall conform with established Commission policies; and

WHEREAS, there has been presented at this meeting the Salary and Benefits Policy (the “Policy”); and

WHEREAS, the Commission has conducted a public meeting following published notice of the agenda regarding the proposed Policy; and

WHEREAS, the Commission has considered public comment, if any, with respect to the Policy and wishes at this time to adopt the Policy and to make certain other determinations with respect thereto.

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

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

Section 2 Adoption of Updated Salary and Benefits Policy. In accordance with the requirements of Section 130140(d)(6) of the Act, the Commission, following the public hearing thereon, hereby adopts the updated Salary and Benefits Policy with the purpose and intent that such Policy conforms to said requirements of the Act. The President/CEO is hereby authorized and directed to cause said Policy to become part of the Administrative Policy Guidelines of the Commission and to be incorporated therein, and to make conforming changes, as applicable, to such Guidelines.

Section 3 Impact on Administrative Policy Guidelines. Any policies, regulations, rules or procedures heretofore or hereafter adopted by the Commission which are inconsistent with the Policy shall be ineffective and of no force and effect to the extent of such inconsistency. In particular, and without limiting the foregoing, this resolution and the Policy shall govern any interpretation or implementation of the Administrative Policy Guidelines of the Commission in effect as of the date hereof. Except to the extent provided by law, nothing in this resolution or the Policy is intended to create legal rights in any third parties.

Section 4 Inconsistent with Employment Agreement. To the extent this Policy is inconsistent with any term or provision of an individual employment agreement, the term or provision of the employment agreement shall govern.

Section 5 Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase in this Resolution or any part thereof is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Resolution or any part thereof. The Commission Board hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof irrespective of the fact that any one (1) or more subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional, or invalid, or ineffective.

Section 6 The Clerk of the Commission shall certify to the adoption of this Resolution.

PASSED, APPROVED and ADOPTED this seventh day of June, 2023 by the following vote:

The foregoing resolution was passed and adopted by the following vote of the Children & Families Commission of Orange County on June 7, 2021 to wit:

AYES Commissioners:

NOES: Commissioner(s):

EXCUSED: Commissioner(s):

ABSTAINED: Commissioner(s)

CHAIRMAN

SALARY AND BENEFITS POLICY

TABLE OF CONTENTS

SALARY AND BENEFITS POLICY DEFINITIONS	5
I. AT WILL EMPLOYMENT:.....	5
II. EXECUTIVE DIRECTOR:	5
III. PERFORMANCE EVALUATION	6
IV. EMPLOYEE TITLES, CLASSIFICATION AND PAY:	6
<u>SALARY RANGE STRUCTURE.....</u>	8
V. VACATION:.....	9
VI. SICK LEAVE:.....	9
VII. HOLIDAYS:.....	9
VIII. RETIREMENT:	9
IX. ADDITIONAL BENEFITS:	10
X. FAIR LABOR STANDARDS ACT:	10
XI. PART-TIME AND TEMPORARY EMPLOYEES:	10
XII. FAMILY CARE AND MEDICAL LEAVE:	10
XIII. OTHER LEAVE AND TIME OFF PROVISIONS:	11
XIV. UNLAWFUL DISCRIMINATION AND HARRASSMENT:.....	12
XV. IMPLEMENTATION AND ADMINISTRATION OF RULES:	14
APPENDIX.....	14

SALARY AND BENEFITS POLICY DEFINITIONS

The following terms as used in this Policy shall, unless the context clearly indicates otherwise, have the respective meanings herein set forth:

BOARD shall mean the governing board of the Children and Families Commission of Orange County.

First 5 Orange County or F5OC shall mean the Children and Families Commission of Orange County

EMPLOYEE shall mean a person employed by First 5 Orange County and covered by terms of this Resolution except where the natural construction of this Resolution otherwise indicates.

PRESIDENT/CEO shall mean the principal officer for the discharge of duties provided by law or particular delegated functions as designated by the Board.

The Children and Families Commission of Orange County Salary and Benefits Policy:

It is the policy of First 5 Orange County that the following rules and regulations be established to govern the appointment, classification, compensation and other terms, conditions, rules and regulation of employment for all persons employed by the Commission.

I. At-Will Employment:

Employment by the Commission is at-will. Employees are free to resign, with or without giving reasons, at any time. Similarly, the Commission is free to terminate employment, with or without reasons, at any time. The Commission further reserves the right to change compensation, duties, assignments, responsibilities or job location at any time, with or without cause. No other policy, practice, procedure or rule shall be construed as contrary to this at-will employment policy. Any modification to the at-will nature of employment must be in writing and signed by the governing Board of the Commission.

II. President/CEO:

A. The President/CEO shall be appointed by, and serve at the discretion of, the governing Board of the Commission. The President/CEO's compensation and other terms and conditions of employment shall be determined by the governing Board of the Commission and may be set forth in a written contract of employment between the Board and the President/CEO. In the event of any conflict between such contract of employment and these or any other rules established by the governing Board of the Commission, the provisions of the contract of employment shall govern.

B. The President/CEO shall be responsible for the appointment, compensation, promotion, discipline and dismissal of all subordinate employees and shall have the authority to implement and administer all personnel policy and rules of the governing Board of First 5 Orange County. The President/CEO may enter into contracts of employment with subordinate employees not inconsistent with these or any other rules adopted by the governing Board of the Commission.

III. Performance Evaluation

First 5 Orange County strives to provide a professional work environment that encourages and supports fair and equitable treatment of its employees and aligns with the F5OC's core values of respect, teamwork, and accountability. To this end, First 5 Orange County recognizes the importance of regular employee performance reviews and evaluations in maintaining engaged and effective staff, and also encourages open, ongoing dialogue between managers, supervisors, and employees. The purpose of the employee performance management and evaluation process is to provide an opportunity for the manager and employee to review and evaluate performance standards and objectives and provide constructive two-way feedback.

First 5 Orange County has adopted a performance management and evaluation cycle that consists of annual goal setting in support of the Strategic Plan, quarterly reviews, and a final performance evaluation that coincides with the end of the F5OC's fiscal year. The outcome of the annual performance review will determine whether merit-based salary increase or lump sum performance bonus, or a combination, will be awarded.

Annual goal-setting will be completed at the beginning of the calendar year. Each employee, in coordination with the direct supervisor, will determine personal goals and associated competencies that support the organizational objectives set forth in the Strategic Plan. In conjunction with the Strategic Plan goals, each employee will also be expected to work towards a professional goal that will benefit their overall performance, career aspirations, and F5OC. The competencies and professional goal, while important parts of the F5OC's performance management system, serve only to enhance performance and will not be considered when determining merit-based increases

Quarterly reviews are to be conducted in April, July, and October of each year. These formal feedback opportunities are intended to facilitate communication between each employee and their direct supervisor on the progress made towards goals, obstacles encountered, and a discussion of whether the goals need to be amended before the annual performance evaluation occurs.

The final annual performance evaluation will coincide with the end of the calendar year. This is an opportunity for each employee and their direct supervisor to reflect on the previous year using notes from the quarterly reviews, determine the employee's overall performance rating, and award merit-based salary increases. Performance ratings will be broken into four (4) categories:

a. Performance Expectations Not Meet: Consistently failed to meet expectations and goals. Frequently needed additional, repeated direction. Did not respond to coaching during this evaluation term.

b. Performance Expectation Nearly Met: Inconsistently met goals, expectations, and/or deadlines and often displayed inefficient working style. Additional direction and support sometimes needed. Showed receptiveness and improvement when provided with coaching and development.

c. Performance Expectations Met: Achieved core goals and consistently met expectations. Occasionally exceeded expectations.

d. Performance Expectations Exceeded: Consistently exceeded expectations and delivered well beyond goals. Influenced others to perform better.

Each category of overall performance is associated with either the implementation of a performance improvement plan, a salary building merit increase, and/or lump sum performance bonus. These awards are in addition to the automatic annual cost-of-living increase, which is based on the Bureau of Labor Statistics' annual average CPI for all urban consumers for the Los Angeles-Riverside-Orange County area, staff will monitor the index and make adjustments ensuring consistency with the movement of the index. The merit increase is intended to encourage F5OC staff to reach and exceed individual goals. All salary building increases and lump sum awards are discretionary and subject to President/CEO approval.

First 5 Orange County shall adopt performance evaluation criteria designed to give a fair evaluation of the quality and quantity of work performed by an employee. Each employee will have access to the review and evaluation materials and will be appropriately trained on understanding and utilizing the documents. All reviews and evaluations will be discussed with the employee before being added to the personnel file.

IV. Employee Titles, Classification and Pay:

A. The number of authorized employment positions shall be set by the governing Board of First 5 Orange County. Employee job descriptions, titles and classifications shall be adopted by, or under the general supervision of, the President/CEO, and shall be filed, along with any modifications thereto, with the Clerk of the First 5 Orange County.

B. Employee pay or pay scales shall be determined by the President/CEO; provided however, that total pay and benefits for all F5OC employees, including the

President/CEO, shall not exceed in any year the amount set forth in the line item for "Staff" in each year's Proposed Budget. The Salary Range Structure is illustrated on Table 1.

The official work period for First 5 Orange County employees shall start on a Friday and end on the second Thursday thereafter. Employees shall receive compensation at a biweekly rate for each pay period worked.

SALARY RANGE STRUCTURE

Table 1

First 5 Orange County, Children and Families Commission Salary Structure		
Employee Title	Hourly Minimum	Hourly Maximum
Administrative Manager I	\$30.11	\$60.42
Administrative Manager II	\$41.86	\$75.13
Administrative Manager III	\$52.33	\$92.88
Executive Assistant	\$17.10	\$72.23
Research Analyst III	\$30.65	\$41.32
Staff Analyst I/Staff Specialist	\$16.06	\$27.92
Staff Analyst II	\$20.27	\$35.25
Staff Analyst III	\$22.79	\$39.61
Senior Staff Analyst	\$25.30	\$43.96
Executive Positions		
Executive Director	Salary established by Commission via employment contract.	

V. Vacation:

Management staff:

During the first three years of employment, management employees earn (120) hours of vacation annually, accruing at a rate of approximately 4.616 hours per pay period. After an employee's third anniversary and until the tenth anniversary, vacation is accrued at 160 hours. After the tenth anniversary, employees shall accrue 200 hours of vacation annually. At President/CEO discretion, prior County of Orange tenure may be applied towards determining Commission term of service.

Management employees with less than ten years of continuous employment cannot accrue more than 360 hours of vacation leave. Employees with ten or more years of service may accrue up to 480 hours of vacation leave.

Non-Management staff:

During the first three years of employment, non-management employees earn (80) hours of vacation annually, accruing at a rate of approximately 3.08 hours per pay period. After an employee's third anniversary and until the tenth anniversary, vacation is accrued at 120 hours. After the tenth anniversary, employees shall accrue 200 hours of vacation annually. At the Executive Director's discretion, prior County of Orange tenure may be applied towards determining First 5 Orange County term of service.

Non-management employees with less than ten years of continuous employment cannot accrue more than 240 hours of vacation leave. Employees with ten or more years of service may accrue up to 320 hours of vacation leave.

Vacation for all employees, management and non-management, may not be accrued in excess of the maximum accrual cap for an employee's continuing length of service. Once an employee's unused and accrued vacation reaches the maximum cap, the employee will not become eligible for any additional time except to the extent that the prior vacation time has been used.

Employees who are out on a leave of absence do not accrue vacation time while they are on their leave. Vacations must be scheduled and approved by your supervisor at least 15 workdays in advance. Also, F5OC, at its sole discretion, may require you to take your vacation at a particular time, and may also refuse an employee's application for vacation. First 5 Orange County pays all accrued but unused vacation pay when an employee leaves his/her employment.

During each fiscal year an employee may request to cash out accrued vacation time up to a maximum of eighty (80) hours. The request will be made on a timesheet for the pay period the employee intends to cash out accrued vacation.

VI. Sick Leave:

During the first three years of employment, an employee shall earn approximately 72 hours of sick leave per year, accrued at a rate of 2.77 hours per pay period. After an employee has worked for F5OC for three years, the employee shall earn approximately 96 hours of sick leave per year, accrued at a rate of 3.69 hours per pay period. Sick leave does carry over to subsequent years, however it is not cashed out when an employee leaves his/her employment.

Permitted uses of Sick Leave may be applied to:

1. An absence necessitated by an employee's personal illness, injury or disability due to pregnancy or childbirth.
2. Medical and dental office appointments when absence during working hours for this purpose is authorized by F5OC.
3. Absence due to exposure to a contagious disease when quarantine is imposed by health authorities or when it is determined by a physician that the presence of the employee on duty would endanger the health of others.
4. Absence from duty because the employee's presence is needed to attend to the serious illness of a member of his or her immediate family. Immediate family shall mean father, father-in-law, mother, mother-in-law, stepparent, brother, sister, wife, husband, registered domestic partner, child, stepchild, grandchild, grandparent, legal guardian or any other relationship as required by law.
5. Illness while on paid vacation will be charged to sick leave rather than vacation only under the following conditions:
 - a. The illness or injury of the employee was of a nature that would preclude the effective use of vacation and would prevent the employee from performing his or her normal duties.
 - b. The employee must notify his or her supervisor within four (4) calendar days of the beginning of the illness or prior to the end of his or her vacation leave, whichever is sooner, to request that his or her illness on vacation be charged to sick leave.
 - c. First 5 Orange County shall be under no obligation to extend the vacation beyond the original scheduled vacation ending date.
 - d. Upon the employee's return to work, the employee must furnish the agency/department with a certificate signed by a licensed physician or registered nurse stating the nature of the medical condition and the period of disablement.
6. Absence from duty because of personal emergencies or business not to exceed thirty (30) working hours during the fiscal year.
7. An absence due to an air pollution alert which prevents the employee from traveling to his or her work location.

Prohibited uses of Sick Leave shall not be applied to absences which occur on a County holiday.

Except as prohibited by law an employee may be required to furnish a certificate issued by a licensed physician or registered nurse or other satisfactory evidence of illness, injury, medical condition or medical or dental office calls when the agency/department has notified the employee in advance of such a requirement or when the employee has been under the care of a physician

VII. Holidays:

First 5 Orange County employees shall receive paid time off for the same holidays observed by the County of Orange. Payment for such holidays shall be on the same general terms and conditions applicable to County of Orange employees.

VIII. Retirement:

Employees shall be members of the Orange County Employees Retirement System. Visit the Benefits Center Web Site at www2.benefitsweb.com/countyoforange.html or call the Benefits Resource Line toll-free at 866-325-2345 to speak with a Benefits Specialist.

IX. Additional Benefits:

First 5 Orange County benefits are offered pursuant to County of Orange policy except where distinguished by F5OC policies (e.g. vacation accrual, sick leave). Accordingly, employees shall receive the following additional benefits on the same general terms and conditions as County of Orange employees in positions deemed comparable by the Executive Director:

- A. Deferred Compensation Plan
- B. Optional Benefit Plan
- C. Disability/Salary Continuance Benefit
- D. Life Insurance
- E. Accidental Death and Dismemberment
- F. Disability Insurance
- G. Health and Dental Insurance
- H. Transportation Allowance
- I. Retiree Medical Program

Visit the Benefits Center Web Site at www2.benefitsweb.com/countyoforange.html or call the Benefits Resource Line toll-free at 866-325-2345 to speak with a Benefits Specialist.

X. Fair Labor Standards Act:

For employees who are not exempt from the overtime requirements of the Fair Labor Standards Act, the workweek shall be the same as that applicable to employees

generally of the County of Orange. Overtime shall be paid on the same terms and conditions applicable to non-exempt County of Orange employees holding comparable positions. Employees designated as exempt by the Executive Director shall be compensated on a salary basis and shall not be entitled to overtime pay.

XI. Part-time and Temporary Employees:

Employees designated as Part-time or Temporary shall not accrue vacation, paid-time-off, or other discretionary leave offered by the Commission. Such employees shall only be entitled to leaves mandated by law even if it is later determined by a court or other agency that the employees have been incorrectly designated as Part-time or Temporary by the Commission.

XII. Family Care and Medical Leave:

Under the Family and Medical Leave Act of 1993 (FMLA) and the California Family Rights Act of 1993 (CFRA), if F5OC employs greater than 50 employees, and if the employee has more than 12 months of service with the F5OC, and the employee has worked at least 1,250 hours in the 12-month period before the date the employee wants to begin leave, the employee may have a right to an unpaid family care or medical leave (FMLA/CFRA leave). This leave may be up to 12 workweeks in a 12-month period for the birth, adoption, or foster care placement of a child or for the employee's own serious health condition or that of a child, parent or spouse.

Even if the employee is not eligible for FMLA/CFRA leave, if the employee is disabled by pregnancy, childbirth or related medical conditions, the employee is entitled to take a pregnancy disability leave of up to four months, depending on your period(s) of actual disability. If the employee is FMLA/CFRA-eligible, she has certain rights to take BOTH a pregnancy disability leave and a FMLA/CFRA leave for reason of the birth of a child. Both leaves contain a guarantee of reinstatement to the same or to a comparable position at the end of the leave, subject to any defense allowed under the law.

If possible, the employee must provide at least 30 days advance notice for foreseeable events (such as the expected birth of a child or a planned medical treatment for the employee or of a family member). For events that are unforeseeable, First 5 Orange County must be notified, at least verbally, as soon as the employee learns of the need for the leave. Failure to comply with these notice rules is grounds for, and may result in, deferral of the requested leave until the employee complies with this notice policy.

First 5 Orange County may require certification from the employee's health care provider before allowing a leave for pregnancy or the employee's own serious health condition or certification from the health care provider of a child, parent or spouse who has a serious health condition before allowing the employee a leave to take care of that family member. When medically necessary, leave may be taken on an intermittent or reduced work schedule.

If the employee is taking a leave for the birth, adoption or foster care placement of a child, the basic minimum duration of the leave is two weeks and the employee must conclude the leave within one year of the birth or placement for adoption or foster care.

Taking a family care or pregnancy disability leave may impact certain benefits. If more information regarding eligibility for a leave and/or the impact of the leave on seniority and benefits is desired, please contact the Benefits Center Web Site at www2.benefitsweb.com/countyoforange.html or call the Benefits Resource Line toll-free at 866-325-2345 to speak with a Benefits Specialist.

XIII. Other Leave and Time Off Provisions

In accordance with State law, F5OC permits employees to take time off to attend to certain issues such as a child's suspension from school; seeking relief from domestic violence, appearing for jury duty and witness duty, and to vote in elections.

When an employee is requesting a leave or full or partial time off, a written request shall be provided to his/her manager stating the dates of the leave requested, the type of leave requested, specific cause for the leave, and any other information necessary for the request to be evaluated. Absent emergency circumstances, the written request must be completed in advance.

XIV. Unlawful Discrimination and Harassment

First 5 Orange County is an equal opportunity employer and makes employment decisions on the basis of merit. First 5 Orange County will not unlawfully discriminate against qualified applicants or employees with respect to any terms or conditions of employment based on race, color, national origin, ancestry, sex, gender, gender identity, gender expression, sexual orientation, age, religion, physical or mental disability, medical condition, pregnancy, marital status, citizenship status, military or veteran status, genetic information, or any other basis protected by applicable federal, state, or local law.

First 5 Orange County will provide reasonable accommodations to otherwise qualified employees or applicants with known physical or mental disabilities, unless it would create an undue hardship. Employees who require accommodation to perform the essential functions of their job should request an accommodation. Employees should specify in what way they are limited in their ability to perform the job and what accommodation they believe is needed. First 5 Orange County will review the situation with the employee to identify possible accommodations, if any, that will allow the employee to perform the essential functions of the job. If a reasonable accommodation can be identified that will not impose an undue hardship, the F5OC will make the accommodation. If there is more than one possible accommodation, F5OC will decide which one will be provided.

First 5 Orange County is committed to providing a safe and fair workplace, free from discrimination, harassment, or violent behavior of any kind. Examples of harassment include, but are not limited to:

- Verbal Harassment: Epithets, jokes, comments, or slurs that identify a person the basis of his or her protected characteristic or tend to disparage others based on a protected characteristic.
- Visual Harassment: Gestures, posters, notices, bulletins, cartoons, photography, or drawings that tend to disparage others based on a protected characteristic.
- Physical Harassment: Assault, impeding or blocking movement, physically interfering with normal work or movement, leering, making express or implied job threats or promises, mimicking, stalking, or taunting based on another's protected characteristic.
- Making hiring, promotion, project assignment, or any other decision or action based on race, religious creed, color, national origin, ancestry, physical or mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, sexual orientation, age (if 40 or over), or pregnancy, childbirth, breastfeeding or related medical conditions of any female employee;
- Creating an intimidating, hostile, or offensive work environment that interferes with an employee's job performance, including jokes, remarks, gestures, conversations, discussions, behavior, meetings, written communications, or office décor singling out any of the aforementioned characteristics for ridicule or criticism;
- Making unwelcome sexual advances or requests for sexual favors including, but not limited to, verbal or physical conduct of a sexual nature;
- Making submission to or rejection of such advances or requests a criterion for any decision affecting the employee's continued employment, advancement or other job-related benefits;
- Making threats of any kind; using physical aggression or intimidation, belligerence or excessive arguing; and/or defacing Commission property;
- Possession of a weapon of any kind while on Commission premises or conducting any Commission business.
- Staff shall file complaints in writing concerning discrimination, harassment, and violence violations to the President/CEO, as soon as possible following the occurrence of such an event (or in the event the complaint concerns conduct of the Executive Director, to Commission Counsel.
- The President/CEO(or Commission Counsel) will review the complaint and implement an investigation, disciplinary action, and follow-up with either or both parties, as appropriate

- No employee shall be subject to retaliation for reporting any violation, or participating in any investigation under this policy provided they have done so in good faith.

Disciplinary Action

It is the policy of F5OC that appropriate disciplinary action shall be taken for acts that violate this policy. It is also the prerogative of First 5 Orange County to interpret the above definitions of discriminatory, harassing, or violent behavior as broadly as deemed appropriate by First 5 Orange County.

It is the policy of F5OC to take steps in order to prevent the above behaviors in any way they deem appropriate.

Any employee who believes he or she has been subjected to unlawful harassment or discrimination shall promptly report it to a manager or supervisor. Employees found to have engaged in discrimination or harassment may be subject to disciplinary action up to and including termination of employment.

Employees or applicants for employment may also file complaints about sexual harassment or other illegal employment discrimination with the California Fair Employment and Housing Commission (FEHC) at 1390 Market Street, Suite 410, San Francisco, CA 94102, Telephone: 415-557-2325; or with First 5 Orange County's Santa Ana Office: 28 Civic Center Plaza, Room 538, Santa Ana, CA 92701, Telephone 714-558-4159

XV. Implementation and Administration of Rules:

The President/CEO has full authority to interpret and administer these rules. In doing so, the President/CEO may look to rules and practices of the County of Orange applicable to similarly situated employees.

APPENDIX

Classes designated as Executive Management as of January 1, 2006

8010E3 CFCOC Executive Director

Classes designated as Administrative Management January 1, 2006:

8006MX/MA Administrative Manager I
 8007MX/MA Administrative Manager II
 8008MX/MA Administrative Manager III
 8362MX Executive Assistant
 8005MX/MA Senior Staff Analyst
 8001MX Staff Analyst I
 8003MX Staff Analyst II
 8004MX Staff Analyst III

Classes designated as General Employees

8543GE/CF Staff Specialist

8371CF Data Analyst III



Employee Handbook

Effective July 2023

I.	INTRODUCTION.....	4
	WELCOME.....	4
	FIRST FIVE ORANGE COUNTY STORY	4
	ABOUT THIS HANDBOOK	4
II.	A RESPECTFUL WORKPLACE.....	6
	AT-WILL EMPLOYMENT.....	6
	COMPLAINT PROCEDURE	6
	DISABILITY ACCOMMODATION	6
	EQUAL EMPLOYMENT OPPORTUNITIES	7
	POLICY AGAINST ANTI-BULLYING	7
	POLICY AGAINST DISCRIMINATION AND HARASSMENT	8
	POLICY AGAINST RETALIATION	9
	RELIGIOUS ACCOMODATION	9
	WHISTLEBLOWER PROTECTION.....	10
	WORKPLACE VIOLENCE	10
III.	PERSONAL STANDARDS	11
	DRESS CODE AND OTHER PERSONAL STANDARDS	11
	EMPLOYMENT OF RELATIVES	11
	EMPLOYMENT RECORDS & VERIFICATION	11
	JOB DUTIES & DESCRIPTIONS	11
	MERIT INCREASES.....	12
	PERFORMANCE REVIEWS.....	12
	TRANSFERS & PROMOTIONS	12
	WORK HOURS AND SCHEDULE.....	13
IV.	WORK SCHEDULES & PAY PRACTICES.....	14
	ATTENDANCE & PUNCTUALITY	14
	DIRECT DEPOSIT	14
	EMPLOYMENT CLASSIFICATIONS.....	14
	LACTATION BREAKS	15
	MAKE-UP TIME PAY	16
	MEAL PERIODS AND REST PERIODS	16
	OVERTIME PAY	16
	PAY PERIOD AND PAY CHECKS	16
	PAY SCALE STRUCTURE	17
	TIMEKEEPING REQUIREMENTS	17
	TRAVEL TIME PAY	17
	WORKDAY AND WORKWEEK.....	18
V.	HEALTH & WELLNESS BENEFITS	19
	INTRODUCTION TO HEALTH AND WELLNESS BENEFITS	19
	HEALTH BENEFITS OVERVIEW	19
	BONUS & OTHER INCENTIVES.....	20
	EDUCATIONAL AND PROFESSIONAL REIMBURSEMENT PROGRAM	20
	EMPLOYEE ASSISTANCE PROGRAM.....	21
	HOLIDAYS	21
	PAID SICK LEAVE	22
	RETIREMENT PLAN	23
	VACATION	23
VI.	LEAVES OF ABSENCE	25
	BEREAVEMENT LEAVE	25
	CA FAMILY RIGHTS ACT LEAVE (CA ONLY).....	25
	CIVIL AIR PATROL, VOLUNTEER FIREFIGHTER, RESERVE PEACE OFFICER, AND EMERGENCY RESCUE PERSONNEL	27
	CRIME VICTIMS LEAVE.....	27

FAMILY AND MEDICAL LEAVE	28
GENERAL MEDICAL LEAVE	30
JURY AND WITNESS DUTY	30
MILITARY LEAVE	31
PAID LEAVE FOR ORGAN AND BONE MARROW DONATIONS.....	31
PERSONAL LEAVE	31
PREGNANCY DISABILITY LEAVE (CA ONLY)	32
SCHOOL ACTIVITIES	33
TIME OFF TO VOTE.....	33
VICTIMS OF DOMESTIC VIOLENCE, STALKING OR OTHER ABUSE LEAVE.....	34
VII. EMPLOYEE EXPECTATIONS AND STANDARDS OF CONDUCT	35
AGENCY PROPERTY	35
COMMUNICATIONS.....	35
CONFIDENTIALITY	35
DRUG & ALCOHOL FREE WORKPLACE POLICY.....	36
EMPLOYEE CONDUCT & WORK PERFORMANCE.....	37
EXPENSE REIMBURSEMENT	38
GIFT BAN POLICY	38
MEDIA POLICY	38
NON-FRATERNIZATION	38
OUTSIDE EMPLOYMENT	39
RECORDS MAINTENANCE	40
SMOKING POLICY.....	40
SOLICITATION & DISTRIBUTION	40
TELECOMMUTING WORKING.....	40
USE OF SOCIAL MEDIA	42
VIII. AN OUNCE OF PREVENTION	43
EMERGENCY PROCEDURES	43
INJURY & ILLNESS PREVENTION PROGRAM.....	43
PANDEMIC AND OTHER AIRBORNE PROCEDURES	45
PARTICIPATION IN INTERNAL INVESTIGATIONS.....	47
IX. INFORMATION ACCESS & SECURITY.....	48
INTERNET, EMAIL, AND ELECTRONIC COMMUNICATIONS.....	48
X. GETTING AROUND	49
BULLETIN BOARDS.....	49
EMPLOYEE PARKING.....	49
HOUSEKEEPING	49
PERSONAL VISITS & PACKAGES.....	49
A FEW CLOSING WORDS.....	49
XI. DEPARTURE.....	50
AT-WILL TERMINATION.....	50
EMPLOYMENT VERIFICATION	50
EXIT INTERVIEW.....	50
FINAL WAGES.....	50
JOB ABANDONMENT	50
RESIGNATION.....	51
RETURN OF AGENCY PROPERTY	51
XII. ACKNOWLEDGEMENT.....	52

I. INTRODUCTION

WELCOME

We are glad to have you as a member of First 5 Orange County. As a team member at First 5 Orange County (“the Agency” or “F5OC”), you are an essential part of a team effort. We hope that you will find your position with the F5OC rewarding, challenging and productive. Every team member has an important role in our operations, and we value the ability and experience you bring with you to the organization. Every team member is vital to the success of F5OC.

This guide has been prepared to acquaint you with the employment policies and practices of F5OC. Please read it carefully and keep it for future reference. If you have any questions, please contact your supervisor.

FIRST 5 ORANGE COUNTY STORY

F5OC was created as a result of Proposition 10, the California Children and Families Act of 1998, which added a 50-cent sales tax on tobacco products sold in California. Prop 10 required that funds raised be used to support education, health, and child development programs for children from the prenatal stage through age 5.

Since our inception more than 20 years ago, F5OC has become a leading convener and collaborator, as well as a valued capacity builder and funder of best practices with an emphasis on elevating equity. In these roles, we offer the community deep expertise on the importance of early childhood in human development and the conditions that children and families need to thrive.

We cultivate strong relationships with our community partners and support innovative, research-based services that have been shown to improve outcomes. We engage directly with families and neighborhoods to offer them the information and tools they need to become advocates for their young children.

Finally, we promote a “system-level perspective” that recognizes the importance of seamless cross-agency coordination to improve the family experience and child outcome.

ABOUT THIS HANDBOOK

This Employee Handbook (“Handbook”) provides information about employment with F5OC and any of its related entities (the “Agency”). The Handbook is designed to provide a guide to the Agency’s current policies, procedures, and practices. Please take time to read it thoroughly. It may not answer all questions, but it will be a good start. Employees should save the Handbook for future reference.

The Agency reserves the right to revise, modify, delete, or add to any and all policies, procedures, work rules, or benefits stated in this Handbook or in any other document, except for the policy of at-will employment. However, any such changes must be in writing and signed by the Agency’s President and Chief Executive Officer.

This Handbook summarizes the policies and practices in effect at the time of publication and supersedes any inconsistent policies or written statements. In the event that any policy in this Handbook conflicts with applicable federal, state, or local law, those laws will control.

II. A RESPECTFUL WORKPLACE

AT-WILL EMPLOYMENT

Employment at the Agency is at-will. This means that an employee or the Agency can terminate the employment relationship at any time, with or without prior notice or cause. The at-will relationship cannot be changed except by a fully integrated individual written employment agreement that is signed by the employee and the Agency's President/CEO.

COMPLAINT PROCEDURE

If an employee believes that the employee has been discriminated against or has been harassed by an employee, supervisor, or anyone else; has witnessed possible discrimination and/or harassment; or believes that the Agency or another employee has violated any applicable law in the conduct of its business, the employee has a duty to immediately bring the incident(s) to the attention of the employee's supervisor. As an alternative, the employee may report any complaints directly to Sandra Florez, Human Resources at the County of Orange Human Resources Services or to any member of management. Any supervisor who receives such a complaint must promptly report it to Human Resources. If the complaint involves the Human Resources, or if the supervisor is otherwise uncomfortable reporting it to Human Resources, the supervisor should report it to the President/CEO and the Agency Counsel. The description of the incident(s) can be given verbally or in writing.

The Agency will investigate all reports or complaints of harassment or discrimination thoroughly, promptly, fairly, and discreetly. The investigator will be impartial and qualified and will document the investigator's progress throughout the investigation. The investigator will afford all parties appropriate due process and will reach a reasonable conclusion based on the evidence collected. It is the obligation of all employees to cooperate fully in the investigation process. To the extent possible, the confidentiality of an employee or any other person who has reported a problem and that of any witnesses and the alleged harasser will be protected against unnecessary disclosure. The outcome of the investigation and a timely resolution of each complaint will be reached and, in appropriate circumstances, communicated to the employee and the other parties involved. If an investigation has concluded that harassment or discrimination occurred, the Agency will take appropriate remedial corrective action, up to and including termination.

The Agency will take action to deter any future discrimination and/or harassment. The Agency considers any discrimination and/or harassment to be a serious offense which can result in disciplinary action for the offender, up to and including termination. In addition, disciplinary action will be taken against any employee who attempts to discourage or prevent another employee from bringing discrimination, harassment, and/or a violation of law to the attention of management.

DISABILITY ACCOMMODATION

The Agency will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship. Any applicant or employee who requires accommodation in order to perform the essential functions of a job should contact their

supervisor or Human Resources. The applicant or employee should advise the Agency what accommodations the applicant or employee believes are needed in order to perform the job. Together with the applicant or employee, the Agency will engage in an interactive process to determine effective, reasonable accommodations, if any. If such an accommodation is possible and will not impose an undue hardship on the Agency, the Agency will make the accommodation.

EQUAL EMPLOYMENT OPPORTUNITIES

The Agency prohibits unlawful discrimination against employees or applicants based on race (including traits historically associated with race, such as hair texture and protective hairstyles), religion, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, reproductive health decision making, gender, gender identity, gender expression, age, military status, veteran status, uniformed service member status, sexual orientation, transgender identity, citizenship status, pregnancy, or any other consideration made unlawful by federal, state, or local laws. The Agency also prohibits unlawful discrimination based on the perception that anyone has any of those characteristics or is associated with a person who has or is perceived as having any of those characteristics.

The Agency is committed to compliance with all applicable laws providing equal employment opportunities. This commitment applies to all persons involved in the Agency's operations and prohibits unlawful discrimination by any employee of the Agency, including supervisors and coworkers. Equal employment opportunity will be extended to all persons in all aspects of the employer-employee relationship, including recruitment, hiring, training, promotion, transfer, compensation, benefits, discipline, layoff, recall, and termination. Any employee who violates this policy and the Agency's commitment to equal employment opportunities will be subject to disciplinary action, up to and including termination of employment.

If an employee believes that the employee has been subjected to any form of unlawful discrimination, the employee should immediately notify the employee's supervisor, Human Resources, or any member of management.

POLICY AGAINST ANTI-BULLYING

The Agency is committed to a work environment in which all individuals are treated with respect and dignity and are free from all forms of abusive conduct. Abusive conduct, or "bullying," is conduct of an employer or employee in the workplace, with malice, that a reasonable person would find hostile, offensive, and unrelated to an employer's legitimate business interests. It includes unwelcome or unacceptable behavior including repeated infliction of verbal abuse, such as derogatory remarks, insults, verbal, or physical conduct that a reasonable person would find threatening, intimidating, or humiliating, or the gratuitous sabotage or undermining of a person's work performance and may be directed at an individual or a group. However, bullying does not include a supervisor legitimately criticizing an employee's work performance or a supervisor informing an employee of the consequences of the employee's failure to improve work performance or adhere to rules and regulations of the Agency. Bullying behavior is often persistent and part of a pattern, but it can also occur as a single incident if it is especially severe and egregious. It is usually carried out by an individual but can also be an aspect of group behavior.

Some examples of bullying behavior are:

- Belittling or unnecessarily disregarding opinions or suggestions;
- Unfairly blaming for mistakes;
- Trivializing of work and achievements;
- Abusive and offensive language;
- Insults;
- Teasing;
- Public humiliation in any form;
- Spreading rumor and innuendo;
- Unreasonable criticism;
- Isolating people from normal work interaction;
- Deliberate exclusion;
- Practical jokes;
- Name calling;
- Threats of physical harm (unless for a legitimate business reason) or other type of retribution

Bullying may be intentional or unintentional. However, it must be noted that where it is found that bullying has taken place, the intent of the alleged bully is irrelevant. It is the effect of the behavior upon the individual which is important.

We encourage all employees to report any instance of bullying behavior. Reported or suspected occurrences of bullying will be promptly and thoroughly investigated. Following an investigation, the Agency will promptly take any necessary and appropriate disciplinary action.

The Agency will not permit or condone any acts of retaliation against anyone who files or cooperates in the investigation of bullying complaints. To report workplace bullying, discussing the problem with your immediate supervisor is encouraged as a first step. If, however, you do not believe a discussion with your supervisor is appropriate or your problem is not resolved after discussion with your supervisor, you are encouraged to meet with Human Resources.

Additionally, the Agency provides its employees with a convenient and reliable method for reporting incidents of alleged harassment, including sexual harassment and discrimination. Any employee who feels harassed or discriminated against should follow the complaint procedure as described in the Anti-Harassment policy.

POLICY AGAINST DISCRIMINATION AND HARASSMENT

The Agency is committed to providing a work environment that is free of unlawful discrimination and harassment and requires all employees to treat each other with dignity and respect. In keeping with this commitment, the Agency maintains a strict policy prohibiting unlawful harassment and discrimination in the workplace, including sexual harassment, by any employee or supervisor and by any third parties such as contractors, guests, or vendors. In addition, any discrimination or harassment of an employee on the basis of race (including traits historically associated with race, such as hair texture and protective hairstyles), religion, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, reproductive health decision making gender, gender identity, gender expression, age, military status, veteran status, uniformed service member status, sexual orientation, transgender

identity, citizenship status, pregnancy, or any other consideration made unlawful by federal, state, or local laws is also strictly prohibited. Harassment can come in many forms, including verbal harassment (*e.g.*, epithets, derogatory comments, or slurs), physical harassment (*e.g.*, assault, touching, impeding, or blocking movement, or any physical interference with normal work or movement), or visual harassment (*e.g.*, images or gestures) directed towards an individual on the basis of a protected characteristic.

Sexual Harassment

Unwelcome sexual advances, requests for sexual favors, widespread sexual favoritism, and other verbal, physical or visual conduct of a sexual nature constitute unlawful sexual harassment if (i) submission to such conduct is made an explicit or implicit term or condition of employment; (ii) submission to or rejection of such conduct is used as the basis for employment decisions affecting an individual; or (iii) such conduct has the purpose or effect of either (a) unreasonably interfering with an individual's work performance or (b) creating an intimidating, hostile, or offensive working environment. Sexual harassment includes gender harassment and harassment on the basis of pregnancy, childbirth, or related medical conditions, and also includes sexual harassment of an employee of the same gender as the harasser.

Examples of conduct which may violate this policy include, but are not limited to: offensive or unwelcome sexual flirtations, advances or propositions; threats and demands to submit to sexual requests; offering employment benefits in exchange for sexual favors; making or threatening reprisals after a negative response to sexual advances; widespread sexual favoritism; verbal abuse of a sexual nature; graphic verbal commentaries about an individual's body; sexually degrading words used to describe an individual; sexually-oriented jokes, e-mails, or written materials; visual conduct, including leering, making sexual gestures, displaying of sexually suggestive objects or pictures, cartoons or posters; accessing sexually explicit, pornographic and/or socially offensive websites, chat rooms or other material on the internet or other computer systems; and the unwelcome physical touching of others.

POLICY AGAINST RETALIATION

The Agency strictly prohibits retaliation, coercion or intimidation against any person who has, in good faith, opposed harassment or discrimination, filed a complaint of harassment or discrimination, or participated in any proceeding involving a complaint of harassment or discrimination. Any employee who is found to have committed such retaliation will be subject to discipline, up to and including termination. Any employee who experiences or witnesses any conduct believed to be retaliatory should immediately follow the complaint reporting procedures stated above.

In addition, the Agency prohibits discriminating, retaliating, or taking any adverse action against an employee or applicant for employment because the employee or applicant engaged in specified protected conduct.

RELIGIOUS ACCOMMODATION

The Agency will make reasonable accommodations for an employee's religious beliefs or practices (*e.g.*, grooming, dress, scheduling), unless doing so would result in an undue hardship for the Agency.

WHISTLEBLOWER PROTECTION

No employee is ever expected, encouraged, or allowed to violate any law when conducting Agency business. Employees must promptly report any suspected violations of laws or violations of ethical standards to the employee's supervisor or Human Resources. The Agency prohibits retaliation on the basis that the employee has, in good faith, engaged in "whistleblower activity." Any concerns regarding suspected violations of laws or violations of ethical standards will be taken seriously and appropriately investigated.

WORKPLACE VIOLENCE

The Agency has zero tolerance for violent acts or threats of violence against its employees, applicants, customers, vendors, or visitors. No employee shall commit or threaten to commit any violent act against a co-worker, applicant, customer, vendor, visitor or any other third party associated with the Agency. This includes discussions of the use of dangerous weapons or of bringing such weapons onto Agency property or a work event, even if in a joking manner.

Any employee who is subjected to or threatened with violence by a co-worker, customer or vendor, or is aware of another individual who has been subjected to or threatened with violence, must report this information to the employee's supervisor, any member of management, or the Human Resources Department as soon as possible. Employees should not assume that a threat is not serious. Instead, employees should bring all threats to the Agency's attention so that the Agency can deal with them appropriately. If an employee encounters an individual who is threatening immediate harm, the employee should contact 911 immediately.

All such alleged acts and threats, even those made in a joking manner, will be taken seriously and will be thoroughly investigated, and, if substantiated, will lead to discipline up to and including termination. All complaints that are reported to management will be treated with as much confidentiality as possible. No employee will be retaliated against for reporting workplace violence concerns to management.

III. PERSONAL STANDARDS

DRESS CODE & OTHER PERSONAL STANDARDS

Employees contribute to the corporate culture and reputation of the F5OC in the way they present themselves. Employees are expected to exercise good personal hygiene, present a clean and neat appearance and to dress according to the requirements of their positions. Employees who appear for work inappropriately dressed will be sent home and directed to return to work in proper attire. Under such circumstances, employees will not be compensated for the time away from work.

For office-based employees, business casual dress code is acceptable throughout the workweek. All clothing should be fashionable, tasteful, and commensurate with a professional environment.

The following attire is always prohibited:

- Torn, ripped jeans or pants;
- Shorts;
- Skirts where the hemline falls more than three inches above the knee;
- Undershirts or any similar item; shirts and/or T-shirts with inappropriate or offensive slogans or symbols;
- Slippers, flip-flops, or other footwear designed for the pool or beach; and
- Apparel which exceeds the boundaries of sensible good taste (clothing, which is too tight, transparent, etc.).

EMPLOYMENT OF RELATIVES

The Agency will not employ an individual when this would place a relative in a position of a direct manager relationship, or a job position, in which there is a conflict of interest. Relative for this purpose means spouses, registered domestic partners, children, siblings, parents, in-laws, and step-relatives.

Present employees who marry or become registered domestic partners will be permitted to continue working in the job position held only if they do not work in a direct manager relationship with one another or in job positions involving a conflict of interest.

EMPLOYMENT RECORDS & EMPLOYMENT VERIFICATION

It is every employee's responsibility to ensure their employment records and personal information (address, name, phone number, etc.) are accurate throughout their employment. Any changes to this information must be promptly reported to Director of finance and Administration. Disclosure of personnel information to outside sources will be limited to the dates of employment and last position held, except as otherwise required by law.

JOB DUTIES & DESCRIPTION

Employees are given a job description before they start to work. A job description summarizes your duties and responsibilities and gives you important information about your new job. Please review your job duties carefully and discuss it with your supervisor if you have any questions.

The Agency reserves the right to occasionally require employees to work on special assignments in addition to normal job duties, specified in their job description. In addition, the Agency reserves the right to change job responsibilities, transfer job positions, or assign additional job duties at any time during employment.

MERIT INCREASE

Merit increases, wage adjustments, promotions and/or any other employment or compensation decisions are at the sole discretion of the Agency, considering a myriad of factors, including, but not limited to, performance evaluations, employee attendance, safety compliance and disciplinary history.

Merit increases and/or wage adjustments are pro-rated based on the employee's date of hire or date of last increase/adjustment.

PERFORMANCE REVIEWS

Assessing and directing performance is undeniably the most important responsibility of management. Sharing feedback to recognize results, reinforce expected behaviors, and improve performance should occur daily on an informal basis and formally on an annual basis. In general, employees will receive periodic performance evaluations.

F5OC has adopted a performance management and evaluation cycle that consists of annual goal setting in support of the Strategic Plan, quarterly reviews, and a final performance evaluation that coincides with the end of the F5OC's calendar year. The outcome of the annual performance review will determine whether merit-based salary increase or lump sum performance bonus, or a combination, if any, will be awarded.

Goal setting will be an ongoing process with discussions between the employee and their supervisor based on the Agency's goals and activities that support the Strategic Plan. Individual goals should be set to benefit the employee's overall performance, career aspirations, and F5OC.

In addition, F5OC employee could receive quarterly reviews each year. These formal feedback opportunities are intended to facilitate communication between each employee and their direct supervisor on the progress made towards goals, obstacles encountered, and a discussion of whether the goals need to be amended before the annual performance evaluation occurs.

The employee can request a copy of their completed performance evaluation form for their records.

However, the frequency of performance evaluations may vary depending upon length of service, job position, changes in job duties, or recurring performance issues. The Agency reserves the right to review an employee as often or as little as they see fit.

TRANSFER & PROMOTIONS

The Agency encourages employees to improve their skills and seek higher-level positions, and the Agency is committed to facilitate promotions for qualified employees. If you are interested in any open positions, please contact your supervisor to apply.

Generally, employees must be in their current position for at least one year before applying for a change in position. In addition, employees cannot have a performance which has been rated needs improvement or poor attendance record or any other performance warnings. Each employee

requesting a promotion will be considered for the new position along with all other applicants. Each promotion is assessed on an individual basis, depending on the needs of the Agency. Management will make all final decisions regarding promotion requests.

WORK HOURS AND SCHEDULE

Regular office hours are 8:00 a.m. to 5:00 p.m., but an employee's specific work hours, which could begin before regular office hours and/or end after regular office hours, can fluctuate based on the work described in the employee's job description.

No particular number of work hours can be guaranteed. Schedules may have to be changed from time to time at the discretion of the Agency to meet the varying conditions of its business. Changes in work schedules will be announced as far in advance as practicable.

Further, employees will be assigned a work schedule based on operational needs. Your work schedule may fluctuate based on Agency needs and will be assigned accordingly. Once you have been assigned a work schedule you will be expected to begin and end work according to that schedule.

IV. WORK SCHEDULES & PAY PRACTICES

ATTENDANCE & PUNCTUALITY

Employees are expected to be punctual in attendance. Employees who do not report for work on time, or who miss all or part of a day's work, place an extra burden on their fellow employees, their supervisors, and the Agency.

If employees are unable to report for work on any particular day, they must under all, but the most extenuating circumstances call their supervisor at least one hour before the beginning of their scheduled workday each day they expect to be absent. If the absence is foreseeable or planned, an employee must give the employee's Supervisor a minimum of 14 days advance notice. In all cases of absence or tardiness, the employee must provide the employee's supervisor with an honest reason or explanation. An employee must also inform the employee's supervisor of the expected duration of any absence. Excessive absenteeism or tardiness will not be tolerated and will subject the employee to disciplinary action.

If an employee fails to report for work without any notification to the employee's supervisor and the absence continues for a period of three days, the Agency will conclude that the employee has voluntarily abandoned or quit the employee's employment and will process the employee's separation of employment.

The Agency reserves the right to apply unused vacation, sick leave, or other paid time off to unauthorized absences where permitted by applicable law. Absences resulting from approved leave, vacation, or legal requirements are exceptions to the policy.

Absences protected by local, state, and federal law do not count as a violation of this policy.

DIRECT DEPOSIT

The Agency strongly encourages employees to use direct deposit. Employees may access and update personal information by contacting the Director of Finance and Administration.

EMPLOYMENT CLASSIFICATIONS

Full-Time Employees

Full-time employees are those who are regularly scheduled for and do work at least 40 hours per week. Full-time employees are eligible for Agency-provided benefits.

Part-Time Employees

Part-time employees are those who are regularly scheduled for and do work less than 40 hours per week. Part-time employees are not eligible for Agency-provided benefits except as required by applicable law.

Temporary Employees

Temporary employees are those employed for short-term assignments. Temporary employees are not eligible for Agency-provided benefits except as required by applicable law.

Non-Exempt Employees

Non-exempt employees are those who are covered by the overtime provisions of the federal Fair Standards Act. They are entitled to overtime for hours worked in excess of 40 hours in one workweek.

Exempt Employees

Exempt employees are those who perform work that falls within an exemption from the overtime provisions of the federal and state wage and hour laws. No deductions from an exempt employee's salary will be made unless authorized by federal and state law.

LACTATION BREAKS

Lactation Breaks

The Agency will provide a reasonable amount of break time to any employee who desires to express breast milk for an infant child. The break time shall, if possible, run concurrently with any break time already provided to the employee. Any break time provided to express milk that does not run concurrently with break time already provided to the employee shall be unpaid, and non-exempt employees will be required to clock out for such additional lactation breaks.

Lactation Locations

The Agency will provide a suitable location, other than a bathroom, for an employee to express milk in private in close proximity to the employee's work area that is shielded from view and free from intrusion while the employee is expressing milk. Employees with private offices may use their offices for this purpose if their offices meet all the below requirements. The lactation location will: (1) be safe, clean, and free of toxic or hazardous materials; (2) contain a place to sit and a surface to place a breast pump and personal items; and (3) have access to electricity, or alternative devices, including, but not limited to, extension cords or charging stations, needed to operate an electric or battery-powered breast pump.

Additionally, the Agency will provide employees with access to: (1) a refrigerator where employees can store breastmilk, or, if a refrigerator cannot be provided, with another cooling device suitable for storing milk (e.g., employer-provided cooler); and (2) a sink with running water, in close proximity to the employee's workspace.

Requesting Lactation Accommodations

Employees have a right to request lactation accommodations. To request a lactation accommodation, employees should contact their supervisor.

If the Agency does not provide a lactation accommodation or provides a lactation location that does not meet all the requirements outlined in this policy, the Agency will provide the employee with a written response that identifies the basis upon which the Agency has denied the request.

Complaint Procedure

If an employee believes that the employee has been denied a lactation accommodation or believes that the Agency has violated any applicable law relating to lactation accommodations, the employee must immediately bring the concern to the attention of the employee's supervisor or the

Human Resources. Employees may file a complaint with the Labor Commissioner for any violation of their lactation accommodation rights.

Retaliation Prohibition

No employee will be retaliated against for exercising their right to lactation accommodations or for exercising any other right protected under applicable law.

MEAL PERIODS AND REST BREAKS

Meal Periods

All employees may take a 30–60-minute meal period.

Waiver of Meal Periods

An employee may voluntarily choose to waive a Meal Period.

Rest Breaks

Non-exempt employees may take two 10-minute rest breaks per workday.

During rest breaks, employees will be relieved of all work duties. Employees are encouraged to leave their work area during rest breaks in order to achieve the rest and refreshment the break is designed to give and are free to leave the premises.

Employees should arrange any incidental personal activities that are carried out at work to correspond with their rest breaks, as far as practicable.

OVERTIME

Non-Exempt employees may be required to work overtime as necessary. Only time actually worked is counted toward overtime. Paid time off hours are not considered as time worked. All overtime must be pre-approved by the employee's supervisor before it is worked. Employees who work unauthorized overtime will be paid for all hours worked but may be subject to disciplinary action.

The Agency pays non-exempt employees' overtime in accordance with state and federal law.

- hours in excess of 40 hours in one workweek will be paid at 1.5 times the non-exempt employee's regular hourly rate of pay.

For overtime calculations, the workweek runs from 12:01 a.m. Monday to midnight on Sunday; a workday starts at 12:01 am and goes until midnight of that day.

PAY PERIOD AND PAYCHECKS

Employees are paid bi-weekly, on Friday. If any date of paycheck distribution falls on a weekend or holiday, the pay date will be the preceding scheduled workday. If an employee observes a paycheck error or direct deposit error, the employee should report it immediately to their supervisor.

PAY SCALE STRUCTURE

The number of authorized employment positions shall be set by the governing Board of F5OC. Team member job descriptions, titles and classifications shall be adopted by, or under the general supervision of, the President/CEO, and shall be filed, along with any modifications thereto, with the Clerk of the F5OC.

Team members pay or pay scales shall be determined by the President/CEO; provided however, that total pay and benefits for all F5OC team members, including the President/CEO, shall not exceed in any year the amount set forth in the line item for “Staff” in each year’s Proposed Budget.

The organization will have available upon request, the Salary Range Structure as approved by the F5OC Board for an employee.

TIMEKEEPING REQUIREMENTS

The Agency pays its employees for all hours worked. In order to assure accurate payment of wages, all non-exempt employees are required to record all working time and meal periods using the Agency’s timekeeping system.

The following rules apply to recording working time for non-exempt employees:

- Employees must accurately record the time they begin and end work, as well as the beginning and end time of each applicable meal period, and any departures from work for any non-work-related reasons.
- Employees must accurately record all hours they spend on the job performing work duties. **Under no circumstances are employees permitted or required to work off the clock** (*i.e.*, without recording the time worked). This means that employees may not work before recording the start of their shift, during a recorded meal period, or after recording the end of their shift. If employees are ever asked to work off-the-clock or feel compelled to do so, they must immediately notify their supervisor or Human Resources so that appropriate action may be taken. No employee will be retaliated against for raising a concern regarding off-the-clock work or similar timekeeping issues.
- Employees must review and approve their timecards no later than the end of their last workday for each pay period. If an employee forgets to record the employee’s time or if there is an error on the employee’s timecard, the employee must immediately report it to their supervisor or Human Resources, so that the issue can be corrected.
- Falsifying any time records or recording time for another employee is not permitted.

Violations of these timekeeping requirements will result in disciplinary action, up to and including termination.

TRAVEL TIME PAY

Some non-exempt positions within the Agency require travel. The Agency pays nonexempt employees for travel time in accordance with federal and state law. For purposes of this policy, the regular workday is 8:00 – 5:00 (Monday – Friday) or based on your approved schedule which could include weekend days, unless otherwise outlined within a written agreement between the employee and Agency.

Home to Work Travel

If you travel from home before the regular workday and return to your home at the end of the workday, you are engaged in ordinary home to work travel, which is not work time.

Home to Work on a Special One Day Assignment in Another City

If you regularly work at a fixed location in one city and you are given a special one-day assignment in another city, but return home the same day, the time spent in traveling to and returning from the other city is work time, except that the Agency may deduct/not count that time you would normally spend commuting to the regular work site.

Travel That Is All in a Day's Work

Your time spent in travel as part of your principal activity, such as travel from job site to job site during the workday, is work time and must be counted as hours worked.

Travel Away from Home Community

Travel that keeps you away from home overnight is travel away from home. Travel away from home is clearly work time when it cuts across your workday. The time is not only hours worked on regular working days during normal working hours but also during corresponding hours on nonworking days.

Work Performed While Traveling

Any work you perform while traveling must be counted as hours worked.

Calculating and Reporting Travel Time

You are responsible for accurately tracking, calculating, and reporting your travel time. Travel time should be calculated by rounding up to the nearest quarter hour.

WORKDAY AND WORKWEEK

A workday begins at 12:01 a.m. and ends 24 hours later at midnight. Workweeks begin each Monday at 12:01 a.m. and end on Saturday at midnight.

V. HEALTH & WELLNESS BENEFITS

INTRODUCTION TO HEALTH & WELLNESS BENEFITS

The Agency has established a variety of employee benefit programs designed to assist employees and their eligible dependents in meeting the financial burdens that can result from illness and disability, and to help employees plan for retirement. A number of the programs (such as Social Security, workers' compensation, state disability, and unemployment insurance) cover all employees in accordance with applicable law.

This section of the handbook provides brief summaries of some of the employee benefit programs sponsored by the Agency. More detailed information regarding many of these benefits is contained in plan booklets, group insurance policies, and the Agency's official plan documents. While the provisions of this section provide a general overview of the Agency's benefits, the handbook does not describe all the exclusions, limitations or conditions of the benefit programs described in this section. If there is any real or apparent conflict between the brief summaries in this section of the handbook and the terms, conditions, or limitations of the official plan documents, the provisions of the official plan documents will control over these brief summaries. Employees are encouraged to review the official plan documents for further information. They are available from the Human Resources Department.

While the Agency intends to maintain these employee benefits, it reserves the absolute right to modify, amend, or terminate these benefits at any time and for any reason.

BENEFITS OVERVIEW

Health Insurance

F5OC provides health insurance benefits pursuant to County of Orange policy to all eligible employees; full-time and part-time employees, as defined within this Handbook, limited term, probationary employees, and their eligible dependents. An eligible employee can enroll for health benefits the first of the month following thirty (30) days of employment. The health plans and their premiums are adopted by, and may be modified by, the Board of Supervisors. Plan descriptions are contained in the plan documents available from the Agency.

Employees that qualify will receive plan descriptions and enrollment applications in their new hire packet.

Workers' Compensation

The Agency carries workers' compensation insurance coverage as required by law to protect employees who are injured on the job. This insurance provides medical, surgical, and hospital treatment in addition to payment for loss of earnings that result from work-related injuries. Compensation payments begin from the first day of an employee's hospitalization or after the third day following the injury if an employee is not hospitalized. The Agency pays the full cost of this coverage.

If you are injured while working, please report it immediately to your supervisor, regardless of how minor the injury may be. If you have any questions regarding the workers' compensation

insurance program, please contact the County's Human Resources Department. A copy of the Worker's Compensation policy number and injury forms can be located at Workers' Compensation Forms.

Other Health & Wellness Benefits

The following benefit programs may be available to eligible employees, subject to the terms of the applicable benefits policies or plans:

- Dental Insurance
- Vision Insurance (available only under Kaiser)
- Life and AD&D Insurance (Agency paid)
- Short-Term Disability (CA Only – provided through the state of CA)
- Long-Term Disability (Agency paid)
- Deferred Compensation Plan
- Optional Benefit Plan
- Disability and Salary Continuance Benefit
- Transportation Allowance
- Retiree Medical Program

Each of these benefits are subject to eligibility requirements and the terms as outlined within the individual benefit plan documents. The portion of plan costs that the employee is responsible for, regardless of plans for an individual or those with dependents, will be subject to payroll deduction. For complete information regarding any of our benefit programs, please refer to the Summary Plan Descriptions, which are provided upon eligibility, or contact F5OC's County Human Resources Department Representative (contacts name, phone and email are displayed on the poster board in the supply and copy room).

BONUS & OTHER INCENTIVES

The Agency, at its sole discretion, may provide bonus payments and/or similar incentive compensation to reward its employees for outstanding efforts or accomplishments. The specific requirements and criteria to receive such payments will be announced to eligible employees at the time such payment is authorized or made.

To be eligible to receive a bonus, an employee must:

- be an "active" employee at the time of bonus distribution, and
- meet the minimum threshold Agency service time requirement for the bonus period

Employees who were issued any formal disciplinary action will be ineligible for any type or bonus or incentive payment during that bonus or incentive period.

EDUCATIONAL AND PROFESSIONAL REIMBURSEMENT PROGRAM

The Educational and Professional Reimbursement Program is designed to encourage employees to continue their professional development through a variety of opportunities. To qualify for the program, one of the following criteria must be met:

1. Related to the work of the employee's position or occupation.

2. Prepares the employee for advancement to positions of greater responsibility at the Commission.

In addition, items eligible for reimbursement must have the reasonable potential for contributing to achieving Commission business objectives.

Eligible Employees

All full-time regular employees performing their jobs satisfactorily are eligible for reimbursement. Part time employees are eligible at a prorated amount of the maximum reimbursement based on their regular work schedule and subject to approval of the President/CEO. Please contact Human Resources for details regarding the program.

EMPLOYEE ASSISTANCE PROGRAM

The Agency provides an employee assistance program for employees. This program offers qualified counselors to help you cope with personal and life situations you may be facing. Further details can be obtained by calling 1-800-221-0945 or visiting <https://hrs.ocgov.com/page/employee-assistance-program>.

HOLIDAYS

Regular, limited term and probationary employees shall receive paid time off for the same holidays observed by the County of Orange. Payment for such holidays shall be on the same general terms and conditions applicable to County of Orange employees. Except as modified below, F5OC employees shall observe the following holidays:

- New Year's Day
- Martin Luther King, Jr.'s Day
- Lincoln's Birthday
- Washington's Birthday
- Memorial Day
- Independence Day
- Labor Day
- Columbus / Indigenous People's Day
- Veteran's Day
- Thanksgiving Day
- Day After Thanksgiving
- Christmas Day

When a holiday falls on a Saturday or Sunday, it is usually observed on the preceding Friday or the following Monday.

To be eligible for holiday pay, the employee must be regularly scheduled to work on the day on which the holiday is observed and must work the regularly scheduled working days immediately preceding and immediately following the holiday, unless an absence on either day is approved in advance by the employee's supervisor or the absence is otherwise protected by law. With approval from your Supervisor and the Director of Finance and Administration, compensatory time earned for working on a holiday or for a holiday falling on a regularly scheduled day off may be taken on the first scheduled working day after the holiday.

A new employee whose first working day is the day after a holiday shall not be paid for that holiday. An employee who elects paid County retirement on a holiday shall be paid for the holiday.

An employee who is terminating employment for reasons other than paid County retirement and whose last day as a paid employee is the day before a holiday shall not be paid for that holiday.

PAID SICK LEAVE

The Agency provides paid sick leave for all employees in compliance with federal, state, and local laws. To the extent any provision of this policy does not comply with a federal, state, or local law providing greater paid sick leave benefits, the non-complying provisions are superseded by the applicable law.

Paid sick leave is to be used for the diagnosis, care, or treatment of an existing health condition of an employee or an employee's family member, preventive care for an employee or their family member, or bereavement upon the death of a family member (see Bereavement Leave policy). For purposes of this policy, "family member" includes the employee's parent, parent-in-law, child, spouse, registered domestic partner, grandparent, grandchild, sibling, and employee designated person. For purposes of this policy, "employee designated person" is defined as any individual related by blood or whose association with the employee is the equivalent of a family relationship. An employee may identify their employee designated person at the time the employee requests paid sick leave and is limited to identifying one employee designated person per 12-month period. Paid sick leave may also be used for reasons related to domestic violence, sexual assault or stalking, and any other permissible reason under applicable local law. Paid sick leave is not to be used for vacation or personal time off.

Accrual and Use of Paid Sick Leave

During the first three years of employment, an employee shall earn approximately 72 hours (9 days) of sick leave per year, accrued at a rate of 2.77 hours per pay period. After an employee has worked for F5OC for three years, the employee shall earn approximately 96 hours (12 days) of sick leave per year, accrued at a rate of 3.69 hours per pay period.

Sick Leave Year

The sick leave year runs from January 1 to December 31. Accrued, unused paid sick leave will be carried over from one year to the next. The maximum amount of paid sick leave employees may carry over into the next year is 96 hours (12 days). Once employees have accrued 96 hours (12 days) of paid sick leave, employees will not be eligible to accrue any additional time until they have used some paid sick leave.

Notice

If the need for paid sick leave is foreseeable, employees must provide reasonable advance notice to the Agency of the need for leave. For events that are unforeseeable, employees must notify the Agency of the need for leave as soon as practicable. No employee will be retaliated against for using paid sick leave under this policy.

No Payout in Lieu of Paid Sick Leave

Unused paid sick leave will not be paid out upon termination, resignation, or other separation from employment. Paid sick leave has no separate cash value, and employees are not permitted to cash out accrued paid sick leave.

Reporting Paid Sick Leave

Total available paid sick leave hours will be reported on the pay stub, along with other currently reported payroll information.

RETIREMENT PLAN

The Agency offers a retirement plan based on the eligibility, limitations, conditions, or exclusions of a retirement plan will be defined by the Agency's official plan documents.

Employees shall be members of the Orange County Employees Retirement System. Visit the Benefits Center Web Site at www2.benefitsweb.com/countyoforange.html or call the Benefits Resource Line toll-free at 866-325-2345 to speak with a Benefits Specialist.

If there is any real or apparent conflict between the brief summary in this section of the handbook and the terms, conditions, or limitations of the official plan documents, the provisions of the official plan documents will control over these brief summaries.

VACATION

The Agency recognizes that individuals need time off from work for rest and relaxation. To foster such rest and relaxation, the Agency provides full-time employees with paid vacation. Temporary and part-time employees are not eligible for paid vacation.

Accrual and Use of Vacation Days

Vacation accrues on a per pay-period basis based on the employee's length of service, as set forth in the accrual charts below. Employees may not take vacation before it is accrued. Vacation is paid at the employee's base rate in effect at the time the vacation is used. Employees who are out on a leave of absence do not accrue vacation time while they are on their leave.

Employees are encouraged to use all their accrued vacation hours each year. Accrued, unused vacation time will be carried over from one year to the next up to the maximum accrual cap as outlined below. Once an employee reaches the accrual cap, no further vacation time will accrue until the employee has taken some vacation time. When accrual resumes, it is not retroactive.

The chart below defines the amount of vacation accrual for regular full-time Management employees.

Completed Years of Service	Hours Accrued Per Bi-Weekly Pay Period	Total Annual Accrual	Maximum Accrual (Ceiling or Cap)
1-3 years	4.615	120 hours (15 days)	360 hours (45 days)
3-10 years	6.153 hours	160 hours (20 days)	360 hours (45 days)
10 years +	7.692 hours	200 hours (25 days)	480 hours (60 days)

The chart below defines the amount of vacation accrual for regular full-time non-Management employees.

Completed Years of Service	Hours Accrued Per Bi-Weekly Pay Period	Total Annual Accrual	Maximum Accrual (Ceiling or Cap)
1-3 years	3.08 hours	80 hours (10 days)	240 hours (30 days)
3-10 years	4.615 hours	120 hours (15 days)	240 hours (30 days)
10 years +	7.692 hours	200 hours (25 days)	320 hours (40 days)

Requesting Vacation

All requests for vacation should be submitted for approval, in writing, to the employee's supervisor at least 14 days in advance of the requested vacation time, in order to evaluate staffing needs and provide adequate coverage of job responsibilities. An employee's supervisor at their discretion can make an exception and will make final determinations regarding vacation schedules.

Annual Cash Out of Accrued Vacation

During each fiscal year an employee may request to cash out accrued vacation time up to a maximum of eighty (80) hours. The request will be made on a timesheet for the pay period the employee intends to cash out accrued vacation.

Vacation Pay Upon Termination

An employee whose employment terminates will be paid for all accrued unused vacation hours at the employee's base rate at the time of termination.

VI. LEAVES OF ABSENCE

BEREAVEMENT LEAVE

The Agency will grant a request by an employee to take up to 5 days of paid bereavement leave upon the death of a covered family member. To be eligible for bereavement leave, the employee must have been employed with the Agency for at least 30 days prior to taking leave and the leave must be completed within 3 months of the date of the covered family member's death. "Covered family member" for purposes of this policy is defined as spouse, child, parent, sibling, grandparent, grandchild, domestic partner, or parent-in-law.

Your supervisor must be informed of all requests for bereavement leave, and the Agency may request documentation evidencing the covered family member's death within 30 days of the first day bereavement leave is taken. The Agency will maintain confidentiality relating to an employee's request to use bereavement leave.

CA FAMILY RIGHTS ACT LEAVE

The Agency provides family and medical leave to eligible employees under the California Family Rights Act (CFRA). The Agency refers to this leave as "CFRA Leave." The function of this policy is to provide employees with a general description of their CFRA rights. In the event of any conflict between this policy and applicable law, employees will be afforded all rights as required by law.

Eligibility

To be eligible to take CFRA Leave, employees must meet all of the following conditions:

- 1) Have worked at least 12 months for the Agency;
- 2) Have worked at least 1,250 hours for the Agency over the preceding 12 months; and
- 3) Work at a worksite in California.

Permissible Purposes of CFRA Leave

CFRA Leave may be taken for any of the following reasons:

- 1) Birth of a child or to care for a newly born child ("bonding leave");
- 2) Placement of a child for adoption or foster care ("bonding leave");
- 3) To care for a child, parent, grandparent, grandchild, sibling, spouse, domestic partner, parents-in-law, or employee designated person (collectively, referred to as a "family member" in this policy) with a serious health condition ("family care leave"). For purposes of this policy, "employee designated person" is defined as any individual related by blood or whose association with the employee is the equivalent of a family relationship. An employee may identify their employee designated person at the time the employee requests CFRA Leave, and is limited to identifying one employee designated person per 12-month period;
- 4) Because of an employee's own serious health condition, which makes the employee unable to perform the functions of the employee's job, except for leave taken for disability on

account of the employee's pregnancy, childbirth, or related medical conditions ("serious health condition leave"); or

- 5) Because of a qualifying exigency related to the covered active duty or call to covered active duty of an employee's spouse, domestic partner, child, or parent in the Armed Forces of the United States.

Length of Leave

An eligible employee is entitled to take up to 12 weeks of CFRA Leave during a 12-month period. The 12-month period in which the CFRA Leave occurs will be calculated on a "rolling" 12-month period measured backward from the date an employee uses any CFRA Leave. Bonding leave must be concluded within 12 months of the birth or placement of the child.

If eligible for CFRA Leave, an employee may take CFRA Leave intermittently, by reducing the employee's normal weekly or daily work schedule, when medically necessary for the employee's own or immediate family member's serious health condition. Intermittent bonding leave may be available, but may be subject to additional restrictions. Leave taken intermittently may be taken in increments of no less than 1 hour. If an employee requires intermittent leave or reduced-schedule leave for a planned medical treatment, the employee must try to schedule the leave in a manner that will least disrupt the Agency's operations.

Pregnancy-Related Disabilities

Pregnancy-related disabilities are not counted against an employee's CFRA Leave entitlement. Instead, they are covered by California's Pregnancy Disability Leave Law, which is explained below in the Agency's Pregnancy Disability Leave Policy.

Health Benefits During CFRA Leave

During CFRA Leave, the Agency will continue making contributions for the employee's group health benefits on the same terms as if the employee had continued to work. This means that if the employee wants benefits coverage to continue during CFRA Leave, the employee must continue to pay the employee's portion of any premium payments during CFRA Leave. In some instances, the Agency may recover premiums it paid to maintain health coverage if the employee fails to return to work following a CFRA Leave. If the employee has exhausted all available CFRA Leave, continuation coverage will be available at the employee's expense under COBRA.

Pay During CFRA Leave

CFRA Leave is unpaid unless the employee qualifies for state-provided [or Agency-provided] disability/family leave benefits. Employees may substitute accrued paid sick leave and accrued vacation [or PTO] for all unpaid CFRA Leave.

Employees do not accrue seniority or benefits, including [vacation or PTO and] paid sick leave during unpaid CFRA Leave.

Employment Status After CFRA Leave

Employees granted CFRA Leave are guaranteed reinstatement to the same or an equivalent job position at the end of the leave unless the job ceased to exist for legitimate business reasons and subject to any other defense allowed under the law.

Notice and Certification Procedures

When seeking CFRA Leave, employees must provide all of the following to Supervisor, where applicable:

- 1) 30 days' advance notice of the need to take CFRA Leave, if the need is foreseeable, or notice as soon as practicable in the case of unforeseeable leave. When leave is for planned medical treatment, employees must try to schedule treatment so as not to unduly disrupt the Agency's operation;
- 2) Medical certification supporting the need for leave due to a serious health condition affecting the employee or the employee's family member must be provided before the leave begins, or if not possible, within 15 days of the Agency's request to provide the certification;
- 3) Periodic updates as permitted by law during the leave regarding the employee's status and intent to return to work; and
- 4) Medical certification of fitness for duty before returning to work if the leave was due to the employee's own serious health condition.

At the Agency's expense, the Agency may also require a second or third medical opinion regarding an employee's own serious health condition. Employees are expected to cooperate with the Agency in obtaining additional medical opinions that the Agency may require.

Failure to Provide Certification and to Return from Leave

Failure to comply with the notice and certification requirements may result in a delay or denial of the CFRA Leave. If an employee fails to return to work at the end of the CFRA Leave's expiration and has not obtained an extension of the leave, the Agency may presume that the employee does not plan to return to work and has resigned from employment.

CIVIL AIR PATROL, VOLUNTEER FIREFIGHTER, RESERVE PEACE OFFICER, AND EMERGENCY RESCUE PERSONNEL

Employees will be granted time off to perform emergency duties as a volunteer member of the Civil Air Patrol, volunteer firefighter, reserve peace officer, or emergency rescue personnel pursuant to applicable law. In addition, if an employee performs duties as a volunteer firefighter, reserve peace officer, or emergency rescue personnel, the employee will be permitted to take temporary leaves of absence, not to exceed 14 days per calendar year, for the purpose of engaging in fire, law enforcement, or emergency rescue training. Time off will ordinarily be unpaid except where the law requires otherwise.

CRIME VICTIMS LEAVE

Employees who are the victim of certain crimes and offenses (violent or serious felonies, or a felony involving theft or embezzlement), an immediate family member of a victim, a domestic partner of a victim, the child of a domestic partner of a victim, or guardian of a victim, may be entitled to time off from work in order to (1) attend judicial proceedings related to that crime or offense; or (2) participate in the preparation for the criminal proceedings at the prosecuting attorney's request. Before an employee may be absent from work, the employee should give notice

to the employee's supervisor or Human Resources and provide a copy of the notice of each scheduled proceeding that is provided to the victim by the agency responsible for providing such notice. If advance notice is not possible, the employee must provide appropriate written documentation evidencing the proceeding. This leave is unpaid. No adverse action will be taken against any employee in any manner for requesting or taking time off as provided in this policy.

FAMILY AND MEDICAL LEAVE

The Agency provides family and medical leave to eligible employees under the federal Family and Medical Leave Act (FMLA). The Agency refers to this leave as "FMLA Leave." The function of this policy is to provide employees with a general description of their FMLA rights. The Agency will grant family and medical leave in accordance with the requirements of the federal and state laws that apply in the location where the employee is working at the time of the leave. In the event of any conflict between this policy and applicable law, employees will be afforded all rights as required by law.

Eligibility

To be eligible to take FMLA Leave, employees must meet all of the following conditions:

- 1) Have worked at least 12 months for the Agency;
- 2) Have worked at least 1,250 hours for the Agency over the preceding 12 months; and
- 3) Work at a location where there are at least 50 employees within 75 miles.

Permissible Purposes for Leave

FMLA Leave may be taken for any of the following reasons:

- 1) Birth of a child or to care for a newly-born child ("bonding leave");
- 2) Placement of a child for adoption or foster care ("bonding leave");
- 3) To care for an immediate family member (spouse, child, or employee's parent) with a serious health condition ("family care leave");
- 4) Because of an employee's own serious health condition, which makes the employee unable to perform the functions of the employee's job ("serious health condition leave");
- 5) Because of a "qualifying exigency" arising out of the fact that an employee's spouse, son, daughter, or parent is on active duty or ordered to active duty in the armed forces ("military emergency leave"); or
- 6) To care for an injured service member if the employee is the spouse, son, daughter, parent or next of kin of the injured or ill service member ("military caregiver leave").

Length of Leave

An eligible employee can take up to 12 workweeks of unpaid leave during any "rolling" 12-month period, measured backward from the date an employee uses any leave under this policy. If both spouses work for the Agency and are eligible for leave under this policy, the spouses will be limited to a total of 12 workweeks off between the two of them for bonding leave and family care leave

for a parent. Bonding leave must be concluded within 12 months of the birth or placement of the child.

If eligible for FMLA Leave, an employee may take FMLA Leave intermittently, by reducing the employee's normal weekly or daily work schedule, when medically necessary for the employee's own or immediate family member's serious health condition. Intermittent bonding leave may be available but may be subject to additional restrictions. Leave taken intermittently may be taken in increments of no less than 1 hour. If an employee requires intermittent leave or reduced-schedule leave, the employee must try to schedule the leave in a manner that will least disrupt the Agency's operations.

For military caregiver leave, an eligible employee can take a combined total of 26 workweeks of leave for military caregiver leave and leave for any other FMLA-qualifying reason during the same "single 12-month period." Of this 26-week period, the eligible employee may not exceed 12 workweeks of leave for any reason other than military caregiver leave. For purposes of military caregiver leave, a "single 12-month period" begins on the first day the eligible employee takes military caregiver leave and ends 12 months after that date. If the employee takes less than 26 weeks of leave during that 12-month period, the unused weeks are forfeited. If both spouses work for the Agency and are eligible for leave under this policy, the spouses may be limited to a total of 26 workweeks off between the two of them depending on the reasons for the leave.

Health Benefits During Leave

During FMLA Leave, the Agency will continue making contributions for the employee's group health benefits on the same terms as if the employee had continued to work. This means that if the employee wants benefits coverage to continue during the FMLA Leave, the employee must continue to pay the employee's portion of any premium payments during the FMLA Leave. In some instances, the Agency may recover premiums it paid to maintain health coverage if the employee fails to return to work following an FMLA Leave. If the employee has exhausted all available FMLA Leave, continuation coverage will be available at the employee's expense under COBRA.

Pay During FMLA Leave

FMLA Leave is unpaid unless the employee qualifies for state-provided disability/family leave benefits. Employees may substitute accrued paid sick leave and accrued vacation for unpaid FMLA Leave.

Employees do not accrue seniority or benefits, including vacation and paid sick leave during unpaid FMLA Leave.

Employment Status After FMLA Leave

Employees granted FMLA Leave are guaranteed reinstatement to the same or an equivalent job position at the end of the leave unless the job ceased to exist for legitimate business reasons and subject to any other defense allowed under the law. "Key employees," as defined by law, may be subject to reinstatement limitations in some circumstances. If an employee is a "key employee," the employee will be notified of the possible limitations at the time the employee requests a leave.

Notice and Certification Procedures

When seeking FMLA Leave, employees must provide all of the following to Human Resources, where applicable:

- 1) 30 days' advance notice of the need to take FMLA Leave, if the need is foreseeable, or notice as soon as practicable in the case of unforeseeable leave. When leave is for planned medical treatment, employees must try to schedule treatment so as not to unduly disrupt the Agency's operation;
- 2) Medical certification supporting the need for leave due to a serious health condition affecting the employee or the employee's immediate family member must be provided before the leave begins, or if not possible, within 15 days of the Agency's request to provide the certification;
- 3) Certification of the family member's active-duty status or call to active duty for emergency military leave;
- 4) Periodic updates as permitted by law during the leave regarding the employee's status and intent to return to work; and
- 5) Medical certification of fitness for duty before returning to work, if the leave was due to the employee's own serious health condition.

At the Agency's expense, the Agency may also require a second or third medical opinion regarding an employee's own serious health condition. Employees are expected to cooperate with the Agency in obtaining additional medical opinions that the Agency may require.

Failure to Provide Certification and to Return from Leave

Failure to comply with the notice and certification requirements may result in a delay or denial of the FMLA Leave. If an employee fails to return to work at the end of the FMLA Leave's expiration and has not obtained an extension of the leave, the Agency may presume that the employee does not plan to return to work and has resigned from employment.

GENERAL MEDICAL LEAVE

The Agency has a general medical leave policy for employees who may not qualify CFRA Leave. As soon as an employee becomes aware that the employee is, or will become, temporarily disabled from working for any medical reason, the employee must promptly advise Human Resources in writing of the nature of the disability (without revealing confidential medical information), the anticipated commencement date and duration of the disability. The Agency will work with the employee to determine whether unpaid leave can be reasonably accommodated.

JURY AND WITNESS DUTY

The Agency provides time off for jury or witness duty to any employee who has been notified to serve on a jury or has been subpoenaed to testify in court. Upon receipt of the notice to serve jury duty or a subpoena to testify in court, the employee should immediately notify the employee's supervisor. Employees are expected to return to work as soon as service as a witness or juror is completed.

Except where required by state law, jury or witness duty leave will be paid. Exempt employees will not incur any reduction in pay for a partial week's absence due to jury or witness duty.

MILITARY LEAVE

If an employee enters the armed forces of the United States, the National Guard, or any state armed forces, the employee will be granted a military leave in accordance with the Uniform Services Employment and Reemployment Rights Act of 1994 ("USERRA") and all applicable state laws regulating absence from work for military service. USERRA protects job rights and benefits for veterans and members of the reserves. USERRA prohibits discrimination against employees and provides reemployment protection and other benefits for veterans and employees who perform military service. Employees must provide advance notice of the need for military leave, unless prevented from doing so by military necessity or if providing notice would be impossible or unreasonable. Military leaves of absence are unpaid. All other rights and benefits will continue as if the employee had remained continuously employed and will be available to the employee upon reinstatement. Subject to certain exceptions provided by federal law, an employee will be reinstated with full seniority to the employee's former position or to a comparable position, if the employee makes a timely request for re-employment upon departure from military service.

If an employee is a member of the National Guard, a reserve component of the armed forces, or any state militia or state armed forces, the employee will, upon furnishing a copy of the official orders or instructions, be granted a military training leave. Unless otherwise provided by state or federal law, training leaves shall not, except in an emergency or in the event of extenuating circumstances, exceed 20 days a year. If an employee is seeking military-related leave, the employee is encouraged to contact the employee's supervisor or Human Resources for additional information regarding eligibility and leave rights.

PAID LEAVE FOR ORGAN AND BONE MARROW DONATIONS

The Agency will provide employees with up to 30 business days of paid leave for donating an organ to another person, or up to 5 business days of paid leave for donating bone marrow in any one-year period. Additionally, eligible employees may take an additional 30 days of unpaid leave for donating an organ to another person. If an employee is seeking leave under this law, the employee must provide written verification to the Agency that the employee is an organ or bone marrow donor and that there is a medical necessity for the organ or bone marrow donation. The leave will not be considered a break in continuous service for purposes of the employee's right to salary adjustments, benefits, or seniority. Further, leave taken does not run concurrently with leave under CFRA. Upon completion of leave, the employee will be restored to the same or equivalent position held by the employee before leave began.

PERSONAL LEAVE OF ABSENCE

Additional types of unpaid personal leaves of absence may be granted in the sole discretion of management, for up to a maximum of 30 days. An extension beyond 30 days will be considered on an individual basis.

Failure to report to work as scheduled following a leave of absence may result in discipline, including termination. Time spent on personal leave of absence will not be used for computing benefits such as holidays.

You should speak directly your supervisor prior to taking a leave to ensure your understanding of all of your obligations to the Agency while on leave, such as your periodic reporting and re-verification obligations. Failure to comply with Firm policy may substantially affect your ability to return to work under this policy.

PREGNANCY DISABILITY LEAVE

Eligibility for Pregnancy Disability Leave

An employee who is disabled by pregnancy, childbirth or related medical conditions is eligible to take a pregnancy disability leave (“PDL”). An employee affected by pregnancy, or a related medical condition is also eligible to transfer to a less strenuous or hazardous position or to less strenuous or hazardous duties, provided the employee is qualified and such position is available. In addition, if it is medically advisable for the employee to take intermittent leave or work a reduced leave schedule, the Agency may require the employee to transfer temporarily to an alternative position with equivalent pay and benefits that can better accommodate recurring periods of leave.

The PDL is for any period(s) of actual disability caused by an employee’s pregnancy, childbirth, or related medical condition up to 4 months per pregnancy. A “four-month leave” means time off for the number of days or hours the employee would normally work within four calendar months (one-third of a year or 17 1/3 weeks).

The PDL does not need to be taken in one continuous period of time but can be taken on an as-needed basis. Time off needed for prenatal care, severe morning sickness, doctor-ordered bed rest, childbirth, and recovery from childbirth is covered by PDL.

Requesting PDL

Employees are required to obtain a certification from their health care provider of their pregnancy disability or the medical advisability of a transfer. The certification should include: (1) the date on which the employee became disabled due to pregnancy or the date of the medical advisability of a transfer; (2) the probable duration of the period(s) of disability or the period(s) for the advisability of a transfer; and, (3) a statement that, due to the disability, the employee is either unable to work at all or to perform any one or more of the essential functions of the employee’s position without undue risk to the employee, the pregnancy’s successful completion, or to other persons; or (4) a statement that, due to the pregnancy, a transfer to a less strenuous or hazardous position or duties is medically advisable.

Pay While on PDL

PDL is unpaid unless the employee qualifies for state-provided leave benefits. Employees are required to substitute accrued paid sick leave for all unpaid PDL. Employees may substitute accrued vacation for any unpaid PDL. The use of any accrued paid sick leave or vacation will not extend the duration of available PDL.

The Agency encourages employees to contact the California Employment Development Department regarding an employee’s eligibility for state disability insurance for the unpaid portion of the employee’s leave.

Employees will not be eligible to accrue seniority or benefits, including sick leave or vacation during any period of unpaid leave.

Health Benefits While On PDL

During the PDL, the Agency will maintain the employee's health insurance coverage under any group health plan as if the employee had remained actively employed. During PDL, the employee must continue to pay any employee contribution to the health coverage. After the PDL is exhausted, the employee will be eligible for continuation coverage under COBRA, except as otherwise required by law.

Returning From PDL

Upon return from PDL, the employee will be reinstated to the same position unless the job ceases to exist because of legitimate business reasons unrelated to the PDL, or to a comparable position for which the employee is qualified. As a condition of the employee's return from PDL, or transfer, the Agency requires the employee to obtain a release to return to work from the employee's health care provider stating that the employee is able to resume her original job duties.

SCHOOL ACTIVITIES

Employees who are the parent, stepparent, foster parent, guardian, grandparent, or person *in loco parentis* of one or more children in kindergarten through grade 12, or attending a licensed child day care facility, are eligible for up to 40 hours of unpaid leave time each year to (1) find, enroll, or reenroll a child in a school or licensed child day care facility; (2) participate in the activities of the school or day care facility of any of their children; or (3) address a childcare provider or school emergency. Forty hours is the maximum amount of time that may be taken in any calendar year, and no more than 8 hours of leave time may be taken per calendar month. Employees may also take off additional time as may be necessary to attend the employee's child's or grandchild's school to discuss a possible suspension or expulsion. Employees must provide their supervisor reasonable advance notice of the need for such leave time and must provide written documentation from the school or day care facility verifying their participation in the activities on a specific date and at a particular time. Accrued vacation may be used for such absences; otherwise, school visitation time is unpaid. No adverse action will be taken against any employee in any manner for requesting or taking time off as provided in this policy.

TIME OFF TO VOTE

Supervisors will adjust an employee's schedule as needed to ensure that the employee will have the opportunity to vote. If an employee does not have sufficient time outside of working hours to vote in an official state-sanctioned election, the employee may take off enough working time to vote, up to a maximum of two hours without loss of pay. Such time off shall be taken at the beginning or the end of the regular working shift, whichever allows for more free time. If an employee is requesting time off to vote, the employee should give the employee's supervisor as much notice as possible and must submit proof of voting to the Agency. No employee will be penalized or retaliated against for requesting time off to vote.

VICTIMS OF DOMESTIC VIOLENCE, STALKING OR OTHER ABUSE LEAVE

This policy applies to any employee who is: (i) a victim of stalking, domestic violence, or sexual assault; (ii) a victim of a crime that caused physical injury or that caused mental injury and a threat of physical injury; or (iii) a person whose immediate family member is deceased as the direct result of a crime (collectively, a “victim”). An employee who is a victim may take time off work for the following purposes:

- 1) To obtain any legal relief (including, but not limited to, a temporary restraining order, permanent restraining order, or other injunctive relief to help ensure the health, safety, or welfare of the employee or the employee’s children);
- 2) To seek medical attention for injuries caused by crime or abuse;
- 3) To obtain services from a domestic violence shelter, program, rape crisis center, or victim services organization or agency as a result of the crime or abuse;
- 4) To obtain psychological counseling related to an experience of crime or abuse;
- 5) To participate in safety planning and take other actions to increase safety from future crime or abuse, including temporary or permanent relocation.

If an employee needs time off for one of the above purposes, the employee should give advance notice to the employee’s supervisor or Human Resources as soon as possible so that arrangements to accommodate the absence may be made. If advance notice is not possible, the employee must provide appropriate written certification of the reason for the absence within a reasonable amount of time upon the employee’s return to work.

The Agency will provide reasonable accommodations for an employee covered by this policy who requests an accommodation for the safety of the victim while at work. The Agency will make reasonable efforts to maintain the confidentiality of any employee requesting time off or accommodations under this policy. Time off under this type of leave is generally unpaid. However, employees may utilize any available accrued vacation or sick leave. No adverse action will be taken against any employee in any manner for requesting accommodations or taking time off as provided in this policy.

VII. EMPLOYEE EXPECTATIONS AND STANDARDS OF CONDUCT

AGENCY PROPERTY

Agency property, including documents, materials, and equipment, may not be used for personal use, or removed from the Agency's premises, unless it is approved. All Agency property must be used properly and maintained in good working order. Agency property issued to an employee must be returned to the Agency at the time the employee's employment ends, or when it is requested by the employee's supervisor.

Right to Inspect

The Agency reserves the right to inspect all Agency property including desks, file cabinets, computers, and electronic devices, to ensure compliance with its rules and regulations, without notice to the employee and at any time, not necessarily in the employee's presence. Employees should not assume they have a right to privacy to any Agency-owned equipment or property. Employees must provide the Agency with password information upon request to ensure Agency has access to Agency-provided computers and electronic equipment.

Personal Items on Agency Property

Employees who bring personal property onto the premises do so at their own choice and risk. Employees should not bring valuables to work. The Agency assumes no responsibility for the loss, theft, or damage of employee's personal property, including vehicles parked on Agency premises.

COMMUNICATIONS

The Agency advocates an open communications environment. Employees are encouraged to communicate with their supervisor regarding work-related issues and problems, questions, and general concerns. If an employee is uncomfortable communicating with the employee's supervisor, the employee is welcome to contact any other member of management. The Agency takes employee concerns seriously and will take appropriate corrective action. If the employee is not satisfied with management's response, the employee may speak to the President/CEO or Human Resources, whose decision regarding the matter will be final. No employee will be retaliated against for using the open communications policy.

CONFIDENTIALITY

Employees are responsible for safeguarding the confidential information obtained during their employment. In the course of an employee's work, the employee may have access to confidential information regarding the Agency, its employees, and its clients. All confidential information is disclosed or revealed to employees with the understanding that such information is considered to be confidential.

Employees cannot make use, directly or indirectly, of the Agency's confidential information except for purposes specified by the Agency or required to perform their job for the Agency. Employees are never to remove confidential information from the Agency in any manner or format, nor may they use such information in connection with work performed for their personal

benefit or for the benefit of any other person or entity. Employees are prohibited from revealing or divulging any confidential information to any third party.

All employees are required to sign a separate Confidential Information Agreement.

DRUG & ALCOHOL-FREE WORKPLACE POLICY

Drug & Substance Abuse

The Agency is committed to a healthy and safe work environment. A key factor in meeting this commitment is the assurance of a workplace free from drugs, illegal substances, and substance abuse. Employees are prohibited from carrying, transporting, dispensing, selling, buying, offering for sale, or offering to buy, illegal or controlled substances when on Agency premises, when driving in Agency vehicles, while attending Agency-related events and whenever conducting business-related activities off Agency premises.

Employees may not use, possess, distribute, sell, or be under the influence of alcohol, marijuana, or illegal drugs or have alcohol, or illegal drugs in their system. The use of prescribed or over-the-counter medication is permitted provided that the drug does not impair the employee's ability to perform effectively and safely and is being used as prescribed or intended. If an employee is taking prescribed or over-the-counter medication that might impact the employee's ability to function safely and efficiently, the employee must report the use of the particular medication to the employee's supervisor. If an employee does not report the use of medication and is counseled or disciplined for unacceptable performance or conduct, the employee will not be permitted to excuse the problem on the basis of drug influence.

Drug and Alcohol Testing

The Agency is committed to a drug free workplace. To that end, a drug/alcohol screening may be required in the following circumstances: (1) of any applicant to whom a job offer has been made; (2) of any employee where the Agency has reasonable suspicion to believe that the employee may be using drugs or alcohol or may be under the influence of drugs or alcohol at work or while on duty; (3) of any employee who suffers an injury or accident at work where the Agency has reasonable suspicion to believe that employee impairment due to drug or alcohol use may have been a factor; and (4) as part of occasional follow-up testing if the employee is found to have breached these policies but has been permitted to remain employed. An employee's cooperation with such a drug or alcohol screening test is required as a condition of employment. The employee's refusal to cooperate with such a request and to provide a specimen may result in disciplinary action up to and including termination where there is reason to believe that the employee has violated this policy and the employee's refusal to cooperate has prevented a medical determination of the employee's condition.

Alcohol at Social Events

The Agency is unique in that our employees are often asked by partners – and are encouraged to do so by the Agency – to strengthen relationships by attending social functions (lunches, dinners, charity events and more) partners or potential partners. Employees may also be requested to attend events and represent the Agency at those events. Events may be held in the evening and alcohol is often served.

Although the setting may be social, employees are still representing the Agency while attending these events. As such, the Agency expects that employees conduct themselves in a manner consistent with the Agency's high standards.

If you have questions, or if any part of the policy remains ambiguous, please contact your supervisor prior to attending any event.

Alcohol and Driving

Should an employee be pre-approved to socialize with alcohol at an Agency or Agency-sponsored event, to ensure the employee's safety, the Agency requires the employee to take a car service home (Uber, Lift or similar). The Agency will pay for the car service both home from the event and back to the event location in the morning.

EMPLOYEE CONDUCT & WORK PERFORMANCE

Employees are expected to conduct themselves in a manner that positively promotes the Agency's business objectives, including following all policies in this Handbook. The following conduct is prohibited and will not be tolerated. This list of prohibited conduct is illustrative only; other types of conduct that threaten security, personal safety, employee welfare and Agency operations may also be prohibited and will result in disciplinary action up to and including termination.

1. Falsifying employment records, employment information, or other Agency records;
2. Recording the working time of another employee or allowing any other employee to record the employee's working time, or falsifying any time sheet, either the employee's own or another employee's;
3. Theft and deliberate or careless damage or destruction of any Agency property, or the property of any employee, supplier, vendor, customer, or client;
4. Removing or borrowing Agency property without prior authorization;
5. Unauthorized use or misuse of Agency equipment, time, materials, or facilities;
6. Provoking a fight or fighting during working hours or on Agency property;
7. Carrying firearms or any other weapons on Agency premises at any time;
8. Insubordination, including but not limited to failure or refusal to obey the lawful orders or instructions of a member of management, or the use of abusive or threatening language toward a member of management;
9. Using abusive, threatening, or intimidating language towards others;
10. Violation of safety rules and policies;
11. Failing to follow the Agency's meal period, rest break, and timekeeping policies;
12. Sleeping on the job;
13. Violation of any Agency policy; and
14. Conducting personal or non-Agency related business during working hours.

EXPENSE REIMBURSEMENTS

The Agency will reimburse employees for authorized business expenses, including but not limited to, business-related mileage, travel, and meals, where required. For reimbursement information, employees should contact the Director of Finance and Administration.

GIFT BAN POLICY

Under the County of Orange Ordinance, the members of F5OC shall be subject to the County of Orange Gift Ban Ordinance which regulates and defines gifts to public officials. The purpose of this policy is to stipulate the guidelines prohibiting the acceptance of gifts.

It is the policy of the F5OC that all F5OC officials and F5OC staff are in compliance with County of Orange Gift Ban Ordinance by understanding and abiding by the ban on all gifts.

Web Link

Orange County Gift Ban Ordinance is located in the County of Orange Codified Ordinances, Article 2, Section 1-3-21: <http://library.municode.com/index.aspx?clientId=11378>

MEDIA POLICY

It is the policy of F5OC to respond directly to media inquiries. It is also the policy F5OC for the President/CEO to be the first line of response to media inquiries, to establish a consistent presence and voice associated with F5OC. If the President/CEO is not available, then the inquiry may be directed to the Vice President of Learning and Community Engagement for response. Occasionally, the President/CEO may designate a staff member or consultant to F5OC when responding to media if the inquiry falls within their specific expertise (e.g., economic analysis). F5OC will plan for interviews and inquiries from media in English and other languages, as needed.

F5OC engages the services of a communications consultant for both proactive and reactive media interaction. They provide media outreach, training, coordination with media, and develop project-related key messages and media responses. The communications consultant will support all staff interactions with media as needed.

F5OC will emphasize outreach to diverse media outlets representing various demographic populations in the county.

Media Outreach

Materials such as press releases, reports, op-eds, and more are routinely developed to proactively promote F5OC's actions, programs, and events. The VP of Learning and Community Engagement or Communication Consultant will distribute these materials to the President/CEO for approval prior to the information appearing in public via print, digital or broadcast media.

NON-FRATERNIZATION

Managers and Supervisors

There are special risks in any sexual or romantic relationship between employees in unequal positions. The Agency desires to avoid misunderstandings, complaints of favoritism, possible claims of sexual harassment, employee morale and dissension problems, exploitation and bias that

can potentially result from personal or social relationships between a manager/supervisor and a subordinate.

Such relationships may be perceived in different ways by each of the parties to it, especially in retrospect. Moreover, such relationships may harm or injure others in the work environment. Relationships in which one party is in a position to review the work or influence the career of the other may provide the basis for complaint by third parties when that relationship gives undue access or advantage, restricts opportunities, or creates a perception of these problems. Furthermore, circumstances may change, and conduct that was previously welcome may become unwelcome. Even when both parties have consented at the outset to a romantic involvement, this past consent does not remove the basis for a charge based upon subsequent unwelcome conduct.

Accordingly, managers and supervisors are prohibited from becoming romantically involved with any non-management and non-supervisory employee, regardless of reporting relationship. Managers and supervisors are also prohibited from becoming romantically involved with any manager or supervisor under their supervision.

Non-Management and Non-Supervisory Employees

The Agency wishes to promote positive relations between its employees. While we hope that employees will be professional and respectful towards one another at all times, sexual or romantic relationships between non-management and non-supervisory employees have the potential to interfere with the ability to perform an employee's responsibilities effectively. Such relationships are therefore discouraged. The Agency desires to avoid any misunderstandings, potential conflicts of interest, disruption, negative or unprofessional work environment, possible claims of sexual harassment and morale problems. Accordingly, where such a sexual or romantic relationship exists, the employees must immediately notify the Human Resources Department of the existence of the relationship. (This disclosure obligation also applies to relationships between management employees where neither manager has supervisory responsibility over the other.)

The Agency has the option to take any action necessary to ensure compliance with the spirit of this policy, including, but not limited to, transferring either or both individuals in order to minimize disruption. The Agency will respect the confidentiality and privacy of the affected individuals to the extent reasonably possible.

Any violation of this policy may result in disciplinary action, up to and possibly including immediate termination.

All employees should also remember that the Agency maintains a strict policy against unlawful harassment of any kind, including sexual harassment.

OUTSIDE EMPLOYMENT

The Agency prohibits any outside employment that may present a conflict of interest.

All employees must submit a written request to management to receive approval to obtain outside employment in order to ensure that a conflict of interest will not arise. The written request should include the name of the organization for which the employee will be working, a description of the job duties the employee will be performing, and a statement as to why this will not be a conflict of interest with the employee's current employment at the Agency.

If an employee is unable to maintain acceptable performance standards following acceptance of outside employment, the employee may be subject to disciplinary action, up to and including termination.

Employees on approved leave of absence may not engage in outside employment without express written authorization from a supervisor to do so.

RECORDS MAINTENANCE

Maintain accurate and appropriate records in accordance with all federal, state, and county requirements, local laws, regulations, standards, and the Agency's Policies and Procedures. These records include business data in every medium (hard copy and electronic). Including but not limited to:

- Maintain complete, accurate records and prepare them in a timely manner.
- Ensure that business records/transactions are maintained in an accurate and confidential manner to protect privacy, prevent unauthorized access and to provide factual information.
- Maintain documentation guidelines for recordkeeping according to the legal requirements for the records, and in accordance with the F5OC's record retention schedule.
- Maintain integrity of all records and ensure that records are not altered, damaged, removed or destroyed prior to the specified destruction date.
- Comply with all laws governing confidentiality of information.
- Ensure that timecards, mileage claims, reimbursement claims, and other cost records and reports are completed and processed in a timely manner and reflect accurate information.
- Ensure that all public records requests are completed in an accurate and timely manner.

SMOKING POLICY

The Agency prohibits smoking including e-cigarettes and vaping in its offices and while conducting Agency business. Smoking is only permitted in outside designated smoking areas.

SOLICITATION & DISTRIBUTION

In order to avoid disruption of Agency operations, employees of the Agency may not solicit or distribute literature at any time, for any purpose, during working. In addition, employees may not distribute printed literature at any time in working areas. Non-employees may not solicit or distribute at any time on Agency property, including any parking areas.

"Working Time" includes the working time of both the employee doing the soliciting and distributing, and the employee to whom the soliciting or distributing is being directed. It does not include break periods, meal periods, or any other specified periods during the workday when employees are not engaged in performing their work tasks.

TELECOMMUTING WORKING

Any employee that is authorized by the Agency to work remotely on a hybrid schedule will be required to review, sign, and comply with a Work from Home Agreement. This will be provided to you by your supervisor. The Work from Home Agreement will review the terms and conditions related to a remote working arrangement, including several of those conditions as outlined below.

Terms and Conditions

The terms and conditions for remote working be outlined within the Agreement, or based upon any local, state, or federal Work-from-Home Orders. An employee's duties and responsibilities will remain as outlined within their Job Description except for those specified within the Work-from-Home Agreement. During a remote from work assignment, employees are expected to maintain effective communication with their co-workers and supervisor as requested and/or needed. Employees are expected to work their standard workday and be available during designated work hours. In addition, employees are expected to comply with all Agency's policies, including those as outlined within this Employee Handbook during their workday, regardless of the work site.

Working remotely is not a substitute for childcare, elder care or other forms of family or dependent care assistance during work hours. The employee is responsible for ensuring that provisions for such care have been made in advance of work time. In addition, it is not a substitute for taking a sick day when you are under the weather and unable to report to work or a vacation day when you are taking time to rest, recuperate, or spend time with family or friends.

Eligibility

An employee must be in good standing and have demonstrated the ability to work independently. In addition, the employee's duties must be conducive to remote working. The decision to allow an employee to telecommute will be on a case-by-case basis as determined by the President/CEO. The President/CEO, at their sole discretion, can terminate the agreement in writing at any time and for any reason.

Safety, Equipment, and Information Security

When working remotely, it is the expectation that an employee maintains a work environment that is ergonomically sound, clean, safe, and free from obstructions and hazardous situations.

Employees are to use Agency-owned equipment, records, and materials for Agency business only, and to protect them against unauthorized or accidental access, use, modification, destruction, or disclosure. The precautions described apply regardless of the storage media on which information is recorded, the locations where the information is stored, the systems used to process the information, or the processes by which the information is handled. Employees are to notify their supervisor immediately for any instances of loss, damage, or unauthorized access.

All equipment, records, and materials provided by the Agency remain the property of the Agency and must be returned upon separation of employment. The Agency may also request any Agency-issued equipment be returned to the Agency for inspection, repair, replacement, or repossession within five business days.

The Agency has the right to have electronic and/or physical access to their remote worksite for purposes of assessing safety, property maintenance, and security methods, as well as job performance.

Employees are to notify their supervisor immediately for any work-related injury to the employee. The Agency does not have responsibility for any injury to others at the alternate work site.

Additional Conditions

The Work-from-Home Agreement provides additional conditions and information related to Telecommuting work. The Work-from-Hom Agreement takes precedence over the summary provided here.

USE OF SOCIAL MEDIA

The Agency understands that social media can be a fun and rewarding way to share your life and opinions with family, friends, and co-workers around the world. However, use of social media also presents certain risks and carries with it certain responsibilities. To assist you in making responsible decisions about your use of social media, the Agency has established these appropriate use guidelines:

- Express only your personal opinions. Never represent yourself as a spokesperson for the Agency. If the Agency is a subject of the content you are creating, be clear and open about the fact that you are an Agency employee and make it clear that your views do not represent those of the Agency.
- Make sure that you are always honest and accurate when posting information or news, and if you make a mistake, correct it quickly. Never post any information or rumors that you know to be false about the Agency, fellow employees, customers, suppliers or people working on behalf of the Agency or its competitors.
- Be courteous to fellow employees, customers, suppliers, or people who work on behalf of the Agency. Keep in mind that you are more likely to resolve work-related complaints by speaking directly with your co-workers or by utilizing the Agency's Open Communications Policy than by posting complaints to a social media outlet. Nevertheless, if you decide to post complaints or criticism, avoid using statements, photographs, video, or audio that could be viewed as malicious, obscene, threatening or intimidating, that disparage customers, employees, suppliers or others who work with the Agency, or that might constitute harassment or bullying. Examples of such conduct might include offensive posts meant to intentionally harm someone's reputation or posts that could contribute to a hostile work environment on the basis of race, sex, gender, sexual orientation, disability, religion or any other status protected by law or Agency policy.

VIII. AN OUNCE OF PREVENTION

EMERGENCY PROCEDURES

F5OC has an Emergency Operations Plan which outlines in full detail guidelines and procedures to prepare for and respond to significant or catastrophic natural, environment and/or conflict-related risks and events that produce situations requiring coordinated response. The plan outlines the Commissions' strategy for responding to emergency or disaster. It further provides information essential to continuity of critical business functions, and identifies the resources needed. The primary goal of the plan is to protect life and property, preserve infrastructure, and continue the operations of the Commission. Employees should review and be familiar with the full Emergency Operations Plan.

In addition, employees should be familiar with the location of the nearest exits and first aid stations in their work location and/or site. In the event of an emergency, employees should not leave their work area or evacuate the building unless instructed to do so. In the event of an emergency, employees are encouraged to remain calm.

In the event of an emergency, employees are encouraged to;

1. Keep calm and reassure customers.
2. Know where the first aid supplies are located and how to use them.
3. Know where emergency exits, and emergency phone numbers are located.
4. If a customer reports an accident to you, notify your supervisor immediately.
5. Know procedures in the event of a robbery or an earthquake.

Evacuation. For fire, explosion, hazardous materials release in the building and post-earthquake, employees will receive instructions on if and how to evacuate to the designated assembly area.

Lockdown. In the event of a security breach or intruder in the building or on the property, employees will receive direction to take positions in secure enclosures.

Shelter-in-Place. Employees will receive instruction in situations that doesn't allow time to evacuate the property, they will be able to remain inside to remain safe.

Drop, Cover and Hold. Employees will receive instruction so that, in the event of an earthquake or explosion, they will be able to respond with minimal confusion and/or panic.

For additional emergency procedures or questions, contact your supervisor, management, or Human Resources.

INJURY & ILLNESS PREVENTION PROGRAM

The health and safety of employees and others on Agency property are of critical concern to F5OC. The Agency intends to comply with all health and safety laws applicable to our business. To this end, we must rely upon employees to ensure that work areas are kept safe and free of hazardous conditions. Employees are required to be conscientious about workplace safety, including proper operating methods, and recognize dangerous conditions or hazards. Any unsafe conditions or potential hazards should be reported to management immediately, even if the problem appears to be corrected. Any suspicion of a concealed danger present on the Agency's premises, or in a

product, facility, piece of equipment, process, or business practice for which the Agency is responsible should be brought to the attention of management immediately.

The Injury and Illness Prevention Program (IIPP) is intended to establish a framework for identifying and correcting workplace hazards throughout the organization at its various worksites, while addressing legal requirements for a formal, written IIPP.

The Agency's IIPP requires that unsafe conditions that cannot be immediately corrected by an employee or his or her supervisor be reported immediately to the next level of management. Management is responsible for implementing, maintaining, training their direct reports and the tracking workplace hazards in accordance with the IIPP.

Compliance

The following is our practices to ensure all employees comply with the rules and maintain a safe work environment:

- Inform employees of the provisions of the Agency's IIPP
- Review of safety policies and procedures; become familiar with functions and responsibilities of supervision and interrelationships with other departments
- Maintain an occupational training program covering hazards basic to all types of employment and those unique to each worker's job assignment
- Correct unsafe and unhealthy work practices in a timely manner
- Provide training to employees on related safety procedures, hazards, and expectations
- Perform first-aid duties as required, which will include maintaining appropriate first-aid supplies, dissemination of emergency procedures and providing first-aid training
- Keep records of all employee training, corrections of unsafe conditions, dates and results of workplace inspections. Submit all documentation to management for Agency record keeping.
- Discipline employees for failure to comply with safe and healthful work practices

All Employees are responsible for using safe work practices, for following all directives, to comply with all applicable health and safety regulations and established work policies and practices, including but not limited to:

- Reporting unsafe conditions immediately to a supervisor
- Report all accidents, injuries, and illnesses however slight to your supervisor
- Anyone appearing to be under the influence of intoxicating liquor or non-prescribed drugs shall not be allowed on the job in such condition and will be terminate if found to be working under such conditions, as outlined in the Agency's drug and alcohol policy
- Do not attempt to lift heavy objects by yourself; follow the lifting safety protocol
- Observing health and safety-related signs, posters, warning signals, and directions
- Reviewing the building emergency plan and assembly area
- Learning about the potential hazards of assigned tasks and work areas
- Taking part in appropriate health and safety training and inspections

Accident and/or Exposure Investigations

Investigations of workplace accidents and near-accidents will be completed by management and/or an outside agency as designated by management. These investigations will include:

- Visiting the scene as soon as possible
- Interviewing affected employees and witnesses
- Examining the workplace for factors associated with the accident/exposure/near-accident
- Determining the causes of the accident/exposure/near-accident
- Taking corrective action to prevent the accident/exposure/near-accident from reoccurring
- Recording the findings and corrective actions taken on the attached OSHA Form 301

All employees have the responsibility for complying with safe and healthy work practices. Overall performance in maintenance of a safe and healthy work environment will be considered in performance evaluations. Failure to comply with applicable regulations, safe and healthy work practices and policies may result in disciplinary action, up to and including termination. Repeated failure to comply or willful and intentional non-compliance will not be tolerated.

Accidents, Injuries, and Workers' Compensation

All employees are covered by workers' compensation insurance in accordance with applicable law. **Employees must report any accidents, illnesses, or injuries immediately to his or her supervisor or the County Human Resources department, so that the necessary paperwork may be completed.** It will be the employee's responsibility, along with his or her supervisor or other authorized personnel, to ensure that the necessary paperwork is completed and provided to the Human Resources department for forwarding to the insurance Agency.

Employees injured on the job or otherwise as a result of a work-related compensable accident and who lose time from work shall be provided leave in accordance with applicable laws. Compensation for work-related injury or illness shall be made in accordance with the provisions of the workers' compensation program in the governing state.

While on workers' compensation leave, the employee does not accrue additional vacation, subject to applicable law. The Agency will continue making contributions for the employee's group health benefits during workers' compensation leave on the same terms as if the employee was continuing to work. This means that if an employee wants benefits coverage to continue during leave, then he or she must also continue to make any premium payments that he or she is currently required to make for him or herself or dependents. Workers' compensation leave runs concurrently with CFRA leave, and may also run concurrently with other applicable federal, state, or local law leaves of absence.

PANDEMIC AND OTHER AIRBORNE SAFETY PROCEDURES

The health and safety of our employees and their families is our top priority and we have implemented the policies below based on the guidance provided by the Centers for Disease Control and Prevention (CDC) California Department of Public Health (CDPH), and local health authorities during a local and national pandemic or other airborne infection spread. The procedures for managing COVID-19 are set forth in the Agency's COVID-19 Prevention Procedures.

Personal Hygiene and Safety Protocols

We are following protocols provided by the CDC, as well as any state or local health requirements. We may also implement additional safety requirements, at our discretion, at any time. Our current safety requirements are as follows:

- Wash your hands as soon as you enter the workplace.
- Wash your hands after touching any high-touch surface with bare hands, such as door handles, water cooler buttons, security or payment keypads, or communal workstations. If possible, cover your hand with something when touching high-touch surfaces.
- If required, wear a face covering that covers your nose and mouth, at all times, unless you have received specific instruction otherwise.
- If you cough or sneeze while not wearing a face covering, do so into your elbow or a tissue. Immediately throw away the tissue (if used), promptly wash your hands, and put on a face covering, if required, to avoid further exposing those around you.

Illness and Sick Leave

- You may be subject to health screening when entering the workplace. Screening, if implemented, is a condition of entering the workplace.
- If you feel any signs of illness, *you must stay home*. Common symptoms of will be published based on the CDC and CDPH guidelines.
- If you stay home sick (or are potentially sick), you will be allowed to work from home if feasible and if you feel able. Let your manager know as soon as possible if you will be staying home so that your workload can be managed, either by ensuring you can do it at home or that others are able to cover it in your absence. You must follow the Agency's standard attendance policy and keep in close contact with your manager regarding the duration of your leave.

Close Contact with an Infected Person

If someone in your household or someone with whom you have had close contact (as defined by the CDC and/or CDPH) has been diagnosed with the pandemic virus, including a presumptive diagnosis, contact Human Resources immediately, and *before* returning to the workplace.

Personal Travel

Report all out-of-state travel to Supervisor before traveling or at least before returning to the workplace. This includes travel that does not require the use of time off, such as taking a weekend trip. Quarantine periods may be required post-travel, depending on current government guidelines or Agency policy.

Safety Outside of the Workplace

You are strongly encouraged to follow current CDC guidelines, especially when other social distancing measures are difficult to maintain. We reserve the right to require you to quarantine

before returning to the workplace if you engage in behaviors that we feel puts other employees or customers at risk.

Potential Office Closures

If it is necessary to close the workplace entirely, we will attempt to provide you with notice so that you can prepare to work from home, if feasible. However, in case of a sudden closure, you should take your devices, chargers, mouse, and any other tools you need to be productive home with you after work each day.

Questions

If you have questions about any of these policies, or how the Agency is dealing with other issues related to the pandemic, address them with F5OC Human Resources Representative first. If Human Resources is not immediately available and your question or concern is urgent, speak with your supervisor.

Responsibility

Failure to comply with any of these policies may result in discipline, up to and including termination.

PARTICIPATION IN INTERNAL INQUIRIES

From time to time, the Agency may conduct internal investigations pertaining to security, auditing, or other work-related matters. In such circumstances, employees are required to cooperate fully with and assist in these investigations if requested to do so by the Agency. Employees, who, if requested, fail to cooperate in any inspection will be subject to disciplinary action, including possible suspension or discharge. Such inspections can occur at any time, with or without advance notice, or consent. An inspection may be conducted before, during, or after working hours by any supervisor, manager or security personnel designated by the Agency.

Agency work areas (including desks, file cabinets, etc.), Agency property (including telephones, computers, etc.), as well as personal belongings on Agency premises (including briefcases, handbags, backpacks, etc.), may be subject to a search with or without prior notice to the affected employee, subject to applicable law. By using Agency property, you are consenting to searches of Agency property, including employee property located on Agency premises.

Prohibited materials, including weapons, explosives, alcohol and non-prescribed drugs or medications, are not allowed on Agency premises, within Agency vehicles or other Agency property, no within personal items on Agency premises. The Agency is not responsible for any articles that are placed or left in a desk that are lost, damaged, stolen or destroyed.

IX. INFORMATION ACCESS & SECURITY

INTERNET, EMAIL, AND ELECTRONIC COMMUNICATIONS

As a condition of employment, certain employees may be granted the use of the Internet, Agency electronic mail (e-mail), and/or other on-line access. The Agency maintains both its Internet/on-line service access and e-mail equipment for business purposes. The Agency understands that, at times, employees may need to use the Agency's Internet and e-mail systems for personal use. However, the Agency expects that employees will exercise good judgment and limit personal use of such services as it can interfere with the Agency's business operations.

The Internet and e-mail systems are the property of the Agency, and the Agency reserves the right to inspect and monitor the systems to ensure that they are being used properly. Employees should not expect that e-mail, Internet, or other on-line communications will be confidential or private.

Use of the Internet, e-mail, or other on-line services shall be subject to the following conditions. This list is illustrative only and not a complete list of conditions of use.

- The Agency may monitor Internet, e-mail, or other online transactions at any time, with or without notice, in its sole and absolute discretion.
- Employees may not use Agency Internet, e-mail, or other online services in a way that violates the Agency's policy against discrimination and harassment, including sexual harassment (e.g., communicating messages that would constitute sexual harassment, using sexually suggestive screen savers, or receiving or transmitting pornographic, obscene, or sexually offensive material or information).
- Employees may not use Agency Internet, e-mail, or other online services in a manner that violates the trademark, copyright, or license rights of any other person, entity, or organization.
- Employees may not install or download computer software, programs, applications, or executable files without prior Agency authorization.
- Employees must follow IT security protocols, including safeguarding passwords and not opening suspicious files without first checking with a member of IT.

Access to all Internet, e-mail or other on-line services is granted by the Agency as a privilege of employment. Use of this privilege is subject to the direction of the employee's supervisor or Agency management and may be revoked without notice at any time.

The Agency is required to be in compliance with County of Orange Information Technology Usage Policy, which requires the exclusive use of county issued devices and details required training. Employees are required to sign and comply with the policy along with completing the annual training.

X. GETTING AROUND

BULLETIN BOARDS

The Agency maintains a bulletin board as an important source of information. This bulletin board is to be used solely to post information approved by the Agency regarding Agency policies, governmental regulations, and other matters related to employment with the Agency. Employees should develop a habit of checking the bulletin boards daily so that they will be familiar with the information posted there. No information may be placed on these bulletin boards without the approval of the Human Resources.

EMPLOYEE PARKING

The Agency will not be liable for any damage or theft caused to any motor vehicle, or contents thereof, while parked in the parking lot associated with the Agency or at any of its worksites. In addition, the Agency is not responsible for personal property left in Agency vehicles that are lost, damaged, stolen, or destroyed.

HOUSEKEEPING

In order to keep safe, healthy, and respectful working conditions and efficiency in the workplace, employees are expected to keep clean and organized workstations. In addition, they must also keep common areas (such as hallways, aisles, lunchrooms, locker areas and restrooms, if applicable) clean. Employees are responsible for cleaning up after their meals, disposing of all trash properly, and recycling when appropriate. Hallways and aisle ways must be free from excessive clutter to prevent possible injury and abide by fire evacuation regulations.

Hanging explicit or unprofessional material in a workstation is not tolerated. Candles are prohibited inside all Agency premises.

PERSONAL VISITS & PACKAGES

Personal guests and should be kept to a minimum as to not disrupt the work. In addition, personal packages delivered to the work site should be kept to a minimum. The Agency is not responsible for lost or stolen items that are brought on the premises.

A FEW CLOSING WORDS

This handbook is intended to give you a broad summary of things you should know about the Agency, our policies, benefits, and general policies. The information in this handbook is general in nature and, should questions arise, any member of management should be consulted for complete details. The Agency, in its sole discretion, may always amend, add to, delete from, or modify the provisions of this handbook and/or change its interpretation of any provision set forth in this handbook. Please do not hesitate to speak to management or Human Resources if you have any questions about the Agency or its personnel policies and practices.

SECTION VIII: DEPARTURE

AT-WILL TERMINATION

The employment between the employee and the Agency is at-will and can be terminated at any time, with or without notice, and with or without cause. Professional and respectful conduct between the employee and the Agency is expected during the termination process. Any misconduct or unprofessional behavior will not be tolerated, and necessary action will take place.

EMPLOYMENT VERIFICATION

All requests for references must be directed to the Human Resources Department. No other manager, supervisor, or employee is authorized to release references for current or former employees. Requests that should be referred include, but are not limited to, requests for verification of employment, employment references, and request for comments regarding performance from any outside agency, organization, or person.

The Agency discloses only the employee's name, dates of employment, job title and department. No other data or information regarding any current or former employee, or his or her employment with the Agency, will be furnished unless the Agency is required by law to furnish the information, or unless the employee authorizes, in writing, the Agency to furnish this information, which also releases the Agency from liability in connection with the furnishing of this information.

Strict observance of this policy is required. Any violation of this policy may result in disciplinary action up to and including possible termination.

EXIT INTERVIEW

The Agency may, when appropriate, request that an exit interview be conducted with an employee who has submitted a voluntary resignation. The purpose of the interview is primarily to explore the reason that led to the resignation. It also employees an opportunity to communicate their views on their work with the Agency, management and the job requirements, operations, or training needs related to the position. It also provides the employee an opportunity to discuss issues concerning benefits and insurance.

Based upon timing of the exit interview, arrangements will be made for employees to return all Agency property. Arrangements for clearing any outstanding debts with the Agency and to receive final pay will also be made at this time.

FINAL WAGES

The Agency will pay employees their final wages on the next regularly scheduled pay date. Any accrued but unused vacation will be paid out upon reconciliation and on a regularly scheduled pay date.

JOB ABANDONMENT

“Job abandonment” means that the employee is missing in action. The Agency may discipline or terminate an employee who fails to show up for work as scheduled or who leaves the job premises without prior authority while on the clock. Any employee who does not notify their supervisor

and/or the Agency after missing work for three days will be considered to have abandoned their job; they will be considered to have voluntarily resigned without notice and will be discharged. The Agency will mail a “Termination Notice Due to Job Abandonment” to the employee’s home address (currently on file).

RESIGNATION

Resignation is a voluntary act initiated by an employee in order to terminate employment. Because all employees enjoy an at-will employment relationship with the Agency, advance notice of your resignation is not required. However, F5OC requests that an employee submits a two (2) weeks’ written resignation notice to their immediate supervisor, prior to the intended departure date. This allows time to prepare a final paycheck and is also appreciated by co-workers and management in order to transfer duties, recruit for a replacement and make arrangements for any schedule adjustments needed to accommodate your departure.

Neither vacation nor sick days are included in the two-week notice period.

When an employee decides to leave for any reason, his/her supervisor may discuss the resignation before a final decision is made. The Agency reserves the right to immediately accept notice of voluntary resignation from any employee.

RETURN OF AGENCY PROPERTY

Employees are required to return all Agency property in their possession or control immediately on termination of employment for any reason. This including but not limited to; computers, phones, printers, vehicles, keys, tools, equipment, uniforms, credit cards, badges and manuals or other Agency owned documents.

Handbook Acknowledgment and Agreement

I received a copy of the Employee Handbook, dated JULYE 2023 (“Handbook”), which applies to my employment with First 5 of Orange County (the “Agency” or “F5OC”). I have been provided an opportunity to review the Handbook and ask questions. I agree to comply with the contents of the Handbook.

I have received a copy and had an opportunity to read the Policy Against Discrimination and Harassment, Complaint Procedure, and Policy Against Retaliation included within the Employee Handbook. I understand that I may ask my supervisor or any employee of the Human Resources department any questions I might have concerning this policy. I also understand that it is my responsibility to comply with this policy and any revisions made to it.

I understand that the Handbook is not intended to cover every situation that may arise during my employment, but is simply a general guide to the goals, policies, practices, benefits, and expectations of the Agency. I understand that this Handbook replaces any and all prior handbooks, policies, and practices of the Agency. I understand that in the event any provision in this Handbook conflicts with the laws of the state where I am employed, the applicable law will supersede the conflicting provisions in this Handbook.

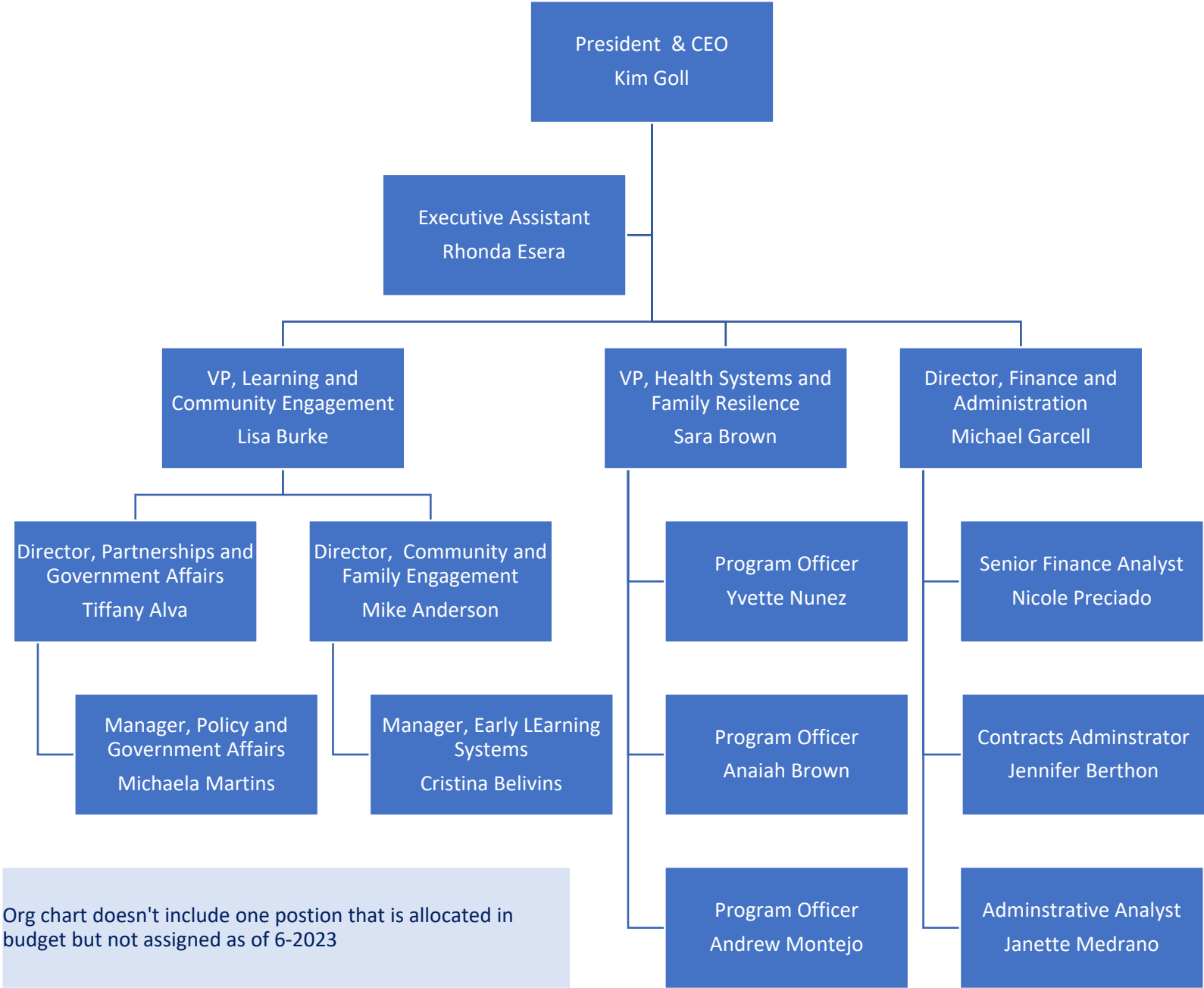
I understand that my employment is at-will, which means that either the Agency or I may terminate the employment relationship at any time, with or without reason or prior notice. In addition, I understand that the terms and conditions of my employment, including compensation, position, title, and responsibilities can change at any time at the sole discretion of the Agency. I understand that the at-will nature of my employment cannot be changed except in a written document signed by me and the Agency’s President/CEO.

If I have any questions regarding this Handbook, I will bring them to the attention of my supervisor or another member of management.

Employee Name (Print)

Employee Signature

Date



DATE: May 2, 2023**TO:** First 5 Orange County**FROM:** Kimberly Goll, President/CEO**ACTION:** Adopt Resolution Acknowledging Receipt of the Children and Families Commission of Orange County Investment Policy Statement and Affirm Delegation of Authority to the Orange County Treasurer as the First 5 Orange County Treasurer for Fiscal Year 2023-2024

SUMMARY:

First 5 Orange County annually reviews its Investment Policy Statement and the delegation of investment authority to the County Treasurer. This item reconfirms the delegated investment authority to the Orange County Treasurer and presents the Children and Families Commission of Orange County Investment Policy Statement for Fiscal Year 2023-2024.

DISCUSSION:

All First 5 Orange County funds are managed as part of the Orange County Investment Pool (OCIP). As approved in May 2012, First 5 Orange County does not operate a separate investment program but delegates authority to the Orange County Treasurer.

Annual Delegation of Investment Authority to First 5 Orange County Treasurer

Pursuant to Government Code Section 53607, First 5 Orange County may delegate the investment authority to a designated Treasurer for a one-year period and must renew the delegation of authority each year. In May 2012, the Orange County Treasurer was first designated to serve as the Commission's Treasurer for the balance of Fiscal Year 2011-2012, and investment authority was delegated to the Orange County Treasurer. The delegation included the authority to manage, deposit and invest First 5 OC funds not required for immediate needs. Formally reappointing the Orange County Treasurer as the First 5 Orange County Treasurer and delegating authority to manage, deposit and invest First 5 funds for Fiscal Year 2023-2024 in accordance with Government Code Section 53607 is recommended.

Investment Policy Statement

California Government Code contains specific provisions regarding the types of investments and practices permitted after considering the broad requirement of preserving principal and maintaining liquidity before seeking yield. First 5 Orange County, as a local agency, may invest only in those instruments specified by State law.

By statute, consideration of the Children and Families Commission of Orange County Investment Policy Statement is annually required. The Orange County Treasurer has reviewed the Children and Families Commission of Orange County Investment Policy Statement for Fiscal Year 2022-2023 that was adopted in April 2022. The policy statement is designed to be compliant with State law and provides the flexibility to explore specific investments when directed by First 5 Orange County. Minor revisions are recommended for the Children and Families Commission of Orange

County Investment Policy Statement Fiscal Year 2023-2024 (Attachment 2), which are detailed in the redline version (Attachment 3).

STRATEGIC PLAN & FISCAL SUMMARY:

The recommended actions have been reviewed in relation to the Strategic Plan and are consistent with all goal areas.

PRIOR COMMISSION ACTIONS:

- April 2022 – Received and considered Investment Policy Statement and affirmed delegation of authority to the Orange County Treasurer as the Commission Treasurer for Fiscal Year 2022-2023
- May 2012 – Orange County Treasurer designated to serve as the Commission's Treasurer

RECOMMENDED ACTIONS:

1. Receive and review the Children and Families Commission of Orange County Investment Policy Statement for Fiscal Year 2023-2024.
2. Adopt resolution (Attachment 4) to acknowledge receipt and consideration of the Children and Families Commission of Orange County Investment Policy Statement and affirm delegation of authority to the Orange County Treasurer as the First 5 Orange County Treasurer to manage, deposit, and invest First 5 funds for Fiscal Year 2023-2024 that are not required for the immediate needs of the Commission.
3. Direct the First 5 Orange County Children and Families Commission/Orange County Treasurer to continue to report First 5 investment transactions and activities in the Quarterly Investment Reports.

ATTACHMENTS:

1. Orange County Treasurer-Tax Collector Memorandum: Consideration of Commission Investment Policy and Delegation of Investment Authority
2. Children and Families Commission of Orange County Investment Policy Statement Fiscal Year 2023-2024
3. Children and Families Commission of Orange County Investment Policy Statement Fiscal Year 2023-2024 (redline)
4. Resolution

CONTACT: Michael Garcell



OFFICE OF THE TREASURER-TAX CO
SHARI L. FREIDENRICH, C.P.A.



POST OFFICE BOX 4515
SANTA ANA, CA 92702-4515
ttc.ocgov.com

INTERDEPARTMENTAL COMMUNICATION

Date: April 28, 2023
To: First 5 Orange County Children & Families Commission
From: Shari Freidenrich, CPA, Treasurer *SH*
Subject: Commission Investment Policy and Delegation of Investment Authority

As Treasurer for the First 5 Orange County Children & Families Commission (First 5) I am submitting the First 5 Investment Policy Statement (IPS) for Fiscal Year 2023/2024 that also delegates the investment authority to the Treasurer for approval by the First 5.

Delegation of Investment Authority: The First 5 is vested with certain public funds investment authority and may delegate this authority to the Treasurer. If the First 5 delegates its investment authority, then the Treasurer shall thereafter assume full responsibility for investing for the First 5's funds, for a period of one year. Approval of this delegation will ensure that the Treasurer will continue to be authorized to invest the First 5's funds.

Compliance with First 5 IPS: An IPS will be rendered at the beginning of each fiscal year to the First 5 in accordance with the Section entitled Policy Review in the Fiscal Year 2023/2024 IPS. The IPS provides for investing in the Orange County Treasurer's Pool and also includes other investment types such as U.S. Treasuries and U.S. Government Sponsored Agencies as allowed by California Government Code (Gov. Code). Please note that the latest County IPS has changed the name of the total pooled funds to the Orange County Treasurer's Pool (OCTP) for consistency with other Counties pools in compliance with State law that provides for County Treasurers to pool funds for investment purposes. The Treasurer currently has begun reporting on the OCTP level, but expects to keep some level of detail down to the Orange County Investment Pool level, which includes County funds and the First 5 funds.

The proposed draft of the IPS contains one legislative change in the Reporting section that changes the required submittal of the quarterly report from 30 days to 45 days. There are no other substantive changes and other changes consists only of clarifying language.

Oversight of First 5 Funds: The County Board of Supervisors has established a Treasury Oversight Committee (TOC) that monitors compliance over the OCTP and reviews the County IPS annually pursuant to Gov. Code sections 27130-27137. The law requires an annual audit to determine if the Treasurer complies with Gov. Code sections 27130-17137, which includes limited tests of compliance with laws and regulations. In addition, the Auditor-Controller Internal Audit Division performs regular audits as required by Gov. Code section 26920(a) and (b) and as required by a TOC Directive. We have also attached a copy of the TOC 2022 Annual Report that will be presented to the Board of Supervisors on May 9, 2023 on the County Treasury funds, which includes the current pooled fund investment of the First 5.

The Treasurer will continue to work with First 5 and the First 5's Executive Director to ensure the annual IPS presented to the board meets the needs of the First 5. The Treasurer and staff are available to meet with the First 5 at any subsequent First 5 meeting to answer any questions.

Sincerely,

Shari L. Freidenrich, CPA
Treasurer-Tax Collector

Attachment: First 5 Orange County Children & Families Commission Investment Policy Statement
First 5 Orange County Children & Families Commission Investment Policy Statement (redlined)
Treasury Oversight Committee 2022 Annual Report

Mission: Ensure safe and timely receipt, deposit, collection and investment of public funds.

**FIRST 5 ORANGE COUNTY, CHILDREN & FAMILIES COMMISSION
INVESTMENT POLICY STATEMENT
FISCAL YEAR 2023/2024**

POLICY

This Statement of Investment Policy outlines the policies for the prudent investment of funds to safeguard the principal and to meet the liquidity needs of the First 5 Orange County, Children & Families Commission (“First 5”). The Treasurer will annually render to the First 5 a statement of investment policy in accordance with Code Section 53646. The First 5 will annually approve this investment policy.

State law and prudent money management principles and practices guide the investment policy of the funds. The Treasurer shall invest the First 5’s funds in a manner that maximizes security of principal with a secondary emphasis on adequate liquidity of cash flows, while achieving a reasonable rate of return within the parameters of prudent risk management..

SCOPE

This policy covers all funds and investment activities under the direct control of the First 5.

PRUDENCE

The Treasurer serves as a fiduciary of public funds and is subject to the “prudent investor” standard per Government Code Sections 27000.3 and Section 53600.3. This standard provides that when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, the Treasurer shall act with care, skill, prudence, and diligence under the circumstances then prevailing, specifically including, but not limited to, the general economic conditions and the anticipated needs of the First 5 and other depositors that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the First 5 and the other depositors. Within the limitation of this section and considering individual investments as part of an overall investment strategy, investments may be acquired as authorized by law.

The Treasurer and authorized designees while acting in accordance with the intent and scope of the investment policy and exercising due diligence, shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported to the First 5 in a timely fashion and appropriate action is taken to control adverse developments.

OBJECTIVE

The objective of the investment portfolio is to safeguard principal, meet the liquidity needs and achieve a return on the funds of the First 5.

A. Safety of Principal

The safety and preservation of invested principal is the foremost objective of the First 5. The First 5 shall seek to preserve principal by mitigating two types of risk: credit risk and market risk.

1. Credit Risk: Credit risk, defined as the risk of loss due to failure of an issuer to make a payment, shall be mitigated by diversifying the investments among issuers and issues so that the failure of any one issuer or issue would not result in a significant loss of income or principal.
2. Market Risk: Defined as the risk of market value fluctuations due to changes in the general level of interest rates. Investments with final maturities up to five years or less may be purchased to match cash flow needs and limit interest rate exposure.

B. Liquidity

The portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that all funds mature concurrent with anticipated cash needs. Furthermore, since all cash needs cannot be anticipated, the portfolio will maintain sufficient cash for current operations (over next 6 months) in funds with daily liquidity, such as the Orange County Treasurer's Pool, which includes the reporting of the Orange County Investment Pool.

C. Return on Investment

Return on investment is the least important objective. The portfolio will provide a rate of return based on the market rates of investments at the time of purchase. Securities issued or backed by the United States government can result in zero- or negative- interest accrual if held to maturity, in the event of, and for the duration of, a period of negative market interest rates.

DELEGATION OF AUTHORITY

The First 5 delegates to the Treasurer the authority to invest the funds of the First 5 as specified in California Government Code Sections 53607 and 53608. The Treasurer may further delegate investment authority to such persons within the Treasurer's Department as deemed appropriate. The Commission hereby authorizes the Treasurer and authorized designees, to invest the Commission's funds in accordance with California Government Code Sections 53600 and 53684, et seq., and as further limited by this Investment Policy. Adoption of this policy constitutes delegation of investment authority to the Treasurer for the following year unless revoked in writing. Within the Treasurer's office, the responsibility for the day-to-day investment of the First 5 funds will be the Treasurer or authorized designees. The Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of

subordinate officials.

ETHICS AND CONFLICTS OF INTEREST

The Treasurer and authorized designees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or that could impair their ability to make impartial investment decisions. All individuals involved in the investment process shall disclose any material interest in financial institutions with which they conduct business. They shall further disclose any personal financial or investment positions that could be related to the performance of the investment portfolio and shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the First 5. The Treasurer and authorized designees are required to file annual disclosure statements as required for "public officials who manage public investments" (as defined and required by the Political Reform Act and related regulations, being Government Code Sections 81000 and the Fair Political Practices Commission.)

AUTHORIZED BROKER DEALERS AND FINANCIAL INSTITUTIONS:

The Treasurer will maintain a list of brokers and dealers and financial institutions authorized to provide investment and depository services, and will perform an annual review of the financial condition and require annual audited financial statements to be on file for each company.

AUTHORIZED INVESTMENTS

All investments under this Investment Policy shall be made in accordance with California Government Code Section 53600 et seq. to invest in specific types of securities. Investments not specifically listed below are prohibited. Authorized investment instruments include:

- Certificates of Deposit (insured or collateralized)
- Orange County Treasurer's Pool (OCTP)
- "AAAm" rated Money Market Mutual Funds
- U.S. Treasury securities
- U.S. Government Agency securities: Debt securities issued by U.S. Government sponsored enterprises and federally related institutions. These government agencies include:
 - Federal Home Loan Banks (FHLB),
 - Federal Home Loan Mortgage Corporation (FHLMC or Freddie Mac),
 - Federal National Mortgage Association (FNMA or Fannie Mae),
 - Federal Farm Credit Banks (FFCB).

All Money Market Mutual Funds must be AAAM rated by two NRSROs, invest only in direct obligations in US Treasury bills, notes, bonds, U.S. Government Agencies, Municipal debt and repurchase agreements with a weighted average maturity of 60 days or less, and have a minimum of \$500 million in assets under management. Money Market Mutual Funds that do not maintain a constant Net Asset Value (NAV) are prohibited.

INVESTMENT POOLS:

The Treasurer will investigate all local government investment pools and Money Market Mutual Funds prior to investing and periodically thereafter. The Orange County Treasurer's Pool is managed by the County Treasurer and is an authorized investment. The County Treasurer distributes a monthly investment report that includes the breakdown of the pooled investment holdings, provides the maturity distribution and market value of the portfolio.

SAFEKEEPING

All security transactions entered into by the Treasurer shall be conducted on delivery-versus-payment (DVP) basis (does not apply to money market funds or investment pools). Securities will be held by a third-party custodian designated by the Treasurer and evidenced by safekeeping statements.

PERFORMANCE STANDARDS:

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs. The investment strategy is passive and the benchmark for determining market yields is the 6-month Treasury bill. This benchmark is used solely as a reference. The comparison to a benchmark does not permit the Treasurer to add additional risk to the portfolio..

DIVERSIFICATION

To reduce overall portfolio risk, the Commission may diversify its investments by security type and institution with no more than the following percentages of total assets:

- Certificates of Deposit (insured or collateralized) (20%)
- Orange County Treasurer's Pool (100%)
- "AAAM" rated Money Market Mutual Funds (20%)
- U.S. Treasury securities (100%)
- U.S. Government Agency securities (100%),

MAXIMUM MATURITIES

The Treasurer will attempt to match its investments with anticipated cash flow requirements to the extent possible. If matched to a specific cash flow need, or in a laddered portfolio structure consisting only of U.S. Treasury or U.S. Government Agency securities, the maximum maturity will be five (5) years or less. If the investment is unmatched to a cash flow, the Treasurer will not invest directly in securities maturing more than three (3) years from the date of purchase.

INTERNAL CONTROL

The external auditors shall annually review the investments to assure compliance with the investment policy.

DISASTER RECOVERY PROGRAM

The Treasurer's Disaster Plan includes critical phone numbers and addresses of key treasury and investment personnel as well as currently approved bankers and broker/dealers. Copies of the Disaster Plan have been distributed to key treasury and investment personnel. The plan provides for an offsite location to be communicated at the time of readiness if our offices are uninhabitable.

PROHIBITED TRANSACTIONS

All permitted investments at the time of purchase shall conform in all respects with this Investment Policy Statement and with applicable provisions of the Government Code, as may be amended from time to time. No investment prohibited by Government Code is permitted herein.

Any investment transaction, credit risk criteria, percentage limitation, or market valuation that are not in compliance with this Investment Policy Statement and cannot be corrected without penalty **at time of purchase** must be documented and approved by the Treasurer in writing as soon as possible. Thereafter, action shall be taken by the Treasurer to correct such matter as soon as practical. If a percentage restriction is adhered to at the time of purchase, a later increase or decrease in percentage resulting from a change in values or assets will not constitute a violation of that restriction.

The following transactions are prohibited:

- Borrowing for investment purposes ("Leverage").
- Reverse Repurchase Agreements, as defined by Government Code Section 53601(j) (3) and (j) (4) or otherwise.
- Structured Notes (e.g. inverse floaters, leveraged floaters, structured certificates of deposit, equity-linked securities, event-linked securities). This includes all floating-rate, adjustable-rate or variable-rate securities in which a change in interest rates or other variables that can reasonably be foreseen to occur during their term would result in their market value not returning to par at the time of each interest rate adjustment. Simple "floating rate notes," whose periodic coupon adjustment is based on a short-term (one-year or less) rate index

(such as Treasury bills, Federal Funds, Prime Rate, London Interbank Offered Rate or the Secured Overnight Financing Rate) and which have a reasonable expectation of maintaining a value of par at each interest rate adjustment through final maturity, are exempt from this definition. Additionally, U.S. Treasury and Agency zero coupon bonds, or callable securities which otherwise meet the quality, maturity, and percent limitations assigned to their respective security category, are exempt from this section.

- Structured Investment Vehicles (SIV).
- Derivatives (e.g. options, futures, swaps, swap options, spreads, straddles, caps, floors, collars).
- Money Market Mutual Funds that do not maintain a constant NAV.

REPORTING

The Treasurer shall render a report to the First 5 containing detailed information on all securities, investments, and monies of the First 5 pursuant to Government Code Section 53646. The report will be provided on a quarterly basis and submitted for inclusion on a First 5 Agenda within 45 days following the end of the quarter.

The report will contain the following information:

1. Type of investment, name of the issuer, date of maturity, par and cost of each investment
2. Any investments that are under the management of contracted parties
3. The market value and source of the valuation for all investments, bank accounts and Certificates of Deposits (exempt from market valuation per Government Code)
4. A description of compliance with the statement of investment policy and any exceptions, and
5. A statement denoting the First 5's ability to meet its expenditure requirements for the next six months.
6. Monthly transaction detail for investments.

POLICY REVIEW

This Investment Policy will remain effective throughout the year unless amended by the First 5. An Investment Policy will be rendered annually to the First 5 prior to the beginning of each fiscal year.

GLOSSARY

ASK: The price at which securities are offered. (The price at which a firm will sell a security to an investor.)

BASIS POINT: When a yield is expressed as 7.32%, the digits to the right of the decimal point are known as basis points. One basis point equals 1/100 of one percent. Basis points are used more often to describe changes in yields on bonds, notes and other fixed-income securities.

BID: The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.)

BOOK ENTRY: The system, maintained by the Federal Reserve, by which most money market securities are “delivered” to an investor’s custodian bank. The Federal Reserve maintains a computerized record of the ownership of these securities, and records any changes in ownership corresponding to payments made over the Federal Reserve wire (delivery versus payment). The owners of these securities do not receive physical certificates.

BOOK VALUE: The original cost of the investment, plus accrued interest and amortization of any premium or discount.

BROKER: A broker brings buyers and sellers together for a commission. He does not take a position.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a certificate. Large-denomination CDs are typically negotiable.

COLLATERAL: Securities, evidence of deposit or other property that a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COUPON: a). The annual rate of interest that a bond’s issuer promises to pay the bondholder on the bond’s face value. b). A certificate attached to a bond evidencing interest due on a payment date.

CREDIT RISK: The risk to an investor that an issuer will default in the payment of interest or principal on a security.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT (DVP): Delivery of securities with a simultaneous exchange of money for the securities.

DISCOUNT: The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Non-interest-bearing money market instruments that are issued at a discount and redeemed at maturity for full face value (e.g. US Treasury Bills).

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A Federal agency that insures bank deposits, currently up to \$250,000 per deposit.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other presidents serve on a rotating basis. The committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by congress and consisting of a seven-member Board of Governors in Washington, D.C.; 12 regional banks and about 5700 commercial banks are member of the system.

INTEREST: The amount earned while owning a debt security, generally calculated as a percentage of the principal amount.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

MARKET RISK: The risk that changes in overall market conditions or interest rate may adversely affect current market prices.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MONEY MARKET MUTUAL FUNDS: An investment company that pools money from investors and invest in a variety of short-term money market instruments.

NEGOTIABLE CERTIFICATES OF DEPOSIT: Unsecured obligations of the financial institution, bank or savings and loan, bought at par value with the promise to pay face value plus accrued interest at maturity. They are high-grade negotiable instruments, paying a higher interest rate than regular certificates of deposit.

OFFER: The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See “Asked” and “Bid”.

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit. Sales have the opposite effect. Open market operations are the Federal Reserve’s most important and most flexible monetary policy tool.

PAR or PAR VALUE: The amount of principal that must be paid at maturity. Also referred to as the face amount of a bond, normally quoted in \$1,000 increments per bond.

PORTFOLIO: Collection of securities held by an investor.

PRIMARY DEALER: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker/dealers, banks and a few unregulated firms.

PRUDENT PERSON RULE: An investment standard. In some states, the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state—the so-called “legal list”. In other states, the trustee may invest in a security if it is one that would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity; on a bond, the current income return.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank’s vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & EXCHANGE COMMISSION: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SEC RULE 15C3-1: See “Uniform Net Capital Rule”.

- **U. S. GOVERNMENT AGENCY SECURITIES:** Debt securities issued by U.S. Government sponsored enterprises and federally related institutions. These government agencies include: Federal Home Loan Banks (FHLB), Federal Home Loan Mortgage Corporation (FHLMC or Freddie Mac), Federal National Mortgage Association (FNMA or Fannie Mae), Federal Farm Credit Banks (FFCB),

U.S. TREASURY SECURITIES: Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk, and are the benchmark for interest rates on all other securities in the U.S. and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

- **Treasury bills:** non-interest-bearing discount securities with maturities under one year issued by the U.S. Treasury to finance the national debt.
- **Treasury notes:** interest-bearing obligations of the U.S. Treasury with maturities ranging from two to ten years from date of issue.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission requirement that member firms as well as nonmember broker/dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, which is one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

YIELD: The rate of annual income returns on an investment, expressed as a percentage.

- *Current Yield* is obtained by dividing the current dollar income by the current market price for the security.
- *Net Yield or Yield to Maturity* is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

FIRST 5 ORANGE COUNTY, CHILDREN & FAMILIES COMMISSION INVESTMENT POLICY STATEMENT FISCAL YEAR 202~~23~~/202~~34~~

POLICY

This Statement of Investment Policy outlines the policies for the prudent investment of funds to ~~first~~-safeguard the principal and ~~then~~-to meet the liquidity needs of the First 5 Orange County, Children & Families Commission ("~~First 5~~"~~Commission~~). The Treasurer will annually render to the ~~First 5Commission~~ a statement of investment policy in accordance with Code Section 53646. The ~~First 5Commission~~ will annually approve this investment policy.

State law and prudent money management principles and practices guide the investment policy of the funds. The Treasurer shall invest the ~~First 5Commission~~'s funds in a manner that ~~provides the~~ maximizes security of principal with a secondary emphasis on adequate liquidity ~~for-of~~ cash flows~~-needs~~, while achieving a reasonable rate of return within the parameters of prudent risk management, ~~and conforming to all applicable statutes and resolutions governing the investment of public funds.~~

SCOPE

This policy covers all funds and investment activities under the direct control of the ~~First 5Commission~~.

PRUDENCE

The Treasurer serves as a fiduciary of public funds and is subject to the "prudent investor" standard per Government Code Sections 27000.3 and Section 53600.3. This standard provides that when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, the Treasurer shall act with care, skill, prudence, and diligence under the circumstances then prevailing, specifically including, but not limited to, the general economic conditions and the anticipated needs of the ~~First 5Commission~~ and other depositors that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the ~~First 5Commission~~ and the other depositors. Within the limitation of this section and considering individual investments as part of an overall investment strategy, investments may be acquired as authorized by law.

The Treasurer and authorized designees ~~shall-while~~ acting in accordance with ~~written procedures and within~~ the intent and scope of the investment policy and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported to the ~~First 5Commission~~ in a timely fashion and appropriate action is taken to control adverse developments.

OBJECTIVE

The objective of the investment portfolio is to safeguard principal, meet the liquidity needs and ~~lastly,~~ achieve a return on the funds of the First 5Commission. ~~The portfolio will be structured to provide Safety of Principal, Liquidity, and provide a reasonable Return on Investments to achieve this objective.~~

A. Safety of Principal

The safety and preservation of invested principal is the foremost objective of the First 5Commission. The First 5Commission shall seek to preserve principal by mitigating ~~the~~ two types of risk: credit risk and market risk.

1. Credit Risk: Credit risk, defined as the risk of loss due to failure of an issuer ~~of a security to make a payment~~, shall be mitigated by diversifying the investments among issuers and issues so that the failure of any one issuer or issue would not result in a significant loss of income or principal.
2. Market Risk: Defined as the risk of market value fluctuations due to changes in the general level of interest rates. ~~The risk of market value fluctuations shall be reduced by monitoring cash flows and maintaining a liquid component. Also, long term~~ Investments with final maturities up to five years or less may be purchased to match cash flow needs and limit interest rate exposure.

B. Liquidity

The portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that all funds mature concurrent with anticipated cash ~~demand~~ needs. Furthermore, since all cash ~~demands needs~~ cannot be anticipated, the portfolio will maintain ~~monies to be used~~ sufficient cash for current operations (over next 6 months) in funds with daily liquidity, such as the Orange County Treasurer's Pool, which includes the reporting of the Orange County Investment Pool.

C. Return on Investment

Return on investment is the least import objective. ~~-with priority given to the safety and liquidity objectives described above-~~ The portfolio will provide a rate of return based on the market rates of investments, at the time of purchase. Securities issued ~~by,~~ or backed by, the United States government can result in zero- or negative- interest accrual if held to maturity, in the event of, and for the duration of, a period of negative market interest rates. ~~per Government Code Section 53601.6~~

DELEGATION OF AUTHORITY

The First 5Commission delegates to the Treasurer the authority to invest the funds of the First 5Commission as specified in California Government Code Sections 53607 and 53608. The Treasurer may further delegate investment authority to such persons within the Treasurer's

Department as deemed appropriate. The Commission hereby authorizes the Treasurer and authorized designees, to invest the Commission's funds in accordance with California Government Code Sections 53600 and 53684, et seq., and -as further limited by this Investment ~~Policy~~ Policy ~~and such investment authority must be renewed annually.~~ Adoption of this policy constitutes delegation of investment authority to the Treasurer for the following year unless revoked in writing. Within the Treasurer's office, the responsibility for the day-to-day investment of the First 5 ~~Commission~~ funds will be the Treasurer and/or authorized designees. The Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

ETHICS AND CONFLICTS OF INTEREST

The Treasurer and authorized designees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or ~~which that~~ could impair their ability to make impartial investment decisions. All individuals involved in the investment process shall disclose any material interest in financial institutions with which they conduct business. They shall further disclose any personal financial ~~/ or~~ investment positions that could be related to the performance of the investment portfolio and shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the First 5 ~~Commission~~. The Treasurer and authorized designees are required to file annual disclosure statements as required for "public officials who manage public investments" (as defined and required by the Political Reform Act and related regulations, being Government Code Sections 81000 and the Fair Political Practices Commission.)

AUTHORIZED BROKER DEALERS AND FINANCIAL INSTITUTIONS:

The Treasurer will maintain a list of ~~broker~~ brokers ~~and~~ /dealers and financial institutions authorized to provide investment and depository services, and will perform an annual review of the financial condition and require annual audited financial statements to be on file for each company.

AUTHORIZED INVESTMENTS

All investments under this Investment Policy shall be made in accordance with California Government Code Section 53600 et seq. to invest in specific types of securities. Investments not specifically listed below are prohibited. Authorized investment instruments include:

- Certificates of Deposit (insured or collateralized)
- Orange County Treasurer's Pool ~~Investment Pool~~ (OCTP)
- "AAAm" rated Money Market Mutual Funds
- U.S. Treasury securities
- U.S. Government Agency securities: Debt securities issued by U.S. Government sponsored enterprises and federally related institutions. These government agencies include:
 - Federal Home Loan Banks (FHLB),
 - Federal Home Loan Mortgage Corporation (FHLMC or Freddie Mac),
 - Federal National Mortgage Association (FNMA or Fannie Mae),
 - Federal Farm Credit Banks (FFCB).

All Money Market Mutual Funds must be AAAM rated by two NRSROs, invest only in direct obligations in US Treasury bills, notes, bonds, U.S. Government Agencies, Municipal debt and repurchase agreements with a weighted average maturity of 60 days or less, and have a minimum of \$500 million in assets under management. Money Market Mutual Funds that do not maintain a constant Net Asset Value (NAV) are prohibited.

INVESTMENT POOLS:

The Treasurer will investigate all local government investment pools and Money Market Mutual Funds prior to investing and periodically thereafter. The Orange County ~~Treasurer's Pool Investment Fund, which includes the Orange County Investment Pool~~ is managed by the County Treasurer and is an authorized investment. The County Treasurer distributes a monthly investment report that includes the breakdown of the pooled investment holdings, provides the maturity distribution and market value of the portfolio.

SAFEKEEPING

All security transactions entered into by the Treasurer shall be conducted on delivery-versus-payment (DVP) basis (does not apply to money market funds or investment pools). Securities will be held by a ~~third-party~~ third-party custodian designated by the Treasurer and evidenced by safekeeping statements.

PERFORMANCE STANDARDS:

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs. The investment strategy is passive and the benchmark for determining market yields is the 6-month Treasury bill. This benchmark is used solely as a reference ~~tool~~. The comparison to a benchmark does not permit the Treasurer to add additional risk to the portfolio. ~~in order to attain or exceed the benchmark.~~

DIVERSIFICATION

To reduce overall portfolio risk, the Commission may diversify its investments by security type and institution with no more than the following percentages of total assets:

- Certificates of Deposit (insured or collateralized) (20%)
- Orange County ~~Treasurer's Pool Investment Pool~~ (100%)
- "AAAM" rated Money Market Mutual Funds (20%)
- U.S. Treasury securities (100%)
- U.S. Government Agency securities (100%),

MAXIMUM MATURITIES

The Treasurer will attempt to match its investments with anticipated cash flow requirements to the extent possible. If matched to a specific cash flow need, or in a ladder portfolio structure consisting only of U.S. Treasury or U.S. Government Agency securities, the maximum maturity will be five (5) years or less. If the investment is unmatched to a cash flow, ~~Unless matched to a specific cash flow need or in a ladder portfolio structure,~~ the Treasurer will not invest directly in securities maturing more than three (3) years from the date of purchase. ~~If matched to a specific cash flow need, or in a ladder portfolio structure consisting only of U.S. Treasury or U.S. Government Agency securities, the maximum maturity will be five (5) years or less.~~

INTERNAL CONTROL

The external auditors shall annually review the investments to assure compliance with respect to the investment policy. ~~This review will provide an internal control by assuring compliance with policies and procedures for the investments that are selected for testing.~~

DISASTER RECOVERY PROGRAM

The Treasurer's Disaster Plan includes critical phone numbers and addresses of key treasury and investment personnel as well as currently approved bankers and broker/dealers. Copies of the Disaster Plan have been distributed to key treasury and investment personnel. The plan provides for an offsite location to be communicated at the time of readiness if our offices are uninhabitable.

PROHIBITED TRANSACTIONS

~~At the time of purchase, a~~ All permitted investments at the time of purchase shall conform in all respects with this Investment Policy Statement and with applicable provisions of the Government Code, as may be amended from time to time. No investment prohibited by Government Code ~~shall~~ be permitted herein.

Any investment transaction, credit risk criteria, percentage limitation, or market valuation that are not in compliance with this Investment Policy Statement and cannot be corrected without penalty **at time of purchase** must be documented and approved by the Treasurer in writing as soon as possible. Thereafter, action shall be taken by the Treasurer to correct such matter as soon as practical. If a percentage restriction is adhered to at the time of purchase, a later increase or decrease in percentage resulting from a change in values or assets will not constitute a violation of that restriction.

The following transactions are prohibited:

- Borrowing for investment purposes ("Leverage").
- Reverse Repurchase Agreements, as defined by Government Code Section 53601(j) (3) and (j) (4) or otherwise.
- Structured Notes (e.g. inverse floaters, leveraged floaters, structured certificates of deposit, equity-linked securities, event-linked securities). This includes all floating-rate, adjustable-rate or variable-rate securities in which a change in interest rates or other variables that can

reasonably be foreseen to occur during their term would result in their market value not returning to par at the time of each interest rate adjustment. Simple “floating rate notes,” whose periodic coupon adjustment is based on a short-term (one-year or less) rate index

(such as Treasury bills, Federal Funds, Prime Rate, London Interbank Offered Rate or the Secured Overnight Financing Rate) and which have a reasonable expectation of maintaining a value of par at each interest rate adjustment through final maturity, are exempt from this definition. Additionally, U.S. Treasury and Agency zero coupon bonds, or callable securities which otherwise meet the quality, maturity, and percent limitations assigned to their respective security category, are exempt from this section.

- Structured Investment Vehicles (SIV).
- Derivatives (e.g. options, futures, swaps, swap options, spreads, straddles, caps, floors, collars).
- Money Market Mutual Funds that do not maintain a constant NAV.

REPORTING

The Treasurer shall render a report to the First 5Commission containing detailed information on all securities, investments, and monies of the First 5Commission pursuant to Government Code Section 53646. The report will be provided on a quarterly basis and submitted for inclusion on a First 5Commission Agenda within 3045 days following the end of the quarter.

The report will contain the following information:

1. Type of investment, name of the issuer, date of maturity, par and cost of each investment
2. Any investments that are under the management of contracted parties
3. The market value and source of the valuation for all investments, bank accounts and Certificates of Deposits (exempt from market valuation per Government Code)
4. A description of compliance with the statement of investment policy and any exceptions, and
5. A statement denoting the First 5Commission's ability to meet its expenditure requirements for the next six months.
6. Monthly transaction detail for investments.

POLICY REVIEW

This Investment Policy will remain effective throughout the year unless amended by the First 5Commission. An Investment Policy will be rendered annually to the First 5Commission prior to the beginning of each fiscal year.

GLOSSARY

ASK: The price at which securities are offered. (The price at which a firm will sell a security to an investor.)

BASIS POINT: When a yield is expressed as 7.32%, the digits to the right of the decimal point are known as basis points. One basis point equals 1/100 of one percent. Basis points are used more often to describe changes in yields on bonds, notes and other fixed-income securities.

BID: The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.)

BOOK ENTRY: The system, maintained by the Federal Reserve, by which most money market securities are “delivered” to an investor’s custodian bank. The Federal Reserve maintains a computerized record of the ownership of these securities, and records any changes in ownership corresponding to payments made over the Federal Reserve wire (delivery versus payment). The owners of these securities do not receive physical certificates.

BOOK VALUE: The original cost of the investment, plus accrued interest and amortization of any premium or discount.

BROKER: A broker brings buyers and sellers together for a commission. He does not take a position.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a certificate. Large-denomination CDs are typically negotiable.

COLLATERAL: Securities, evidence of deposit or other property that a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COUPON: a). The annual rate of interest that a bond’s issuer promises to pay the bondholder on the bond’s face value. b). A certificate attached to a bond evidencing interest due on a payment date.

CREDIT RISK: The risk to an investor that an issuer will default in the payment of interest ~~and~~/or principal on a security.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT (DVP): Delivery of securities with a simultaneous exchange of money for the securities.

DISCOUNT: The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Non-interest-bearing money market instruments that are issued at a discount and redeemed at maturity for full face value (e.g. US Treasury Bills).

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A Federal agency that insures bank deposits, currently up to \$250,000 per deposit.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other presidents serve on a rotating basis. The committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by congress and consisting of a seven-member Board of Governors in Washington, D.C.; 12 regional banks and about 5700 commercial banks are member of the system.

INTEREST: The amount earned while owning a debt security, generally calculated as a percentage of the principal amount.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

MARKET RISK: The risk that changes in overall market conditions or interest rate may adversely affect current market prices.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MONEY MARKET MUTUAL FUNDS: An investment company that pools money from investors and invest in a variety of short-term money market instruments.

NEGOTIABLE CERTIFICATES OF DEPOSIT: Unsecured obligations of the financial institution, bank or savings and loan, bought at par value with the promise to pay face value plus accrued interest at maturity. They are high-grade negotiable instruments, paying a higher interest rate than regular certificates of deposit.

OFFER: The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See “Asked” and “Bid”.

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit. Sales have the opposite effect. Open market operations are the Federal Reserve’s most important and most flexible monetary policy tool.

PAR or PAR VALUE: The amount of principal that must be paid at maturity. Also referred to as the face amount of a bond, normally quoted in \$1,000 increments per bond.

PORTFOLIO: Collection of securities held by an investor.

PRIMARY DEALER: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker/dealers, banks and a few unregulated firms.

PRUDENT PERSON RULE: An investment standard. In some states, the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state—the so-called “legal list”. In other states, the trustee may invest in a security if it is one that would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity; on a bond, the current income return.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank’s vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & EXCHANGE COMMISSION: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SEC RULE 15C3-1: See “Uniform Net Capital Rule”.

- **U. S. GOVERNMENT AGENCY SECURITIES:** Debt securities issued by U.S. Government sponsored enterprises and federally related institutions. These government agencies include: Federal Home Loan Banks (FHLB), Federal Home Loan Mortgage Corporation (FHLMC or Freddie Mac), Federal National Mortgage Association (FNMA or Fannie Mae), Federal Farm Credit Banks (FFCB),

U.S. TREASURY SECURITIES: Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk, and are the benchmark for interest rates on all other securities in the U.S. and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

- **Treasury bills:** non-interest-bearing discount securities with maturities under one year issued by the U.S. Treasury to finance the national debt.
- **Treasury notes:** interest-bearing obligations of the U.S. Treasury with maturities ranging from two to ten years from date of issue.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission requirement that member firms as well as nonmember broker/dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, which is one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

YIELD: The rate of annual income returns on an investment, expressed as a percentage.

- *~~Income-Current~~ Yield* is obtained by dividing the current dollar income by the current market price for the security.
- *Net Yield or Yield to Maturity* is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

CHILDREN AND FAMILIES COMMISSION ORANGE COUNTY

RESOLUTION NO. ____-23-C&FC

June 7, 2023

**A RESOLUTION OF THE CHILDREN AND FAMILIES
COMMISSION OF ORANGE COUNTY RELATIVE TO
INVESTMENT POLICY AND TREASURER FUNCTION; AND
MAKING CERTAIN FINDINGS IN CONNECTION
THEREWITH**

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, pursuant to the Act and Article 25 of the Codified Ordinances of the County of Orange (“County Ordinance”), there is created the Orange County Children and Families Trust Fund (“Trust Fund”), for which the Commission is required to administer the Trust Fund revenues; and

WHEREAS, pursuant to the County Ordinance, the Commission is empowered to enter into contracts with the County of Orange for specific staff purposes; and

WHEREAS, Commission desires to designate the Orange County Treasurer to perform all treasury-related functions of the Commission pursuant to the existing County Support Services Agreement and Section 4.4 of the Administrative Policy Guidelines of the Commission (as amended and approved by the Commission); and

WHEREAS, pursuant to California Government Code Section 53607 and California Government Code Section 53646(a)(2) the Treasurer of the Commission, if any, is authorized to invest or reinvest Commission funds and is directed to make quarterly reports of investment transactions to the legislative body of the Commission and to annually render to the legislative body of the Commission a statement of investment policy, which the legislative body shall consider at a public meeting; and

WHEREAS, Commission has received from the Treasurer her statement of investment policy and has considered it at the public meeting at which this resolution is adopted.

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

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

Section 2 The Commission hereby designates the Orange County Treasurer as the Treasurer of the Commission. The Treasurer shall perform the duties imposed upon the office by law and Section 4.4 of the Administrative Policy Guidelines of the Commission. The Commission acknowledges receipt of and has considered its Treasurer's statement of investment policy. The Commission hereby affirms the delegation of authority to its Treasurer to invest moneys in accordance with the Children and Families Commission Investment Policy and to perform all other treasurer functions, as described in Section 4.4 of the Administrative Policy Guidelines and applicable provisions of California Government Code, including the making of periodic reports to the governing board of the Commission.

Section 3 The Commission specifically determines that excess funds, comprising all the moneys in the Trust Fund, are available for investment pursuant to Government Code Section 53684. The persons that the Commission authorizes to coordinate transactions are the Chief Executive Officer and Director of Finance. The Commission agrees to be bound by the withdrawal provisions of California Government Code Section 27136, and the Commission acknowledges that administrative charges will be deducted as permitted by Government Code Sections 53684(b) and 27013. Investments in the Orange County Investment Pool in accordance with existing Commission practice is ratified and affirmed, and the Chief Executive Officer is authorized and directed to execute any instrument required by the Investment Policy indicating an undertaking of the possible net asset value risk involved as a result of such investment.

Section 4 In addition to the authorization of Sections 2 and 3 above, the Commission Chief Executive Officer (or his or her designee) is hereby authorized, on behalf of the Commission, (i) to sign all documents and to take all other actions reasonably necessary and appropriate to carry out and implement the Agreement or as may be reasonably requested by its Treasurer or other County official relative to the provision of services by the County related to the treasury function, (ii) to cause the issuance of warrants, and (iii) to administer the Commission's obligations, responsibilities and duties to be performed under the Agreement.

Section 5 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 June 7, 2023 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: __-23-C&FC

Agenda Date: June 7, 2023

Item No. ____



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

ROBIN STEILER, Clerk of the Commission

By: _____
Deputy

DATE: May 9, 2023**TO:** First 5 Orange County**FROM:** Kimberly Goll, President/CEO**ACTION:** Adopt Resolution Authorizing an Amendment to the Lease Agreement with the Orange County Shared Spaces Foundation for First 5 Orange County Office Space

SUMMARY:

First 5 Orange County currently leases office space at The Village in Santa Ana, which is owned and operated by the Orange County Shared Spaces Foundation. The lease is due to terminate on October 31, 2023. This agenda item requests authorization to amend the lease agreement with the Orange County Shared Spaces Foundation to extend the lease for an additional seven years, effective November 1, 2023, and update specified terms and conditions.

DISCUSSION:

A core tenet of First 5 Orange County's operations is to limit or reduce administrative costs. In July 2013, the original three-year lease agreement was approved with the Orange County Shared Spaces Foundation for office space located at The Village at 17th Street in Santa Ana.

The Village was one of the first nonprofit office space centers in the county and was created as a project funded by the Orange County Shared Spaces Foundation. Major funders of the Foundation include several of First 5's partners including the Podlich Family Fund, Nancy and William Thompson Family Foundation, Pacific Life Foundation, Orange County Community Foundation, and others. The Shared Spaces Foundation's mission is to develop quality, affordable, and stable multi-tenant nonprofit office space that strengthens Orange County's nonprofit organizations. This focus on strengthening the nonprofit sector aligns with our priority to limit administrative costs and is evidenced by the multiple nonprofit organizations that are tenants within The Village.

For several months, staff have been discussing options for office space as the current lease is set to expire at the end of October. Representatives from County of Orange, CEO Real Estate, have been helpful in providing input. The current lease rate of \$1.53 per square foot is below market, and the building tenants have access to common areas, meeting rooms, and training resources at no additional cost.

Another consideration has been determining the appropriate office configuration to accommodate the current level of staff along with three additional positions that may be filled as work continues under the current Strategic Plan. The current office and cubicle configuration will need to be updated to allow for all staff to have an individual workspace. Staff have begun conversations with The Village property management, space and construction planners, and office furniture vendors to explore the most practical and efficient use of the current space. Once proposed plans that meet the office needs and pricing become available, staff will return to the Board for consideration.

Staff recommends the first step is to extend the lease term for seven additional years as office configuration options are explored over the next several months. Terms and rates of the lease extension are included as Attachment 1. Pending First 5 Board direction, staff will work with Commission counsel to execute an amendment to the lease agreement.

STRATEGIC PLAN & FISCAL SUMMARY:

This agenda item is consistent with First 5 Orange County's Strategic Plan and will be included in the Fiscal Year 2023-2024 budget and future years. The funding to support the office lease is included in the budget within the administrative funding category.

PRIOR COMMISSION ACTIONS:

- October 2021 - Approve Updated Term Sheet for the Lease Agreement
- August 2021 – Approve Two-Year Office Lease Extension
- August 2019 – Approve Three-Year Office Lease Extension
- September 2016 – Approve Three-Year Office Lease Extension
- August 2013 – Approve Three-Year Office Lease

RECOMMENDED ACTION:

Adopt resolution (Attachment 2) authorizing the President/CEO and Commission Counsel to prepare and negotiate an amendment to the lease agreement with the Orange County Shared Spaces Foundation, for a seven-year term effective November 1, 2023, consistent with the terms and conditions as specified in Attachment 1.

ATTACHMENTS:

1. Proposed Term Sheet Commission Office Space
2. Resolution for Lease Agreement

CONTACT: Michael Garcell

**Proposed Term Sheet
Commission Office Space**

Lease Date	November 1, 2023			
Lessor	Orange County Shared Spaces Foundation			
Location	“The Village at 17 th Street,” 1505 East 17 th Street, Santa Ana, CA 92705			
Total Square Footage	Approximately 4,235 net rentable square feet			
Lease Term	November 1, 2023 – October 31, 2030			
Rates	Year:	Monthly:	Base Rate:	Annual:
	11/1/23 – 10/31/24	\$6,480.00	\$1.53/SF	\$77,760.00
	11/1/24 – 10/31/25	\$6,606.60	\$1.56/SF	\$79,279.20
	11/1/25 – 10/31/26	\$6,733.65	\$1.59/SF	\$80,803.80
	11/1/26 – 10/31/27	\$6,860.70	\$1.62/SF	\$82,328.40
	11/1/27 – 10/31/28	\$7,072.45	\$1.67/SF	\$84,869.40
	11/1/28 – 10/31/29	\$7,284.20	\$1.72/SF	\$87,410.40
	11/1/29 – 10/31/30	\$7,411.25	\$1.75/SF	\$88,935.00
	- Subject only to rent increases for Common Area Maintenance (CAM) as established and which may be applied for lease terms extending beyond two years			
Maximum Payment Obligation	\$581,386.20 (security deposit required)			
Agreed Use	General office and administrative activities			
Common Access Space	Lease includes access to the following common areas: Conference Center Suite including a Board style meeting room, a training room with pantry, lunch room, day office cubicles for guest visitors, small conference room, and concierge reception.			
Construction	Premises will be “as-is” condition			
Parking	General parking available at 18 th Street entry. No assigned parking.			
Accessibility/Americans with Disabilities Act	Commission may obtain a Certified Access Inspection Specialist (CASp) report, at its own costs. If a report is obtained, Commission is responsible for making any required or necessary repairs or modifications identified in the CASp report that are due to construction-related accessibility violations resulting from Commission’s improvements to the premises.			

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY

RESOLUTION NO. ____-23-C&FC

June 7, 2023

A RESOLUTION OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY DIRECTING THE PRESIDENT/CEO AND COMMISSION COUNSEL TO PREPARE AND NEGOTIATE AN AMENDMENT TO THE LEASE AGREEMENT WITH THE ORANGE COUNTY SHARED SPACES FOUNDATION FOR COMMISSION OFFICE SPACE; 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 adopted its Strategic Plan to define how funds authorized under the Act and allocated to the Commission should best be used to meet the critical needs of Orange County’s children prenatal to five years of age as codified in the Act; and

WHEREAS, Commission desires to authorize the President/CEO and Commission Counsel to prepare and negotiate an amendment to the lease agreement for Commission office space (“Amendment”) with the Orange County Shared Spaces Foundation for the terms and conditions as specified in the June 7, 2023 staff report; and

WHEREAS, Commission has reviewed the staff report relating to the proposed terms and conditions of the Amendment and hereby finds and determines that the proposed Amendment 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 Amendment for the terms and conditions as specified in the June 7, 2023 staff report.

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 and Commission Counsel to prepare and negotiate the Amendment with the Orange County Shared Spaces Foundation, for the terms and conditions consistent with the staff report for this Agenda Item.

Section 3 The form of the Amendment shall be reviewed and approved by the President/CEO and Commission Counsel. The approval by the President/CEO of the Amendment shall be conclusively evidenced by the execution and delivery of the Amendment by the Commission Chair to the Commission Clerk.

Section 4 Commission hereby approves the Amendment with the Orange County Shared Spaces Foundation, as specified in the June 7, 2023 staff report for this Agenda Item and the proposed term sheet for Commission office space.

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

Section 6 A copy of the final Amendment with the Orange County Shared Spaces Foundation, 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 lease 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 Amendment, (ii) to cause the issuance of warrants, (iii) to administer the Commission's obligations, responsibilities, and duties to be performed under such agreement, and (iv) during the term thereof to provide waivers, administrative interpretations, and minor modifications of the provisions of such agreement 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 June 7, 2023 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: __-23-C&FC

Agenda Date: June 7, 2023

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 Amendment with the Orange County Shared Spaces Foundation)

DATE: April 19, 2023

TO: First 5 Orange County

FROM: Kimberly Goll, President/CEO



ACTION: Adopt Resolution Authorizing Agreements with Fiscal Intermediaries for Engaged Neighborhood Collaboratives in Anaheim, Santa Ana, La Habra, and Garden Grove

SUMMARY:

First 5 Orange County's four Engaged Neighborhood collaboratives recently completed an Impact Planning process to build their scopes of work for the next three years. This item seeks funding authority to support implementation of those Impact Plans.

DISCUSSION:

For years, First 5 Orange County has funded Engaged Neighborhood collaboratives in Santa Ana, Anaheim, La Habra and most recently, Garden Grove. The purpose of First 5's funding is to connect families on their journey prenatally through the start of school to resources and supports, while engaging parents to advocate for their children. Our Engaged Neighborhoods have consistently increased parent and community voice and connected parents to concrete resources.

Feedback from families through focus groups, surveys, and collaborative meetings has been instrumental in continuously improving our programs and communication to better meet families' needs and make a positive impact in their lives. For example, we received feedback from parents on First 5's draft Equity Commitment, where they highlighted the importance of adding a visual component to the document and recommended stating the explicit difference between equity and equality.

The current three-year contracts with the four Engaged Neighborhood collaboratives will end in June 2023. To guide the direction of our future work with the collaboratives, staff and the Engaged Neighborhood leads developed a Theory of Change that is applicable across all Engaged Neighborhoods with the foundational pillars of family engagement, equitable access to resources, and connecting systems. To make progress toward this Theory of Change, Impact Plans were co-created with the individual collaboratives to inform their future scopes of work. The Impact Plans address each Engaged

Neighborhood's unique gaps and goals related to the Early Development Index (EDI) and desired systems improvement as well as family engagement and access to resources.

Staff requests approval to enter into new agreements with fiscal agents for Anaheim Learn Well, Growing Up Garden Grove, La Habra Little Learners, and Santa Ana Early Learning Initiative including new contract terms and additional services as discussed below and in the term sheet (Attachment 1).

IMPACT PLANS

Over the past few months, we have worked closely with the leads of each collaborative, holding multiple meetings to discuss and finalize their dreams, activities, critical stakeholders, and metrics. The Impact Plans guided our recommendations for First 5 OC funding of the Engaged Neighborhoods, as shown in Attachment 1, which have also been vetted with an Ad Hoc committee of the First 5 Board. Below is a summary of each collaborative's Impact Plan:

Anaheim Learn Well

Anaheim Learn Well will continue to collaborate with stakeholders to grow the capacity of trusted messengers that assist the Learn Well Task Force in planning events on early childhood development. The group will collaborate with Family Resource Centers to have trusted messengers encourage families to attend meetings, classes, or events on early childhood education. First 5 can support by connecting the collaborative with a training around the importance and benefits of receiving home visiting. The group will work with various stakeholders, including parents, schools, family resource centers, health care agencies, the City of Anaheim, community centers, libraries, faith-based groups, and other community partners.

Learn Well's successful Resident Leadership Academy (RLA) will be expanded to different neighborhoods, with each session accommodating up to 20 parents. The goal is to confirm two community leaders per RLA session to become trusted messengers to identify and advocate for families' needs and provide early childhood resources to families. The collaborative will partner with at least three community agencies per year to host EDI data meetings or events. The objective is to share EDI data, analyze the data in different neighborhoods, and discuss possible systems change strategies that will improve neighborhood outcomes.

Growing Up Garden Grove

The collaborative will work on several goals over the next few years, including building relationships with community partners, empowering and engaging family leaders, and providing equitable access to resources. To achieve these goals, Growing Up Garden

Grove plans to identify and formalize partnerships with promising community partners, build relationships with families in target neighborhoods, and hire a Senior Outreach Specialist to identify families to join their collaborative and those that may benefit from services, programs, and events.

The group also plans to survey communities with low EDI scores to understand what resources are needed, bring survey results to the collaborative, and host early learning and education resource events. Additionally, they plan to provide social engagement opportunities and stipends for families, increase connections with libraries, and consider on-site activities such as parent meet-ups at playgrounds and holiday events. First 5 will provide the group with its Parent Stipend Structure, facilitating the development of a streamlined process to ensure prompt and accurate compensation for parents' valuable contributions.

La Habra Little Learners

One of the La Habra Little Learners collaborative's key goals is to create neighborhoods that support young children and provide equitable access to resources for all community members. To achieve this, they plan to share EDI data in the community along with assets and needs, engage city members in the collaborative, outreach to underserved populations, and increase visibility in the community. They also plan to use developmentally appropriate practices to engage families, partners, and providers to increase knowledge and build parent capacity/skills through focused activities. First 5 is well-equipped to offer specialized support by sharing our successful process for onboarding families, which will contribute to a smoother integration of family voice.

Additionally, they aim to coordinate efforts with task force members, offer parent education classes/social events, and inform families about services during Readiness on the Road (ROTR). The stakeholders involved in these activities include community partners on the task force, city members, elected officials and city leadership, families, agencies that offer support to children, families, and organizations engaged on the task force.

Santa Ana Early Learning Initiative (SAELI)

SAELI continues to build community will and educate their communities about the importance of Early Child Development by co-creating parent-friendly, data-driven common messaging and building will, encouraging the City of Santa Ana and SAUSD to include "First 5 years" as part of their 'Education First' slogan. The collaborative plans to provide parent education and leadership opportunities via trainings and workshops, and can include First 5's newly-updated Kid Builders, to reach out to other populations that

are not currently being reached and create a system of trainer of trainers to build capacity among families.

SAELI also plans to co-create local messaging about child care options, conduct a landscape analysis to find interested partners, and work with existing and new partners to provide free activities for children aligned with EDI that are both prevention and intervention based.

FISCAL SPONSORS

We propose to continue with the current fiscal sponsors for Growing Up Garden Grove and SAELI, which are the City of Garden Grove and Charitable Ventures, respectively.

For Anaheim Learn Well, Anaheim Elementary School District (AESD) has been the fiscal sponsor, and our funding flowed through AESD to the Children's Bureau. Five positions were being partially funded for the collaborative, and the collaborative recognized the need to fund only one or two individuals facilitating and leading the work. This proposal was elevated to First 5 by Anaheim Learn Well with mutual agreement and full support from the collaborative, AESD and the Children's Bureau. This change will streamline our funding process and provide more flexibility in how our funds are spent by eliminating the indirect costs associated with AESD. Ultimately, this change will benefit the collaborative and allow them to better serve the community.

Through an extensive two-month collaborative effort, First 5 conducted an informal landscape analysis, engaging partners to determine a suitable fiscal sponsor for the La Habra Little Learners initiative. We discovered that other than the Gary Center, no other partners were able to lead these efforts with respect to being able to stipend families, equitably distribute resources and elevate La Habra's parent voice. With a diverse network of partners and stakeholders as well as existing infrastructure to support the collaboratives' goals already in place, the Gary Center is enthusiastic about supporting our collaborative efforts and has a proven track record of success. We are confident that this new partnership will help us address previous challenges and overcome any barriers to success, resulting in even greater impact for the community we serve.

STRATEGIC PLAN & FISCAL SUMMARY:

The recommended actions presented in this staff report have been reviewed in relation to the Strategic Plan and are consistent with applicable goals. Funding for this item will be included in the Engaged Neighborhoods category in the Fiscal Year 2023-2024, 2024-2025, and 2025-2026 budgets.

PRIOR COMMISSION ACTIONS:

- October 2021 – Approve Funding for Engaged Neighborhood Work with SAELI
- April 2021 – Funding Approval for Engaged Neighborhood Strategy
- February 2023 – Receive Report and Provide Direction on Funding for Engaged Neighborhood Collaboratives

RECOMMENDED ACTION:

Adopt resolution (Attachment 2) authorizing the President/CEO, or designee, and Commission Counsel to prepare and negotiate new agreements with fiscal intermediaries for four Engaged Neighborhood collaboratives for the scopes and terms identified in Attachment 1.

ATTACHMENTS:

1. Term Sheet
2. Resolution

CONTACT:

Mike Anderson

	Anaheim Learn Well	La Habra Little Learners	Santa Ana Early Learning Initiative	Growing Up Garden Grove
Fiscal Agent	Children's Bureau	The Gary Center	Charitable Ventures	City of Garden Grove
Contract Number	FCI-EN-06	FCI-EN-07	FCI-EN-08	FCI-EN-09
Term	July 1, 2023-June 30, 2026	July 1, 2023-June 30, 2026	July 1, 2023-June 30, 2026	September 1, 2023-June 30, 2026
Maximum Obligation	\$253,000	\$253,000	\$331,000	\$240,000
Scope of Work	<p>The contractor will work with Anaheim Learn Well to expand the Resident Leadership Academy (RLA) program across neighborhoods, identifying and supporting community leaders as trusted messengers for families' needs and early childhood resources. Responsibilities include planning RLA sessions, confirming leaders, providing training and support, collaborating with stakeholders, partnering with Family Resource Centers, and hosting EDI data meetings with community agencies for data sharing, analysis, and system change discussions.</p>	<p>The contractor will assist the collaborative in supporting equitable, child and family-centered neighborhoods by sharing EDI data, engaging the community, prioritizing underserved groups, enhancing community visibility, implementing family and provider engagement strategies, coordinating with task forces, and offering education classes and social events. They will also inform families about Readiness on the Road services. Working with community partners, city officials, families, support agencies, and task force groups, the contractor aims to effectively implement these initiatives.</p>	<p>The contractor will collaborate with the Santa Ana Early Learning Initiative (SAELI) to promote community engagement and raise awareness about Early Child Development. SAELI will co-create parent-friendly messaging, advocate for the inclusion of "First 5 years" in education initiatives, provide parent education and leadership opportunities, reach underserved populations, establish a trainer of trainers system, develop local messaging on child care options, conduct a landscape analysis, and collaborate with partners to deliver free activities aligned with the Early Developmental Index (EDI) for children.</p>	<p>The contractor will support Growing Up Garden Grove as they create partnerships, uplift family leaders, and ensure equitable resource access. Activities include forming community alliances, family engagement, hiring a Senior Outreach Specialist, conducting low EDI score community surveys, presenting findings, and hosting educational events. The contractor will manage these activities, collaborating with the organization, community partners, families, the specialist, and the collaborative, while maintaining high standards and meeting organizational requirements.</p>

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY

RESOLUTION NO. ____-23-C&FC

June 7, 2023

A RESOLUTION OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY DIRECTING THE PRESIDENT/CEO AND COMMISSION COUNSEL TO PREPARE AND NEGOTIATE NEW AGREEMENTS, AT THE PRESIDENT/CEO'S SOLE DISCRETION, WITH DESIGNATED ORGANIZATIONS TO PROVIDE ENGAGED NEIGHBORHOOD SERVICES; AND, AUTHORIZING APPROVAL AND EXECUTION OF SUCH AGREEMENTS 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 adopted its Strategic Plan to define how funds authorized under the Act and allocated to the Commission should best be used to meet the critical needs of Orange County's children prenatal to five years of age as codified in the Act; and

WHEREAS, the Commission desires to enter into new agreements (hereinafter collectively referred to as "Agreements"), at the President/CEO's sole discretion, with each of the organizations (hereinafter referred to as the "Contractors") identified in Attachment 1 to the staff report for the June 7, 2023 Commission meeting for this Agenda Item (hereinafter referred to as the "Agenda Item"). Contractors will provide services for the terms and in the amounts and on the conditions as described therein; and

WHEREAS, each Contractor desires to enter into the applicable Agreement, if authorized by the President/CEO, in furtherance of the purposes of the Act and the Strategic Plan on the terms and conditions set forth in the applicable Agreements; and

WHEREAS, Commission has reviewed the Agenda Item relating to the scopes of services to be provided and hereby finds and determines that the proposed Agreements are 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 Agreements with each of the Contractors for the terms and in the amounts and on the conditions as specified in the 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 an Agreement with each of the Contractors to provide services for the terms and in the amounts and on the conditions consistent with the Agenda Item; and

Section 3 The form of any Agreements shall be substantially similar to the standard form agreements, subject to minor, non-substantive revisions, or as otherwise required to comply with external funding sources, and will be reviewed and approved by the President/CEO, or designee, and Commission Counsel. The approval by the President/CEO, or designee, of the Agreements 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 Agreements, which will be authorized at the President/CEO's sole discretion, with each of the Contractors for the terms, in the amounts, and on the conditions as specified in the Agenda Item.

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

Section 6 A copy of each final 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. Each 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), including Amendments; (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 June 7, 2023 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: __-23-C&FC

Agenda Date: June 7, 2023

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(ies) of final executed Agreements)

DATE: April 28, 2023**TO:** First 5 Orange County**FROM:** Kimberly Goll, President/CEO**ACTION:** Adopt Resolutions Authorizing Receipt of Funding from First 5 Riverside and Agreements with Designated Organizations to Implement First 5 California's Improve and Maximize Programs so All Children Thrive (IMPACT) Legacy

SUMMARY:

For seven years, First 5 Orange County has participated in the First 5 California IMPACT program, a comprehensive effort to enhance the quality of early learning. This item requests authorization to receive new funding from First 5 California through a subcontract agreement with First 5 Riverside and to enter into agreements with the Orange County Department of Education (OCDE); Orange County Association for the Education of Young Children (OCAEYC); Community for Innovation, Entrepreneurship, Leadership and Opportunities (CIELO); Rancho Santiago Community College District (RSCCD); and Sudario & Associates to support our local strategy implementation.

DISCUSSION:**Background**

First 5 California is the primary funder for the IMPACT program, the purpose of which is to expand access to quality early learning and care. IMPACT is a comprehensive effort with a focus on addressing the needs of the whole child, including health, behavioral health, child development, and family strengthening. Each county First 5 receives funding for IMPACT based on its population of young children.

First 5 Orange County received \$8,372,915 of IMPACT funds over the last seven years to support building a local quality system for early learning. We passed these funds directly to OCDE, given their expertise in early childhood professional development, to implement quality improvement efforts through the local initiative called Quality Start OC. First 5 OC's role has been to meet regularly with OCDE to integrate Early Development Index (EDI) data to inform quality early learning programming, engage highest need neighborhoods, and leverage our funding along with OCDE's other grants to build a system around quality. First 5 OC also provides guidance on "family, friend, and neighbor" and family child care programs, which serve the largest proportion of Orange County's young children and ultimately impact children's readiness for kindergarten.

In May, First 5 California approved an additional allocation of \$125,828,000 to be spent over fiscal years 2023-24 and 2024-25 to support the statewide IMPACT efforts (called IMPACT Legacy). Orange County is slated to receive \$1,958,054 to be expended by June 30, 2025. Grant deliverables and targets are extended through June 30, 2027 as we strive for sustainability in programming.

Allocation of IMPACT Funds

As you know, one of the focus areas of First 5's Strategic plan is "Increasing availability and accessibility of quality infant and toddler child care." Over the past two years, we have conducted a range of activities including completing a landscape analysis of the need in Orange County with parent, employer and provider perspectives; creating a child care task force to develop local solutions to the child care crisis; advocating for increased reimbursement rates for providers; and funding technical assistance for child care providers including small business skills and education of early care best practices, while continuing the quality improvement efforts in collaboration with OCDE.

Given our recent work in the area of child care and work with many new partners, we are recommending that IMPACT funds be allocated to several Orange County entities, including OCDE, CIELO, OCAEYC, and RSCCD. OCDE would continue to conduct QualityStart coaching and professional development, and CIELO, OCAEYC and RSCCD would conduct workforce development. We also propose contracting with Sudario & Associates, a consulting firm with expertise in engaging the Workforce Development board, community colleges and institutes of higher learning, to create a countywide apprentice program.

First 5 OC will continue to provide support to prioritize the highest-need neighborhoods in this work and expand the ability of providers in both formal and informal child care settings to provide quality care and education for all. We propose to include funding for First 5 OC staff time in the proposed IMPACT allocations (Attachment 1).

The following summarizes our local strategy for the use of IMPACT funds, based on First 5 California's overall direction.

1. Expand Access to Quality IMPACT

With their strong sense of community engagement in the most underserved communities, CIELO will provide entrepreneurial expertise and client navigation that connects child care providers to early learning and quality improvement resources. Additionally, OCAEYC's membership services and connection to providers via their peer guides will provide necessary connections to providers not already being reached by QualityStart OC. The state has set Orange County's recruitment target of 270 new providers over the two years of IMPACT funding. Of these, 40% must serve infant and toddlers, and 60% must provide service in a home-based setting (Family Child Care or Family, Friend, and Neighbor) which aligns with our Strategic Plan prioritization on Infant and Toddler Child Care. The IMPACT funding allows for home visiting agencies as a type of alternative child care setting. These funds provide us an opportunity to create a systems connection between our early learning and care efforts and our home visiting work.

2. Improve Adult-Child Interactions

First 5 OC proposes continued partnership with OCDE to provide coaching and professional development to providers focused on positive adult-child interactions, social emotional development, and multilingual learners. Participants will create Quality Improvement Plans and be provided incentives to participate in the Quality Start OC rating and improvement system.

3. Enhance Family Engagement

Aligned with First 5 OC Strategic Plan's focus on promoting safe and stable homes, and in collaboration with OCDE and OCAEYC, child care providers will receive technical

assistance aimed at supporting diverse families, reducing suspension and expulsion rates, and providing anti-bias/anti-racism training. First 5 OC's family engagement toolkit and resources, as well as Engaged Neighborhood efforts will be leveraged to support early learning and care programs to increase and more intentionally engage families and connect them to community-based resources.

4. Coordinate Statewide Efforts Toward Sustainability

Sustainability through equitable distribution of resources requires a coordinated approach to connecting the organizations making up the early care and education system. All partners in the IMPACT grant will work together to promote participation in communities that have not been historically supported by the early childhood learning and care system. RSCCD recently received a grant to create and implement an apprentice program for infant, toddler, and preschool aged providers, and First 5 California has identified apprentice programs as a best practice for workforce development. As part of this IMPACT grant, we propose to onboard an expert consultant and partner with RSCCD program director to work with the county's Workforce Development Board and RSCCD to create a sustainable program that will serve as a pipeline for new child care providers. Through participation in the local hub and developing capacity-building initiatives alongside OCDE, CIELO, OCAEYC, and RSCCD, First 5 OC's goal is to create a system that can be accessed by providers in need of quality early learning supports post IMPACT grant funding. Through the work of the child care task force, First 5 OC will build champions, update the child care landscape to include a phase IV that will expand the workforce support systems, and support policy changes related to child care while building up the workforce.

Grant Administration

First 5 California is adjusting its funding agreements to reduce its administrative burden, which has resulted in a regional model. Regional Hubs were established to support the Quality Counts California (QCC) consortia, the state-wide quality rating and improvement system led by First 5 California and others. Orange County is in Region Nine with Riverside, San Bernardino, and Imperial counties. First 5 Riverside has been identified as our regional hub lead who will receive the funding from First 5 CA and subcontract to all the First 5s in the region including First 5 Orange County.

STRATEGIC PLAN & FISCAL SUMMARY:

The recommended actions have been reviewed in relation to the Strategic Plan and are consistent with the focus area of increasing quality infant and toddler child care.

PRIOR COMMISSION ACTIONS:

- June 6, 2020 – Received funding of \$3,263,424 from First 5 California to implement the First 5 IMPACT Action Plan
- June 6, 2020– Receive funding of \$841,028 from First 5 California to provide regional coordination, training and technical assistance to the Region 9 Hub counties
- December 2019 – Receive funding from First 5 California and adopted resolutions authorizing agreements with Orange County Department of Education for the Quality Early Learning Programs

RECOMMENDED ACTIONS:

1. Authorize receipt of \$1,958,054 from and adopt resolution (Attachment 2) authorizing the President/CEO, or designee, and Commission Counsel to prepare and negotiate an agreement with First 5 Riverside for two-year term to support the local implementation of First 5 California's IMPACT Legacy program.
2. Adopt resolution (Attachment 3) authorizing agreements with Orange County Department of Education (OCDE); Orange County Association for the Education of Young Children (OCAEYC); Community for Innovation, Entrepreneurship, Leadership and Opportunities (CIELO); Rancho Santiago Community College District (RSCCD); and Sudario & Associates to support child care apprentice program for the scope, terms, and conditions specified in Attachment 1.

ATTACHMENTS:

1. Term Sheet
2. Resolution (First 5 Riverside)
3. Resolution (Organizations Specified on Term Sheet)

Contact: Cristina Blevins

TERM SHEET

Partner	Contract #	Maximum Obligation	Term Dates	Description
Orange County Department of Education	FCI-IMP-05	\$1,200,000	July 1, 2023- June 30, 2025	Provide professional development and coaching to IMPACT participants as well as Community of Practices for home-based providers.
Community for Innovation, Entrepreneurship, Leadership and Opportunities	FCI-IMP-06	\$200,000	July 1, 2023- June 30, 2025	Recruit providers in communities with a history of segregated housing patterns, discrimination, and persistent inequities to participate in Quality Start OC and provide client navigation to new providers.
Orange County Association for the Education of Young Children	FCI-IMP-07	\$150,000	July 1, 2023- June 30, 2025	Recruit providers in communities that have been historically marginalized to participate in Quality Start OC as well as provide anti-bias/anti-racism training.
Sudario & Associates	PS-296	\$100,000	July 1, 2023- June 30, 2025	Engage the Orange County Workforce Development (WFD) board, community colleges and institutes of higher learning to create a county-wide apprentice program for early childhood. Dialog with various Chamber of Commerce to understand the possibility of engaging their support in WFD efforts and educating the business community that investing in early care and education pipeline development assists with economic recovery and development.
Rancho Santiago Community College District	FCI-IMP-08	\$100,000	July 1, 2023- June 30, 2025	Fund apprentice program pilot participants that are receiving course work through Rancho Santiago Community College District. Upon finalization of the grant, 75 participants will be prepared to take on child care jobs at partner agencies including community college child care centers, unified school districts preschool and transitional kindergarten programs.
TOTAL		\$1,750,000		

Note: The remaining \$208,054 will remain with First 5 OC for grant administration and support, for a total of \$1,958,054.

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY

RESOLUTION NO. ____-23-C&FC

June 7, 2023

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 RIVERSIDE FOR IMPLEMENTATION OF THE FIRST 5 CALIFORNIA'S IMPACT LEGACY 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, Commission desires to prepare and negotiate an Agreement with First 5 Riverside, hereinafter referred to as the "Contractor," to implement the First 5 California IMPACT Legacy Program for the terms, in the amount, and on the conditions as described in the staff report and attachments for the June 7, 2023 Commission Meeting (hereinafter referred to as the "Agenda Item"); 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 Agenda Item for the June 7, 2023 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 authorizes 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 June 7, 2023 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 June 7, 2023 Agenda Item.

Section 3 The form of the Agreement with Contractor may be on a template 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 June 7, 2023 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), including any amendment(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 June 7, 2023 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: __-23-C&FC

Agenda Date: June 7, 2023

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. ____-23-C&FC

June 7, 2023

A RESOLUTION OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY DIRECTING THE PRESIDENT/CEO AND COMMISSION COUNSEL TO PREPARE AND NEGOTIATE AGREEMENTS, AT THE PRESIDENT/CEO'S SOLE DISCRETION, WITH DESIGNATED ORGANIZATIONS TO SUPPORT THE IMPLEMENTATION OF FIRST 5 CALIFORNIA'S IMPACT LEGACY AND THE CHILDCARE APPRENTICE PROGRAM; AND, AUTHORIZING APPROVAL AND EXECUTION OF SUCH AGREEMENTS 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 adopted its Strategic Plan to define how funds authorized under the Act and allocated to the Commission should best be used to meet the critical needs of Orange County's children prenatal to five years of age as codified in the Act; and

WHEREAS, the Commission desires to enter into new agreements, at the President/CEO's sole discretion, with each of the organizations, hereinafter referred to as the "Contractors," identified in Attachment 1 to the staff report for the June 7, 2023 Commission meeting for this Agenda Item (hereinafter collectively referred to as "Agreements") to implement First 5 California's IMPACT legacy and support the childcare apprentice program. Contractors will provide services for the terms and in the amounts and on the conditions as described therein; and

WHEREAS, each Contractor desires to enter into the applicable Agreement, if authorized by the President/CEO, in furtherance of the purposes of the Act and the Strategic Plan on the terms and conditions set forth in the applicable Agreements; and

WHEREAS, Commission has reviewed the staff report and attachment(s) for the June 7, 2023 Commission meeting (hereinafter referred to as the "Agenda Item") relating to the scopes of services to be provided and hereby finds and determines that the proposed Agreements are 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 Agreements with each of the Contractors for the terms and in the amounts and on the conditions as specified in the 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 an Agreement with each of the Contractors to provide services for the terms and in the amounts and on the conditions consistent with the Agenda Item; and

Section 3 The form of any Agreements shall be substantially similar to the standard form agreements, subject to minor, non-substantive revisions, or as otherwise required to comply with external funding sources, and will be reviewed and approved by the President/CEO, or designee, and Commission Counsel. The approval by the President/CEO, or designee, of the Agreements 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 Agreements, which will be authorized at the President/CEO's sole discretion, with each of the Contractors for the terms, in the amounts, and on the conditions as specified in the Agenda Item.

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

Section 6 A copy of each final 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. Each 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), including Amendments; (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 June 7, 2023 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: __-23-C&FC

Agenda Date: June 7, 2023

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(ies) of final executed Amendments and Agreements)

DATE: May 30, 2023

TO: First 5 Orange County

FROM: Kimberly Goll, President/CEO



ACTION: Adopt Resolution to Approve Agreements with Region Partners and Health Management Associates to Implement First 5 California's Home Visiting Collaboration Scope of Work

SUMMARY:

At the special March 2023 meeting, the First 5 OC Board approved entering into a two-year agreement with First 5 California to continue home visiting coordination as well as to support our region that includes Riverside, San Bernardino, and Imperial counties. This item requests approval to enter into subcontracting agreements that support both the local and regional coordinating efforts for home visiting.

DISCUSSION:

Since 2019, home visiting funding has significantly increased in California, creating new opportunities to reach families at a critical time, and assisting families with needed resources and supports. Despite this expansion, there is insufficient capacity to reach all families and ineffective use of all available resources. Multiple programs, complex and siloed funding requirements, and lack of sufficient infrastructure have contributed to challenges for program staff delivering home visiting services and barriers to family participation. To address these issues, the First 5 California State Commission (First 5 CA) is providing grant funds for home visiting coordination efforts.

In 2021, First 5 Orange County was awarded \$200,000 of Home Visiting Coordination funds from First 5 California to begin and support home visiting system coordination work. That contract ends on June 30, 2023. Earlier this year, First 5 CA issued a Request for Proposals for local First 5's to continue this work; however, rather than contracting with individual counties, First 5 CA has grouped counties together into regions to achieve administrative reductions in workload, and as an opportunity to deepen the shared learnings and benefit from collective efforts of the regional partners. We are part of Region 9 which also includes San Bernardino, Riverside, and Imperial County First 5s. First 5 OC recently applied to First 5 CA on behalf of Region 9 for an additional \$1,748,005 million over two years to continue to build and enhance a coordinated home visiting system.

Regional Application and Implementing Actions

The recently submitted regional application includes a plan for how First 5 OC will manage the regional collaborative's reporting, a plan for supporting the technical assistance needs of the region, and an individual action plan and budget for each of the four counties. Our application also includes having First 5 OC serve as the lead for the region. The agreement with First 5 CA allows First 5 OC to charge for staff time to support the regional oversight work and the reporting requirements of the grant. Over the two year grant period, First 5 OC will charge up to \$200,000

to cover staff time to manage the regional grant, ensuring reporting and invoicing functions are well supported.

Staff is requesting authority to enter into subcontracts with each of the three counties included in Region 9. The terms, brief descriptions, and funding amounts are included as Attachment 1. All subcontracts are contingent on successful negotiation of an agreement with First 5 CA with an expected start date of July 1, 2023, which is subject to change.

In addition to funds for each county's home visiting coordination efforts, \$387,000 is available over the next two fiscal years to support regional technical assistance. Our regional technical assistance plan allows for the region to decide collaboratively on how to use these funds, which we anticipate will include support for fiscal mapping, infrastructure for coordinated entry and referral, and workforce development. First 5 OC staff will return to the Board to request authorization as appropriate and recommended by our regional partners.

To assist with the implementation of the Orange County Home Visiting Coordination action plan included in the application, First 5 OC staff developed and released a request for proposal (RFP) soliciting a response from individuals and organizations that are on the First 5 OC qualified consultant list and have specific expertise in home visiting and project management. Based on the results of that RFP, staff is requesting authority to enter into a subcontract with Health Management Associates (HMA) for consultant support (see Attachment 1). First 5 CA's funding allocated to Orange County will not cover all the cost for HMA and staff recommends providing additional funds to cover the entire cost, as noted in Attachment 1.

First 5 OC's action plan prioritizes moving to a fully integrated system of home visiting with infrastructure that supports this coordination. The identified roles of an integrated system are as follows:

- Governance and Infrastructure: establish a leadership structure that will assist with the development of meeting agendas, oversight on subcommittee work and decision making to improve system effectiveness and home visiting system building;
- Capacity Building: evaluate existing resources and develop a plan for technology implementation to create coordination around entry and referrals to and across home visiting providers to maximize funding capacity and to best meet family needs;
- Workforce Development: prioritize workforce training and development needs to assist with recruiting, retaining and developing quality workforce, through building connections and expanding the skills of providers;
- Data Management: define data and reporting protocols across providers that will lead to agreed-upon data collection and reporting across the home visiting network for operational, funding, and evaluation objectives;
- Communication and Outreach: develop countywide common messages to promote home visiting services and a plan to distribute through communication channels for awareness of home visiting services;
- Blended and Braided Funding: maximize use of available funding and match revenue sources to program needs and populations;
- Policy Advocacy: prioritize support for federal, state, and local policy change to enable system effectiveness; and
- Equity: thread equity through all action plan priorities to advance opportunities, fairness and access to resources and to ensure the workforce is reflective of the population being served.

Below is a summary of the funding allocation for the \$1.7 million from First 5 California.

Organization	2-Year Grant Fund Allocation
First 5 Orange County – Regional Program Management	\$200,000
Region 9 Technical Assistance	387,000
First 5 Imperial County	338,573
First 5 Riverside County	268,287
First 5 San Bernardino County	285,858
First 5 Orange County (Health Management Associates)	268,287
Grand Total	\$1,748,005

PRIOR COMMISSION ACTIONS:

- February 2023 – Approve Agreement with First 5 California
- December 2022 – Presentation by First 5/HMA indicating the work of the HVC to date, the understanding of the current Orange County Home Visiting landscape and First 5's intentions to address the gap in services/number of families projected to benefit from home visiting services
- June 2022 – Funding for HMA to continue supporting HVC facilitation
- December 2021 – Presentation on Home Visiting Collaborative launch

STRATEGIC PLAN & FISCAL SUMMARY:

The recommended action has been reviewed in relation to First 5 Orange County's Strategic Plan and aligns with the Get Involved Early, Elevate Equity, Empower Champions, and Systems of Care strategies. Funding for this request will be included with the FY 2023-2024 budget.

RECOMMENDED ACTION:

Adopt resolution (Attachment 2) authorizing the President/CEO, or designee, and Commission Counsel to prepare and negotiate new agreements or amendments to existing agreements, at the President/CEO's sole discretion, with region partners and Health Management Associates to support Home Visiting Collaboration work for the terms, in the amounts, and on the conditions as specified in Attachment 1.

ATTACHMENTS:

1. Term sheet for Home Visiting Coordination Funding
2. Resolution

Contact: Sara Brown

Home Visiting Coordination Term Sheet

[illegible]

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY

RESOLUTION NO. ____-23-C&FC

June 7, 2023

A RESOLUTION OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY DIRECTING THE PRESIDENT/CEO AND COMMISSION COUNSEL TO PREPARE AND NEGOTIATE NEW AGREEMENTS, AT THE PRESIDENT/CEO'S SOLE DISCRETION, WITH DESIGNATED ORGANIZATIONS TO SUPPORT HOME VISITING COLLABORATION WORK; AND, AUTHORIZING APPROVAL AND EXECUTION OF SUCH AGREEMENTS 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 adopted its Strategic Plan to define how funds authorized under the Act and allocated to the Commission should best be used to meet the critical needs of Orange County's children prenatal to five years of age as codified in the Act; and

WHEREAS, the Commission desires to enter into new agreements (hereinafter collectively referred to as "Agreements"), at the President/CEO's sole discretion, with designated organizations identified in the staff report, and attachments, for the June 7, 2023 Commission meeting (hereinafter referred to as the "Contractors") to support home visiting collaboration work for the terms, in the amounts, and on the conditions as described identified in the staff report, and applicable attachments (hereinafter referred to as the "Agenda Item"); and

WHEREAS, each Contractor desires to enter into the applicable Agreement, if authorized by the President/CEO, in furtherance of the purposes of the Act and the Strategic Plan on the terms and conditions set forth in the applicable Agreement; and

WHEREAS, Commission has reviewed the Agenda Item relating to the scopes of services to be provided and hereby finds and determines that the proposed Agreements are 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 Agreements with each of the Contractors for the terms and in the amounts and on the conditions as specified in the 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 Agreements with each of the Contractors to provide services for the terms and in the amounts and on the conditions consistent with the Agenda Item; and

Section 3 The form of any Agreements shall be substantially similar to the standard form agreements, subject to minor, non-substantive revisions, or as otherwise required to comply with external grant funding sources, and will be reviewed and approved by the President/CEO, or designee, and Commission Counsel. The approval by the President/CEO, or designee, of the Agreements 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 Agreements, which will be authorized at the President/CEO's sole discretion, with each of the Contractors for the terms, in the amounts, and on the conditions as specified in the Agenda Item.

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

Section 6 A copy of each final 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. Each 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), including any Amendment(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 June 7, 2023 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: __-23-C&FC

Agenda Date: June 7, 2023

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(ies) of final executed Agreements)

DATE: May 1, 2023**TO:** First 5 Orange County**FROM:** Kimberly Goll, President/CEO**ACTION:** Adopt Resolution Authorizing Amendments or Agreements with Designated Organizations to Provide Prenatal to Three Home Visiting Services

SUMMARY:

In April 2023, the First 5 OC Board directed staff to negotiate one-year amendments or agreements with designated organizations to provide home visiting services. This agenda item requests authorization to execute amendments to existing agreements with The Priority Center and Children's Bureau, and a new agreement with the Multi-Ethnic Collaborative of Community Agencies (MECCA).

DISCUSSION:

High quality, evidence-based home visiting programs are a critical component of the PN3 system of care. In February, First 5 OC staff released a Request for Information (RFI) to understand the array of PN3 services available in Orange County. This RFI was partially motivated by the earlier landscape analysis that indicates our current home visiting system capacity falls short of meeting the need of families who would benefit from support prenatally through their child's first three years.

The RFI had three intended outcomes:

1. Identify agencies that are equipped and ready to provide evidence-based services as of July 1, 2023;
2. Learn about the willingness of agencies to expand prenatal services; and
3. Identify other PN3 services that might offer an alternative to home visiting that would help close the gap identified in the landscape analysis.

In response to item one above and consistent with the recommendation at April's Board meeting, staff is requesting approval to enter into one-year amendments for two existing providers, Children's Bureau and The Priority Center, which use the Parents as Teachers (PAT) evidence-based home visiting model. Additionally, staff recommends a new, one-year agreement with MECCA (Multi Ethnic Cultural Community Agencies) which will expand culturally competent services. MECCA uses two evidence-based models: PAT and Healthy Families America (HFA), which is grounded in promoting child well-being and preventing the abuse and neglect of children and families. The addition of MECCA will provide opportunities to employ and better understand intervention strategies that work with difficult-to-engage populations. First 5 Orange County is committed to investing in the growth, development and collaboration between the three home visiting service providers.

The evidence-based home visiting models offered by these three providers bring an effective referral relationship for our Bridges Maternal Child Health Network as well as the Neighborhood

Resource Network (NRN). The NRN program is embedded within First 5's PN3 home visiting system, where we work in partnership with Orange County Social Services Agency to reduce future child abuse reports and neglect in the target population of families. An additional RFI respondent and provider that is embedded in our NRN program is Child Guidance Center (CGC). Staff recommends executing a one-year agreement with CGC to maintain Parent Child Interactive Therapy (PCIT), an evidence-based mental health intervention for families that would benefit from additional supports from licensed therapists.

Attachment 1 lists the proposed funding actions by agency, including dollar amounts and a brief description of the scopes of work. Also included in Attachment 1 are the consultants proposed to support implementation based on their unique expertise in home visitation, referral pathways, and the PAT model accreditation process.

Expanding the Prenatal to Three System of Care

First 5 OC has a strategic Action Plan for PN3 with a two-pronged approach: 1) increase lighter touch services that work as part of a continuum of care for families with children prenatal to three; and 2) engage additional community-based organizations to help create a seamless entry into the home visiting delivery system. The results of the RFI provided staff with insight into opportunities to expand services to the PN3 population. As part of next steps, First 5 staff will conduct a thorough review of existing PN3 services to determine how they fit within the service continuum and pinpoint intersections of opportunity with the Engaged Neighborhoods, perinatal maternal mental health, and the Plans of Safe Care work that support birthing people with substance use disorder. To further address the gaps, barriers, and needs for additional lighter touch services, staff will work with community stakeholders and First 5 OC Board Members to examine the responses of the remaining six agencies that replied to the RFI. Additionally, over the next year staff will work alongside the Home Visiting Collaborative (HVC) and its partners to elevate family voice, identify needs, and build a more coordinated system of entry and referral.

Staff will return in August with updates and further recommendations.

STRATEGIC PLAN & FISCAL SUMMARY:

The recommended action has been reviewed in relation to the Strategic Plan and aligns with the Get Involved Early, Elevate Equity, Empower Champions and align Systems of Care strategies. All funding amounts listed in the attached term sheet will be adopted in the corresponding fiscal year budget, FY 2023-2024.

PRIOR COMMISSION ACTION:

- April 2023 – Recommendations to contract with three service providers for prenatal to three services
- February 2023 – Authorize RFI process
- February 2023 – Authorize funding to Health Care Agency for Public Health Nursing
- December 2022 – Presentation by First5/Health Management Associates indicating the work of the Home Visiting Coalition to date, the understanding of the current Orange County Home Visiting landscape and First 5's intentions to address the gap in services/number of families projected to benefit from home visiting services
- June 2022 – Funding for HMA to continue supporting HVC facilitation
- December 2021 – Presentation on Home Visiting Collaborative launch
- February 2020 – Authorize agreements with designated organization to provide prenatal to three services

RECOMMENDED ACTION:

Adopt resolution (Attachment 2) authorizing President/CEO, or designee, and Commission Counsel to prepare and negotiate amendments to existing agreements and new agreements, at the President/CEO sole discretion, with designated organizations to provide prenatal-to-three services for the terms, in the amounts, and on the conditions as specified in Attachment 1.

ATTACHMENTS:

1. Table descriptions of provider scope of work
2. Resolution

CONTACT:

Yvette Nuñez

Organization	Contract Number	New Term	Total Maximum Obligation	Scope of Work
The Priority Center, Ending the Generational Cycle of Trauma, Inc	FCI-BN5-13	7/1/23-6/30/24	\$981,250	Provide evidence-based home visiting services, personal visits generally including in-person, virtual visits by telephone and group connections, according to the direction and frequency required by the evidence based model to promote healthy child development and family resilience.
Children's Bureau of Southern California	FCI-BN5-12	7/1/23-6/30/24	\$870,000	Provide evidence-based home visiting services, personal visits generally including in-person, virtual visits by telephone and group connections, according to the direction and frequency required by the evidence based model to promote healthy child development and family resilience.
Multi-Ethnic Collaborative of Community Agencies (MECCA)	FCI-NRN-03	7/1/23-6/30/24	\$200,000	Provide evidence-based home visiting services to families referred to the Neighborhood Resource Network (NRN). Provide general outreach to referred families and conduct in-person, virtual visits or by telephone according to the direction and frequency required by the evidence based model Healthy Families America (HFA) to reduce abuse and neglect of children and families.
Child Guidance Center Inc	FCI-NF-06 (1st Amendment)	7/1/20-6/30/24	\$500,000	Provide Parent Child Interaction Therapy (PCIT) to parent with children from birth through age five (0-5) living in Orange County to improve their parenting skills as reflected on pre-and post-evaluations instruments.
Parents As Teachers National Center Inc (PAT)	PS-254 (2nd Amendment)	7/1/21 - 6/30/24	\$42,000	Provide support with the Parents as Teacher comprehensive home-visiting parent education model that support families through personal home visits, group connections and resource networks.
Margarita McCullough	C-474	7/1/23-6/30/24	\$80,000	Provide expertise support in the programmatic services relating to the prenatal-to-three (PN3) area. Consultant provides historical knowledge and expertise support of the PN3 continuum of care, supports with technical assistance, and report monitoring with PN3 programs.
Susan Carter	C-473	7/1/23-6/30/24	\$85,000	Provide expertise support in the programmatic services relating to the prenatal-to-three (PN3) area. Consultant provides historical knowledge and lends expertise in CalWORKs Home Visiting, the Parents as Teachers model and provides technical assistance support in model reporting and compliance.
TOTAL			\$2,758,250	

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY

RESOLUTION NO. ____-23-C&FC

June 7, 2023

A RESOLUTION OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY DIRECTING THE PRESIDENT/CEO AND COMMISSION COUNSEL TO PREPARE AND NEGOTIATE NEW AGREEMENTS, OR AMENDMENTS TO CURRENT AGREEMENTS, AT THE PRESIDENT/CEO'S SOLE DISCRETION, WITH DESIGNATED INDIVIDUALS AND ORGANIZATIONS TO PROVIDE PRENATAL-TO-THREE SERVICES; AND, AUTHORIZING APPROVAL AND EXECUTION OF SUCH AGREEMENTS 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 adopted its Strategic Plan to define how funds authorized under the Act and allocated to the Commission should best be used to meet the critical needs of Orange County's children prenatal to five years of age as codified in the Act; and

WHEREAS, the Commission desires to enter into new agreements or amendments to current agreements (hereinafter collectively referred to as "Agreements"), at the President/CEO's sole discretion, with the individuals and organizations (hereinafter referred to as the "Contractors") to provide prenatal-to-three services for the terms, in the amounts, and on the conditions as described identified in the staff report, and applicable attachments, for the June 7, 2023 Commission meeting (hereinafter referred to as the "Agenda Item"); and

WHEREAS, each Contractor desires to enter into the applicable Agreement, if authorized by the President/CEO, in furtherance of the purposes of the Act and the Strategic Plan on the terms and conditions set forth in the applicable Agreement; and

WHEREAS, Commission has reviewed the Agenda Item relating to the scopes of services to be provided and hereby finds and determines that the proposed Agreements are 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 Agreements with each of the Contractors for the terms and in the amounts and on the conditions as specified in the 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 Agreements with each of the Contractors to provide prenatal-to-three services for the terms and in the amounts and on the conditions consistent with the Agenda Item; and

Section 3 The form of any Agreements shall be substantially similar to the standard form agreements, subject to minor, non-substantive revisions, or as otherwise required to comply with external grant funding sources, and will be reviewed and approved by the President/CEO, or designee, and Commission Counsel. The approval by the President/CEO, or designee, of the Agreements 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 Agreements, which will be authorized at the President/CEO's sole discretion, with each of the Contractors for the terms, in the amounts, and on the conditions as specified in the Agenda Item.

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

Section 6 A copy of each final 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. Each 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), including any Amendment(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 June 7, 2023 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: __-23-C&FC

Agenda Date: June 7, 2023

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(ies) of final executed Amendments and Agreements)

Agenda Item 13
June 7, 2023**DATE:** May 23, 2023**TO:** First 5 Orange County**FROM:** Kimberly Goll, President/CEO**ACTION:** Approve Roster of Qualified Applicants and Adopt Resolutions Authorizing Agreements and Amendments to Agreements with Designated Individuals and Organizations to Provide Consulting and Data Collection and Management Services**SUMMARY:**

First 5 Orange County's core business is to allocate public funds to improve outcomes for children in Orange County. To optimize the effective and efficient use of public funds, First 5 OC uses subject matter experts in each of its program areas. This item requests approval of the roster of qualified applicants as well as the authority to enter into new consultant and vendor agreements, or amendments to existing agreements, for Fiscal Year 2023-2024.

DISCUSSION:

Since the inception of First 5 Orange County, the organizational structure has relied on a small staff for operations and utilizes consultants with various subject matter expertise. This structure maximizes flexibility and responsiveness to changing needs of the early childhood system and minimizes ongoing administrative costs to manage declining revenue. First 5 currently contracts with approximately 32 individuals and organizations for various consulting and professional services.

To maintain a comprehensive pool of qualified consultants and firms, a Request for Qualifications (RFQ) is periodically released. In February 2023, the standard consultant and professional services RFQ was opened for new applicants. Previous applicants remained on the list. Seventy-five individuals and organizations are currently on the Roster of Qualified Applicants (Attachment 1). Placing qualifying applicants on the roster does not obligate First 5 Orange County to utilize their services, and no commitment is made to issue contracts to them or engage their services in any way. If expertise is required and not currently addressed by the consultant roster, the most qualified individual or firm will be identified and added to the roster.

Recommendations for contract approval with specific consultants are included in Attachment 2. The attachment includes terms, contract amounts, and descriptions of scopes of work for each consultant. Reflected in these consultant recommendations is an expansion of our work in home visiting services and coordination, family and neighborhood engagement efforts, continuing work on the childcare landscape and cultivation of local solutions, as well as a deepening of our evaluation and communication efforts.

Sole source contracts with additional consultants for data collection and management are also recommended. We currently use evaluation tools for data collection and analysis as well as for performance measurement. First 5 Orange County's Policy 6.1 provides that "the Commission

recognizes circumstances which make a Request for Qualifications (RFQ) process unproductive, when it is generally accepted that only one provider is available or has the specific level of expertise and existing knowledge and involvement in a specific project or functional area.” A summary of the expertise of each consultant falling into this category is provided below.

NetChemistry – This is an online database to collect output and client-level data for funded partners in the Bridges Maternal Child Health Network, including the birthing hospitals and home visiting providers (community-based organizations and public health nursing). The NetChemistry system was developed by experts with capacity to work with hospitals and protect Health Insurance Portability and Accountability Act (HIPAA) data. NetChemistry has exclusive software capabilities, qualifying them as a sole source vendor for hosting the Bridges Connect Data System.

Parents as Teachers National Center, Inc. – This agreement supports access to data and reports that are available through an online database, Penelope, that collects case management data for the Parents as Teachers home visiting evidence-based model. The system is a case management software with built-in reporting and documentation functions that streamline the reporting the home visitors and First 5 OC staff and consultants need to produce to maintain reporting to Orange County Social Services Agency and to ensure model fidelity.

Salesforce (Carahsoft Technology Corporation) – In April 2020, the Board approved the design of a new contracts and data management database which enables First 5 Orange County to better measure progress toward systems change that can facilitate reporting at both programmatic and system levels. The database also provides the administrative functions of budgeting and payment and the necessary data for reporting required by the State. In Fall 2020, First 5 Orange County’s High 5 contracts and data management system launched successfully.

First 5 Orange County leveraged the First 5 Alameda system at a lower cost and significantly shorter development time than building a new system. The High 5 database requires First 5 Orange County to purchase an annual license from the Salesforce data platform. It is recommended that First 5 Orange County continue to contract with Salesforce (through Carahsoft Technology Corporation).

Navisite LLC (EightCloud) – Navisite was approved as First 5 Orange County’s High 5 developer to leverage First 5 Alameda’s High 5 system. Navisite has expertise in the Salesforce Application Suite as well as First 5 Orange County’s custom solution built on the Salesforce App Cloud platform. It is recommended that First 5 Orange County continue to contract with Navisite to ensure seamless support for the implementation, ongoing managed services, and any special projects for the First 5 Orange County High 5 System.

Consistent with the prior agreement, Navisite has requested additional language be included in the Commission-approved agreement template that limits the potential damages arising out of the agreement to direct damages, and it would preclude either party from seeking incidental, consequential, special, punitive, or indirect damages or liabilities for any type of claim arising out of the contract. It further limits the amount of Navisite’s liability for damages, related to any claim or action, to the aggregate fees paid by First 5 Orange County for services during the previous 12-month period. However, these liability limitations do not apply to any liability arising out of Navisite’s breach of confidentiality obligations or Navisite’s indemnity obligations under the Agreement. Navisite would also like to include language requiring First 5 Orange County to adhere to its Acceptable Use Policy, which can be found at the following web address: <https://www.navisite.com/about2/trust-and-transparency/>. *Additionally, Navisite has requested*

that the HIPAA Business Associate Addendum contain clarification that Navisite is only responsible for costs associated with a breach of the Business Associate Addendum, a HIPAA security incident, or other unauthorized access, use, or disclosure of data that is due to the errors, acts, or omissions of Navisite. The full text of Navisite's requested provisions to the boilerplate agreement template are available in Attachment 8.

For these reasons, it is recommended that the Board authorize entering into sole source agreements with each of these consultants based upon findings that each consultant possesses the specific level of expertise, existing knowledge, and involvement in the specific project or functional areas, as discussed above.

STRATEGIC PLAN & FISCAL SUMMARY:

The proposed actions have been specifically reviewed in relation to First 5 Orange County's Strategic Plan and are consistent with its goals. Funding for the proposed actions will be included in the Proposed Fiscal Year 2023-2024 Budget.

PRIOR COMMISSION ACTIONS:

- June 2022 – Adopted resolution authorizing agreements or amendments to agreements with designated individuals and organizations to provide consultant services.
- April 2021 – Adopted resolution authorizing agreements or amendments to agreements with designated individuals and organizations to provide consultant services.

RECOMMENDED ACTIONS:

1. Approve roster (Attachment 1) of qualified applicants.
2. Adopt resolution (Attachment 3) authorizing the President/CEO, or designee, and Commission Counsel to prepare and negotiate new agreements or amendments to existing agreements, at the President/CEO's sole discretion, with designated individuals and organizations to provide consultant services for the terms, in the amounts, and on the conditions as specified in Attachment 2.
3. Adopt resolution (Attachment 4) authorizing the President/CEO, or designee, to enter into a Second Amendment to Agreement No. PS-274 with NetChemistry, Inc. to provide the Bridges Connect Data System for an additional 12-month term from July 1, 2022 to June 30, 2024 in an amount not to exceed \$120,000.
4. Adopt resolution (Attachment 5) authorizing the President/CEO, or designee, to enter into Agreement No. PS-287 with Navisite, LLC to provide implementation, special projects, and managed services for the term from July 1, 2023 to June 30, 2024 in an amount not to exceed \$95,000, and subject to the language provided in Attachment 8.
5. Adopt resolution (Attachment 6) authorizing the President/CEO, or designee, to enter into Agreement No. PS-292 with Carahsoft Technology Corporation for Salesforce platform subscription services for the term July 1, 2023 to June 30, 2024 in an amount not to exceed \$65,000.
6. Adopt resolution (Attachment 7) authorizing the President/CEO, or designee, to enter into a Second Amendment to Agreement No. PS-254 with Parents as Teachers National Center for platform subscription services, Inc. to add \$10,000 (for a total maximum obligation of \$42,000) and extend the term for an additional 12 months for a new term of July 1, 2022 to June 30, 2024.

ATTACHMENTS:

1. Updated Roster of Qualified Applicants
2. Consultant Agreements Term Sheet
3. Resolution (Consultants)
4. Resolution (NetChemistry)
5. Resolution (Navisite)
6. Resolution (Carahsoft)
7. Resolution (Parents as Teachers)
8. Navisite Proposed Limitation of Liability Language

CONTACT:

Kim Goll

**UPDATED ROSTER OF QUALIFIED APPLICANTS
BY SUBJECT MATTER EXPERTISE**

Early and Ongoing Health and Development	<ul style="list-style-type: none"> * American Academy of Pediatrics- Orange County Chapter 4 * Ariel Knox * Banafshe Sharifian-Attar * Breastfeeding Task Force of Greater Los Angeles * Children and Family Futures * Children's Data Network (USC) * Community Partners FBO: Maternal Mental Health NOW 	<ul style="list-style-type: none"> * Community Partners FBO: Maternal Mental Health NOW * Debra Mathias * Dianna Daly * Health Management Associates, Inc. * Hoda Shawky * Jaqueline Tran Nakasone * Kaylie Holke * Luisa Estanga (Abrazar) 	<ul style="list-style-type: none"> * Mia Hemstad * MK Consulting Syndicate, Inc. * Parsons Consulting, Inc. * San Diego Strategy Group, LLC dba NP Strategies * Sandra E. Gonzalez * Social Impact Advising Group * Sudario and Associates, Inc.
Safe, Stable and Nurturing Homes	<ul style="list-style-type: none"> * Anila Neumeister * Banafshe Sharifian * Brandon Lavin Consulting * Breastfeeding Task Force of Greater Los Angeles * BRICK (Building Resilience In Communities and Kids) * Children and Families Futures * Children's Data Network (USC) 	<ul style="list-style-type: none"> * Chris Becerra Consulting * Community Partners FBO: Maternal Mental Health NOW * Deborah McBee * Dianna Daly * Health Management Associates, Inc. * Hoda Shawky * Margarita McCullough * Mia Hemstad 	<ul style="list-style-type: none"> * MK Consulting Syndicate, Inc. * My Team Effort * Nicolas Mazzeo * Parsons Consulting, Inc. * Principal Strategic Advisors * Sandra E. Gonzalez * Sudario and Associates, Inc. * Susanna Diaz * Won't She Do It LLC
Neighborhoods that Support Young Children and Families	<ul style="list-style-type: none"> * American Academy of Pediatrics- Orange County Chapter 4 * Ana Page * Banafshe Sharifian * BRICK (Building Resilience In Communities and Kids) * Charitable Ventures * Children and Families Futures * Chris Becerra Consulting * Christian Ponce * Deborah McBee * Fractal Strategies 	<ul style="list-style-type: none"> * Garrett Maxwell Agency * Jacqueline Tran Nakasone * Jennifer Shepard * Looking Ahead * Los Angeles Universal Preschool DBA Child 360 * M & I Educational Consultants * Mia Hemstad * MK Consulting Syndicate, Inc. * Muckenthaler and Associates * Parsons Consulting, Inc. * Prisma Communications LLC 	<ul style="list-style-type: none"> * San Diego Strategy Group LLC DBA NP Strategies * Sandra Bandettini * Sandra E. Gonzalez * Social Impact Advising Group * Sudario and Associates, Inc. * Susanna Diaz * The Center for the Study of Social Policy (CSSP) * Tina Ali * Won't She Do It LLC
Equitable Distribution of Resources	<ul style="list-style-type: none"> * Ana Page * Banafshe Sharifian-Attar * Charitable Ventures * Children and Families Futures * Children's Data Network 	<ul style="list-style-type: none"> * Hoda Shawky * Jacqueline Tran Nakasone * Kaylie Holke * Los Angeles Universal Preschool DBA Child 360 	<ul style="list-style-type: none"> * Sandra E. Gonzalez * Sudario and Associates, Inc. * Susanna Diaz * The Center for the Study of Social Policy (CSSP)

**UPDATED ROSTER OF QUALIFIED APPLICANTS
BY SUBJECT MATTER EXPERTISE**

	<ul style="list-style-type: none"> * Chris Becerra Consulting * Erikson Institute * Fractal Strategies * Garrett Maxwell Agency * Health Management Associates, Inc. 	<ul style="list-style-type: none"> * Mia Hemstad * MK Consulting Syndicate, Inc. * Muckenthaler and Associates * Parsons Consulting, Inc. * Prisma Communications LLC 	<ul style="list-style-type: none"> * Tina Ali * Virginia Carmelo * Won't She Do It LLC
Data Analysis, Evaluation, and Focus groups	<ul style="list-style-type: none"> * Ariel Knox * Banafshe Sharifian-Attar * Charitable Ventures * Children and Families Futures * Children's Data Network * Chris Becerra Consulting * Erikson Institute * Ersoylu Consulting * EVALCORP * Fractal Strategies 	<ul style="list-style-type: none"> * Garrett Maxwell Agency * Harder +Company Community Research * Health Management Associates, Inc. * Jacqueline Tran Nakasone * Limor Consulting, Inc. * Los Angeles Universal Preschool DBA Child 360 * M & I Educational Consultants * Measurement Resources Company 	<ul style="list-style-type: none"> * MK Consulting Syndicate, Inc. * Parsons Consulting, Inc. * San Diego Strategy Group, LLC dba NP Strategies * Sandra E. Gonzalez * Simran Sahny * Social Impact Advising Group * Wallace Walrod * Tina Ali
Project Management	<ul style="list-style-type: none"> * American Academy of Pediatrics- Orange County Chapter 4 * Ana Page * Anila Neumeister * Ariel Knox * Banafshe Sharifian-Attar * Career MatchPro * Charitable Ventures * Chris Becerra Consulting * Debra Mathias * Deborah McBee * Dianna Daly * Fractal Strategies 	<ul style="list-style-type: none"> * Garrett Maxwell Agency * Health Management Associates, Inc. * Hoda Shawky * Jaqueline Tran Nakasone * Jennifer Shepard * Kissy C. Martinez * Looking Ahead * Los Angeles Universal Preschool DBA Child 360 * Margarita McCullough * MK Consulting Syndicate, Inc. * Muckenthaler and Associates * Parsons Consulting, Inc. 	<ul style="list-style-type: none"> * Principal Strategic Advisors * San Diego Strategy Group, LLC dba NP Strategies * Sandra Bandettini * Sandra E. Gonzalez * Simran Sahny * Social Impact Advising Group * Sudario and Associates, Inc. * Susanna Diaz * Tabitha Pitzer * Wallace Walrod * Tina Ali
Strategic Communications	<ul style="list-style-type: none"> * AdGyld * Ana Page * Anthony Chase In Winter * Ariel Knox * Charitable Ventures * Cornerstone Communications * Curt Pringles & Associates * Fractal Strategies 	<ul style="list-style-type: none"> * Growth Mindset Communications * Kissy C. Martinez * Looking Ahead * Los Angeles Universal Preschool DBA Child 360 * Luis Alvarado Designs * Mia Hemstad * Principal Strategic Advisors 	<ul style="list-style-type: none"> * Prisma Communications LLC * Sandra E. Gonzalez * Tabitha Pitzer * Tina Ali * Wallace Walrod * Won't She Do It LLC

**UPDATED ROSTER OF QUALIFIED APPLICANTS
BY SUBJECT MATTER EXPERTISE**

Contract Compliance and Audit	<ul style="list-style-type: none"> * Anila Neumeister * Charitable Ventures * Conrad, LLP * Fractal Strategies 	<ul style="list-style-type: none"> * Health Management Associates, Inc. * Kissy C. Martinez * KNL Support Services * Los Angeles Universal Preschool DBA Child 360 	<ul style="list-style-type: none"> * Sandra E. Gonzalez * Sherry Gilbey
Organizational & Professional Development	<ul style="list-style-type: none"> * Ana Page * Ariel Knox * Buxser Consulting, LLC * Charitable Ventures * Chris Becerra Consulting * Deborah McBee * Fractal Strategies * Garrett Maxwell Consulting * Health Management Associates, Inc. 	<ul style="list-style-type: none"> * Jennifer Shepard * Kaylie Holke * Los Angeles Universal Preschool DBA Child 360 * Mk Consulting Syndicate, Inc. * Muckenthaler and Associates * PeakePotential, Inc * Principal Strategic Advisors * San Diego Strategy Group, LLC dba NP Strategies 	<ul style="list-style-type: none"> * Sandra Bandettini * Sandra E. Gonzalez * Simply Support for ECE * Social Impact Advising Group * Tabitha Pitzer * The Center for the Study of Social Policy (CSSP) * The Relevant You * Tina Ali * Won't She Do It LLC
Language Translation	<ul style="list-style-type: none"> * Alicia Ramirez * Ana Anaya * Ana Page * Banafshe Sharifian-Attar * Charitable Ventures 	<ul style="list-style-type: none"> * Cristina Belvins * Ivonne Velasquez Borja * Kissy C. Martinez * Los Angeles Universal Preschool DBA Child 360 	<ul style="list-style-type: none"> * Prisma Communications LLC * Sandra E. Gonzalez * Simran Sahny * Tabitha Pitzer

New Contract Number	Consultant	New Term	New Maximum Payment Obligation	New/Revised Scope of Work (if needed)
C-464 1st Amendment	Social Impact Advising Group, LLC	09/01/2022 - 06/30/2024	\$100,000	Facilitate working group of Detect & Connect OC to review barriers to accessing speech and language services, as described by families, pediatricians and speech therapy providers. Explore reimbursement rates and local solutions and partnerships to create positive systems change.
C-468	Anila Neumeister	07/01/2023 - 06/30/2024	\$100,000	Provide expertise in family homelessness and special project materials such as Requests for Proposals. The consultant will work closely with COMMISSION's staff and consultants to align project goals with the Strategic Plan. Support activities related to the homeless funding strategy, contract development and oversight, and assisting in special projects. Develop materials such as Requests for Information, Proposals, and Applications to generate interest in COMMISSION-related activities.
C-471	Mark Mendoza, dba Adgyld	07/01/2023 - 06/30/2024	\$20,000	Provide graphic design, layout, and production services including reports and publications; educational and collateral materials such as brochures, newsletters, presentation materials, event invitations, art for web site use, and other promotional materials including for printed and electronic media.
C-472	Limor Zimskind, Inc. dba Datalink Partners	07/01/2023 - 06/30/2024	\$130,000	Data collection, analysis, mapping and presentation for programmatic, system change and population level evaluation, including High 5 data analysis and reporting to the state. Data-related support for First 5 OC Action Plans and collaboratives. Data collection, analysis, mapping, and reporting to support Early Development Index and Childhood Experiences Questionnaire.
C-475	Dianna Daly	07/01/2023 - 06/30/2024	105,000	Will promote increased integration and capacity of services and systems-level changes that support improved outcomes for pregnant persons and young children and their families by advancing COMMISSION's work on strategies around mental health and substance use disorders. This work includes support efforts to improve services and support for infants and families affected by Substance Use Disorders (SUD). Facilitate Be Well workgroup focused on pregnant women, infants, young children, and their caregivers; continue leadership role and advocacy for 0-5 population; and identify system-oriented opportunities to optimize training, policy, practices in the field, or technology enhancement. Represent COMMISSION in a leadership role on the Executive Committee and Steering Committee for the ACEs Aware Trauma Informed Network of Care Implementation Grant. Support the integration and alignment of early childhood mental health and perinatal behavioral health strategies.
C-476	Hoda Shawkey	07/01/2023 - 06/30/2024	85,000	Continue support of First 5 Orange County's work surrounding Healthy Steps implementation and model fidelity. Continue leading the Facilitation of the OC Perinatal Mood and Anxiety Disorder now under the Orange County Perinatal Council. Support work that addresses strategizing around early childhood and early relational health. Provide final recommendation on moving forward in the Refugee space, as OC's Refugee Relief grant comes to a close.
C-478	MK Consulting Syndicate, Inc.	07/01/2023 - 06/30/2024	\$70,000	Provide project management for the child care system task force, and for the transition of services from Healthy Smiles for Kids of Orange County to AltaMed and the transition of children's preventive and specialty care oral health services. Provide technical assistance for the High 5 database and children's oral health. Provide expertise to infuse Protective Factors in First 5 OC's work. Support landscape analysis and connections among Early Relational Health system of care.
C-479	Wallace Walrod	07/01/2023 - 06/30/2024	\$60,000	Provide expert consulting services around childcare systems and collaborate with First 5 and partners to identify and prioritize opportunities with the business community and philanthropy to support childcare in Orange County. Provide services conducting data analysis, co-creating policies, strengthening childcare systems, engaging local businesses and philanthropists, conducting outreach activities, providing technical assistance, coordinating with partners, and delivering reports, presentations, and communication materials.
C-480	Jacqueline Tran Nakasone	07/01/2023 - 06/30/2024	\$130,000	Provide expertise in Engaged Neighborhoods areas of the Strategic Plan and support collaboratives to complete their contracted deliverables. Serve as the content expert for Engaged Neighborhoods and work closely with the Commission's staff and consultants to align project goals with the Strategic Plan. Co-create a long-term plan for the Engaged Neighborhoods initiative, supporting existing ENs and identifying data to support expansion, building strategic partnerships to establish new ENs, facilitating EDI data interpretation and reviews, developing and coordinating public awareness efforts, and providing support for activities related to parent/family engagement efforts and fatherhood engagement programs. Support activities identified in the Action Plan and integrate partner data to help inform decision making and planning for health and developmental screenings for early learners.
C-481	Ana Page	07/01/2023 - 06/30/2024	\$80,000	Provide expertise on family and community engagement to the COMMISSION's staff and align project goals with the Strategic Plan. The consultant will lead activities related to family engagement, develop and implement a long-term strategic plan for Family Ambassadors, provide as-needed expertise for Engaged Neighborhood collaborative activities, support the Legal Problem Solving Network, engage in fatherhood activities, and provide expertise and technical assistance for OC Reads and other funded partners.

New Contract Number	Consultant	New Term	New Maximum Payment Obligation	New/Revised Scope of Work (if needed)
PS-192 2nd Amendment	The Regents of the University of California on behalf of its Los Angeles campus and its Center for Healthier Children, Families and Communities	07/01/2019 - 06/30/2024	\$320,025	Provide expert support for EDI data collection such as an Excel table book displaying descriptive statistics, data analysis, providing child-level data files, school reports, creating a National Neighborhood Risk Index, conducting change over time analysis, offering technical assistance through coaching and membership in a learning network, implementing the CHEQ survey in Anaheim, and support districts participating in a English Learners research study.
PS-288	San Diego Strategy Group LLC dba NP Strategies	07/01/2023 - 06/30/2024	\$82,000	Facilitate countywide system collaboratives: Detect & Connect OC and Child Care Task Force. Support Strategic Plan related projects such as First 5 Orange County's equity work; facilitation of focus groups; systems strategy.
PS-289	Looking Ahead, LLC	07/01/2023 - 06/30/2024	\$35,000	Provide expertise to support F5's work with cities to build plans and reports to engage and enhance support for early childhood, and connections for child care providers and families.
PS-290	Conrad, LLP	07/01/2023 - 06/30/2024	\$50,000	Perform risk assessments and compliance audits of programs requiring more intensive compliance reviews.
PS-291	Sherry Gilbey	07/01/2023 - 06/30/2024	\$50,000	Perform risk assessments and compliance audits of programs requiring more intensive compliance reviews.
PS-295	Cornerstone Communications, Inc	07/01/2023 - 06/30/2024	\$240,000 Total (\$79,000 Kid Builders + \$161,000 All other Support)	Provide expertise in strategic communications, including the development and implementation of communications campaigns, media outreach, social media, and collateral materials. Communications campaigns include well-child visits and screenings, child care solutions, home visiting, and Kid Builders. Support for policy and advocacy efforts.
PS-297	Luis Alvarado Design	07/01/2023 - 06/30/2024	\$60,000 Total \$30,000 for Kid Builders-related design + \$30,000 for general design support	Provide graphic design, layout, and production services including reports and publications; educational and collateral materials such as brochures, newsletters, presentation materials, event invitations, art for web site use, and other promotional materials including for printed and electronic media.
PS-298	Center for the Study of Social Policy	07/01/2023 - 06/30/2024	\$25,000	Provide expertise in addressing issues of racial equity, anti-racism and parent engagement. Provide technical assistance to staff in incorporating principles of equity and inclusion across First 5's work.
FCI-EN-05	Community Health Initiative of Orange County	08/01/2023 - 06/30/2024	\$50,000	Provide expertise in facilitating/attending Engaged Neighborhood collaborative meetings, enhancing partner education, coordinating community forums, referring families to economic and other support services, creating forums to support family health, improving early childhood system connectivity, recruiting and engaging with families for feedback, and fostering partnerships with local school districts to support outreach.

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY

RESOLUTION NO. ____-23-C&FC

June 1, 2023

A RESOLUTION OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY DIRECTING THE PRESIDENT/CEO AND COMMISSION COUNSEL TO PREPARE AND NEGOTIATE NEW AGREEMENTS, OR AMENDMENTS TO CURRENT AGREEMENTS, AT THE PRESIDENT/CEO'S SOLE DISCRETION, WITH DESIGNATED INDIVIDUALS AND ORGANIZATIONS TO PROVIDE CONSULTANT SERVICES; AND, AUTHORIZING APPROVAL AND EXECUTION OF SUCH AGREEMENTS 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 adopted its Strategic Plan to define how funds authorized under the Act and allocated to the Commission should best be used to meet the critical needs of Orange County's children prenatal to five years of age as codified in the Act; and

WHEREAS, the Commission desires to enter into new agreements or amendments to current agreements (hereinafter collectively referred to as "Agreements"), at the President/CEO's sole discretion, with the individuals and organizations (hereinafter referred to as the "Contractors") for the terms, in the amounts, and on the conditions as described identified in the staff report, and applicable attachments, for the June 7, 2023 Commission meeting (hereinafter referred to as the "Agenda Item"); and

WHEREAS, each Contractor desires to enter into the applicable Agreement, if authorized by the President/CEO, in furtherance of the purposes of the Act and the Strategic Plan on the terms and conditions set forth in the applicable Agreement; and

WHEREAS, Commission has reviewed the Agenda Item relating to the scopes of services to be provided and hereby finds and determines that the proposed Agreements are 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 Agreements with each of the Contractors for the terms and in the amounts and on the conditions as specified in the 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 Agreements with each of the Contractors to provide consultant services for the terms and in the amounts and on the conditions consistent with the Agenda Item; and

Section 3 The form of any Agreements shall be substantially similar to the standard Consultant or Professional Services Agreements, subject to minor, non-substantive revisions, or as otherwise required to comply with external grant funding sources, and will be reviewed and approved by the President/CEO, or designee, and Commission Counsel. The approval by the President/CEO, or designee, of the Agreements 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 Agreements, which will be authorized at the President/CEO's sole discretion, with each of the Contractors for the terms, in the amounts, and on the conditions as specified in the Agenda Item.

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

Section 6 A copy of each final 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. Each 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), including any Amendment(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 June 7, 2023 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: __-23-C&FC

Agenda Date: June 7, 2023

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(ies) of final executed Amendments and Agreements)

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY

RESOLUTION NO. ____-23-C&FC

June 7, 2023

A RESOLUTION OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY DIRECTING THE PRESIDENT/CEO AND COMMISSION COUNSEL TO PREPARE AND NEGOTIATE THE SECOND AMENDMENT TO AGREEMENT NO. PS-274 WITH NETCHEMISTRY, INC. TO PROVIDE THE BRIDGES CONNECT DATA SYSTEM; 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 adopted its Strategic Plan to define how funds authorized under the Act and allocated to the Commission should best be used to meet the critical needs of Orange County’s children prenatal to five years of age as codified in the Act; and

WHEREAS, the Commission previously entered into Agreement No. PS-274 (“Agreement”) with Netchemistry, Inc. (hereinafter referred to as “Contractor”), which was subsequently amended, to provide the Bridges Connect Data System; and

WHEREAS, the Commission desires to enter into the Second Amendment to the Agreement (“Amendment”) with Contractor for the terms, in the amounts, and on the conditions specified in the June 7, 2023 staff report, including any applicable attachments (hereinafter referred to as the “Agenda Item”); and

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

WHEREAS, Commission has reviewed the Agenda Item relating to the scopes of services to be provided and hereby finds and determines that the proposed Amendment 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 Amendment with the Contractor in the amount, for the terms, and on the conditions specified in the 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 Amendment with the Contractor to provide the Bridges Connect Data System in the amounts, for the terms, and on the conditions consistent with the Agenda Item.

Section 3 The form of the Amendment with the Contractor shall be substantially similar to the form of the standard Professional Services Agreement, subject to minor, non-substantive revisions as reviewed and approved by the President/CEO or designee and Commission Counsel. The approval by the President/CEO or designee of the Amendment shall be conclusively evidenced by the execution of such Amendment by the Commission Chair and delivery thereof to the Commission Clerk.

Section 4 Commission hereby approves the Amendment with Contractor to provide the Bridges Connect System in the amounts and for the terms as specified in the Agenda Item.

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

Section 6 A copy of the Amendment 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 Amendment 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), including any Amendment(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 June 7, 2023 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: __-23-C&FC

Agenda Date: June 7, 2023

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(ies) of final executed Amendment)

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY

RESOLUTION NO. ____-23-C&FC

June 7, 2023

A RESOLUTION OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY DIRECTING THE PRESIDENT/CEO AND COMMISSION COUNSEL TO PREPARE AND NEGOTIATE AGREEMENT NO. PS-287 WITH NAVISITE, LLC TO PROVIDE IMPLEMENTATION, SPECIAL PROJECTS, AND MANAGED SERVICES; AND AUTHORIZING APPROVAL AND EXECUTION OF SUCH AMENDMENT 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 adopted its Strategic Plan to define how funds authorized under the Act and allocated to the Commission should best be used to meet the critical needs of Orange County’s children prenatal to five years of age as codified in the Act; and

WHEREAS, the President/CEO and Commission Counsel have prepared standard form agreements, which were approved by the Commission; and

WHEREAS, Commission desires to enter into Agreement No. PS-287 (hereinafter referred to as the “Agreement”) with Navisite, LLC (hereinafter referred to as “Contractor”), for implementation, special projects, and managed services for the terms, in the amounts, and on the conditions as described in the staff report, and applicable attachments, for this June 7, 2023 Agenda Item (hereinafter referred to as the “Agenda Item”);

WHEREAS, the Contractor desires to enter into the Agreement, if authorized by the President/CEO, 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 Agenda Item relating to the scopes of services to be provided and hereby finds and determines that the proposed Amendment 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 Amendment with the Contractor.

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 the Contractor for the terms, in the amounts, and on the conditions consistent with the Agenda Item; and

Section 3 The form of the Agreement shall be substantially similar to the standard form agreements, subject to minor, non-substantive revisions (unless otherwise approved by Commission in the Agenda Item) or as otherwise required to comply with external funding sources. The Agreement will be 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 Agreement by the Commission Chair and delivery thereof to the Commission Clerk.

Section 4 Commission hereby approves the Agreement, which will be authorized at the President/CEO's sole discretion, with the Contractor for the terms, in the amounts, and on the conditions as specified in the 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 final 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), including any amendments; (ii) to cause the issuance of warrants; (iii) to administer the Commission's obligations, responsibilities, and duties to be performed under such Amendment(s); and (iv) during the term thereof to provide waivers, administrative interpretations, and minor modifications of the provisions of such Amendment(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 June 7, 2023 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: __-23-C&FC

Agenda Date: June 7, 2023

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(ies) of final executed Agreement)

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY

RESOLUTION NO. ____-23-C&FC

June 7, 2023

A RESOLUTION OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY DIRECTING THE PRESIDENT/CEO AND COMMISSION COUNSEL TO PREPARE AND NEGOTIATE AGREEMENT NO. PS-292 WITH CARAHSOFT TECHNOLOGY CORPORATION FOR SALESFORCE PLATFORM SUBSCRIPTION SERVICES; AND AUTHORIZING APPROVAL AND EXECUTION OF SUCH AMENDMENT 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 adopted its Strategic Plan to define how funds authorized under the Act and allocated to the Commission should best be used to meet the critical needs of Orange County’s children prenatal to five years of age as codified in the Act; and

WHEREAS, the President/CEO and Commission Counsel have prepared standard form agreements, which were approved by the Commission; and

WHEREAS, Commission desires to enter into Agreement No. PS-292 (hereinafter referred to as the “Agreement”) with Carahsoft Technology Corporation (hereinafter referred to as “Contractor”), for Salesforce platform subscription services for the terms, in the amounts, and on the conditions as described in the staff report, and applicable attachments, for this June 7, 2023 Agenda Item (hereinafter referred to as the “Agenda Item”);

WHEREAS, the Contractor desires to enter into the Agreement, if authorized by the President/CEO, 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 Agenda Item relating to the scopes of services to be provided and hereby finds and determines that the proposed Amendment 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 Amendment with the Contractor.

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 the Contractor for the terms, in the amounts, and on the conditions consistent with the Agenda Item; and

Section 3 The form of the Agreement shall be substantially similar to the standard form agreements, subject to minor, non-substantive revisions, or as otherwise required to comply with external funding sources, and will be 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 Agreement by the Commission Chair and delivery thereof to the Commission Clerk.

Section 4 Commission hereby approves the Agreement, which will be authorized at the President/CEO's sole discretion, with the Contractor for the terms, in the amounts, and on the conditions as specified in the 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 final 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), including any amendments; (ii) to cause the issuance of warrants; (iii) to administer the Commission's obligations, responsibilities, and duties to be performed under such Amendment(s); and (iv) during the term thereof to provide waivers, administrative interpretations, and minor modifications of the provisions of such Amendment(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 June 7, 2023 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: __-23-C&FC

Agenda Date: June 7, 2023

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(ies) of final executed Agreement)

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY

RESOLUTION NO. ____-23-C&FC

June 7, 2023

A RESOLUTION OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY DIRECTING THE PRESIDENT/CEO AND COMMISSION COUNSEL TO PREPARE AND NEGOTIATE THE SECOND AMENDMENT TO AGREEMENT NO. PS-254 WITH PARENTS AS TEACHERS NATIONAL CENTER, INC. TO PROVIDE PLATFORM SUBSCRIPTION SERVICES; 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 adopted its Strategic Plan to define how funds authorized under the Act and allocated to the Commission should best be used to meet the critical needs of Orange County’s children prenatal to five years of age as codified in the Act; and

WHEREAS, the Commission previously entered into Agreement No. PS-254 (“Agreement”) with Parents As Teachers National Center, Inc. (hereinafter referred to as “Contractor”), which was subsequently amended, to provide platform subscription services; and

WHEREAS, the Commission desires to enter into the Second Amendment to the Agreement (“Amendment”) with Contractor for the terms, in the amounts, and on the conditions specified in the June 7, 2023 staff report, including any applicable attachments (hereinafter referred to as the “Agenda Item”); and

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

WHEREAS, Commission has reviewed the Agenda Item relating to the scopes of services to be provided and hereby finds and determines that the proposed Amendment 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 Amendment with the Contractor in the amount, for the terms, and on the conditions specified in the 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 Amendment with the Contractor to provide platform subscription services in the amounts, for the terms, and on the conditions consistent with the Agenda Item.

Section 3 The form of the Amendment with the Contractor shall be substantially similar to the form of the standard Professional Services Agreement, subject to minor, non-substantive revisions as reviewed and approved by the President/CEO or designee and Commission Counsel. The approval by the President/CEO or designee of the Amendment shall be conclusively evidenced by the execution of such Amendment by the Commission Chair and delivery thereof to the Commission Clerk.

Section 4 Commission hereby approves the Amendment with Contractor to provide services in the amounts and for the terms as specified in the Agenda Item.

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

Section 6 A copy of the Amendment 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 Amendment 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), including any Amendment(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 June 7, 2023 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: __-23-C&FC

Agenda Date: June 7, 2023

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(ies) of final executed Amendment)

Attachment 8

Navisite Proposed Modifications to Agreement

Agreement Boilerplate:

4. Section 25. LIMITATION ON LIABILITY

NEITHER PARTY SHALL HAVE ANY LIABILITY UNDER THIS AGREEMENT FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, PUNITIVE OR INDIRECT DAMAGES OR LIABILITIES, INCLUDING WITHOUT LIMITATION SUCH DAMAGES OR LIABILITIES FOR LOSS OF REVENUE, LOSS OF BUSINESS, FRUSTRATION OF ECONOMIC OR BUSINESS EXPECTATIONS, WORK DELAYS, LOSS OF PROFITS, OR COST OF CAPITAL, REGARDLESS OF THE FORM OF THE ACTION, WHETHER IN CONTRACT OR OTHERWISE, EVEN IF A PARTY HERETO HAS BEEN ADVISED, KNOWS, OR SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH DAMAGES; PROVIDED, HOWEVER, THAT NO LIMITATION SHALL APPLY TO PROFESSIONAL'S LIABILITY, IF ANY, FOR A BREACH OF ITS CONFIDENTIALITY OR INDEMNIFICATION OBLIGATIONS HEREUNDER.

EXCEPT WITH RESPECT TO THE NAVISITE'S BREACH OF ITS CONFIDENTIALITY OBLIGATIONS AND ITS INDEMNITY OBLIGATIONS, NAVISITE'S LIABILITY FOR DAMAGES TO THE COMMISSION FOR ANY CAUSE WHATSOEVER, REGARDLESS OF THE FORM OF ANY CLAIM OR ACTION, SHALL NOT EXCEED THE AGGREGATE FEES PAID BY COMMISSION FOR THE SERVICES DURING THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE EVENTS GIVING RISE TO THE COMMISSION'S CLAIM.

2. Section 26. COMMISSION REPRESENTATION AND WARRANTY

COMMISSION represents and warrants that it shall comply with NAVISITE'S Acceptable Use Policy, as it can be found at: <https://www.navisite.com/about2/trust-and-transparency/>.

Exhibit D, Business Associate Addendum:

Section 2(f): Reporting of Improper Access, Use, or Disclosure. BA-2¹ shall, following the discovery of any Breach of Unsecured PHI; Security Incident, as defined in the Security Rule; and/or any actual or suspected access, use, or disclosure of Protected Information not permitted by the Agreement or this Addendum or applicable law; notify BA-1² in writing of such breach or disclosure without unreasonable delay and in no case later than three (3) business days after discovery. BA-2 shall take prompt corrective action in addition to any action required by applicable state or federal laws and regulations relating to such disclosure. To the extent the breach, security incident, or other unauthorized access, use, or disclosure is due to the errors, acts, or omissions of BA-2, BA-2 agrees to pay the actual costs incurred by BA-1 to provide required notifications and any associated costs incurred by BA-1, such as credit monitoring for affected patients, and including any civil or criminal monetary penalties or fines levied by any federal or state authority having jurisdiction if BA-1 reasonably determines that the nature of the breach warrants such measures.

¹ BA-2 refers to Navisite

² BA-1 refers to First 5 Orange County

DATE: May 30, 2023

TO: First 5 Orange County

FROM: Kimberly Goll, President/CEO



ACTION: Election of Commission Chair and Vice-Chair for Fiscal Year 2023-24

SUMMARY:

The Children and Families Commission of Orange County by-laws require the election of officers before the beginning of each fiscal year. This item requests the Board to elect two officers to serve as the Chair and Vice-Chair for one-year terms beginning July 1, 2023 to June 30, 2024.

DISCUSSION:

Commissioner Ramin Baschshi, M.D. and Supervisor Doug Chaffee were nominated and elected to 18-month terms as Chair and Vice-Chair on December 1, 2021. Nominations for the Chair and Vice-Chair for the upcoming fiscal year will be considered at the June 7, 2023 meeting. It is recommended that First 5 Orange County Board members elect the Chair and Vice-Chair for the term beginning July 1, 2023, through June 30, 2024.

STRATEGIC PLAN & FISCAL SUMMARY:

There are no funding actions proposed for this item.

PRIOR COMMISSION ACTION:

- December 1, 2021 – Elected Commission Chair and Vice Chair for 18-month term ending June 2023

RECOMMENDED ACTION:

Elect the Commission Chair and Vice-Chair for Fiscal Year 2023-24.

ATTACHMENTS:

None

CONTACT: Kim Goll

DATE: May 30, 2023**TO:** First 5 Orange County**FROM:** Kimberly Goll, President/CEO**ACTION:** Receive the President/Chief Executive Officer's Report

Conditions of Children Forums

The 1st District hosted their Conditions of Children Forum on Wednesday May 2, 2023, more than 90 people came together. The focus of this forum was children and youth mental and behavioral health. It included an overview of the Conditions of Children report by An Tran, First 5 Commissioner and Director of the County of Orange Social Services Agency, along with a presentation from Dr. Veronica Kelley, LCSW, Chief of Mental Health & Recovery Services at the Orange County Health Care Agency, about the mental health needs of Orange County's children. 1st District Chief of Staff, Van Tran, concluded the event by inviting the attendees to visit resource tables to learn about mental and behavioral health resources available in Orange County. Supervisor Chaffee also hosted a Conditions of Children Forum on May 12, 2023. The event was held at the La Habra Atrium with about 60 community partners in attendance. Dr. Clayton Chau facilitated the event which included speakers from CalOptima and the Orange County Social Services Agency who presented on the process and importance of the Medi-Cal Redetermination process. First 5 OC is one of the lead agencies for the Conditions of Children report, and the Steering Committee is already starting to meet to develop the 29th Conditions of Children Annual Report that will be released in November.

Governor's May Revise Budget Proposal

The Governor has released the May Revised Budget. Attachment 1 is a summary of budget items related to First 5 work, prepared by the First 5 Association. First 5 OC is one of the 58 First 5 County Commissions that partner with the Association. Serving as a unified voice for the state's youngest kids, the Association brings together partners and leverages funding sources to strengthen systems of care through advocacy, collaboration, innovation, and communications. The May Revise summary is one example of the value and support that the First 5 Association brings to its membership.

Since the Governor's May Revise, the First 5 OC policy team has reached out to the Orange County Delegation to ensure that Child Care Family Fee continued to be waived and that there is dedicated funding in the budget for continuous Medi-Cal coverage for children 0-5 years old. Starting in July 2023, F5 OC's policy team will begin scheduling program site visits for OC legislators and start planning the first Sacramento trip of the year to elevate the need for First 5's long term sustainability.

Strategic Plan Action Plans

This is the bi-monthly progress report on the Action Plans that have been developed to track progress on our goals and objectives in each of the following focus areas: Well-child Visits and Screenings; Strengthening Families; Quality Infant and Toddler Child Care; Equitable Distribution of Resources; and Internal activities.

Attachment 2 provides the “at a glance” view of Action Plans. Attachment 3 provides additional detail for each of the Action Plans that are underway, including accomplishments and challenges since our report in April.

Significant progress to note for this month includes:

- Detect & Connect OC agreed on countywide targets for well-child visits and developmental screens, using the targets set by the state. (see item 1.1 on Attachment 2)
- Contract language and recommendations were finalized to support OC Health Care Agency’s home visiting program for another year (item 2.9)
- The California First 5 IMPACT Request for Proposals was released, and we have begun preparing our response (item 3.3)
- We have developed the recruitment process for new Family Ambassadors and a mentor model to continue to engage current ambassadors which will allow us to strengthen and expand this initiative and increase family voice in our work (item 4.1)
- We had a successful kick off of the updated Kid Builder activities and launched First 5’s Instagram. As of May 31, we already have 518 followers.

California Early Childhood Special Education Network

First 5 OC’s strategic plan includes promoting the earliest possible screenings for children and linkage to services. It also includes supporting families to experience a smooth transition between prenatal-to-three services into school-based services. We participate in a statewide network called the California Early Childhood Special Education Network (CalECSE) which is a technical assistance project funded under the California Department of Education. It was created last year to provide technical assistance, professional learning, and demonstration of tangible practices that have been successful in helping families transition from prenatal-to-three to school-based services.

CalECSE has several workgroups on topics including:

- Interagency Collaboration
- Assessment Practices
- Assessment Team Leadership
- Preschool Child Find
- Parent Outreach and Support
- Data Governance
- Innovative and Inclusive Practices

First 5 OC and Help Me Grow were jointly appointed to lead the Preschool Child Find workgroup. “Child Find” is a legal requirement for schools to identify children who have disabilities and need services. Having two non-school-district leaders reflects the state’s desire to think outside of the box to reach children that may fall through the cracks. A few weeks ago, we hosted a day of filming focused on Child Find which started at a Learning Link in Anaheim, then moved to our office where several people were interviewed including a parent who has received services, and representatives from Regional Center, school districts, Help Me Grow and Lisa Burke on our staff. On May 8 and 9, Lisa Burke attended an offsite gathering of the CalECSE Network, where the various teams brainstormed activities for the next fiscal year. In the area of Child Find, we proposed focusing on two specific audiences: child care providers and medical providers.

Help Me Grow OC Three-Year Evaluation

Help Me Grow OC was established in 2005 to provide a comprehensive, countywide, coordinated system for early identification, referral, and care coordination of children at risk for developmental, behavioral and learning problems from birth through age eight (till the 9th birthday). They support children who have a 'rising risk,' meaning they have developmental challenges but do not qualify for mandated services. First 5 OC has been a long-time supporter and partner of Help Me Grow, pulling down Intergovernmental Transfer dollars to support their operation.

Every three years, Help Me Grow conducts an evaluation of their services, with the support of First 5 Orange County. This evaluation is in the final stages of completion and includes the years 2019 through 2021. Below is a summary of key findings.

Help Me Grow's System for Tracking Access to Referrals (STAR)

Comparing findings from the prior STAR report (2016-2018):

- There was an increase in rate of children who received follow-up care coordination by Help Me Grow from 73% with positive outcomes (at least one referral connected or pending) during 2016-2018 to 78% during 2019-2021.
- There was an increase in rate of developmental concerns, from 6% of all concerns in 2016-2018 to 22% of all concerns in 2019-2021.
- While Mental Health referrals continue to be the main referral provided, they have increased from 16% of all referrals in 2016-2018 to 22% of all referrals in 2019-2021.
- There was an increase in the proportion of referrals with a barrier, from 35% in 2016-2018 to 45% in 2019-2021. The greatest barrier remained the same: caregiver not using referral information. There are many reasons why a caregiver may not follow up on a referral ranging from finding services elsewhere, to language and transportation barriers, to the complexity of navigating the system of care.

OC Children's Screening Registry (Registry)

The Registry was launched in 2018 and includes screenings and results for five developmental tools: Ages and Stages Questionnaire; Ages and Stages Questionnaire Social Emotional; Parents Evaluation of Developmental Status; Modified Checklist for Autism in Toddler; and Pediatric ACEs and Related Live-events Screener (for children 0-11, teens 12 and up – parent report, and teens 12 and up – self report).

This is the first time we have conducted an evaluation of information in the Registry and the report and the analysis in the bullets below are for 5 years' worth of data (2018-2022):

- Registry users include: 78 medical practices, 15 community-based organizations, seven school districts and one Early Childcare and Education (ECE)/preschool provider.
- Between 2018 through 2022, there were more than 117,000 children's records entered in the Registry, with more than 167,000 screenings.
- More than one-third (36%) of the children entered in the Registry live in Santa Ana or Anaheim.
- Overall, about 86% of children were considered low risk, 3% were medium risk, and 11% were high risk.

First 5 OC Sustainability Update

First 5 OC held a special meeting in March 2023 to discuss the impacts of the flavor ban on revenue projections for the coming years. During that meeting it was determined that First 5 OC would need to reduce its annual spending over the next five years by \$7 million. First 5 Board members provided direction to staff to begin discussion with HomeAid Orange County to close a joint account and to pursue leveraging opportunities with CalOptima since many of First 5 OC

investments produce significant health benefits for the Medi-Cal population. Since that meeting, staff has worked with HomeAid to close the account resulting in \$1.24 million returned to First 5 OC's accounts.

Additionally, First 5 OC staff has met twice with CalOptima including Michael Hunn (CEO), Yunkyung Kim (COO), Kelly Bruno-Nelson (Ed of Cal AIM), and Veronica Carpenter (Chief of Staff) along with Commissioner An Tran and a representative from Supervisor Chaffee's office. These meetings focused on proposals developed by First 5 staff to build a coordinated entry and referral system for home visiting, support and expanding home visiting using new benefits included in CalAIM, and expand the HealthySteps program model. Staff will continue to meet and build out opportunities to expand services within our shared goals of improving health outcomes for young children and their families.

Financial Reports

Pursuant to First 5 Orange County's Fiscal Year 2022-2023 Investment Policy Statement, the Orange County Treasurer submits Quarterly Investment Reports to the Commission. The Investment Report (Attachment 4) summarizes investment activities for the three-month period of January 1 through March 31, 2023. The primary objective of the Treasurer is to invest the First 5 Orange County'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).

Financial highlight reports for the months of March (Attachment 5) and April (Attachment 6) are attached. The reports summarize information regarding year-to-date revenue, expenses, and encumbrances.

ATTACHMENTS

1. First 5 Association 2023 May Revise Highlights
2. First 5 OC Action Plan "At a Glance" Matrix
3. First 5 OC Action Plan Progress Summary
4. Investment Report
5. March 2023 Financial Highlights
6. April 2023 Financial Highlights



2023-24 May Revise Highlights

Governor Newsom released the 2023-24 May Revise on May 12, 2023. In it he laid out his plan for “prudent fiscal planning” to address a projected \$31.5 billion budget shortfall (up from a projected \$22 billion shortfall in January). He focused on preserving previously made investments in areas like education, healthcare, homelessness, climate change and jobs and did not propose significant new spending delays or trigger reductions. The revised budget looks very similar to what he originally proposed in January. There were no more details provided for the plan to modernize the Mental Health Services Act (MHSA) so we will continue to wait for the trailer bill language on that proposal. The legislature has begun hearings this week to discuss these proposals as well as their own with the goal of getting to a final budget by the June 15th deadline.

Here is the link to the [May Revise](#) and some more details on the changes:

Early Education and Child Care Proposals

- **Child Care Family Fee Waivers and 2022-23 Stipends**—The May Revision reflects May 2023 budget legislation that allows DSS to use \$29.4 million in available federal funds to continue to waive family fees from July 1, 2023 to September 30, 2023, and authorizes DSS to use roughly \$169.2 million in available federal funds to provide temporary stipends to state-subsidized child care providers.
- **Cost-of-Living Adjustment (COLA)**—The May Revision includes \$183.3 million General Fund for Child Care and Development Programs and \$840,000 for the Child and Adult Care Food Program to reflect a statutory COLA of 8.22 percent.
- **Revised Projection of 2022-23 General Child Care Funding**—The May Revision reflects anticipated one-time savings of \$588 million General Fund in 2022-23 based on estimated General Child Care expenditures that will go into contract by the end of the fiscal year. Expenditure authority for General Child Care is unchanged.
- **State Preschool Family Fee Waivers and 2022-23 Stipends**
 - **Family Fee Waivers** - \$4.4 million non-Proposition 98 General Fund and \$5.3 million Proposition 98 General Fund from the 2022 Budget Act, to continue to waive family fees from July 1, 2023, through September 30, 2023, to extend relief to families who would otherwise have to start paying family fees in July.



- o **Stipends** - \$112 million in available federal funds for the California Department of Education
 - Provide temporary employee stipends to the California State Preschool Program.
- **Cost-of-Living Adjustment (COLA)**—Increased COLA of 8.22-percent; however, the cost of providing this COLA has decreased by \$52 million Proposition 98 General Fund and \$28 million General Fund due to revised estimates of the number of contractors that opt into the Standard Reimbursement Rate. This decrease in funding is due to the number of contractors being reimbursed at the Standard Reimbursement Rate being lower than expected at the Governor’s Budget.

Health care:

- **Renewal of the MCO Tax** - effective January 1, 2024, through December 31, 2026, to maintain Medi-Cal expansion to all income eligible individuals and minimize the need for reductions resulting in \$19.4 billion in funding. \$8.3 billion to offset the Medi-Cal program (\$3.4 billion in GF offset). \$11.1 billion to improve access, quality, and equity in the Medi-Cal program over an 8-to-10-year period.

Borrowing from the Mental Health Services Act

- **Behavioral Health Bridge Housing Program**
 - o \$500 million one-time fund shift from Mental Health Services Fund instead of General Fund for the Behavioral Health Bridge Housing Program, effectively eliminating the proposed delay of \$250 million General Fund to 2024-25. The May Revision shifts \$817 million General Fund from 2022-23 to the next three fiscal years to reflect updated programmatic timelines. The May Revision maintains the \$1.5 billion augmentation for the Behavioral Health Bridge Housing Program.
- **CalHOPE**
 - o \$50.5 million one-time Mental Health Services Fund instead of General Fund to temporarily extend support for the CalHOPE program.

Summary of First 5 Orange County Strategic Plan Action Plans

Focus Area: Well-Child Visits & Screenings	Staff Lead	Status
1.1 Set & Track Community Targets for Well-Child Visits and Developmental Screens	Lisa Burke	On Track
1.2 Comprehensive Messaging & Outreach	Lisa Burke	Progressing; Slower than Planned
1.3 Expand Healthy Steps	Sara Brown	On Track
1.4 Continuous Medi-Cal Eligibility or Redetermination	Lisa Burke	Future Action Plan
1.5 Support Access and Utilization of Well-Child Visits	Lisa Burke	Future Action Plan
Focus Area: Strengthen Families		
2.1 Integrate Plans of Safe Care into the Perinatal Health and Social Services Systems in OC	Yvette Nuñez	On Track
2.2 Support Home Visiting Collaborative	Sara Brown	On Track
2.3 Support Parents as Teachers (PAT) Implementation	Yvette Nuñez	On Track
2.4 Support New Innovative Service Deployment for Prenatal to 5	Sara Brown, Anaiah Brown	Vital Village on Track Doula Training Progressing Slower than Planned
2.5 Develop a Strategy for Homeless Prevention Services	Mike Anderson	On Track
2.6 Link DULCE to Home Visiting and Determine Sustainability Strategy	Yvette Nuñez	Progressing; Slower than Planned
2.7 Develop Long Term Prenatal Home Visiting Strategy	Anaiah Brown	Completed
2.8 Integrate Neighborhood Resource Network (NRN) into Home Visiting Program	Yvette Nuñez	On Track
2.9 Analyze and Determine Renewal Strategy for HCA Home Visiting Programs	Sara Brown	Completed
Focus Area: Quality Infant & Toddler Child Care		
3.1 Four to Five Local Solutions with the Child Care Taskforce	Tiffany Alva	On Track
3.2 Child Care System Support	Tiffany Alva	Progressing; Slower than Planned
3.3 IMPACT	Cristina Blevins	On Track
3.4 Streamline Child Care for Special Populations	TBD	Delayed
Focus Area: Equitable Distribution of Resources		
4.1 Refine and Continue the Strategy of Family Engagement	Mike Anderson	On Track
4.2 Support, Refine, and Grow Engaged Neighborhoods	Mike Anderson	On Track
4.3 Conduct a Father Engagement Landscape to Inform Recommendations for a Programmatic Strategy	Andrew Montejo	On Track
4.4 Empower Families to Advocate for Themselves and Their Children to Meet their Medical and Legal Needs	Andrew Montejo	On Track
4.5 Increase relevance and use of Early Development Index	Mike Anderson	On Track
Focus Area: Internal		
5.1 Protective Factors	Lisa Burke	Completed
5.2 Rollout of Updated Kid Builders	Lisa Burke	Kick-off Completed Future Action Plan for Ongoing Rollout

Focus Area: Well-Child Visits & Screenings

1.1 Set and Track Community Targets for Well-Child Visits and Developmental Screens

Accomplishments: In May, the Steering Committee held its first in-person meeting since the pandemic. There have been significant changes in the field since Detect & Connect was formed four years ago, and we took time to reset, considering the current landscape and accomplishments of the group as well as challenges in meeting our goals. Orange County's performance is below the state average for well-child visits and developmental screens, so while we have made progress related to the quality of screens, we still have much work to do. Detect & Connect's thinking has evolved in terms of setting a countywide target for developmental screens, and we have agreed to use the state HEDIS measures for WCV and Developmental Screening targets.

Challenges: Given that we have work to do as a county to meet the minimum performance level set by the state (the HEDIS measures), partners have some urgency which we can leverage but also some angst. A challenge is getting all partners to work collaboratively to improve countywide performance. At the time Detect & Connect met on May 8th, it was unknown if the current financial incentive for conducting developmental screenings (formerly Prop 56 and now part of general fund) would continue with the May budget revise and next year's budget.

1.2 Comprehensive Messaging and Outreach

Accomplishments: The focus group findings have been shared with Detect & Connect OC's shared messaging working group as well as with the Steering Group. At the May 8th Steering Group meeting, the group agreed on refreshed priorities for the work of Detect & Connect OC, including shared messaging. Parents have provided input into messaging; the campaign still needs to be developed and implemented.

Challenges: This activity is behind schedule. Based on learnings from some other shared messaging efforts, we need to define up front how to develop a messaging campaign that all partners will approve and support. We also must ensure the group considers ways to address system challenges raised by parents and caregivers, rather than just focusing on increasing the knowledge of families to navigate a complex system (see Item 1.5 below).

1.3 Expand Healthy Steps

Accomplishments: Two FQHCs that have implemented the HealthySteps program are reporting decreased losses each quarter. UCI is fully engaged in its HealthySteps implementation. UCI's clinical and administrative leaders are currently working with the HealthySteps to schedule the six required TA meetings which will occur over the next six months.

We are working to engage leaders at the FQHCs to participate in Detect & Connect OC. We believe Detect & Connect would be a good vehicle for developing outreach strategies for the HealthySteps program and for increasing compliance by medical groups' compliance with DCHS's goals related to WCVs.

Attachment 3

Summary of Progress on Strategic Plan Action Plans

June 2023

Challenges: The SOS clinic experienced a slight increase in its quarterly losses due to staff turnover. Their HealthySteps Specialist resigned, and it took a lengthy amount of time to recruit an appropriate candidate. Previously, FQHCs have had some challenges increasing the number of pediatric patients assigned to their clinics via the CalOptima Health Networks. Recent changes to CalOptima's auto assignment policy may provide opportunities for this to change.

1.4 Continuous Medi-Cal Eligibility or Redetermination

Future Action Plan: While we have and will continue to support CalOptima and OC Social Services Agencies outreach efforts for redetermination through our communication outlets, we still need to develop an action plan to catalyze and energize our initiatives – from Engaged Neighborhoods and Family Ambassadors, to school districts work, home visiting and child care.

1.5 Support Access and Utilization of Well-child Visits

Future Action Plan: This Action Plan was identified to ensure that there is not only awareness of the need for well-child visits and developmental screens, but that families are able to navigate the systems of care and access needed interventions. As described in Item 1.2 above, based on input from parents, Detect & Connect OC will focus in the next Fiscal Year on addressing system challenges raised by parents/caregivers, rather than only working to increase the knowledge of families to navigate a complex system.

Focus Area: Strengthen Families

2.1 Integrate Plans of Safe Care into the Perinatal Health and Social Services Systems in OC

Accomplishments: The Orange County workgroup focused on Plans of Safe Care (POSC) was officially accepted to take part in the In-Depth Technical Assistance (IDTA) from the National Center for Substance Use and Child Welfare (NCSACW). A summit is planned for late June to provide information about NCSACW, discuss alignment with national priorities, and opportunities for cohort members to discuss launching communities of practices highlighting POSC. The Meeting of the Minds Conference took place in early May and First 5 OC Consultant Dianna Daly presented on the group's work, best practices, and coordinated efforts to support families with substance use disorder. In addition, a workgroup aimed at supporting our birthing hospitals with POSC is being organized, with initial meetings schedule to start mid-June. Currently the POSC partners are following the two active plans of safe care in Orange County.

Attachment 3

Summary of Progress on Strategic Plan Action Plans

June 2023

2.2 Support Home Visiting Collaborative

Accomplishments: The Home Visiting Collaborative met in May 2023 and continues working on recommendations to improve referral pathways. We have been facilitating conversations with prenatal providers to further define and refine pathways – the next step is to convene a prenatal pathways working group.

2.3 Support Parents as Teachers (PAT) Implementation

Accomplishments: A custom webinar was designed in partnership with PAT National Center Penelope team members and delivered on March 30th to deepen affiliates' knowledge of the Penelope database and increase their ability to leverage the data for program management and fidelity. Providers performed data reconciliation and submitted fully updated and complete reports on model fidelity, and PAT affiliates are on track to meet all 21 essential requirements by year end.

First 5 consultant and staff worked in partnership with PAT National Center development staff and First 5 Monterey to complete revisions to the Penelope database, CalWORKs reporting and documentation functions to allow easier data entry by home visitors and more efficient and timely updates to data submitted to the County and State.

Challenges: A competitive employment market and increased compensation demands present staffing turnover and recruitment challenges. Additional training and guidance for affiliates is needed to take full advantage of Penelope CalWORKs documentation and reporting updates without sacrificing data integrity.

2.4 Support New Innovative Service Deployment for Prenatal to 5

Accomplishments: On May 6th, we held our 5th Vital Village event, which focused on child care education and provided families with valuable community resources specific to child care. We moved the event from a weekday to a Saturday, which resulted in an increase in family participation.

Our work relating to increasing use of doulas in Orange County, and specifically, doula training, is progressing slower than we hoped. We completed an RFP process seeking organizations that could complete doula training in Orange County but did not get many respondents that were in Orange County or who could conduct training within our budget. After reconsidering the RFP responses and our approach with the review committee made of community members, we are moving forward on discussions with Grounded Beginnings to see if they will provide doula training in Orange County.

Challenges: We have a limited budget for the doula training work, and many of the existing doula training providers are LA-based. We are taking the time needed to support an equitable process in increasing doula training in Orange County.

Attachment 3
Summary of Progress on Strategic Plan Action Plans
June 2023

2.5 Develop a Strategy for Homeless Prevention Services

Accomplishments: Given First 5's funding constraints, we determined the future direction for homeless prevention services will be to continue with homeless diversion, but to conclude our funding of housing navigation and further programmatic evaluation as of the end of this Fiscal Year.

Challenges: The Executive Director position at Family Solutions collaborative was vacant for several months; a new Executive Director, Carrie Buck, was recently hired.

2.6 Link DULCE to Home Visiting and Determine Sustainability Strategy

Accomplishments: Program consultants provided training to the DULCE Family Specialists to use the Bridges hospital bedside screening tool to assess and refer into home visiting programs including flagging families who may be CalWORKs recipients. The DULCE team continues to informally pilot the extended service period across a few clinics while also focusing on ensuring that all newer staff has fully been training in the minimum requirements for the traditional 6-month program.

Challenges: CHOC's Population Health leadership team, who lead the DULCE effort, believes the CalAIM community health worker benefit is not feasible for the DULCE model as the current funds are already allocated to other CHOC programs and the reimbursement rate would be minimal.

2.7 Develop Long-term Prenatal Home Visiting Strategy

Accomplishments: The supporting milestones and timeline for this specific activity were completed in October 2022. First 5 staff and consultants will continue to be in communication with MOMS Orange County as they explore new opportunities and implement their strategic plan.

2.8 Integrate Neighborhood Resource Network (NRN) into Home Visiting Program

Accomplishments: First 5 staff has been meeting with the home visiting provider that will deliver NRN services in FY 2023-2024 in order to finalize a scope of work. The NRN program budget is contingent upon the new home visiting agency scope and contracting processing, which is being presented for F5 Board approval at the June meeting. MOUs have been completed for F5, Child Guidance Center, Children's Bureau, and The Priority Center, and F5 staff is working on a transition plan for the new home visiting provider (MECCA) to begin services effective July 1, 2023, contingent on F5OC Board approval.

Attachment 3 Summary of Progress on Strategic Plan Action Plans

June 2023

2.9 Analyze and Determine Renewal Strategy for HCA Home Visiting Programs

Accomplishments: First 5 OC is working with HMA to develop a care coordination strategy for all Home Visiting providers in Orange County via the Home Visiting Collaborative (HVC). In Q3, final contract language recommendations were completed to support HCA's home visiting program for another year.

Focus Area: Quality Infant & Toddler Child Care

3.1 Four to Five Local Solutions with the Child Care Taskforce

Accomplishments: The cross-sector child care task force met on February 28th. During that meeting we began a process of having three task force members introduce themselves to the group and share their connection with child care work. We will continue introductions in future meetings so the group can get to know one another more. We also heard updates and provided feedback on next steps for the Affordable Housing and Legislative Work Groups and discussed the task force's shared vision. There was a good turnout from task force members and engagement in the discussion. The task force meets again at the end of June.

Meanwhile, the work groups have been meeting and each sub-group (Affordable Housing and Legislative) is building their knowledge around child care and their partnership with each other. The affordable housing group is diving deeper into understanding what it would take to include child care in affordable housing communities. The legislative group developed three statements they would like to focus on from a legislative perspective.

Challenges: One of the challenges is ensuring we get to tangible results creating positive change in the child care system. We have been successful in getting the broader group to engage. The next step will be to identify the tangible results the larger group would like to see as a result of its collective work on a shared vision. The group began this discussion at the Feb 28th meeting and we need push this further at the next meeting and come back to the group with concrete ideas.

3.2 Child Care System Support

Accomplishments: The Child Care System Collaborative Steering Committee determined their priority will be having consistent collaborative commitment towards a shared learning process. We made progress toward establishing a communications campaign to share partner information with the community and began planning systems provider learning sessions. Next steps are for the group to learn about each other's programs, funding and challenges.

Attachment 3

Summary of Progress on Strategic Plan Action Plans

June 2023

Challenges: One challenge is engaging the right people to participate regularly in the collaborative. We are addressing this with individual outreach, invitations, and conversations about the commitment we are asking for and the importance, purpose, and impact for the county.

3.3 IMPACT

Accomplishments: The IMPACT Request for Proposals was released in May, and staff has begun drafting a response as detailed in the June agenda item 10.

3.4 Streamline Child Care for Special Populations

This Action Plan is delayed.

Focus Area: Equitable Distribution of Resources

4.1 Refine and Continue the Strategy of Family Engagement

Accomplishments: We worked with a subcommittee to create a recruitment process for new Family Ambassadors, and a mentor model to continue to engage current Family Ambassadors. We have identified key cities based on EDI data to recruit families and identified additional characteristics of families we'd like to recruit such as teen parents and pregnant families. Newly recruited Family Ambassadors will be asked to join upcoming internal F5 projects based on their availability and passion/experiences.

Challenges: Many of the Family Ambassadors have varied schedules and cannot participate in meetings during a specific time. We're working with them on a hybrid method of participation.

4.2 Support, refine, and grow Engaged Neighborhoods

Accomplishments: Commissioners Tran, Lavery and a representative for Chaffee participated in an ad-hoc committee on strategy and funding for Engaged Neighborhood collaboratives moving forward. Recommendations from staff and the ad hoc committee are presented in Agenda Item 9 on the June First 5 OC Board agenda. If approved, we will negotiate 3-year agreements to continue and build upon our work with the four Engaged Neighborhoods.

Attachment 3

Summary of Progress on Strategic Plan Action Plans

June 2023

4.3 Conduct a Father Engagement Landscape to Inform Recommendations for a Programmatic Strategy

Accomplishments: The OC Fatherhood Coalition (OCFC) has finalized long term goals and has started working on activities like trainings and surveys for providers. We have connected the fatherhood work with our Family Ambassadors and requested participation by two ambassadors in the OCFC steering committee.

Challenges: The OCFC has been slow to build its goals as a collaborative. We have not worked on social media posts but will for the month of June.

4.4 Empower Families to Advocate for Themselves and Their Children to Meet Their Medical and Legal Needs

Accomplishments: We've created an advisory committee and continue to bring in more legal partners. We have completed reflection on the pilot program and are now working on building training resources in an online Learning Management System (LMS). It will be presented to the First 5 OC Board when we present the LMS training and resource guide. We are waiting for the creation of the training and materials in order to recruit parents for an action group.

4.5 Increase Relevance and Use of Early Development Index

Accomplishments: We presented the EDI to our Family Ambassadors and they have begun to integrate the data into their committees and work. We have also created a parent toolkit with suggestions for using EDI data – created by families, for families to use. Since the last update to the Board, we have analyzed National Neighborhood Equity Index (NNEI) data, analyzed change over time data, and developed related maps/reports. This analysis will be used to help inform future expansion of Engaged Neighborhoods.

Challenges: We would like to present on the EDI at the Assistant Superintendents meeting but are waiting to be scheduled.

Focus Area: Internal

5.1 Protective Factors

Accomplishments: The Protective Factors task force met in April and May and surveyed and subsequently interviewed community partners to learn how they use the Protective Factors. The task force made recommendations for next steps for First 5 including considering training for staff to ensure all are learning the concepts and language of the Protective Factors and Strengthening Families, and incorporating these principles into our work. Also, making sure our grantees know about free resources that are available related to the Protective Factors (perhaps through a

Attachment 3

Summary of Progress on Strategic Plan Action Plans

June 2023

resource section on our website). With these recommendations, the task force completed its work and has concluded.

5.2 Update and Invigorate Kid Builders

Accomplishments: On May 11th, we held a successful Kid Builders kickoff event at Sunkist Elementary school. More than 180 people attended, including many families with young children, media, local dignitaries, and community leaders. Dr. Baschshi opened the event by describing the importance of early childhood development, and Jackie Filbeck shared her first-hand experience using Kid Builders with her four grandchildren under five. Anaheim Elementary School District Superintendent Dr. Downing closed the introductory portion of the event and invited everyone to experience the Kid Builder activity stations and tour the onsite Learning Link. The event also coincided with the exciting launch of our Instagram page. We will be providing an update on Kid Builders including plans for future activities to spread the word about this resource at the June First 5 OC Board meeting.

First 5 Orange County, Children & Families Commission
Quarterly Investment Report
January 1, 2023, through March 31, 2023

OVERVIEW

Pursuant to the First 5 Orange County, Children & Families Commission (Commission) fiscal year 2022/2023 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 January 1 through March 31, 2023.

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 March 31, 2023, these totaled \$67,593,067.21. 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 January, February, and March 2023. The net year-to-date yield for fiscal year 2022/2023 is 2.174%. In December 2022, the County Treasurer changed to reporting and apportioning gross interest yields using all pooled funds (renamed as the Orange County Treasurer's Pool), which is consistent with other peer counties, versus reporting yields separately by OCIP. We will still provide the OCIP summary of investment data through the end of this fiscal year, and then it will be provided using OCTP information. Also, in January 2023, the estimated investment monthly fee was reduced to 3 basis points from 5 ½ basis points reflecting higher expected average balances and lower expected costs. The revised forecast for the OCIP gross and net yields for fiscal year 2022/2023 are 2.50% and 2.45% respectively and with the continued increase in short-term interest rates, we expect to further raise this forecast in the next quarter.

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
January	\$65,740,037.82	2.917%	\$5,961,992,475	\$6,046,419,256	202 days	0.99	0.56
February	\$69,042,084.07	3.115%	\$6,231,723,672	\$6,326,347,517	198 days	0.99	0.55
March	\$67,593,067.21	3.283%	\$6,429,770,777	\$6,499,594,982	199 days	0.99	0.55

During the second quarter, short-term rates have risen again, causing the OCIP and Commission's market value to continue to drop below book value to 0.99 (see the narrative on U.S. Treasury rates below). The OCIP maintains sufficient liquidity to meet all projected cash flow needs, including for the next six months. The OCIP market value is sensitive to changes of interest rates as it invests 100% in fixed income investments. With a month end balance of \$67.6 million and duration of 0.55, every 1% increase in short term interest rates would have an additional estimated \$371,762 decrease in the value below book value.

ECONOMIC UPDATE

The U.S. economy had strong employment gains and continued high inflation in the first quarter of 2023. Employment gains were 345,000 per month, higher than the previous quarter's 247,000 per month. Headline inflation remained elevated at 5.0% year over year, yet lower than the previous quarter's 6.5%. Core inflation, which excludes food and energy, increased 5.6% from a year ago, the highest level since 1991. The Federal Open Market Committee (FOMC) raised the Fed Funds Rate (Rate) to a range of 4.75-5.00% on March 22 and to a range of 4.50-4.75% on February 1, up 0.50% from December 30, 2022. The bond market is pricing another rate increase at the next FOMC meeting on May 3, 2023. Some U.S. economic releases covering the first quarter of 2023:

- Headline inflation increased at an 5.0% (survey: 5.1%) annual rate at the end of the first quarter, down from the prior quarter's 6.5%, primarily from declining energy prices.
- The unemployment rate remained at 3.5% (survey: 3.5%) at the end of the first quarter, the same level as the prior quarter.
- The Empire State Manufacturing Index declined to -24.6 (survey: -7.9) from -11.2 in the first quarter while the Philadelphia Fed Index fell to -23.2 (survey: -15.0) from -13.7 at the end of the first quarter. The Federal Reserve uses these indexes as regional economic gauges with a positive reading signaling economic expansion.

The Treasury yield curve steepened as short-term interest rate rose and longer-term interest rates fell during the first quarter. The 90-day Treasury Bill yield increased to 4.75 from 4.37%. The 2-year Treasury Note yield declined to 4.03% from 4.43% while the 10-year Treasury Bond yield decreased to 3.47 from 3.88%.

COMPLIANCE MONITORING

As of March 31, 2023, 100% of the holdings of the Commission were in compliance with the Commission's IPS. The investment portfolios had no compliance exceptions for the quarter ended March 31, 2023.

The County Treasurer's investments are audited regularly by the County Auditor-Controller, Internal Division (ACID). The ACID issued three reports (Attachment D, E, and F) during the quarter ended March 31, 2023, as follows:

Review of the Schedule of Assets Held by the County Treasury as of September 30, 2022 (Attachment D).

On February 22, 2023, the Auditor-Controller issued their Review of the Schedule of Assets Held by the County Treasury as of September 30, 2022, stating that they were not aware of any material modifications, except that Management has elected to omit disclosures, which is consistent with prior review reports.

Agreed-Upon Procedures Related to Investment Compliance Fiscal Year Ended June 30, 2021 (Attachment E).

On March 20, 2023, Eide Bailly issued their Independent Accountant's Report on Applying Agreed-Upon Procedures Related to Investment Compliance for the Fiscal Year Ended June 30, 2021. The report contained two self-identified exceptions, the first resulting from an individual that left the County and did not file a leaving office Form 700, and the second related to the IPS issuer and portfolio limits of 10% and 20% respectively for the AAAm rated Money Market Mutual Funds, cured within two business days and reported in the April 2021, and December 2021 Monthly Investment Reports respectively.

Agreed-Upon Procedures Related to Investment Compliance Fiscal Year Ended June 30, 2022 (Attachment F).

On March 27, 2023, Eide Bailly issued their Independent Accountant's Report on Applying Agreed-Upon Procedures Related to Investment Compliance for the Fiscal Year Ended June 30, 2022. The report contained no exceptions, but also stated that the review of Form 700s for calendar year 2022 was not completed by the auditor as the forms were not due until April 3, 2023.

We have attached the Investment Policy (IPS) and Treasury Oversight Committee Compliance Summary as reported in the Treasurer's Monthly Report for the months of January, February, and March 2023 (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 Treasurer'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 March 31, 2023, OCIP has a total market value of \$59 million in County of Orange debt, which represents approximately 0.92% of total OCIP assets.

STATEMENT OF ACTIVITY

We have attached the Statement of Activity for the months of January, February, and March 2023. (Attachment C). These Statements report the beginning and ending balances of the Commission's funds invested in the OCIP.

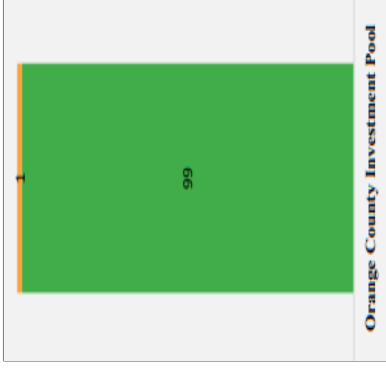
Attachments:

- Orange County Investment Pool Summary
- Investment Policy and Treasury Oversight Committee Compliance Summary for January, February, and March 2023
- Statement of Activity for the months of January, February, and March 2023
- Review of the Treasurer's Schedule of Assets as of September 30, 2022
- Agreed-Upon Procedures Related to Investment Compliance Fiscal Year Ended June 30, 2021
- Agreed-Upon Procedures Related to Investment Compliance Fiscal Year Ended June 30, 2022

ATTACHMENT A

ORANGE COUNTY TREASURER-TAX COLLECTOR ORANGE COUNTY INVESTMENT POOL INVESTMENT POOL SUMMARY AT MARCH 31, 2023

Security Type	OCIP PORTFOLIO COMPOSITION			Unrealized Gain (Loss)
	Market Value ¹	% of Market Value	Book Value ¹	
U.S. GOVERNMENT AGENCIES	4,055,491,734	63.07%	4,076,151,046	(20,659,312)
U.S. TREASURIES	\$ 1,342,479,020	20.88%	\$ 1,391,642,141	\$ (49,163,121)
MONEY MARKET MUTUAL FUNDS	940,076,768	14.62%	940,076,767	1
MUNICIPAL DEBT	59,030,903	0.92%	59,032,676	(1,773)
LOCAL AGENCY INVESTMENT FUND	32,692,352	0.51%	32,692,352	-
TOTAL	\$ 6,429,770,777	100.00%	\$ 6,499,594,982	\$ (69,824,205)



US GOV Includes Agency Debt, Treasury Debt and US Gov. MMF's
NR Includes LAIF and Orange County Pension Obligation Bonds

SUMMARY OF INVESTMENT DATA INVESTMENT TRENDS OCIP

	MARCH 2023	FEBRUARY 2023	INCREASE (DECREASE)	NET CHANGE %	MARCH 2022	INCREASE (DECREASE)	NET CHANGE %
Orange County Investment Pool (OCIP)							
End Of Month Market Value ¹	\$ 6,429,770,777	\$ 6,231,723,672	\$ 198,047,105	3.18%	\$ 6,258,292,832	\$ 171,477,945	2.74%
End Of Month Book Value ¹	\$ 6,499,594,982	\$ 6,326,347,517	\$ 173,247,465	2.74%	\$ 6,336,387,507	\$ 163,207,475	2.58%
Monthly Average Balance	\$ 6,176,679,359	\$ 6,060,966,431	\$ 115,712,928	1.91%	\$ 6,002,731,714	\$ 173,947,645	2.90%
Year-To-Date Average Balance	\$ 6,072,566,798	\$ 6,059,552,728	\$ 13,014,070	0.21%	\$ 5,663,651,027	\$ 408,915,771	7.22%
Monthly Accrued Earnings ²	\$ 17,327,338	\$ 14,596,699	\$ 2,730,640	18.71%	\$ 2,388,242	\$ 14,939,096	625.53%
Monthly Net Yield ²	3.253%	3.085%	0.168%	5.46%	0.404%	2.849%	705.28%
Year-To-Date Net Yield ²	2.174%	2.035%	0.139%	6.82%	0.471%	1.703%	361.54%
Annual Estimated Gross Yield ³	2.500%	2.500%	0.000%	0.00%	0.523%	1.977%	378.01%
Weighted Average Maturity (WAM) ⁴	199	198	1	0.51%	338	(139)	-41.12%

¹ Market values provided by Bloomberg and Northern Trust. Market value for OCIP is lower than book value. Short-term rates have risen sharply causing the market values on these pools to be slightly below book values. The OCIP has sufficient liquidity to meet projected cash flow needs.

² The OCIP Monthly net Yields and Year-To-Date Net Yields are higher than the prior year, and the Monthly Accrued Earnings are higher than the prior month and year, primarily due to purchases at higher interest rates, with the FOMC raising short-term rates by 3.25% since July 1, 2022.

³ The OCIP Annual Estimated Gross Yield is higher than the prior year due to continued higher yields from short-term rate increases. The OCIP Annual Estimated Gross Yield for March 2022 are reported at the actual annual gross yields for FY 21-22.

⁴ The OCIP and OCEIP WAM decreased from the prior year due to shorter term purchases as the FOMC is expected to raise short-term rates at their next meeting.

**ORANGE COUNTY TREASURER-TAX COLLECTOR
INVESTMENT POLICY (IPS) AND TREASURY OVERSIGHT COMMITTEE (TOC) COMPLIANCE SUMMARY**
January 31, 2023

COMPLIANCE CATEGORY	RESPONSIBLE PARTY	REGULATORY/POLICY GUIDELINES	CURRENT STATUS
Annual Compliance Audit	TOC	Performance Evaluation-Cal Govt. Code 27134	June 30, 2021, and June 30, 2022 audits in progress.
Quarterly Compliance Monitoring	TOC	TOC Directive	September 30, 2022 in progress.
Annual Schedule of Assets Audit	AC	Performance Evaluation-Cal Govt. Code 26920(b)	June 30, 2022 in progress.
Quarterly Schedule of Assets Review	AC	Performance Evaluation-Cal Govt. Code 26920(a)	September 30, 2022 in progress.
Investment Administrative Fee	TTC	Compensation Agreement-Cal Govt. Code 27013 and IPS Section XVI.	FY 21/22 reconciliation complete, refunds in progress.
Annual Broker/Dealer Review	TTC	Authorized Financial Dealers and Qualified Institutions	Calendar year 2021 in progress.
Annual Broker/Dealer IPS Certification	TTC	Authorized Financial Dealers and Qualified Institutions	2023 IPS certifications requests in progress.
IPS Compliance Deficiencies	TTC	Investment/Diversification/Maturity Restrictions	FY 22/23 identified zero compliance incidents as of January 31, 2023.
TOC Bylaw Changes	BOS	TOC Review and BOS Annual Approval	The TOC reviewed Bylaws and made no changes at the October 19, 2022 meeting. No BOS approval required.
Annual IPS Approval	BOS	TOC Review and BOS Annual Approval	The TOC reviewed proposed IPS changes at the October 19, 2022 meeting and provided input on the proposed IPS changes. BOS approved on December 20, 2022.
TOC Annual Report	BOS	TOC Bylaws Rule 30 - Oral and Written Report	The TOC 2022 Annual Report was approved by TOC on January 25, 2023 and will be scheduled for an upcoming BOS date.
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 19, 2022.
Certificates of Compliance	TTC	TOC Bylaws Rule 34 - Annual	The TOC members are in compliance for calendar year 2023.
Ethics Training	TTC	TOC Bylaws Rule 34 - Every Two Years	The TOC members are in compliance for calendar year 2022.
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 2021.

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**
February 28, 2023

COMPLIANCE CATEGORY	RESPONSIBLE PARTY	REGULATORY/POLICY GUIDELINES	CURRENT STATUS
Annual Compliance Audit	TOC	Performance Evaluation-Cal Govt. Code 27134	June 30, 2021 and June 30, 2022 audits in progress.
Quarterly Compliance Monitoring	TOC	TOC Directive	September 30, 2022 and December 31, 2022 in progress.
Annual Schedule of Assets Audit	AC	Performance Evaluation-Cal Govt. Code 26920(b)	June 30, 2022 in progress.
Quarterly Schedule of Assets Review	AC	Performance Evaluation-Cal Govt. Code 26920(a)	September 30, 2022 completed. December 31, 2022 in progress.
Investment Administrative Fee	TTC	Compensation Agreement-Cal Govt. Code 27013 and IPS Section XVI.	FY 21/22 reconciliation complete, refunds in progress.
Annual Broker/Dealer Review	TTC	Authorized Financial Dealers and Qualified Institutions	Calendar year 2021 completed. Calendar year 2022 in progress.
Annual Broker/Dealer IPS Certification	TTC	Authorized Financial Dealers and Qualified Institutions	2023 IPS certifications requests in progress.
IPS Compliance Deficiencies	TTC	Investment/Diversification/Maturity Restrictions	FY 22/23 identified zero compliance incidents as of February 28, 2023.
TOC Bylaw Changes	BOS	TOC Review and BOS Annual Approval	The TOC reviewed Bylaws and made no changes at the October 19, 2022 meeting. No BOS approval required.
Annual IPS Approval	BOS	TOC Review and BOS Annual Approval	The TOC reviewed proposed IPS changes at the October 19, 2022 meeting and provided input on the proposed IPS changes. BOS approved on December 20, 2022.
TOC Annual Report	BOS	TOC Bylaws Rule 30 - Oral and Written Report	The TOC 2022 Annual Report was approved by TOC on January 25, 2023 and an oral and written report to BOS is scheduled for April 11, 2023.
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 19, 2022.
Certificates of Compliance	TTC	TOC Bylaws Rule 34 - Annual	The TOC members are in compliance for calendar year 2023.
Ethics Training	TTC	TOC Bylaws Rule 34 - Every Two Years	The TOC members are in compliance for calendar year 2022.
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 2021.

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
March 31, 2023

COMPLIANCE CATEGORY	RESPONSIBLE PARTY	REGULATORY/POLICY GUIDELINES	CURRENT STATUS
Annual Compliance Audit	TOC	Performance Evaluation-Cal Govt. Code 27134	June 30, 2021 and June 30, 2022 audits completed.
Quarterly Compliance Monitoring	TOC	TOC Directive	September 30, 2022 and December 31, 2022 in progress.
Annual Schedule of Assets Audit	AC	Performance Evaluation-Cal Govt. Code 26920(b)	June 30, 2022 in progress.
Quarterly Schedule of Assets Review	AC	Performance Evaluation-Cal Govt. Code 26920(a)	December 31, 2022 in progress.
Investment Administrative Fee	TTC	Compensation Agreement-Cal Govt. Code 27013 and IPS Section XVI.	FY 21/22 reconciliation complete, refunds in progress.
Annual Broker/Dealer Review	TTC	Authorized Financial Dealers and Qualified Institutions	Calendar year 2022 in progress.
Annual Broker/Dealer IPS Certification	TTC	Authorized Financial Dealers and Qualified Institutions	2023 IPS certifications requests in progress.
IPS Compliance Deficiencies	TTC	Investment/Diversification/Maturity Restrictions	FY 22/23 identified zero compliance incidents as of March 31, 2023.
TOC Bylaw Changes	BOS	TOC Review and BOS Annual Approval	The TOC reviewed Bylaws and made no changes at the October 19, 2022 meeting. No BOS approval required.
Annual IPS Approval	BOS	TOC Review and BOS Annual Approval	The TOC reviewed proposed IPS changes at the October 19, 2022 meeting and provided input on the proposed IPS changes. BOS approved on December 20, 2022.
TOC Annual Report	BOS	TOC Bylaws Rule 30 - Oral and Written Report	The TOC 2022 Annual Report was approved by TOC on January 25, 2023 and an oral and written report to BOS is scheduled for May 9, 2023.
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 19, 2022.
Certificates of Compliance	TTC	TOC Bylaws Rule 34 - Annual	The TOC members 2023 Certificates of Compliance in process.
Ethics Training	TTC	TOC Bylaws Rule 34 - Every Two Years	The TOC members are in compliance for calendar year 2022.
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 2022 as of 4/1/2023.

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



octreasurer.com/publicfunds

January 31, 2023

FIRST 5 ORANGE COUNTY

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

Fund Number : 225

JANUARY 2023 STATEMENT

INVESTMENT BALANCE IN OCIP

Transactions

<u>Transaction Date</u>	<u>Transaction Description</u>	<u>Amount</u>
01/02/2023	December 2022 Investment Admin Fee	\$ (3,070.75)
01/30/2023	October 2022 Interest Paid	\$ 98,486.15

Summary

Total Deposit:	\$	1,732,440.89	Beginning Balance:	\$	65,315,305.49
Total Withdrawal:	\$	(1,307,708.56)	Ending Balance:	\$	65,740,037.82



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



octreasurer.com/publicfunds
 February 28, 2023

FIRST 5 ORANGE COUNTY

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

Fund Number : 225

FEBRUARY 2023 STATEMENT

INVESTMENT BALANCE IN OCIP

Transactions

<u>Transaction Date</u>	<u>Transaction Description</u>	<u>Amount</u>
02/01/2023	January 2023 Investment Admin Fee	\$ (1,665.80)
02/27/2023	November 2022 Interest Paid	\$ 127,848.21

Summary

Total Deposit:	\$ 6,323,278.79	Beginning Balance:	\$ 65,740,037.82
Total Withdrawal:	\$ (3,021,232.54)	Ending Balance:	\$ 69,042,084.07



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



octreasurer.com/publicfunds

March 31, 2023

FIRST 5 ORANGE COUNTY

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

Fund Number : 225

MARCH 2023 STATEMENT

INVESTMENT BALANCE IN OCIP

Transactions

<u>Transaction Date</u>	<u>Transaction Description</u>	<u>Amount</u>
03/01/2023	February 2023 Investment Admin Fee	\$ (1,527.17)
03/30/2023	December 2022 Interest Paid	\$ 156,548.05

Summary

Total Deposit:	\$ 1,647,516.69	Beginning Balance:	\$ 69,042,084.07
Total Withdrawal:	\$ (3,096,533.55)	Ending Balance:	\$ 67,593,067.21



Andrew N. Hamilton, CPA

Orange County Auditor-Controller



Internal Audit

Review of the Treasurer's Schedule of Assets as of September 30, 2022

Audit Manager: Michael Steinhaus, CPA, CIA, CISA
Auditor II: John C. Lim, CIA

Audit Number 2207
Report Date: February 27, 2023



OFFICE OF THE
ORANGE COUNTY AUDITOR-CONTROLLER

ANDREW N. HAMILTON, CPA
AUDITOR-CONTROLLER

DATE: February 27, 2023

TO: Honorable Board of Supervisors

FROM: Michael Steinhaus, Audit Manager

SUBJECT: Review of the Treasurer's Schedule of Assets as of September 30, 2022

We have completed our review of the Treasurer's Schedule of Assets as of September 30, 2022. Our 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 714-834-6106.

Other recipients:

Members, Audit Oversight Committee
Frank Kim, County Executive Officer
Shari Freidenrich, Treasurer-Tax Collector
James Kim, Assistant Treasurer-Tax Collector
Brian Winn, Accounting/Compliance Manager
Andrew Hamilton, Auditor-Controller
Salvador Lopez, Chief Deputy Auditor-Controller
John Lim, Auditor II
Foreperson, Grand Jury
Robin Stieler, Clerk of the Board
Eide Bailly LLP, County External Auditor

Independent Accountant's Review Report

We have reviewed the accompanying Orange County Treasurer's Schedule of Assets—Modified Cash-Basis (financial schedule) as of September 30, 2022, pursuant to Government Code Section 26920(a). A review includes primarily applying analytical procedures to management's financial data and making inquiries of department management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial schedule as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Schedule

Management is responsible for the preparation and fair presentation of this financial schedule in accordance with the modified cash-basis of accounting; this includes determining that the basis of accounting the County Treasury uses for financial reporting is an acceptable basis for the preparation of financial schedules in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial schedules that are free from material misstatement, whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial schedule for it to be in accordance with the modified cash-basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, except for the issue noted in the Known Departure from Modified Cash-Basis of Accounting paragraph, we are not aware of any material modifications that should be made to the accompanying financial schedule for it to be in accordance with the modified cash-basis of accounting.

Known Departure from Modified Cash-Basis of Accounting

The financial schedule is prepared in accordance with the modified cash-basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recognized when received by the Treasurer; disbursements are recognized when paid by the bank; and the value of investments is stated at fair value. The modified cash-basis of accounting requires that financial statements include adequate disclosures. Management has elected to omit all disclosures ordinarily included in a financial schedule prepared on the modified cash-basis of accounting. If the omitted disclosures were included in the financial statement, they might influence the users' conclusions about the County Treasury's assets.



Michael Steinhaus, CPA
Audit Manager
February 27, 2023

Orange County Treasurer's
Schedule of Assets as of September 30, 2022
(Dollar Amounts in Thousands)

	<u>TOTAL</u>
Cash on Hand and in Banks	\$ 313,185
Orange County Treasurer's Pool	11,553,652
Specific Investments	<u>108,136</u>
TOTAL ASSETS	<u>\$ 11,974,973</u>



Agreed-Upon Procedures
Related to Investment Compliance
Fiscal Year Ended June 30, 2021
County of Orange, California

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



Independent Accountant's Report

To the Treasury Oversight Committee
County of Orange, California

We have performed the procedures described in Attachment A, on whether the County of Orange, California (County) is in compliance with the 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, 2021. The County Treasurer-Tax Collector is responsible for the County's compliance with those provisions.

The County Treasurer-Tax Collector has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting the County in determining whether it has complied with the provisions above for the year ended June 30, 2021, and we will report on findings based on the procedures performed. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are listed in Attachment A.

We were engaged by the County Treasurer-Tax Collector to perform this agreed-upon procedures engagement and conducted our engagement 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.

We are required to be independent of the County Treasurer-Tax Collector and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Treasury Oversight Committee, Audit 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
March 20, 2023

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, 2021:
 - (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, 2021.

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, 2021.

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

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, 2021.

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, 2021.

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

6. Review TOC minutes for the fiscal year ended June 30, 2021, 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, 2021.

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, 2021, 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, 2021, 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.

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, 2020.

Finding – We obtained and inspected the Agreed-Upon Procedures Report dated October 12, 2021, in which procedures were performed over compliance requirements specified in CGC Sections 27130-27137 for the fiscal year ended June 30, 2020. No exceptions were found as a result of our procedures.

10. Obtain and inspect the annual reconciliation summary analysis for the year ended June 30, 2021 (Annual Review of Investment Administrative Costs vs. Revenue) to see if the Annual compliance audit costs and direct charges related to the TOC are included in the analysis.

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

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, 2021, 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 our procedures.

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, 2021.

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

Compliance with Orange County Investment Policy Statement (IPS)

1. Review BOS resolution approving the IPS applicable to the fiscal year ended June 30, 2021, 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, 2021 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 (sales only).
- c. Verify the sale agrees with the trade confirmation provided by the brokers/dealers.
- d. Trace the proceeds to the custodian statement.

Finding – We haphazardly selected twelve (12) days of transactions during the fiscal year ended June 30, 2021, as follows:

- | | |
|----------------------|----------------------|
| 1. July 20, 2020 | 7. January 31, 2021 |
| 2. August 12, 2020 | 8. February 10, 2021 |
| 3. September 1, 2020 | 9. March 3, 2021 |
| 4. October 9, 2020 | 10. April 20, 2021 |
| 5. November 16, 2020 | 11. May 6, 2021 |
| 6. December 2, 2020 | 12. June 25, 2021 |

No exceptions were found as a result of our procedures.

3. Obtain Form 700 Statement of Economic Interests for 2021 covering the period January 1, 2021 through December 31, 2021, 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 – We identified the Form 700 Statement of Economic Interests for 2021 was not filed for one (1) out of twenty-two (22) designated County Treasury employees. The individual left the County in September 2021, and did not file a leaving office Form 700 for 2021.

4. Review the County's Annual Broker Dealer Review packets for the fiscal year ended June 30, 2021 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. Obtain and inspect the annual reconciliation summary analysis for the year ended June 30, 2021 (Annual Review of Investment Administrative Costs vs. Revenue) as evidence that 1) the Treasurer prepared a proposed budget revenue estimate based on estimated costs, 2) the Treasurer annually reconciled the estimated charges and actual costs and adjusted accounts for the year ended June 30, 2021 and the actual costs included the actual administrative costs of investing, depositing or handling of funds, and 3) the participant accounts were adjusted based on the reconciliation.

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

7. Select a sample of four (4) Treasurer's Monthly Investment Reports (reports) for the fiscal year ended June 30, 2021, 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.

- 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 haphazardly selected August 2020, December 2020, April 2021, and June 2021 reports for the fiscal year ended June 30, 2021.

We identified an exception for the December 2020 report related to procedure 7c as the issuer concentration for Money Market Mutual Funds in the Orange County Money Market Fund had 22.86% invested in Money Market Mutual Funds and 14.40% invested in a single Money Market Mutual Fund, exceeding the IPS Money Market Mutual Fund's 20% portfolio limit and 10% single issuer limit, respectively. The exception was self-reported by the Treasurer in the December 2020 Treasurer's Monthly Investment Report.

No exceptions were found for the December 2020 report as a result of our procedures for 7a, 7b, and 7d – 7g. No other exceptions were found as a result of our procedures.



Agreed-Upon Procedures
Related to Investment Compliance
Fiscal Year Ended June 30, 2022
County of Orange, California

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



Independent Accountant's Report

To the Treasury Oversight Committee
County of Orange, California

We have performed the procedures described in Attachment A, on whether the County of Orange, California (County) is in compliance with the 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, 2022. The County Treasurer-Tax Collector is responsible for the County's compliance with those provisions.

The County Treasurer-Tax Collector has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting the County in determining whether it has complied with the provisions above for the year ended June 30, 2022, and we will report on findings based on the procedures performed. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are listed in Attachment A.

We were engaged by the County Treasurer-Tax Collector to perform this agreed-upon procedures engagement and conducted our engagement 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.

We are required to be independent of the County Treasurer-Tax Collector and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Treasury Oversight Committee, Audit 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
March 27, 2023

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, 2022:
 - (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, 2022.

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, 2022.

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

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, 2022.

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, 2022.

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

6. Review TOC minutes for the fiscal year ended June 30, 2022, 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, 2022.

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, 2022, 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, 2022, 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.

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, 2021.

Finding – We obtained and inspected the Agreed-Upon Procedures Report dated March 20, 2023, in which procedures were performed over compliance requirements specified in CGC Sections 27130-27137 for the fiscal year ended June 30, 2021. No exceptions were found as a result of our procedures.

10. Obtain and inspect the annual reconciliation summary analysis for the year ended June 30, 2022 (Annual Review of Investment Administrative Costs vs. Revenue) to see if the annual compliance audit costs and direct charges related to the TOC are included in the analysis.

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

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, 2022, 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 our procedures.

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, 2022.

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

Compliance with Orange County Investment Policy Statement (IPS)

1. Review BOS resolution approving the IPS applicable to the fiscal year ended June 30, 2022, 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, 2022 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 (sales only).
- c. Verify the sale agrees with the trade confirmation provided by the brokers/dealers (sales only).
- d. Trace the proceeds to the custodian statement.

Finding – We haphazardly selected twelve (12) days of transactions during the fiscal year ended June 30, 2022, as follows:

- | | |
|----------------------|----------------------|
| 1. July 14, 2021 | 7. January 24, 2022 |
| 2. August 24, 2021 | 8. February 22, 2022 |
| 3. September 9, 2021 | 9. March 10, 2022 |
| 4. October 15, 2021 | 10. April 12, 2022 |
| 5. November 30, 2021 | 11. May 6, 2022 |
| 6. December 30, 2021 | 12. June 28, 2022 |

No exceptions were found as a result of our procedures.

3. Obtain Form 700 Statement of Economic Interests for 2022 covering the period January 1, 2022 through December 31, 2022, 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 – As of the date of this report, the Form 700 Statement of Economic Interest for 2022 covering the period January 1, 2022 through December 31, 2022, for the fiscal year ended June 30, 2022 was not completed, as it is not due until April 2023. Therefore, we were unable to perform the procedure.

4. Review the County's Annual Broker Dealer Review packets for the fiscal year ended June 30, 2022 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. Obtain and inspect the annual reconciliation summary analysis for the year ended June 30, 2022 (Annual Review of Investment Administrative Costs vs. Revenue) as evidence that 1) the Treasurer prepared a proposed budget revenue estimate based on estimated costs, 2) the Treasurer annually reconciled the estimated charges and actual costs and adjusted accounts for the year ended June 30, 2022 and the actual costs included the actual administrative costs of investing, depositing or handling of funds, and 3) the participant accounts were adjusted based on the reconciliation.

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

7. Select a sample of four (4) Treasurer's Monthly Investment Reports (reports) for the fiscal year ended June 30, 2022, 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.

- 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 haphazardly selected July 2021, September 2021, February 2022, and May 2022 reports for the fiscal year ended June 30, 2022. No exceptions were found as a result of our procedures.



Financial Highlights as of March 31, 2023

Comparison of Budget vs. Actual Fiscal Year 2022-2023 Unaudited Period Ending 03/31/23

	<u>FY 2022-23 Budget</u>	<u>FY 2022-23 Actuals</u>	
Financing Sources			
Tobacco Tax Revenue	\$24,350,000	\$14,806,918	60.8%
Interest Earnings	100,000	872,724	872.7%
Other Revenue	<u>3,482,700</u>	<u>1,232,855</u>	35.4%
Revenue Total	\$27,932,700	\$16,912,497	
Expenses*			
Prenatal-to-Three*	\$9,729,024	\$4,651,880	47.8%
School Readiness Initiative	7,996,816	3,171,940	39.7%
Homeless Prevention	1,418,000	680,937	48.0%
Children's Dental*	0	2,092,143	
Systems Building	1,978,573	1,008,257	51.0%
Performance Evaluation	<u>880,750</u>	<u>471,534</u>	53.5%
Program Services	\$22,003,163	\$12,076,691	
Admin. Functions**	<u>1,613,406</u>	<u>1,052,565</u>	65.2%
Total Operating Exp.	\$23,616,569	\$13,129,256	

*Including One-Time System Expenses (previously called Catalytic)

**Administrative costs and functions are defined by State Commission guidelines (Fiscal Memo No. 05-01, dated April 14, 2006) pursuant to Chapter 284, Statutes of 2005 (AB 109). Actual Administrative expenses of \$1,052,565 and encumbrances of \$549,011 were 6.8% of the Fiscal Year 2022-2023 Budget of \$23.6 million. Final administrative expenses are projected to be 7% at year-end.

Total Encumbrances as of March 31, 2023 including multi-year contracts through Fiscal Year 2022/2023

Prenatal-to-Three	\$15,802,985
School Readiness Initiative	\$9,944,938
Homeless Prevention	\$1,568,506
Children's Dental	\$1,442,742
System Building	\$1,233,083
Performance Evaluation	\$501,728
Admin. Functions	\$549,011

Revenue and Cash Balance Update

Tobacco Tax Revenue has been received through February 2023. Current year revenue (July 2022 – February 2023) as reported by First 5 California is \$15.2 million including annual backfill amount of \$5.3 and revenue through February 2023.

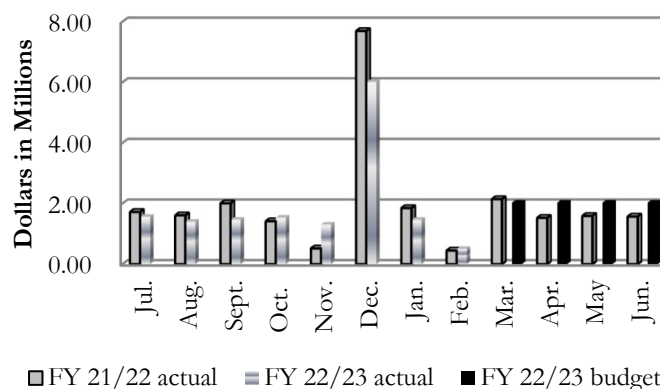
Interest earnings for July 2022 through March 2023 are \$872,724.

Systems Funding Update

\$45,826,547 in One-Time System Funding was expensed from Fiscal Year 2012-2013 through Fiscal Year 2021-2022.

As of March 31, 2023, \$6.8 million was encumbered for one-time System Building programs. \$1.4 million is encumbered for Children's Dental and \$5.4 million for Prenatal to Three Services.

Fiscal Year 2021-22 & 2022-23 Tobacco Monthly Revenues



Fiscal Year 2021-2022 Ending Fund Balance From Commission Long Term Financial Plan

Beginning Fund Balance, July 1, 2021	\$57,038,232
Total Revenue	27,266,762
Total Program Expenses	(20,942,725)
Fund Balance for System Building Projects	<u>(20,073,543)</u>

June 30, 2022 Fund Balance \$43,288,726*

*Based on Commission action through February 2022 and financial results through June 30, 2022. Final fund balance does not include One-time System Building Projects. For financial planning purposes, One-time System Building Projects have been designated by Commission action and removed from available fund balance.



Financial Highlights as of April 30, 2023

Comparison of Budget vs. Actual Fiscal Year 2022-2023 Unaudited Period Ending 04/30/23

	<u>FY 2022-23 Budget</u>	<u>FY 2022-23 Actuals</u>	
Financing Sources			
Tobacco Tax Revenue	\$24,350,000	\$15,307,582	62.9%
Interest Earnings	100,000	1,064,461	1,064%
Other Revenue	<u>3,482,700</u>	<u>1,666,399</u>	47.8%
Revenue Total	\$27,932,700	\$18,038,443	
Expenses*			
Prenatal-to-Three*	\$9,729,024	\$5,486,079	56.4%
School Readiness Initiative	7,996,816	4,280,513	53.5%
Homeless Prevention	1,418,000	755,650	53.3%
Children's Dental*	0	2,092,143	
Systems Building	1,978,573	1,072,729	54.2%
Performance Evaluation	<u>880,750</u>	<u>508,817</u>	57.8%
Program Services	\$22,003,163	\$14,195,931	
Admin. Functions**	<u>1,613,406</u>	<u>1,037,802</u>	64.3%
Total Operating Exp.	\$23,616,569	\$15,233,733	

*Including One-Time System Expenses (previously called Catalytic)

**Administrative costs and functions are defined by State Commission guidelines (Fiscal Memo No. 05-01, dated April 14, 2006) pursuant to Chapter 284, Statutes of 2005 (AB 109). Actual Administrative expenses of \$1,037,802 and encumbrances of \$521,516 were 6.6% of the Fiscal Year 2022-2023 Budget of \$23.6 million. Final administrative expenses are projected to be 6% at year-end.

Total Encumbrances as of April 30, 2023 including multi-year contracts through Fiscal Year 2022/2023

Prenatal-to-Three	\$15,571,911
School Readiness Initiative	\$9,930,962
Homeless Prevention	\$1,493,792
Children's Dental	\$1,442,742
System Building	\$1,179,382
Performance Evaluation	\$484,148
Admin. Functions	\$521,516

Revenue and Cash Balance Update

Tobacco Tax Revenue has been reported through February 2023. Current year revenue (July 2022 – February 2023) as reported by First 5 California is \$15.2 million including annual backfill amount of \$5.3 and revenue through February 2023.

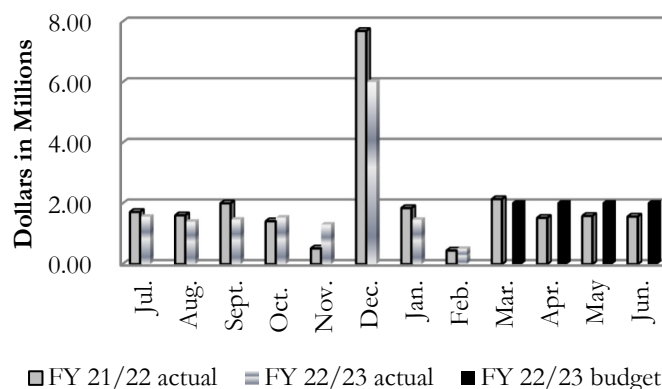
Interest earnings for July 2022 through April 2023 are \$1,064,461.

Systems Funding Update

\$45,826,547 in One-Time System Funding was expensed from Fiscal Year 2012-2013 through Fiscal Year 2021-2022.

As of April 30, 2023, \$6.8 million was encumbered for one-time System Building programs. \$1.4 million is encumbered for Children's Dental and \$5.4 million for Prenatal to Three Services.

Fiscal Year 2021-22 & 2022-23 Tobacco Monthly Revenues



Fiscal Year 2021-2022 Ending Fund Balance From Commission Long Term Financial Plan

Beginning Fund Balance, July 1, 2021	\$57,038,232
Total Revenue	27,266,762
Total Program Expenses	(20,942,725)
Fund Balance for System Building Projects	<u>(20,073,543)</u>

June 30, 2022 Fund Balance \$43,288,726*

*Based on Commission action through February 2022 and financial results through June 30, 2022. Final fund balance does not include One-time System Building Projects. For financial planning purposes, One-time System Building Projects have been designated by Commission action and removed from available fund balance.