



Annual Commission Retreat - AGENDA

October 25, 2014

5100 Business Center Dr., Fairfield

10:00am – 3:00pm

- I. **Call to Order/Salute to the Flag**
 - II. **Welcome and Overview of the Agenda** (10:00-10:15 am) **Action**
Approve the Commission Retreat Meeting Agenda for October 25, 2014
Jay Speck, Chair; Megan Richards, Interim Executive Director, Dr. Lori Allio, Hatchuel Tabernik Associates
 - III. **Public Comment** (10:15-10:20 am) **Information**
This is the opportunity for members of the public to address the Commission on matters not listed on the Agenda that are otherwise within the subject matter jurisdiction of the Commission. Please submit a Speaker Card and limit your comments to 3 minutes.
 - IV. **Public Hearing: FY2013/14 Annual Audit** (10:20-10:40am) **Action**
Receive the FY2013/14 First 5 Solano Audit
Solano County Auditor Controller's Office
 - V. **Public Hearing: Annual Review of the First 5 Solano Strategic Plan** (10:40-11:30 am) **Information/Discussion**
Conduct the mandated annual review of the First 5 Solano Strategic Plan, including a review of First 5 Solano "dashboard" of community indicators within strategic plan Result Areas
Megan Richards, Interim Executive Director, Dr. Lori Allio/Hatchuel Tabernik Associates (HTA); Susan Brutschy, Kim Carpenter, Christina Branom/Applied Survey Research (ASR)
 - VI. **Organizational History Review** (11:30am-12:15pm) **Information/Discussion**
Review organizational history graphic and update and amend graphic as necessary
Dr. Lori Allio, HTA
- Adjourn for Lunch (12:15 pm); Reconvene for working lunch/PM session (12:45 pm)**
- VII. **Collective Impact Training** (12:45-2:00 pm) **Information/Discussion**
Receive a training on the Collective Impact approach to build a shared understanding, the five key elements, and the role it will play as it unfolds alongside the Strategic Planning process
Dr. Lori Allio, HTA
 - VIII. **Collective Impact: Help Me Grow and First 5** (2:00-2:45 pm) **Information/Discussion**
Receive a status report on progress in planning to date and detailed work plan for joint work together
Debbi Davis, Executive Director/Children's Nurturing Project (CNP), Dr. Lori Allio, HTA, Megan Richards, Interim Executive Director
 - IX. **Commissioner Remarks** (2:45-2:55 pm)
 - X. **Future Agenda Items, Meeting Time/Date/Location** (2:55-3:00 pm)
The next regularly-scheduled Commission meeting will be held on **December 2, 2014 at 5:30 PM** at 601 Texas St. Fairfield. Future agenda items include: Election of 2014 Officers; Committee Reports; 2013 Pre-K Academy Services Report and 2014 Pre-K Academy Services Request for Applications.

The First 5 Solano Children and Families Commission does not discriminate against persons with disabilities. If you require a disability-related modification or accommodation in order to participate in the meeting, please call (707) 784-1332 at least 24 hours in advance of the meeting to make arrangements. Non-confidential materials related to an item on this Agenda submitted to the Commission are available for public inspection at the First 5 Solano office, 601 Texas Street, Suite 210, Fairfield, CA during normal business hours.

Vision: All Solano County children are loved, healthy, confident, eager to learn, nurtured by their families, caregivers and communities. **Mission:** First 5 Solano Children and Families Commission creates and fosters programs and partnerships with community entities to promote, support and improve the lives of young children, their families and their communities.



CHILDREN ARE OUR BOTTOM LINE

DATE: October 21, 2014
TO: First 5 Solano Children and Families Commission
FROM: Megan Richards, Interim Executive Director
SUBJ: **First 5 Solano FY2013/14 Annual Audit**
Motion: ***Receive the First 5 Solano FY2013/14 Annual Audit***

Background/Discussion

On October 25, 2014, the First 5 Solano Children and Families Commission will receive the statutorily-required independent audit for FY2013/14. On October 28, 2014, the report will also be presented to the Solano County Board of Supervisors and subsequently submitted to the California State Controller's Office by the deadline of October 31, 2014.

The fiscal year 2013/14 Financial and Compliance Audit was conducted in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States and state requirements contained in the *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act*. The audit is submitted to First 5 California and the State Controller's Office.

In Solano County, the Solano County Internal Audit Division conducts the annual First 5 Solano Audit, reviewing the Commission's overall financial condition, including financial statements and transactions, contracting procedures and record-keeping, and an extensive review of First 5 Solano's business practices and adherence to policies.

The Audit consists of 3 separate reports:

1. The Independent Auditor's Report
2. Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters
3. The Independent Auditor's Report on State Compliance

The FY2013/14 Audit is submitted for Commission consideration.

Enclosure: FY2013/14 Audit of the First 5 Solano Children and Families Commission

County of Solano
Office of the Auditor-Controller



**AN AUDIT OF THE
FIRST 5 SOLANO
CHILDREN & FAMILIES COMMISSION**

Independent Auditor's Report and Financial Statements

**Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters**

Independent Auditor's Report on State Compliance

For the fiscal year ended June 30, 2014

**Auditor-Controller: Simona Padilla-Scholtens, CPA
Assistant Auditor-Controller: Phyllis Taynton, CPA
Auditor: Melinda S. Ingram, CPA**

**First 5 Solano
Children & Families Commission**
For the fiscal year ended June 30, 2014

TABLE OF CONTENTS

	Page
First 5 Solano Commission	1
Independent Auditor's Report	3
Management’s Discussion and Analysis	6
 Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position.....	13
Statement of Activities	14
Fund Financial Statements	
Balance Sheet – Governmental Funds	15
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	16
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds	17
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities.....	18
Notes to the Financial Statements.....	19
 Required Supplementary Information	
Schedule of Revenues, Expenditures, and Changes in Fund Balance General Program, Budget and Actual.....	28
Notes to Required Supplementary Information.....	29
 Report on Internal Control Over Financial and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	 30
Independent Auditor’s Report on State Compliance	32

**First 5 Solano Children & Families Commission
Board of Commissioners
(as of October 14, 2014)**

Jay Speck, Chairperson
Solano County Superintendent of Schools

Aaron Crutison, Vice-Chair
Deputy Director of Health & Social Services, Solano County

Dan Ayala
Funeral Arranger/Counselor, Bryan Braker Funeral Home

Marisela Barbosa
Monarch Engineers, Vice President

Dana Dean
Principal- Law Offices of Dana Dean/Solano County Board of Education Trustee

Patrick Duterte
Interim Director of Health & Social Services, Solano County

Elise Crane
Management, Office of Early Care and Education

Liz Niedziela
Transit Program Manager, Solano Transportation Authority

Erin Hannigan
Solano County Board of Supervisors District 1

Interim Executive Director:
Megan Richards

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Simona Padilla-Scholten, CPA
Auditor-Controller



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Board of Commissioners
First 5 Solano
Children and Families Commission
Fairfield, CA 94533

Independent Auditor's Report

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the special revenue fund of the First 5 Solano Children & Families Commission (Commission), as of and for the fiscal year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to error or fraud. In making those risk assessments, the auditor considers internal control relevant to the Commission's preparation and fair presentation of the financial statements in order

to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the special revenue fund of the First 5 Solano Children & Families Commission as of June 30, 2014, and the respective changes in financial position thereof for the fiscal year then ended, in accordance with accounting principles generally accepted in the United States of America.

In connection with the audit contained herein, there are certain disclosures that are necessary pursuant to *Government Auditing Standards Statement No. 3*, more specifically, the general standard related to independence. As required by various statutes within the California Government Code, County Auditor-Controllers are mandated to perform certain accounting, auditing, and financial reporting functions. These activities could impair an audit organization's independence. Specifically, "auditors should not audit their own work or provide non-audit services in situations where the amounts or services involved are significant/material to the subject matter of the audit."

Although the Auditor-Controller is statutorily obligated to maintain the accounts of departments, districts, or funds that reside within the county treasury, we believe the following safeguards and division of responsibility exists. The Internal Audit Division has the responsibility to perform audits and as such has no other responsibility for the accounts and records being audited including the approval or posting of financial transactions that would therefore preclude the reader of this report from relying on the information contained therein.

Other Matters

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Budgetary Comparison Information on pages 6 through 12 and page 28, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and compared the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the First 5 Solano Children and Families Commission's basic financial statements. The supplementary information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 14, 2014 on our consideration of the Commission's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Governmental Auditing Standards in considering the First 5 Solano Children & Families Commission's internal control over financial reporting and compliance.



Simona Padilla-Scholtens, CPA
Auditor-Controller

Fairfield, California

October 14, 2014



CHILDREN ARE OUR BOTTOM LINE

Management's Discussion and Analysis

As management of the First 5 Solano Children & Families Commission (Commission), we offer readers of the Commission's financial statements this narrative overview and analysis of the financial activities of the Commission for the fiscal year ended June 30, 2014. We encourage readers to consider the information presented here in conjunction with additional information in our financial statements.

Financial Highlights

- The Commission's net position totaled \$10,397,379 at June 30, 2014. The entire \$10,397,379 is restricted for the purposes outlined under the California Children and Families Act of 1998 (Proposition 10).
- The Commission's total net position decreased by \$1,321,576 as a result of the following factors:
 - 1) The current fiscal year's operations decreased net position by \$1,368,077 as expenses outpaced First 5 Solano funding from the Proposition 10 tax on tobacco products, a declining funding source.
 - 2) The funding decrease was partially offset by general revenues which consisted of interest income earned from the Commission's cash maintained in the County Treasury.
- At June 30, 2014, the Commission's governmental funds reported an ending fund balance of \$10,412,666, a decrease of \$1,383,540 from June 30, 2013. The entire amount of \$10,412,666 is restricted as a result of the enabling legislation enacted under the California Children and Families Act of 1998 (Proposition 10).

Overview of the Financial Statements

This management discussion and analysis is intended to serve as an introduction to the Commission's basic financial statements. The Commission's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the Commission's finances, in a manner similar to a private-sector business.

The statement of net position presents information on the Commission's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Commission is improving or deteriorating. The Commission has adopted a revised Long-Term

The statement of activities presents information showing how the Commission's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found on pages 13-14 of this report.

Fund financial statements. A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The Commission, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a Commission's near-term financing requirements.

Since the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Commission's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The basic governmental fund financial statements can be found on pages 15-18 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 19-26 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Commission's budgetary comparison schedule for the Special Revenue Funds. Required supplementary information can be found on pages 28-29 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the Commission's financial position. In the case of the Commission, assets exceeded liabilities by \$10,397,379 at June 30, 2014.

As previously stated, the Commission’s total restricted net position as of June 30, 2014 has limitations on their use imposed by the California Children and Families Act of 1998 (Proposition 10).

**First 5 Solano Children & Families Commission
Government-wide
Statement of Net Position
June 30, 2014 & 2013**

	<u>6/30/2014</u>	<u>6/30/2013</u>
Assets:		
Current and other assets	\$ 11,529,394	\$ 12,871,253
Total assets	<u>\$ 11,529,394</u>	<u>\$ 12,871,253</u>
Liabilities:		
Current liabilities	\$ 1,116,728	\$ 1,075,047
Noncurrent liabilities	<u>15,287</u>	<u>77,251</u>
Total liabilities	<u>1,132,015</u>	<u>1,152,298</u>
Net Position:		
Restricted	<u>10,397,379</u>	<u>11,718,955</u>
Total net position	<u>10,397,379</u>	<u>11,718,955</u>
Total liabilities and net position	<u>\$ 11,529,394</u>	<u>\$ 12,871,253</u>

The key elements in the significant changes in current assets and liabilities are as follows:

Current assets: Current assets decreased by \$1,341,859 from 6/30/13. The primary reason is a reduction in the Commission’s cash in the County Treasury resulting from the continued funding of various multi-year grantee agreements which outpaced the major revenue streams.

Current liabilities: Current liabilities increased by \$41,681 from 6/30/13. The increase is due to the accrued vacation and sick leave payout to the Executive Director upon her retirement in July 2014.

Governmental activities decreased the Commission’s net position by \$1,321,576 during fiscal year 2013/14, which represents a decrease of approximately 11% from total net position at June 30, 2013.

First 5 Solano Children & Families Commission
Changes in Net Position
For the fiscal years ended June 30, 2014 & 2013

	2014	2013
Program expenses:		
General:		
Employee services	\$ 927,850	\$ 923,573
Program evaluation costs	168,996	149,600
Professional & specialized services	104,382	54,938
Interfund services	96,693	56,981
Non-capitalized equipment	10,511	2,937
Rents & leases	9,125	6,153
Transportation & travel	8,659	5,561
Communication	6,607	6,265
Administrative overhead	6,576	133,487
Insurance	5,964	18,063
Special departmental expense	5,426	3,890
Utilities	5,000	-
Supplies	4,397	5,763
Miscellaneous	7,695	6,241
Total general expenses	1,367,881	1,373,452
Grant:		
Pre-natal	\$ 985,427	\$ 982,073
Early mental health	812,703	894,582
SR family support	698,858	693,626
Child care and development	341,030	411,225
Child care-CARES	237,884	189,674
Health access initiative	220,239	195,158
EPSDT- Early Periodic Screening Diagnosis & Treatment	212,655	214,916
Parent education	200,952	215,473
H&SS IFSI - Family Strengthening Project	182,482	177,167
Pre K academy	142,812	41,519
Collaboration	124,733	50,267
Community engagement	76,316	9,098
First 5 futures	42,815	57,262
Pre-natal grants	30,968	-
Co-sponsorship of conferences	21,827	-
Direct services	-	3,622
Total grant expenses	4,331,701	4,135,662
Total program expenses	5,699,582	5,509,114
Program revenues:		
Operating grants and contributions	3,860,033	3,768,956
Charges for services	471,472	456,000
Total program revenues	4,331,505	4,224,956
Net program (expenses)	(1,368,077)	(1,284,158)
General revenues and extraordinary item:		
Revenues from the use of money and property	44,867	72,673
Refund from Vallejo City Unified School District	-	53,200
Miscellaneous	1,634	-
Total general revenues	46,501	125,873
Change in net position	(1,321,576)	(1,158,285)
Net position:		
Beginning of the fiscal year	11,718,955	12,837,121
Prior period adjustment	-	40,119
Beginning, as restated	11,718,955	12,877,240
End of the fiscal year	\$ 10,397,379	\$ 11,718,955

The key elements for the significant changes in net position are as follows:

Program expenses:

The following grant expenses increased overall from prior year by \$196,039 due to grantees spending a larger amount of grant awards in comparison to the prior year.

- Pre-natal- \$34,322
- Child care CARES Plus- \$48,210
- Health access initiative- \$25,081
- Pre K Academy- \$101,293
- Collaboration- \$74,466
- Community engagement- \$67,218

The following grant expenses decreased overall from prior year due to grantees spending a smaller amount of grant awards in comparison to the prior year.

- Early mental health- (\$81,879)
- Child care and development- (\$70,195)

Program revenues:

Program revenues increased from prior year by \$106,549 due to the following:

- Proposition 10 funding from First 5 California increased by \$68,030.
- The Commission received a grant from United Way in the amount of \$10,000.
- The Commission received Pre-K Academy pledges in the amount of \$13,047.
- The Commission was reimbursed in the amount of \$15,472 for services provided to administer contracts not funded by Proposition 10 tobacco tax monies.

General revenues:

General revenues decreased from prior year by \$79,372 due to the following:

- A refund was received from Vallejo City Unified School District in the prior year totaling \$53,200 that resulted from over billed amounts to First 5 in prior years.
- Interest earnings from Commission cash in the County Treasury declined by \$27,806 due to the continued decrease to cash.

Financial Analysis of the Commission's Governmental Funds

As noted earlier, the Commission uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The Special Revenue Fund is a governmental fund type that is used to account for general government functions of the Commission. The Special Revenue Fund is used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The focus of the Commission's governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Commission's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. At June 30, 2014, the Commission's governmental funds reported a combined ending fund balance of \$10,412,666. This was the result of a decrease to fund balance of \$1,383,540 for the fiscal year ended June 30, 2014. The entire \$10,412,666 is restricted for the purposes outlined under the California Children and Families Act of 1998 (Proposition 10).

Governmental revenues totaled \$4,378,006 in fiscal year 2013/14. This represents an insignificant (less than 1%) increase from fiscal year 2012/13.

Conversely, expenditures totaled \$5,761,546 in fiscal year 2013/14. This represents a 5% net increase from fiscal year 2012/13 due to increases to both grant and general expenditures.

Budgetary Highlights

The General Program Special Revenue Fund budget (Adopted and Final versions) is reflected in the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual, as presented on page 28 in the Required Supplementary Information (RSI) section of this report.

There were small changes between the adopted budget and the final budget of the General Program Special Revenue Fund in fiscal year 2013/14. The changes were budget adjustments increasing overall grant disbursements in the amount of \$131,721. For fiscal year 2013/14, revenues recognized exceeded budget by \$299,473 and expenditures incurred were less than budget by \$1,298,253. This was the result of the Commission receiving more Proposition 10 funds from First 5 California than anticipated as well as Pre-K academy pledges and a grant from United Way. In addition, the Commission incurred less grant disbursement expenditures than anticipated that resulted from various grantee organizations and First 5 programs under-spending their annual allocation as well as no expenditures were incurred using the contingencies budget line item.

Debt Administration

Long-term debt. At June 30, 2014 the Commission had \$15,287 of long term debt composed entirely of compensated absences. This amount is entirely backed by the full faith and credit of the First 5 Solano Children & Families Commission. For more information see Note II A on page 23 of this report.

Economic Factors and Next Year's Operating Activities

The Commission continues to face challenges in the upcoming fiscal year. The efforts of the state action in prior years to take First 5 funds from local control has caused the Commission to re-evaluate and update its Strategic Plan.

This resulted in taking a more proactive approach for developing the implementation plans for the First 5 Futures. This initiative seeks to address the Commission's declining tobacco tax revenue stream with alternative funding sources to sustain services beyond the potential demise of Proposition 10 tobacco tax funds.

The following services were selected to be funded during fiscal year 2014/15, the final year of a three year funding cycle:

- Prenatal Services
- Family Support Services
- Children's Health Services
- Early Childhood Mental Health Services
- Quality Child Care Services
- Parent Education Services
- Pre-Kindergarten Academy Services

Commission management continues its fiscal policy of managing operating costs associated with Commission operations. The total fund balance, which is currently in excess of \$10 million, is dedicated to future years' spending as defined in the First 5 Solano Long-Term Financial Plan.

Requests for Information

This financial report is designed to provide a general overview of the Commission's finances for all those with an interest with the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the First 5 Solano Children and Families Commission, 601 Texas Street, Suite 210, Fairfield, CA 94533.

First 5 Solano Children & Families Commission
Government-wide Financial Statements
Statement of Net Position
June 30, 2014

ASSETS

Current assets

Cash & equivalents	\$ 10,627,101
Accounts receivable	700
Due from other county funds	115,064
Due from State Commission	786,529
Total current assets	11,529,394
Total assets	\$ 11,529,394

LIABILITIES

Current liabilities

Outstanding warrants	\$ 67,107
Accounts payable	509,998
Due to other county funds	424,149
Due to other agencies	53,981
Compensated absences (current portion)	61,493
Total current liabilities	1,116,728

Noncurrent liabilities

Compensated absences	15,287
Total noncurrent liabilities	15,287
Total liabilities	1,132,015

Net position

Restricted	10,397,379
Total net position	10,397,379
Total liabilities and net position	\$ 11,529,394

The notes to the financial statements are an integral part of this statement.

First 5 Solano Children & Families Commission
Government-wide Financial Statements
Statement of Activities
For the fiscal year ended June 30, 2014

Program expenses:

General

Employee services	\$ 927,850
Program evaluation costs	168,996
Professional & specialized services	104,382
Interfund services	96,693
Non capitalized equipment	10,511
Rents & leases	9,125
Transportation & travel	8,659
Communication	6,607
Administrative overhead	6,576
Insurance	5,964
Special departmental expense	5,426
Utilities	5,000
Supplies	4,397
Miscellaneous	7,695
Total general expenses	<u>1,367,881</u>

Grants

Pre-natal	985,427
Early mental health	812,703
SR family support	698,858
Child care and development	341,030
Child care- CARES	237,884
Health access initiative	220,239
EPSDT - Early Periodic Screening Diagnosis & Treatment	212,655
Parent education	200,952
H&SS IFSI - Family Strengthening Project	182,482
Pre K academy	142,812
Collaboration	124,733
Community engagement	76,316
First 5 futures	42,815
Pre-natal grants	30,968
Co-sponsorship of conferences	21,827
Total grant expenses	<u>4,331,701</u>
Total program expenses	<u>5,699,582</u>

Program revenues:

Operating grants and contributions	3,860,033
Charges for services	471,472
Total program revenues	<u>4,331,505</u>

Net program (expenses)

(1,368,077)

General revenues:

Revenues from the use of money and property	44,867
Miscellaneous	1,634
Total general revenues	<u>46,501</u>

Change in net position

(1,321,576)

Net position:

Beginning of the fiscal year	<u>11,718,955</u>
End of the fiscal year	<u>10,397,379</u>

The notes to the financial statements are an integral part of this statement.

First 5 Solano Children & Families Commission
Balance Sheet
Governmental Funds
June 30, 2014

Assets

Cash & equivalents	\$ 10,627,101
Accounts receivable	700
Due from other county funds	115,064
Due from State Commission	786,529
Total assets	<u>\$ 11,529,394</u>

Liabilities

Outstanding warrants	\$ 67,107
Accounts payable	509,998
Due to other county funds	424,149
Due to other agencies	53,981
Accrued leave payoff	61,493
Total liabilities	<u>1,116,728</u>

Fund Balance

Restricted	<u>10,412,666</u>
Total fund balance	<u>10,412,666</u>
Total liabilities and fund balance	<u>\$ 11,529,394</u>

The notes to the financial statements are an integral part of this statement.

**First 5 Solano Children & Families Commission
Reconciliation of the Balance Sheet
of Governmental Funds to the Statement of Net Position
For the fiscal year ended June 30, 2014**

Governmental fund balance	\$ 10,412,666
 Amounts reported for governmental activities in the statement of net position are different because:	
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated absences	<u>(15,287)</u>
 Net position of governmental activities	 <u><u>\$ 10,397,379</u></u>

The notes to the financial statements are an integral part of this statement.

First 5 Solano Children & Families Commission
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the fiscal year ended June 30, 2014

Revenues:	
Intergovernmental revenues	\$ 3,836,985
Charges for services	471,472
Revenues from the use of money and property	44,867
Pre K Academy pledges	13,048
United Way Grant	10,000
Miscellaneous	1,634
Total revenues	<u>4,378,006</u>
Expenditures:	
General	
Employee services	989,814
Program evaluation costs	168,996
Professional & specialized services	104,382
Interfund services	96,693
Non capitalized equipment	10,511
Rents & leases	9,125
Transportation & travel	8,659
Communication	6,607
Administrative overhead	6,576
Insurance	5,964
Special departmental expense	5,426
Utilities	5,000
Supplies	4,397
Miscellaneous	7,695
Total general expenditures	<u>1,429,845</u>
Grants	
Pre-natal-BabyFirst	985,427
Early mental health	812,703
SR family support	698,858
Child care and development	341,030
Child care - CARES	237,884
Health access initiative	220,239
EPSDT - Early Periodic Screening Diagnosis& Treatment	212,655
Parent education	200,952
H&SS IFSI - Family Strengthening Project	182,482
Pre K academy	142,812
Collaboration	124,733
Community engagement	76,316
First 5 futures	42,815
Pre-natal grants	30,968
Co-sponsorship of conferences	21,827
Total grant expenditures	<u>4,331,701</u>
Total expenditures	<u>5,761,546</u>
Deficiency of revenues under expenditures	(1,383,540)
Fund balance - beginning	11,796,206
Fund balance - ending	<u>\$ 10,412,666</u>

The notes to the financial statements are an integral part of this statement.

First 5 Solano Children & Families Commission
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance
of Governmental Funds to the Statement of Activities
For the fiscal year ended June 30, 2014

Net change in fund balance - governmental funds \$ (1,383,540)

Amounts reported for governmental activities in the statement of activities are different because:

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Compensated absences decrease 471

The payment of accrued leave consumes the current financial resources of governmental funds. However, this transaction has no effect on net assets.

Accrued leave payoff 61,493

\$ (1,321,576)

First 5 Solano Children & Families Commission
Notes to the Financial Statements
For the fiscal year ended June 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Solano County is a political subdivision of the State of California. An elected, five-member Board of Supervisors governs the County.

First 5 Solano Children and Families Commission of Solano County (Commission) was organized on July 8, 1999, by the Solano County Board of Supervisors through the adoption of Ordinance No. 1579 in accordance with the California Children and Families First Act of 1998. The Commission currently operates under the State of California Health and Safety Code § 130100-130155 and Solano County Code § 7.3. The purpose of the Commission is to promote, support, and improve the early development of children from the prenatal stage through five years of age. The First 5 Solano Commission is funded by a tax of fifty (50) cents per pack of cigarettes and by a similar tax on other tobacco related products.

The Commission consists of nine members serving four-year terms. The Board of Supervisors of Solano County approves the appointment of each member.

The activities of the Commission are accounted for as a special revenue fund. This is a governmental fund type which is a part of the basic financial statements of the County of Solano, the reporting entity. The special revenue fund accounts for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes.

B. Government-wide and Fund Financial Statements

The Commission's financial accounts are maintained in accordance with generally accepted accounting principles (GAAP) and the uniform accounting system for counties prescribed by the State Controller in compliance with the Government Code of the State of California.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Commission. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Intergovernmental revenue, interest income and other items not included among program revenues are reported as general revenues.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 90 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Proposition 10 funds, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when the government receives cash.

The Commission reports the following major governmental fund:

The *General Program Fund* is the Commission's primary operating fund. This Special Revenue Fund is used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes.

The amounts reported as program revenues in the statement of activities include operating grants and contributions received from First 5 California as well as charges to customers for program services. General revenues include interest income.

D. Assets, Liabilities, Net Position or Equity

1. Cash and Cash Equivalents

The Commission's cash is maintained in the County Treasury and is pooled with the County of Solano. The Commission is a mandatory depositor, pursuant to Solano County Code § 7.3 and Health & Safety Code § 130105. The Commission's ability to withdraw large sums of cash from the County Treasury may be subject to certain restrictions set by the County Treasurer.

The County's pooled cash and investments are invested pursuant to investment policy guidelines established by the County Treasurer and approved by the County Board of Supervisors. The objectives of the policy (in order of priority) are: legality, preservation of capital, liquidity, and yield. The policy addresses the soundness of financial institutions in which the County will deposit funds, types of investment instruments as permitted by the California Government Code, and the percentage of the portfolio which may be invested in certain instruments with longer terms of maturity. A detailed breakdown of cash and investments and a categorization of risk factors per GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, are presented in the County of Solano Comprehensive Annual Financial Report.

2. *Accounts Receivable*

Accounts receivable represents the balance due to the Commission for services rendered.

3. *Due from Other County Funds*

Due from State Commission represents amounts approved by the State Commission, but not received.

4. *Due from State Commission*

Due from State Commission represents amounts approved by the State Commission, but not received.

5. *Outstanding Warrants*

Outstanding warrants represent the amount of warrants issued but not yet presented to the County for payment. When warrants are mailed, expenditures are recorded in the Commission's fund and an outstanding warrant liability is created, pending payment of the warrant.

6. *Accounts Payable*

Accounts payable represents the balance owed for goods received and/or services rendered.

7. *Due to Other County Funds*

Due to other funds represents amounts owed to funds within the County for grantee services provided by Health and Social Services Department.

8. *Due to Other Agencies*

Due to other agencies represents amounts owed to grantees outside the reporting entity.

9. *Compensated Absences*

The Commission follows County policy which permits permanent employees to accumulate earned but unused vacation and sick leave benefits. Accrued vacation and sick leave is paid at the time of the employee's termination or retirement based on established County limitations. Compensated absences leave is accrued when incurred in the government-wide financial statements. A liability is reported in the governmental fund only if unused vacation and sick leave after limitations are expected to be liquidated (paid out due to an employee separating from service with the Commission) with expendable available financial resources.

The notes to the County's basic financial statements provide detail for the County as a whole regarding compensated absences in accordance with accounting principles generally accepted in the United States of America.

10. *Net Position/Fund Balance*

The government-wide financial statements utilize a net position presentation. The net position is categorized as restricted.

- *Restricted* – This category represents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

The various categories of fund balance represent relative strength or hierarchy of spending constraints. These categories are established either by inherent, external or internal limitations.

As of June 30, 2014, fund balance was categorized as follows:

- *Restricted* – the constraints imposed by the enabling legislation of Proposition 10 represents a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation.

11. *Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

II. DETAILED NOTES

A. *Compensated Absences*

Long-term liability activity for the fiscal year ended June 30, 2014, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Compensated absences	\$ 77,251	\$ -	\$ 471	\$ 76,780	\$ 61,493
Total compensated absences	\$ 77,251	\$ -	\$ 471	\$ 76,780	\$ 61,493

III. OTHER INFORMATION

A. **Description of Programs**

1. *General Programs*

General programs address the issue of developing a comprehensive, collaborative, and integrated system of information and services to promote, support, and optimize early childhood development from the prenatal stage to five years of age. General program expenses capture those costs related to the staffing and operations of the First 5 administrative office, both programmatic as well as administrative.

2. *Pre-Kindergarten Academies*

Pre-Kindergarten (Pre-K) Academies are offered throughout the County and provide quality early childhood experiences for entering kindergarteners who lack prior preschool experience. Pre-K Academies are ultimately designed to support school readiness, both for the entering kindergartener as well as the school. In addition, Pre-K Academies are targeted to children who are English language learners and/or are considered “high-risk” due to factors such as poverty, remoteness, substance abuse, family violence, child abuse and neglect, special needs, lack of education and other challenges.

3. *Family Strengthening Partnerships (Family Resource Centers)*

Family Strengthening Partnerships (FSP) is a comprehensive set of services which are centrally coordinated through the Family Resource Center network in Solano County, including information and referral, basic needs, and home-visiting for high-risk families. FSP offers neighborhood based services, including multi-disciplinary team case conferencing (including a Child Welfare Services Social Worker and Public Health Nurse), information-sharing via a comprehensive case management and tracking system, parent education, provider capacity-building and support, and many other services to children ages 0-5 and their families.

4. Parent Education

Parent Education classes and workshops are provided throughout the County in both English and Spanish, focusing on isolated families and families of children with special needs, to increase parenting competency and reduce likelihood of abuse and neglect.

5. Quality Child Care

a. Comprehensive Approaches to Raising Educational Standards (CARES Plus)

CARES Plus is a jointly-funded (First 5 Solano and First 5 California) program to provide resources to address the retention of qualified child care employees and increase the education and skills of the child care workforce for children aged birth-to-five.

b. Head Start Wrap-Around Care

Head Start Wrap-Around funds full-day, full-year care for children in the Head Start Program.

c. Child Signature Program

The Child Signature Program (CSP) is a jointly funded (First 5 Solano and First 5 California) program designed to provide early care and education centers the opportunity to increase quality in their early learning programs for children ages 0-5. The program is targeted to centers where the educational divide is greatest, i.e., neighborhoods in catchment areas of elementary schools with 1-3 Academic Performance Index (API) scores and/or serving high numbers of low-income children. Classrooms and teachers are provided with training, technical assistance and other support based upon the classroom needs.

6. BabyFirst Solano – Prenatal Services

BabyFirst Solano is a prenatal and early childhood home visiting program which provides a system of care in Solano that supports and educates pregnant and parenting women and families. The goal of the BabyFirst Solano program is that all babies will be born healthy, full term with a healthy birth weight, and live in a nurturing environment where they will thrive.

7. Children's Health Access

The Commission is a funding partner in the Regional Children's Health Initiative with the goal of 100% health insurance coverage for children in Solano, Napa, Sonoma, and Yolo Counties. Solano Kids Insurance Program (SKIP) is funded to increase the number of children ages 0-5 who have health insurance and access to health services. The program includes outreach, enrollment, assistance to access medical services, and health insurance retention assistance.

8. *Early Childhood Mental Health*

a. *Early Periodic Screening Diagnosis and Treatment (EPSDT)*

First 5 Solano provides funding to Solano County Health & Social Services Department to expand the EPSDT program, which provides early mental health screening, assessment and treatment to Medi-Cal-eligible children. The Commission funding leverages state and federal match which exponentially increases the capacity of the early childhood mental health system.

b. *Partnership for Early Access for Kids (PEAK)*

PEAK is a county-wide, multi-agency collaborative with the overarching goal of early identification and treatment of infants and children with special mental and developmental health need to link them with needed services prior to reaching school age and improving their developmental potential.

9. *Collaboration*

In past funding cycles, the Commission has funded collaboration efforts at the initiative level (prenatal, early mental health, etc.). Over time, each of these initiatives have evolved and become strengthened through cross-collaboration and integration as well as shared resources and training opportunities. In its most recent funding cycle, the Commission funded meta-collaboration efforts, which are intended to span the 0-5 system of care. These collaboration efforts are now provided through the Help Me Grow affiliate program which is a system that uses existing resources and builds collaboration across sectors (child health care, early care and education, family support, and others) to connect at-risk children with the services they need.

10. *First 5 Futures Initiative*

First 5 Futures is a 5-year campaign to help ensure the sustainability and expansion of the Solano early childhood system by securing critical resources and policy improvements for children ages 0-5 in Solano County. The Implementation and Fund Development Plan structures the work in this campaign within the context of three comprehensive goals:

- 1) Secure large foundation and government grants and contracts.
- 2) Obtain corporate grants and strengthen corporate and business partnerships.
- 3) Pursue legislative and policy changes to increase support for the mission of First 5 Solano.

11. *Other Programs*

First 5 Solano also funds a variety of programs internally. These programs include community engagement efforts, customization of the First 5 California Kit for New Parents for distribution in Solano County, the co-sponsorship of conferences and other trainings for providers of services to children 0-5 and their families, and organizational supports for agencies partnering with First 5 Solano to provide services in the County.

B. Program Evaluation Costs

The Commission spent \$168,996 on program evaluation during the audit period. Evaluation activities include an ongoing, countywide evaluation of First 5 Solano Children and Families Commission funded programs, initiatives and system-change activities aimed at improvements in the health, well-being and development of young children.

C. Employee Services-Employee Pension Plan

Plan Description: The Commission contributes through the County of Solano to the California Public Employees Retirement System (CalPERS), an agent multiple-employer public employee defined benefit pension plan. CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public employers within the State of California. Benefit provisions and all other requirements are established by state statute and local ordinance. CalPERS issues a separate comprehensive annual financial report. Copies of the CalPERS' annual financial report may be obtained from CalPERS Executive Office located at 400 P St., Sacramento, CA 95814.

All permanent employees participate in CalPERS. Benefits vest after five years of service. Employees who retire at or after age 50 with five years of credited service are entitled to retirement benefits. CalPERS combines pension details of the Commission with the County of Solano. The notes to the County of Solano Comprehensive Annual Financial Report provide detail for the County as a whole regarding actuarial funding and assumptions, annual pension costs and unfunded liability as required in accordance with accounting principles generally accepted in the United States of America.

D. Risk Management

The County carries coverage administered through the Solano County Risk Management Division, for all risks under a multi-peril policy, including accident and property, workers' compensation, and general liability insurance programs.

Solano County also participates in the California State Association of Counties–Excess Insurance Authority (CSAC-EIA), a joint powers authority created to provide self-insurance programs for California counties.

REQUIRED SUPPLEMENTARY INFORMATION

First 5 Solano Children & Families Commission
Schedule of Revenues, Expenditures and Changes in Fund Balance
General Program
Budget and Actual
For the fiscal year ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Adopted	Final		
Revenues:				
Intergovernmental revenues	\$ 3,586,095	3,586,095	\$ 3,836,985	\$ 250,890
Charges for services	456,000	456,000	471,472	15,472
Revenues from the use of money & property	36,438	36,438	44,867	8,429
Pre K Academy pledges	-	-	13,048	13,048
United Way Grant	-	-	10,000	10,000
Miscellaneous	-	-	1,634	1,634
Total revenues	4,078,533	4,078,533	4,378,006	299,473
Expenditures:				
General				
Employee services	985,085	985,085	989,814	(4,729)
Program evaluation costs	170,000	170,000	168,996	1,004
Professional & specialized services	88,062	88,062	104,382	(16,320)
Interfund services	53,511	53,511	96,693	(43,182)
Non capitalized equipment	13,400	13,400	10,511	2,889
Rents & leases	54,000	54,000	9,125	44,875
Transportation & travel	6,800	6,800	8,659	(1,859)
Communication	5,669	5,669	6,607	(938)
Administrative overhead	87,389	87,389	6,576	80,813
Insurance	7,210	7,210	5,964	1,246
Special departmental expense	6,575	6,575	5,426	1,149
Utilities	-	-	5,000	(5,000)
Supplies	5,789	5,789	4,397	1,392
Maintenance	2,000	2,000	-	2,000
Contingencies	487,839	487,839	-	487,839
Miscellaneous	6,400	6,400	7,695	(1,295)
Total general expenditures	1,979,729	1,979,729	1,429,845	549,884
Grants				
Pre-natal-BabyFirst	1,026,254	1,026,254	985,427	40,827
Early mental health	916,282	916,282	812,703	103,579
SR family support	693,553	818,286	698,858	119,428
Child care and development	375,480	375,480	341,030	34,450
Child care - CARES	240,000	240,000	237,884	2,116
Health access initiative	250,000	250,000	220,239	29,761
EPSDT - Early Periodic Screening Diagnosis& Treatment	299,870	299,870	212,655	87,215
Parent education	204,173	204,173	200,952	3,221
H&SS IFSI - Family Strengthening Project	182,482	182,482	182,482	-
Pre K academy	91,178	160,686	142,812	17,874
Collaboration	100,000	100,000	124,733	(24,733)
Community engagement	102,000	102,000	76,316	25,684
First 5 futures	157,580	164,568	42,815	121,753
Pre-natal grants	35,000	35,000	30,968	4,032
Co-sponsorship of conferences	50,000	50,000	21,827	28,173
Service grants	224,497	154,989	-	154,989
Total grant expenditures	4,948,349	5,080,070	4,331,701	748,369
Total expenditures	6,928,078	7,059,799	5,761,546	1,298,253
Deficiency of revenues under expenditures	(2,849,545)	(2,981,266)	(1,383,540)	1,597,726
Fund balance - beginning	11,796,206	11,796,206	11,796,206	-
Fund balance - ending	\$ 8,946,661	\$ 8,814,940	\$ 10,412,666	\$ 1,597,726

The notes to the required supplementary information are an integral part of this statement.

Solano Children & Families Commission
Notes to Required Supplementary Information
For the fiscal year ended June 30, 2014

Budgetary Information

The Commission shall conform to Solano County Code § 7.3 for the First 5 Solano Children and Families Commission by approving a budget for the fiscal year in accordance with the Solano County annual budget calendar. The budget shall include anticipated revenues to the First 5 Solano Children & Families Trust Fund and shall provide for carrying out the adopted strategic plan. The budget shall be transmitted to the County Administrator for inclusion in the Final Budget of Solano County.

In accordance with provisions of Sections 29000-29144 of the California Government Code and other statutory provisions, commonly known as the County Budget Act, the County prepares and legally adopts a final balanced budget each fiscal year by July 1.

An operating budget prepared on the modified accrual basis is adopted each fiscal year for the special revenue funds.

Simona Padilla-Scholtens, CPA
Auditor-Controller



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Board of Commissioners
First 5 Solano
Children and Families Commissioners
Fairfield, CA 94533

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT
AUDITING STANDARDS***

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities of First 5 Solano Children and Families (Commission), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated October 14, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Commission's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control, that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses, or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the County Board of Supervisors, the County Commission, the State Commission, and the State Controller's Office, federal agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.


Simona Padilla-Scholtens, CPA
Auditor-Controller

Fairfield, California

October 14, 2014

Simona Padilla-Scholten, CPA
Auditor-Controller



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Board of Commissioners
First 5 Solano
Children and Families Commissioners
Fairfield, CA 94533

INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE

Compliance

We have audited the First 5 Solano Children and Families Commission's (Commission) compliance with the requirements specified in the State of California's *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act*, issued by the State Controller's Office, applicable to the Commission's statutory requirements identified below for the year ended June 30, 2014.

Management's Responsibility

Management is responsible for compliance with the requirements of the laws and regulations applicable to the California Children and Families Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Commission's compliance with the requirements referred to above based on our audit. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the State of California's *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act*, issued by the State Controller's Office. Those standards and the State of California's *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the requirements referred to above that could have a direct and material effect on the statutory requirements listed below. An audit includes examining, on a test basis, evidence about the Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our opinion on compliance. However, our audit does not provide a legal determination of the Commission’s compliance with those requirements. In connection with the audit referred to above, we selected and tested transactions and records to determine the Commission’s compliance with the state laws and regulations applicable to the following items:

<u>Description</u>	<u>Audit Guide Procedures</u>	<u>Procedures Performed</u>
Contracting and Procurement	6	Yes
Administrative Costs	3	Yes
Conflict of Interest	3	Yes
County Ordinance	4	Yes
Long-range Financial Plans	2	Yes
Financial Condition of the Commission	1	Yes
Program Evaluation	3	Yes
Salaries and Benefit Policies	2	Yes

Opinion

In our opinion, the First 5 Solano California Children and Families Commission complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the California Children and Families Program for the year ended June 30, 2014.

This report is intended solely for the information of the County Board of Supervisors, the County Commission, the State Commission, and the State Controller’s Office and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.


 Simona Padilla- Scholtens, CPA
 Auditor-Controller

Fairfield, California

October 14, 2014

**2012
Strategic
Plan
Update**



**First 5 Solano
Children and
Families
Commission**

**ADOPTED
12-6-11**

About First 5 Solano

First 5 Solano Children & Families Commission leverages and invests Proposition 10 tobacco tax funds approved by California voters in 1999 for prenatal, health, quality child care, school readiness, community engagement and parent, provider, and family support programs serving Solano County's children aged 0-5 and their families. These services help young children access supports to thrive and enter school healthy, ready to learn and grow to become productive members of Solano County's workforce and community.

First 5 Solano Commissioners

Dan Ayala

District 5

Stephan Betz

Solano County H&SS

Dana Dean

District 2

Sheryl Fairchild

District 3

Debbie Gossell

District 4

Elaine Norinsky, Ed.D

District 1

Linda J. Seifert

Solano County Board of Supervisors

Jay Speck

Commissioner-at-Large

Norma Thigpen

Solano County H&SS

First 5 Solano Staff

Christina Arrostuto

Executive Director

Michele Harris

Deputy Director

Venis Jones Boyd

Family Support Programs Manager

Cherelyn Ellington

School Readiness & Community Services Manager

Lynn Hoffman

Policy & Fund Development Manager

Chris Shipman

Health Programs Manager

Denise Winters

Accounting Clerk II

Strategic Planning Consultant

Lori Allio, Ph.D, Hatchuel Tabernick Associates

Special Thanks to:

LFA Group – Learning for Action, First 5 Solano Evaluator

Heather Devaney, Sarah Howard and Minda Krueger

Table of Contents

- ★ **Letter from the Commission**
- ★ **Vision, Mission and Core Values**
- ★ **Accomplishments**
- ★ **Strategic Framework**
- ★ **Investment Approach**
- ★ **Special Section: First 5 Futures**

- ★ **Appendix: Strategic Plan Update Process**

Letter from the First 5 Solano Commission

On behalf of the First 5 Solano Children and Families Commission Chair, it gives me great pleasure to present the 2012 Strategic Plan Update. This document is the foundation for our strategic priorities and guides our investments over the next three years, 2012 - 2015.

Each year, over 4,700 babies are born in Solano County. Over 90% of brain development occurs during their first 5 years of life – a critical “window” to help ensure young children’s healthy development, secure attachment to nurturing caregivers, and school readiness. First 5 Solano, like all the 58 County First 5 Commissions in California, is charged with the responsibility for ensuring that its Proposition 10 revenues are directed toward the most impactful prevention and early intervention programs and services in our community.

While fully appreciating the unique opportunities and benefits afforded by the First 5 movement, we are mindful that this funding is extremely limited compared to community needs. Therefore, First 5 Solano has worked closely with local providers of services, policymakers and parents to ensure maximum leverage and impact for its scarce resources.

There have been many successes. Since 1999, First 5 Solano has served over 160,000 Solano residents – expectant parents, children aged birth-5, and parents/caregivers and providers of services to young children. These services include prenatal and perinatal care, quality child care and preschool, health coverage, support to avoid foster care, provision of basic needs and family stability services, parent education, comprehensive early mental/developmental health services and much more. Moreover, First 5 Solano has

pursued and accomplished infrastructure supports for the early childhood system, resulting in strong, effective collaboratives devoted to integrating and maximizing the benefits of the overall service system.

The Commission’s adoption of this 2012 Strategic Plan Update marks the culmination of a year-long public planning process which included extensive research, input and data review and which engaged parents, providers and subject-matter experts to focus on the highest priorities and most effective strategies to meet the needs of Solano’s children.

The 2012 Strategic Plan Update integrates the impact and accomplishments of our past investments with the growing body of research in the early childhood field about successful practice that has emerged in recent years. The Plan balances our intention to address the needs of young children and their families *now* with our responsibility to strengthen and sustain the early childhood system for Solano’s young children in the *future*. The Plan is grounded in First 5 Solano’s core values, with an emphasis on *leveraging* funding to grow the early childhood system, *collaboration* to best meet the needs of our community, and deploying our limited funding for maximum *impact*.

Thank you to all who participated in the 2012 Strategic Plan Update process. Together we have refined our strategic framework to support the allocation of scarce resources in tough times, hold ourselves accountable for results, lay the groundwork for a sustainable future and help you, the Solano community, to track our progress toward achieving our vision for young children and their families.



Dan Ayala, Chair
First 5 Solano



CORE VALUES

Collaboration - We model the spirit of collaboration through teamwork in our interactions with one another, community members and service providers.

Innovation - We seek and embrace new ideas and ways of supporting services and building community capacity, considering the highest and best use of Commission resources to be leveraging funds to support system change.

Community Engagement - We are accessible to our stakeholders and make every effort to incorporate community participation into policy and funding decisions.

Respect for Diversity - We are committed to supporting families, children and organizations in ways that are respectful, inclusive and responsive to the community.

Advocacy - We use our unique role to build public support for policies and programs that benefit young children and their families.

Integrity - We set and maintain the highest ethical and professional standards for our programs and ourselves.

Accountability - We establish goals for progressing toward our vision, define results for funded endeavors, measure and report our progress, and use what we learn to improve the lives of children and their families.

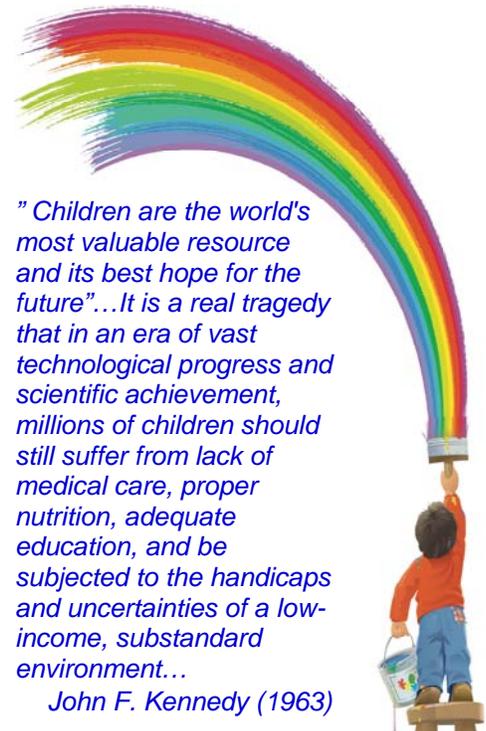
Sustainability - We leverage our human and financial resources intentionally, to sustain our internal and external services and strengthen the early childhood system.

MISSION

First 5 Solano Children and Families Commission is a leader that fosters and sustains effective programs and partnerships with the community to promote, support and improve the lives of young children, their families and their communities.

VISION

All Solano County children are loved, healthy, confident, eager to learn, nurtured by their families, caregivers, and communities.

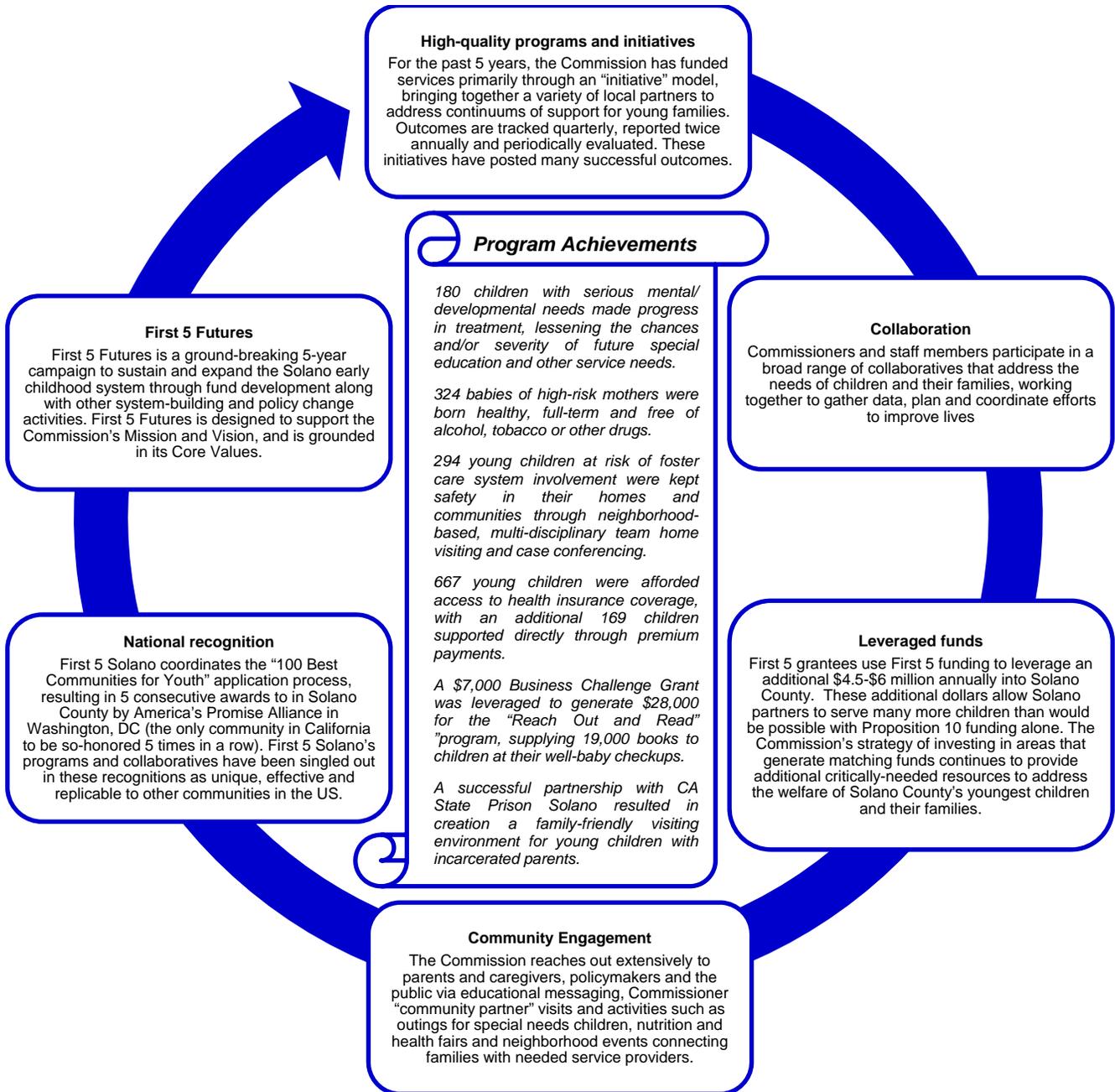


"Children are the world's most valuable resource and its best hope for the future"...It is a real tragedy that in an era of vast technological progress and scientific achievement, millions of children should still suffer from lack of medical care, proper nutrition, adequate education, and be subjected to the handicaps and uncertainties of a low-income, substandard environment...

John F. Kennedy (1963)

Accomplishments

First 5 Solano has become both a leader and a key strategic partner in Solano County. Working with non-profit, business, government and community partners, the Commission continues to offer support for critical services and collaborative activities that support the healthy development, safety and well-being of Solano's young children as well as the systems that serve them. The Commission seeks to promote quality early development, nurturing and school readiness of young children with "upstream" (prevention/early intervention) investments and a steady evolution toward evidence-based programming.



Strategic Framework

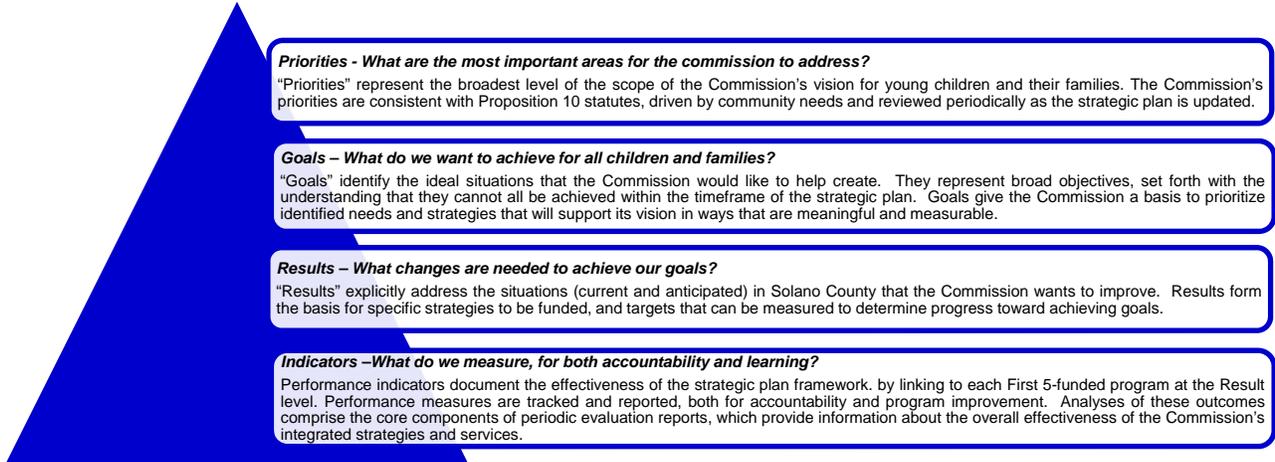
First 5 Solano's Strategic Framework serves as a summary of the strategic plan, and is utilized by the Commission to articulate the fundamental components of its grantmaking activities. The framework allows parents, policymakers, providers and the public to easily identify Commission priorities along with the relationships between the priorities, goals and results. In addition, the Framework "anchors" the Commission's investments to its strategic priorities, goals and results expected, in accordance with state statutes requiring that services funded by First 5 Commissions link to local strategic plans.

The three levels of the framework are both distinct and synergistic. (A fourth level, Indicators, is incorporated into the evaluation process through tracking and regular reporting of program performance measures.) Together, the levels of the framework constitute a "blueprint" for Commission's work and a vehicle to measure progress toward its vision for young children.

Over the years 2004 – 2006, the Commission made an intentional shift, from thinking of its strategic framework as a vehicle to promote individual grants for services, to using the framework to support clusters of related grants for services, or "initiatives." With the 2007 Strategic Plan Update, the First 5 Solano Commission adopted a streamlined framework that promoted an "initiative" approach to funding. In its 2007-2012 Program Investment Plan, the Commission earmarked the majority of its grant investment dollars to six initiative areas, primarily supported by collaboratives and featuring multiple service partners.

During the same time period, the Commission began to focus on strategies to effect lasting change, acknowledging that its investments often represent only a portion of the larger system efforts going on in the County. Commission strategies have sometimes included specific populations with documented high need or disparities that the Commission sought to address through its funded programs. The 2012 Strategic Framework reflects this steadily increasing emphasis toward funding evidence-based services.

In the 2012 Strategic Plan Update, the Commission affirmed its current Priorities and Goals and established a fourth Priority Area, "First 5 Futures," to reflect its commitment to strengthening and sustaining the Solano early childhood system. The Result areas were streamlined and updated. A "Key Criteria" section was added to emphasize issues to be considered across the breadth of the framework.



Priorities - What are the most important areas for the commission to address?

"Priorities" represent the broadest level of the scope of the Commission's vision for young children and their families. The Commission's priorities are consistent with Proposition 10 statutes, driven by community needs and reviewed periodically as the strategic plan is updated.

Goals - What do we want to achieve for all children and families?

"Goals" identify the ideal situations that the Commission would like to help create. They represent broad objectives, set forth with the understanding that they cannot all be achieved within the timeframe of the strategic plan. Goals give the Commission a basis to prioritize identified needs and strategies that will support its vision in ways that are meaningful and measurable.

Results - What changes are needed to achieve our goals?

"Results" explicitly address the situations (current and anticipated) in Solano County that the Commission wants to improve. Results form the basis for specific strategies to be funded, and targets that can be measured to determine progress toward achieving goals.

Indicators - What do we measure, for both accountability and learning?

Performance indicators document the effectiveness of the strategic plan framework, by linking to each First 5-funded program at the Result level. Performance measures are tracked and reported, both for accountability and program improvement. Analyses of these outcomes comprise the core components of periodic evaluation reports, which provide information about the overall effectiveness of the Commission's integrated strategies and services.

First 5 Solano 2012 Strategic Framework

P1
Health and Well-Being

P2
Early Childhood Learning and Development

P3
Family Support and Parent Education

P4
First 5 Futures

Key Criteria: evidence-based, focus on high risk/ high need, coordination, collaboration, leveraging, access

G1
All children are born to their optimal health potential

G2
All children maintain optimal health

G3
All children learn and develop through high quality care

G4
All children enter kindergarten ready to learn

G5
All families are safe and stable

G6
All parents and primary caregivers support their children's development

G7
The early childhood system is strengthened, expanded and sustained

R1
Mothers have healthy pregnancies

R2
Newborns are healthy

R3
Children access comprehensive health insurance and health care services

R4
Children and parents /primary caregivers access appropriate mental health services

R5
Reliable child care is consistently available to families

R6
Child care providers know and practice high-quality child care programming

R7
Parents and primary caregivers are educated on, prepared to, and engage in helping their children enter school ready to learn

R8
Children have access to quality, affordable early learning experiences in their community (Birth-5)

R9
Families know about and access necessary support systems and community services

R10
Children are raised in safe homes and communities

R11
Using community resources and supports, parents and primary caregivers are educated on and practice effective parenting strategies

R12
Large foundation and government grants and contracts are secured

R13
Corporate grants are obtained and corporate/business partnerships are strengthened

R14
Legislative and policy changes benefiting young children are prioritized, established and strengthened

Investment Approach

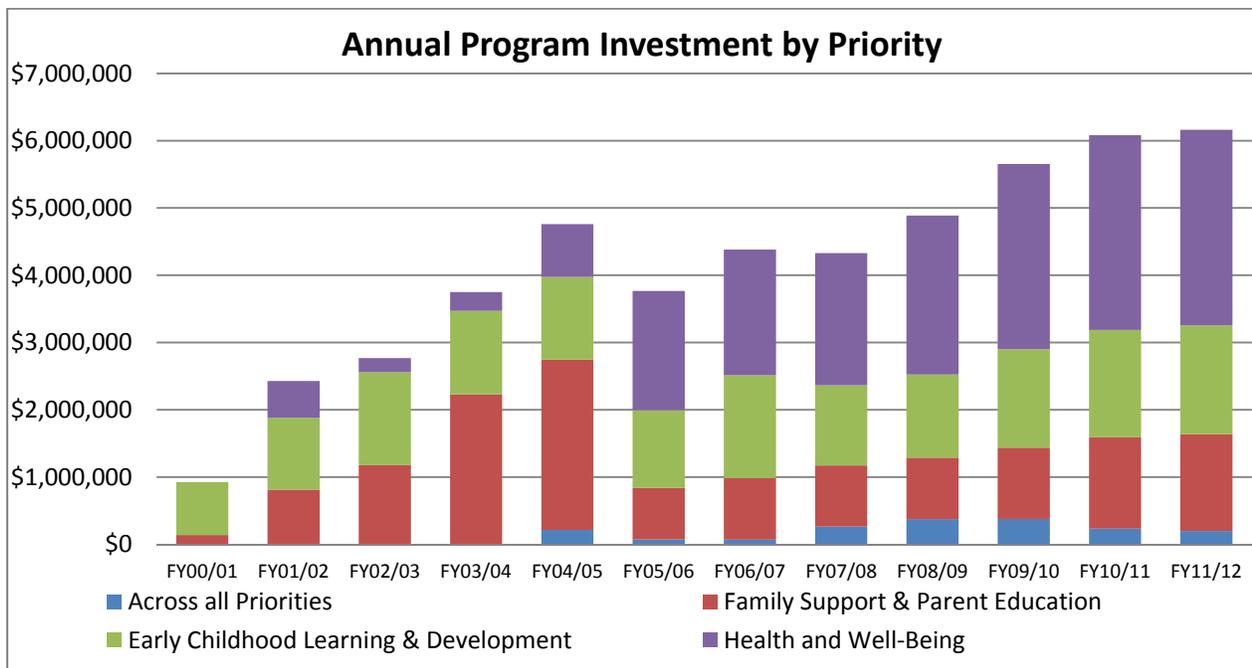
Funding to Date

First 5 Solano launched its programmatic investments in FY2000/01 with a mix of capital, planning, program and mini-grants. Over the past decade, the Commission has steadily deepened and refined its strategic investments through building collaboratives and initiatives. To date, almost \$50 million has been invested for young children, their families and providers in Solano County.

In accordance with its community strategic plan (created in 2000 and updated in 2004 & 2007), the Commission has dedicated its funding to three Priority Areas:

- Health & Well-Being
- Early Childhood Learning & Development
- Family Support & Parent Education

The Commission has also dedicated resources to internally-run programs that span its priority areas, and to activities that supported its overarching goal of system change. The proportion of funds invested in each area has varied across the years.



Between 2004-2008, the Commission experienced lower-than-expected declines in its tobacco tax revenues and interest income, allowing spending to grow for that period. Since 2008, the economic downturn spurred the Commission to increase its investments in the Family Support Priority area, including increased funding for Family Resource Centers and the establishment of a \$1 million “Community Stability Fund” to help young families avoid homelessness and utility shutoff. The Commission loaned funds to stave off a gap in state funding for subsidized child care for low-income working families, and began investing in the future by establishing “First 5 Futures,” a five-year campaign to generate alternative funding

to its declining tobacco tax revenues. These activities caused the Commission's reserve to be depleted at a somewhat higher rate than had originally been projected in the Long Term Financial Plan.

Because the Commission's primary source of funding, the Proposition 10 tobacco tax, was originally designed to decline over time, the Commission had long anticipated reducing its overall investments somewhat after the end of the 2007-2012 funding cycle. However, in early 2011 the state Legislature passed, and the Governor subsequently signed, legislation to wipe out most of the First 5 Solano reserve. Litigation ensued, and as the Solano Commission's Strategic Plan was finalized, the legislation was ruled invalid, freeing up these funds, albeit subject to a possible appeal by the state.

These events and circumstances greatly influenced the Commission's deliberations and eventual decisions on its investment approach for the term of the 2012 Strategic Plan Update.

2012-2015 Spending Plan Criteria and Components

Over the course of developing the 2012 Strategic Plan Update, the Commission has further refined and streamlined its Strategic Framework. Some Result areas were re-worded, some were consolidated and still others eliminated.

The Commission utilized the new Strategic Framework to make difficult choices in an era of both increased need and reduced resources. The Commission chose to establish a three-year funding cycle (2012-2015) which weights funding toward 1) Result areas and strategies that are expected to leverage the most funding in the next few years and 2) high-risk/high-need populations to be served.

The 2012 Investment Approach features:

- *High-leverage investments;*
- *Weight towards high-risk/high need population investments;*
- *Continued support for successful strategies and evolution toward evidence-based practice;*
- *Continued support for collaboration, moving toward consolidation or "meta-collaboratives;"*
- *Transitions to accommodate reduced available funding;*
- *Maintenance of a Discretionary Fund to ensure flexibility during uncertain times; and*
- *Intentional investments for the future, working toward a sustainable funding level.*

The First 5 Solano 2012-2015 Program Investment Plan details specific funding by Strategic Plan Goals, Result areas and strategies.

Special Section: First 5 Futures

First 5 Futures is a five-year campaign launched in 2010 to strengthen, expand and sustain the Solano early childhood system by offsetting a declining tobacco tax base with alternative revenues, engaging new partners such as the business community in support of young children's issues, and pursuing policy, programmatic and legislative improvements in the early childhood system. First 5 Futures was developed to address declining local First 5 funding, meet community needs that exceed current resources, and help local agencies and organizations build their capacity to sustain critical young children's services.



The First 5 Futures concept evolved over time. Solano, like many other Commissions, had initially addressed the challenge of declining tobacco tax funding by adopting long-term financial plans that spread reserves over a long period. These plans were adversely impacted by the economic downturn, attempts at the state level to compromise First 5 local control, and a federal tobacco tax increase that reduced First 5 funding.

At the same time, First 5 Solano had achieved remarkable success in leveraging its funds to bring in additional state, federal and foundation dollars. By doubling the value of its community investments, First 5 Solano had become even more critical as a community leader and partner.

The Commission analyzed and discussed these issues at length, incorporating a wide variety of community input from grantees and other service providers, parents, fellow funders and policymakers. The central theme that emerged was that First 5 Solano should seek to sustain itself and its community partners rather than accept the decline in its funding. In this turbulent environment of challenge and opportunity, First 5 Futures was launched in 2010.

First 5 Futures Implementation took on a new urgency in early 2011 with the passage of AB 99, another state-level action to take First 5 funds from local control. While fighting AB 99 in court, the Solano Commission also moved ahead with initial First 5 Futures activities and worked to develop a detailed implementation plan for this groundbreaking initiative.

At its October 4, 2011 meeting, the First 5 Solano Children and Families Commission adopted the *First 5 Futures Implementation and Fund Development Plan*, setting forth the F5F mission and vision, three major goals, an extensive and detailed timeline of activities to be conducted over the life of the plan, a "Grant Template," and other grant-seeking tools that can be customized to analyze and respond to solicitations for funding.

In its development of the 2012 Strategic Plan Update, the Commission approved First 5 Futures as a fourth Priority Area of its Strategic Framework, affirming the critical importance of investing in the future to preserve and build on the hard-won progress of the past decade.



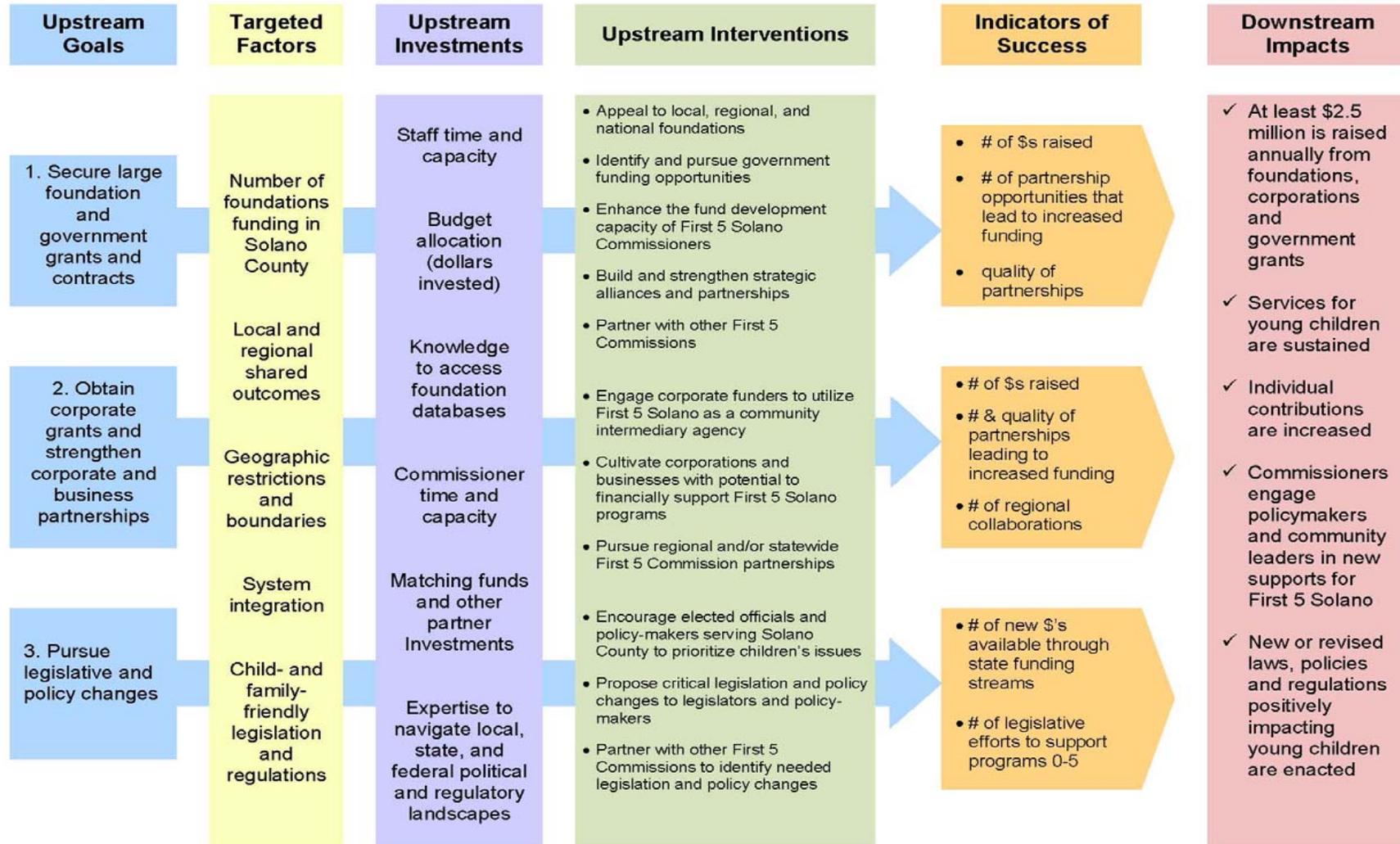
Funding the Business of Childhood



'Upstream' Mission
Secure critical resources and policy improvements for children 0-5 in Solano County

First 5 Futures - Logic Model

'Downstream' Vision
The Solano early childhood system is sustained and expanded



Appendix: Updating the First 5 Solano Strategic Framework

First 5 Solano Children and Families Commission embarked on a strategic plan update process in late 2010 to address the evolution of the service system over the past years, and the opportunities and dilemmas of the next decade. Through this process, the Commission engaged the community in an extensive process that included examining its history, its impact in the community via its operations, funded programs and partnerships, and the changes in Solano County and the larger environment. The Commission used this information to plot its course for the coming years.

During 2011, in special sessions attached to their regular meetings, the Commission undertook the following steps as part of its strategic planning process and updated the Strategic Framework as described below.

- Reviewed First 5 Solano's organizational history, noting the evolution of the organization and the early childhood field;
- Examined and revised the Strategic Plan Mission, Vision and Values statements, updating for lessons learned and the Commission's progress over the past five years;
- Received and discussed reports and data relating to their strategic planning work, including the Community Indicator Report, Community Input Report, Family Survey and a 4-year trend report for selected performance indicators.¹

In addition, Commissioners conducted two retreats (one full-day, one half-day) to refine and update the strategic framework, prioritize strategies and result areas to emphasize in the next funding cycle, and to establish a funding cycle and plan.

Based on these reports, data and community input, Commissioners modified the strategic framework as follows:

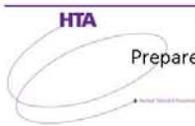
- Added a "Key Criteria" section to the framework, to emphasize elements to consider across all Priority, Goal and Result areas in the plan;
- Revised Result areas in the framework, including dropping some results, adding others and modifying the language in still others;
- Establish "First 5 Futures" as a fourth Priority area, in recognition of the compelling interest of First 5 Solano in carrying out its five-year campaign to expand, sustain and strengthen the Solano early childhood system by generating revenues from sources other than the Proposition 10 tobacco tax and actively seeking policy and legislative supports for young children.

In developing the 2012 Strategic Plan Framework, Commissioners continued, as in previous updates, to introduce more specificity to its Result areas, allowed for cross-cutting emphases to be utilized across priorities, and built on its commitment to system support, expanding this commitment from the programmatic and initiative levels to the organizational and policy levels. This Framework was designed to support First 5 Solano's continued effectiveness in improving the health, well-being, safety and development of Solano County youngest children as the Commission moves into an era of reduced funding.

¹ These reports are available at www.first5solano.org or by request.



Strategic Planning Process & Timeline



Prepared By Hatchuel, Tabernik & Associates

HISTORY of FIRST 5 SOLANO CHILDREN + FAMILIES COMMISSION

INFANCY

Proposition 10
 YES
 NO

KEY

- Awards
- POLICY + Big Picture EVENTS
- MILESTONES: GRANTS + STRATEGY
- PEOPLE



FORMATIVE YEARS

COLLABORATION INTEGRATED



First Strategic Plan Created + Approved

Strategic Plan Updated

1st Results Fair + Community Impact Report

Community Driven Priorities Developed - \$1.5M/priority allocated

\$250K Mini Grants
 \$1M Capital Grants
 \$283K Planning Grants

Task Forces Recommended Re-defining Focus Areas @ Family Planning
 • Health - Prenatal Care
 • ECE - Child Care
 • Family Support - FIC Services

Organizational Infrastructure Developed

\$2.2M Family Support Grants
 \$800K School Readiness Grants

Cares Program Implemented

Direct Services Grants Begin



4th Greater Training of TA Model is Established



ELANNE



2 Staff Members

VENUS

Staff Grows to 4





F5 SOLANO STRATEGIC FRAMEWORK — RESULTS DASHBOARD

The purpose of this matrix is seven-fold: 1) to define key indicators for each strategic result, 2) to link existing performance data to each result indicator, 3) connect result indicators to community indicators to provide broader context of the issues, 4) to identify measurement gaps and provide technical assistance to fill them, 5) to use the strategic results and indicators to guide ongoing cost-benefit analyses, 6) help First 5 track progress in each results area, and 7) to make strategic or programmatic adjustments where necessary.

Result Area #	Result Area	Strategies	Program/ Initiative	Result Indicator	F5 Solano, FY 12/13	F5 Solano, FY 13/14	Relevant County Data Points	Notes
R1	Mothers have healthy pregnancies	Screenings, case management and prenatal health services for African American women and teens	BabyFirst	Percent of mothers entering prenatal care by first trimester	N/A	N/A	80%	HP 2020 is 78%; County data from CA DPH, 2012, http://www.apps.cdph.ca.gov/vsq/default.asp
R2	Newborns are healthy	Screenings, case management and prenatal health services for women at risk of using/ abusing substances; Nurse home visiting for first time mothers	BabyFirst	Percent of babies born full term (37+ weeks)	94%	92%	90%	First 5 2012/13 N=72 First 5 2013/14 N=36 County data from CDC WONDER, 2012, http://wonder.cdc.gov/controller/datarequest/D66
				Percent of babies born at a healthy birth weight	94%	89%	93%	First 5 2012/13 N=72 First 5 2013/14 N=36 HP2020 is 94%; County data from CA DPH, 2012, http://www.apps.cdph.ca.gov/vsq/default.asp
R3	Children access comprehensive healthcare insurance and services	Outreach, enrollment and retention activities; premium subsidies	SCBH SKIP	Percent of children with continuous health insurance coverage (0-5)	100%	95%	94%	First 5 2012/13 N=1124 First 5 2013/14 N=944 County data point represents percentage of children 0-5 with health insurance. Data from U.S. Census, American Community Survey, 2013, Table B27001
		Nurse home visiting for first time mothers	BabyFirst	Percent of children who attended well-baby and well-child visits	92%	100%	74%	First 5 2012/13 N=12 First 5 2013/14 N=10 County data for Napa, Solano, and Yolo combined: percentage of Medi-Cal members three to six years of age as of December 31 of 2012 who received one or more well-child visits with a PCP during the measurement year. Data from 2012 HEDIS Aggregate Report, http://www.dhcs.ca.gov/dataandstats/reports/Pages/MMCDQualPerfMsrRpts.aspx
R4	Children and primary caregivers access appropriate mental health services	Mental health treatment services Parent and provider education	EPSDT	Percent of children who demonstrated measurable improvement on at least one treatment goal	91%	100%		First 5 2012/13 N=207 First 5 2013/14 N=211
		Developmental screenings, referrals and services	PEAK Families First PEAK Youth and Family	Percent of parents demonstrating increased parenting and child development knowledge	97%	100%		First 5 2012/13 N=276 First 5 2013/14 N=112

Result Area #	Result Area	Strategies	Program/ Initiative	Result Indicator	F5 Solano, FY 12/13	F5 Solano, FY 13/14	Relevant County Data Points	Notes
			Services Family Strengthening Partnership					
			PEAK/EPSDT	Number of screenings for potential developmental delays	927	929		
			PEAK/EPSDT	Percent of all children screened who were identified with potential delays and received ongoing EPSDT services	46%	48%	349 K students w/disability*	County data on number of entering kindergartners with diagnosed disability from CDE Data Quest, 2013, http://dq.cde.ca.gov/dataquest/
				Percentage of children with delays who made developmental progress	91%	100%		First 5 2012/13 N=207 First 5 2013/14 N=211
R5	Reliable care is consistently available to families	Wraparound child care	Child Start – Full Day Head Start	Number of high quality child care spaces (full-day Head Start slots)	40	40	90	County data on number of children in full-day/full-year Head Start and Early Head Start slots for 2012; an additional 647 children were in partial day openings. Data from American Institutes for Research, Early Learning Systems Database
R6	Child care providers know and practice high quality child care programming	Child care professional development and stipends Early Learning system specialist	Children's Network – CARES	Percent of ECE providers who received quality professional development advising, completed required coursework, and were eligible for a CARES Plus stipend.	83%	100%	35 CD permits*	First 5 2012/13 N=99 First 5 2013/14 N=109 County data from Commission on Teacher Credentialing, 2012-2013 (318 permits issued over last 5 years)
			Child Signature Program sites	Percent of classrooms completing a quality assessment and developing a Quality Improvement Plan	N/A	100%		Note: Needs assessment and QIP not conducted in 2012/13 First 5 2013/14 N=30
R7	Parents and primary caregivers are educated, prepared, and engaged in helping their children enter school ready to learn	Parent education	PEAK	Percent of parents demonstrating increased parenting and child development knowledge (also in R4)	97%	100%		First 5 2012/13 N=276 First 5 2013/14 N=112
R8	Children have access to quality, affordable learning experiences in their community	Pre-K education	Child Start	Percentage of children demonstrating skill development in early reading and math skills	88%	96%	46%*	First 5 2012/13 N=25 First 5 2013/14 N=24 County data point represents percentage of children aged 3-4 enrolled in preschool. Data from U.S. Census, American Community Survey, 2013, Table S1401
				Percentage of pre-K children mastering skills predictive of reading proficiency later in elementary school	56%	51%	54%*	First 5 data from Pre-K Academies reports First 5 2012/13 N=171 First 5 2013/14 N=398 County data point represents percentage of 2 nd graders scoring Advanced or Proficient on CST English-Language Arts test. Data from CDE Data Quest, 2013, http://dq.cde.ca.gov/dataquest/

Result Area #	Result Area	Strategies	Program/ Initiative	Result Indicator	F5 Solano, FY 12/13	F5 Solano, FY 13/14	Relevant County Data Points	Notes
R9	Families know about and access necessary support systems and community services	Neighborhood based information and referral, and case management	Family Strengthening Partnership	Percent of high-risk families who remained stable or improved as demonstrated by the FDM	89%	94%		First 5 2012/13 N=399 First 5 2013/14 N=390
R10	Children are raised in safe homes and communities	Basic needs for families in crisis; homeless transition services	Family Strengthening Partnership	Percent of homeless families that transition to permanent housing and remain there for at least 90 days	43%	71%	39%*	First 5 2012/13 N=42 First 5 2013/14 N=38 County data point represents percentage of homeless families with children in transitional housing. Data from HUD Exchange, 2013, https://www.hudexchange.info/manage-a-program/coc-homeless-populations-and-subpopulations-reports/
		Neighborhood-based home visiting (IFS) for CPS-referred children	Family Strengthening Partnership	Percent of parents receiving home visiting services with improved parenting practices	95%	92%		First 5 2012/13 N=125 First 5 2013/14 N=130
				Percent of high-risk children served that remained safely in their homes or with their family unit	99%	99%	94%*	First 5 2012/13 N=178 First 5 2013/14 N=155 County data point represents percentage of children 0-5 with substantiated maltreatment allegation for whom no recurrence of maltreatment was recorded 12 months after initial allegation. Data from UC Berkeley, Child Welfare Indicators Project, 2013, http://cssr.berkeley.edu/ucb_childwelfare/RecurAlleg.aspx
R11	Using community resources and supports, parents and primary caregivers are educated on and practice effective parenting strategies	Parent information and support	Family Strengthening Partnership; Parent Education Initiative	Percent of parents receiving home visiting services with improved parenting practices	95%	92%		First 5 2012/13 N=125 First 5 2013/14 N=130

*Data for this county indicator is different from First 5 Solano indicator

Source: F5 Solano data came from State Reports and Pre-Kindergarten Academies Reports.

FIRST 5 SOLANO STRATEGIC FRAMEWORK — RESULTS INVESTMENTS

Result Area #	Result Area	Strategies	FY2011/12	2012-2015 Funding Cycle			Total 2012-2015 Funding Cycle
				FY2012/13	FY2013/14	FY2014/15	
R1	Mothers have healthy pregnancies	Screenings, case management and prenatal health services for African-American women	1,392,000	1,065,015	1,065,015	1,065,015	3,195,045
		Screenings, case management and prenatal health services for teens					
R2	Newborns are healthy	Screenings, case management and prenatal health services for women at risk of using/abusing substances	250,000	250,000	250,000	250,000	750,000
		Nurse home visiting for first-time mothers					
R3	Children access comprehensive health insurance and health care services	Outreach, enrollment, retention activities	250,000	250,000	250,000	250,000	750,000
R4	Children and parents/primary caregivers access appropriate mental health services	Premium subsidies	865,042	766,282	766,282	766,282	2,298,846
		Provider training					
		Developmental screenings and assessments					
		Mental health treatment services					
		MHSA match funds	436,000	456,000	456,000	456,000	1,368,000
R5	Reliable child care is consistently available to families	"Wraparound" child care	144,000	144,000	144,000	144,000	432,000
R6	Child care providers know and practice high-quality child care programming	Child care professional development and stipends	165,000	131,167	131,167	131,167	393,501
		First 5 California professional development match funds	136,313	136,313	-	-	136,313
		First 5 California Early Learning System Specialist	-	105,000	105,000	105,000	315,000
		Child care and development classroom improvements	-	15,000	99,000	82,500	196,500
R7	Parents and primary caregivers are educated on, prepared to, and engage in helping their children enter school ready to learn	Pre-Kindergarten Academies	814,718	80,000	80,000	80,000	240,000
R8	Children have access to quality, affordable early learning experiences in their community (birth to 5)						
R9	Families know about and access necessary support systems and community services	Neighborhood-based information & referral/case management	1,338,000	945,920	876,035	876,035	2,697,990
		Neighborhood-based home visiting for CPS referred-children					
		Substance abuse outreach, screening referral and treatment					
R10	Children are raised in safe homes and communities	Basic needs for families in crisis					
		Homeless transition services					
R11	Using community resources and supports, parents and primary caregivers are educated on and practice effective parenting strategies	Parent information and support					
R12	Large foundation and government grants and contracts are secured						
R13	Corporate grants are obtained and corporate/ business partnerships are strengthened	First 5 Futures	175,000	352,000	352,000	352,000	1,056,000
R14	Legislative and policy changes benefiting young children are prioritized, established and strengthened						
All	Parent Education	Parent education curriculums across programs	302,681	204,173	104,173	104,173	412,519
All	Collaboration	Collaboration/Coordination across programs	412,000	175,000	100,000	100,000	375,000
All	Discretionary Fund	TBD annually	-	250,000	250,000	250,000	750,000
Totals:			5,716,073	5,075,870	4,778,672	4,762,172	14,616,714

First 5 Solano Commission Retreat
October 25, 2014
Applied Survey Research

 **SOLANO COUNTY
COMMUNITY TRENDS**



Overview

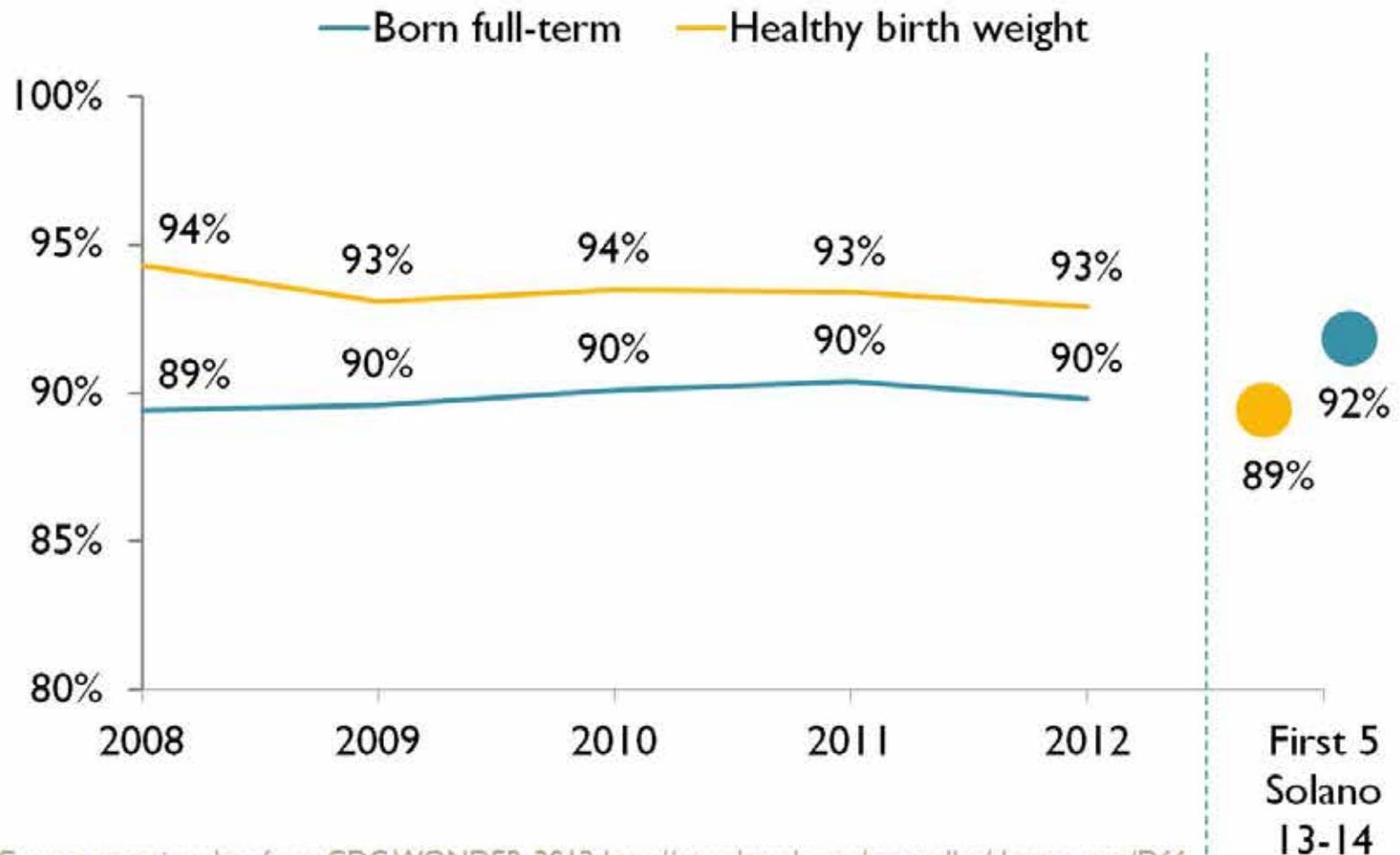
- Review a selection of the indicators on the **First 5 Solano Results Dashboard**, including:
 - 5-year trends in the county for these indicators
 - First 5 program-level outcome comparisons
- Summarize county-level indicators that have changed over time
- Discuss next steps in data tracking and alignment

Priority I



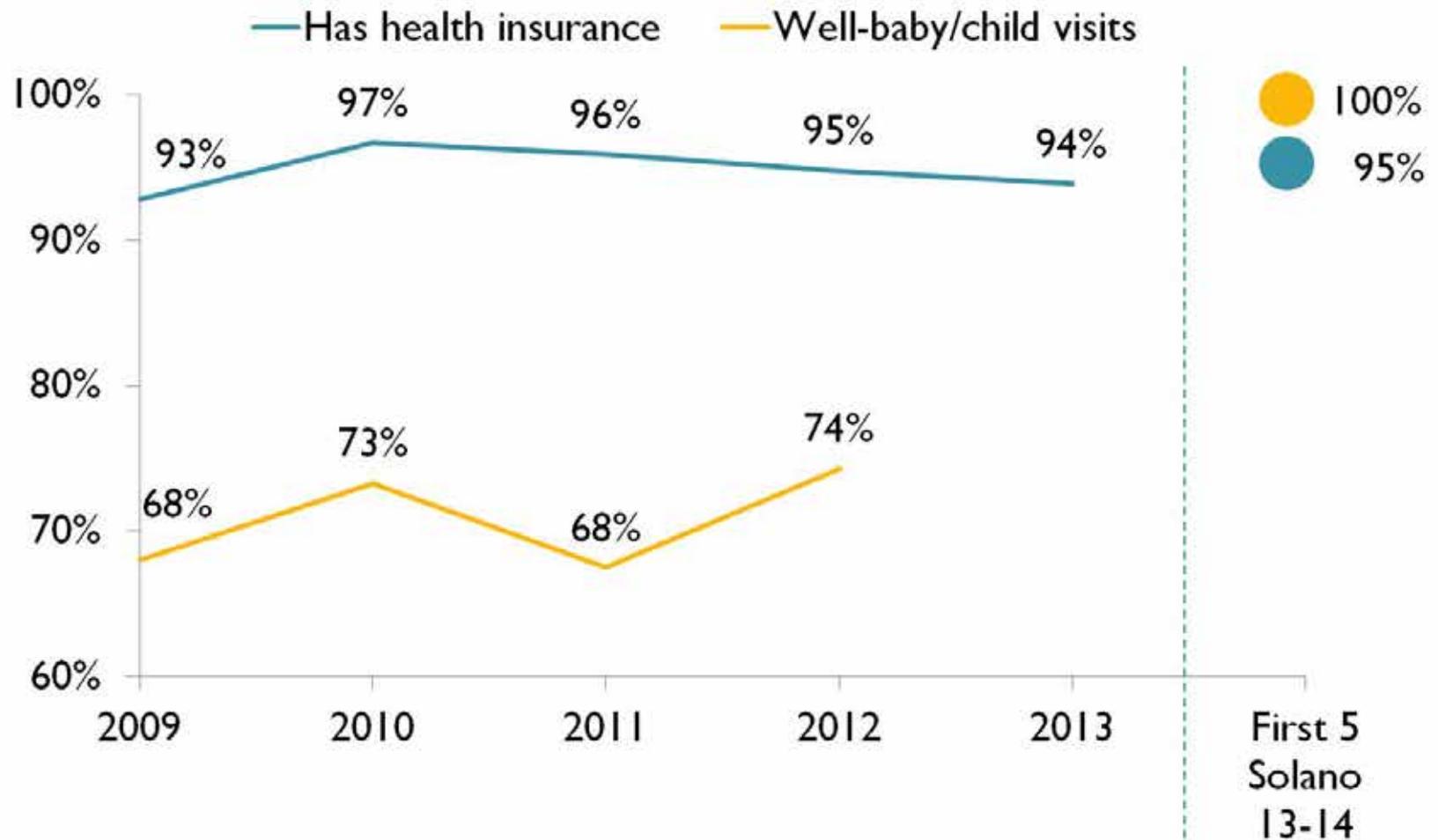
HEALTH AND WELL- BEING

Pregnancy and Birth Health and Well-Being



County gestation data from CDC WONDER, 2012, <http://wonder.cdc.gov/controller/datarequest/D66>
 County birth weight data from CA DPH, 2012, <http://www.apps.cdph.ca.gov/vsq/default.asp>
 F5 Solano data came from the [F5 Solano Annual Report](#) for FY2013-14 unless otherwise indicated.

Early Childhood Health Services



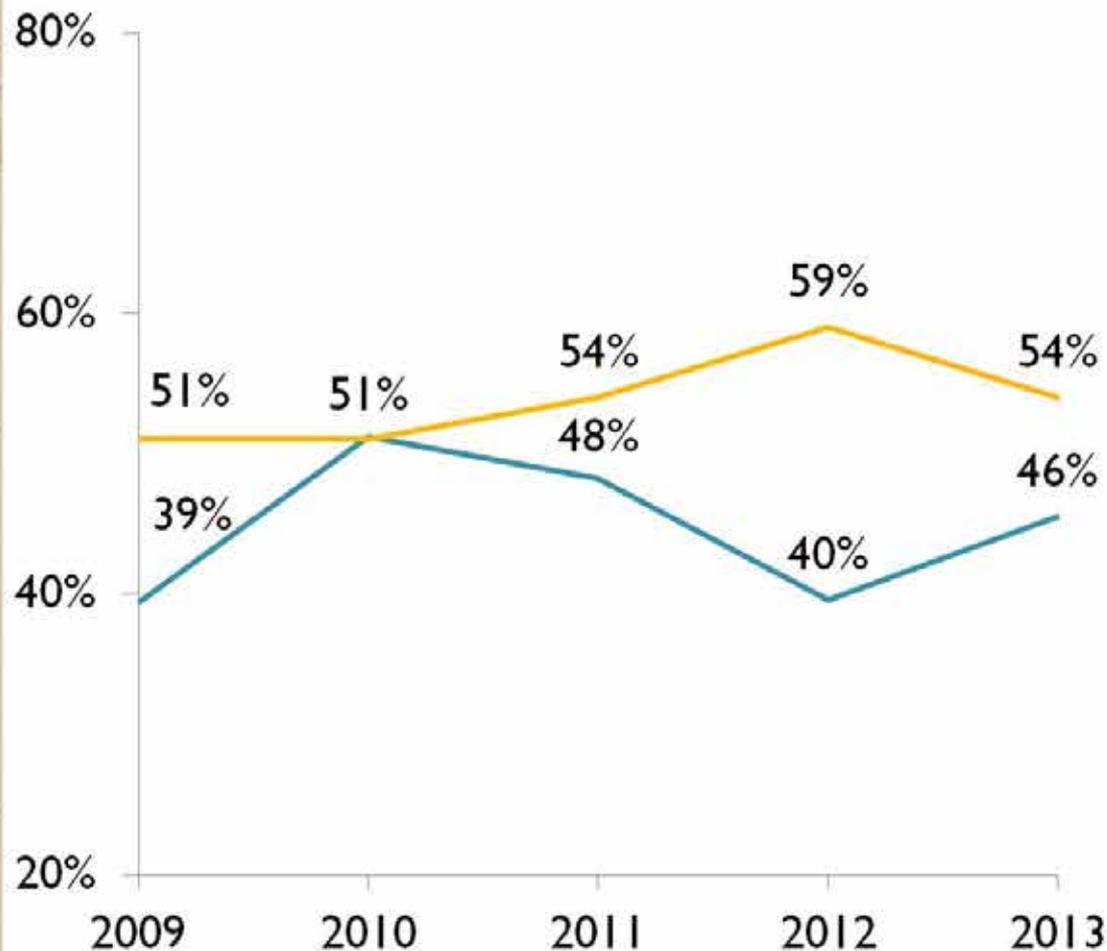
County health insurance data from U.S. Census, American Community Survey, 2013, Table B27001
County well-child visit data from 2012 HEDIS Aggregate Report,
<http://www.dhcs.ca.gov/dataandstats/reports/Pages/MMCDQualPerfMsrRpts.aspx>

Priority 2



EARLY CHILDHOOD LEARNING AND DEVELOPMENT

School Enrollment and Performance



Child Start

40 full-day Head Start slots provided

First 5 Solano Pre-K Academies

51% had skills predictive of 2nd grade reading proficiency

— Preschool enrollment among 3-4 year olds

— 2nd grade reading proficiency

County preschool data from U.S. Census, American Community Survey, 2013, Table S1401

County reading proficiency data from CDE Data Quest, 2013, <http://dq.cde.ca.gov/dataquest/>

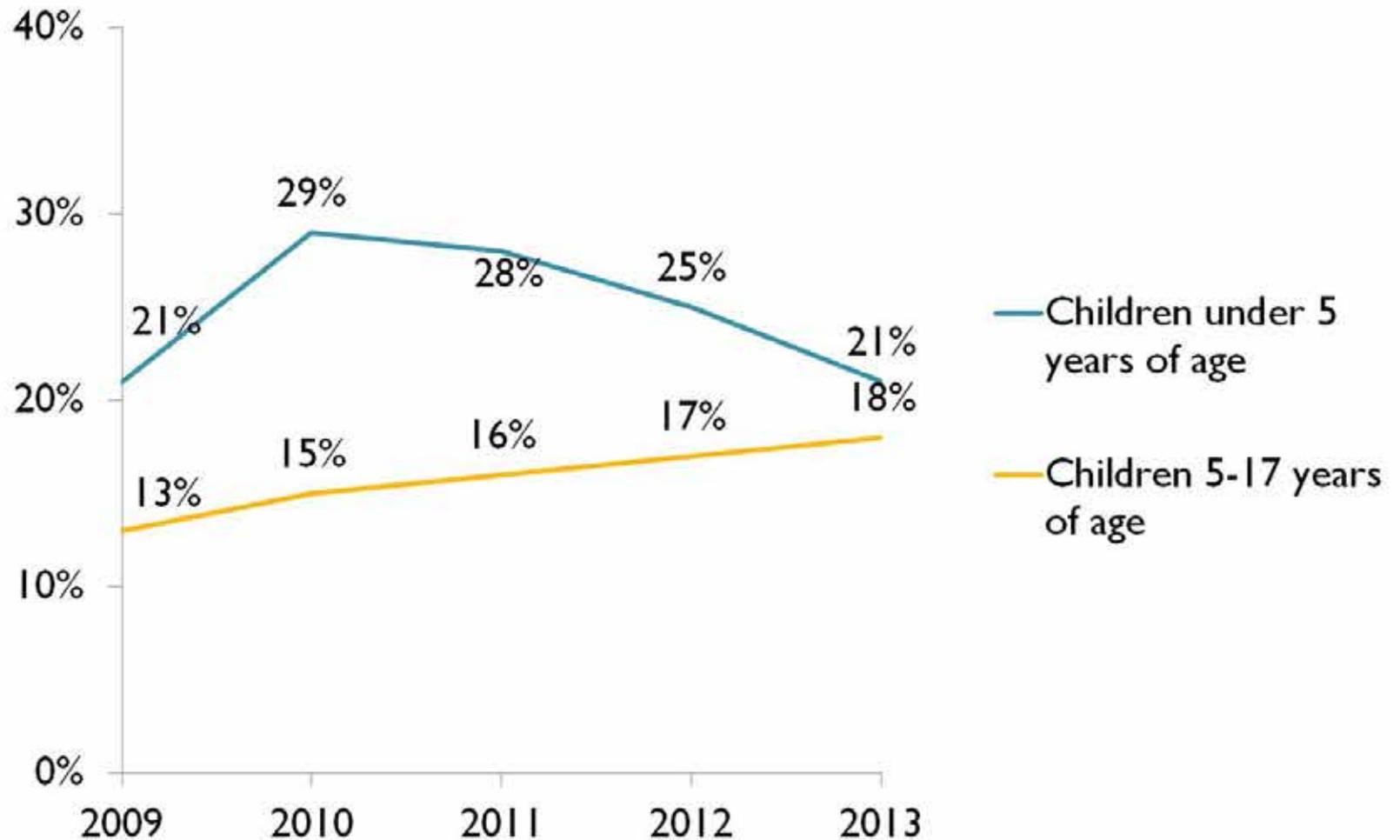
F5 Solano data are from the Pre-Kindergarten Academies Report in 2013.

Priority 3

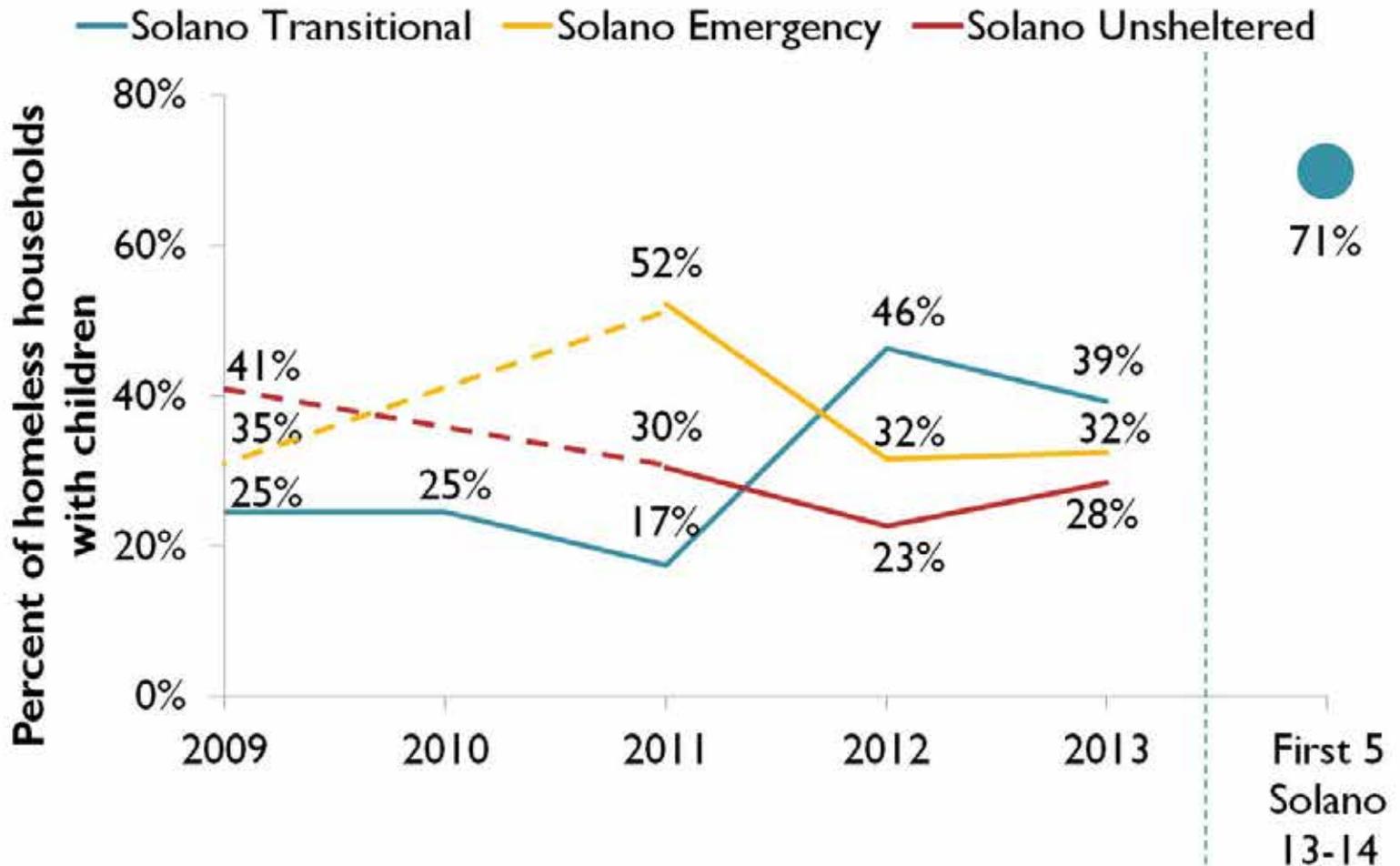


FAMILY SUPPORT AND EDUCATION

Children in Poverty

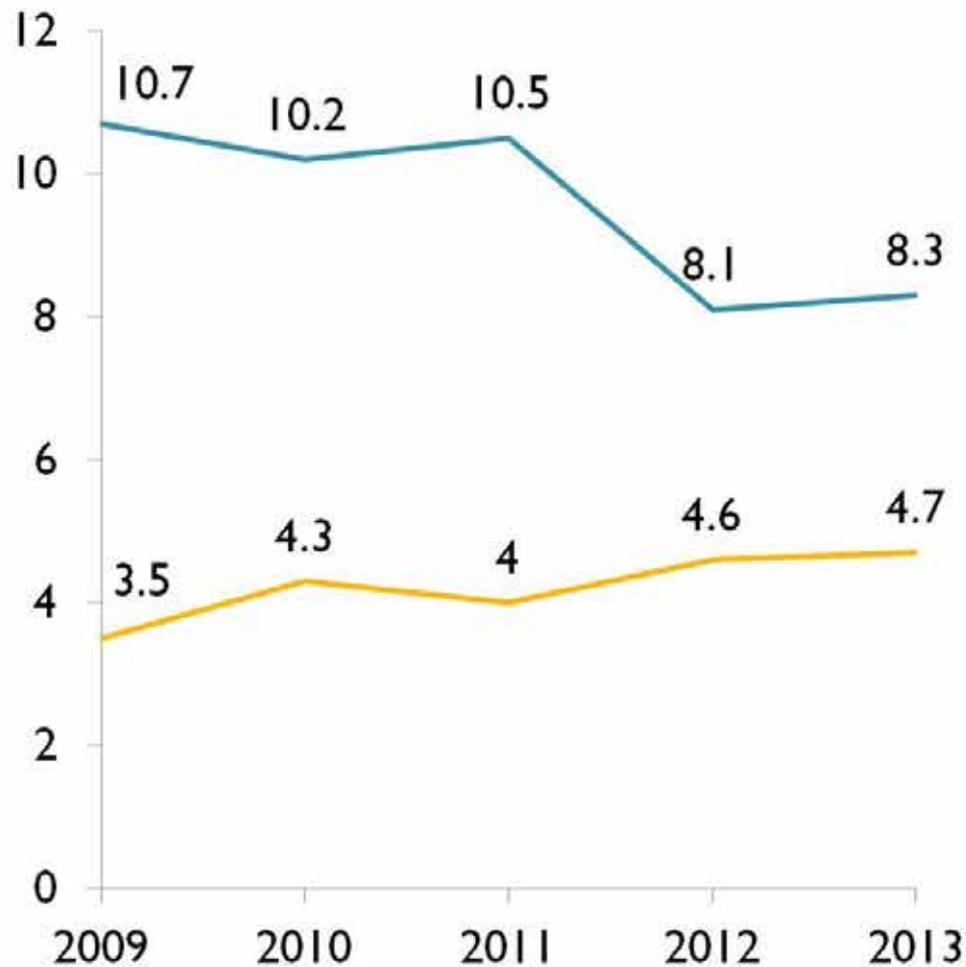


Percent of Homeless Families with Children Living in Transitional Housing



County homelessness data from HUD Exchange, 2013, <https://www.hudexchange.info/manage-a-program/coc-homeless-populations-and-subpopulations-reports/>. Dotted lines represent estimated trends due to missing data in 2010.

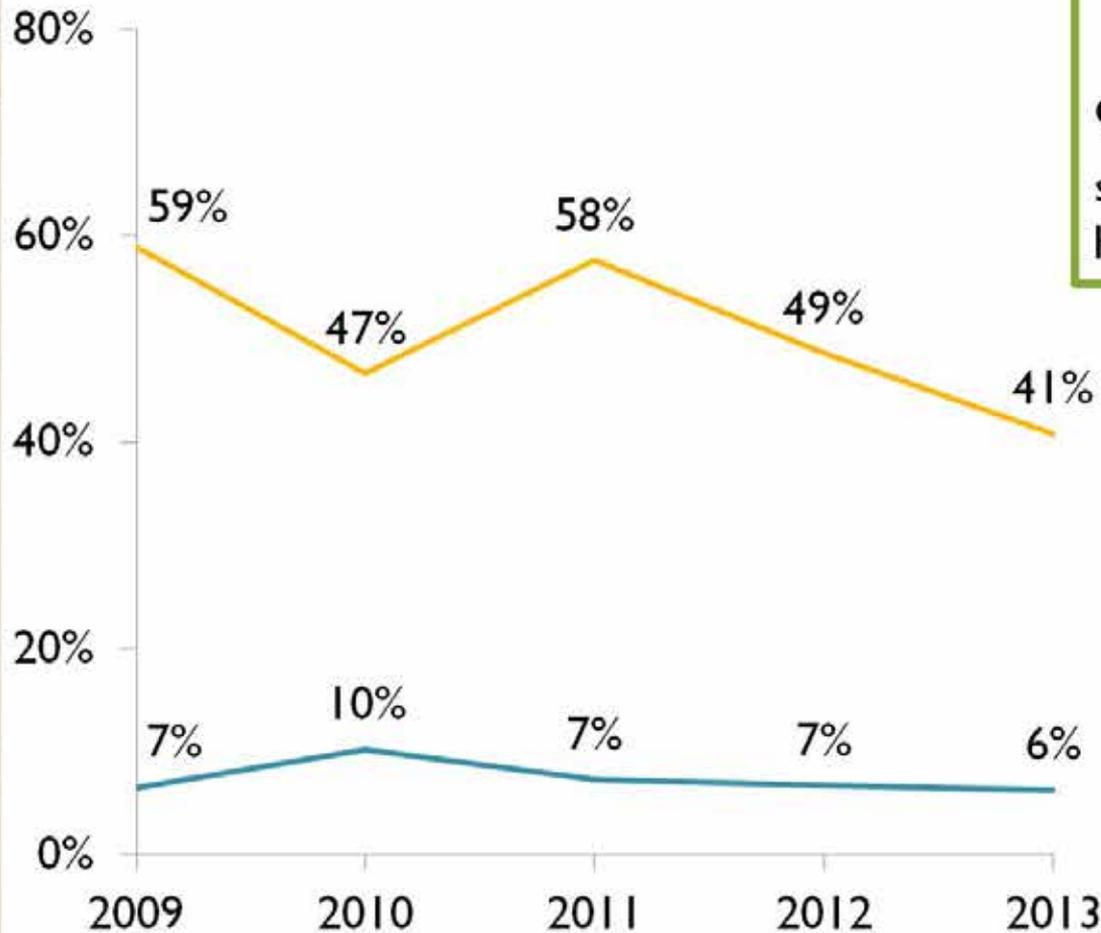
Child Welfare Outcomes



*First 5 Solano Family
Strengthening Partnership (FSP)*
155 High-risk children
served

— Substantiated
Maltreatment
Rate

Child Welfare Outcomes, continued



First 5 Solano Family Strengthening Partnership
99% of high-risk children served remained in homes/with family unit

- Maltreatment recurrence
- Reunification with family

Which Community Indicators Show Movement?

Result Area	Indicator	Trend
Children have access to health care and services	Children receiving well-child visits	
Children have quality early childhood education experiences	Children 3-4 enrolled in preschool	
Children go on to be successful later in school	Second grade reading proficiency	
Families can adequately provide for their children's needs	Children under 5 in poverty	
Children are raised in safe homes and communities	Child maltreatment rate	
	Foster care rate	
	Family reunification	

Next Steps

- Continue to **collect** program data already aligned with community indicators
- Continue to **track** community- and program-level data trends
- **Fill in gaps** in data collection and improve alignment of remaining indicators
- Develop and refine **shared measurement** across F5 and county systems in priority areas

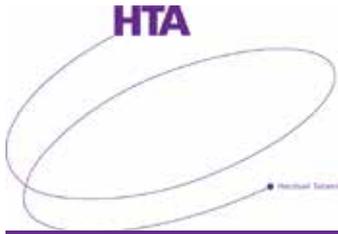
First 5 Solano: Collective Impact Workshop

HTA

Presented by Lori Allio, PhD



Hatchuel Tabernik & Associates
Your Vision. Our Passion. A World of Results



Agenda Review

Agenda

- i Overview of Collective Impact: The Big Picture
- i What is it? The Five Pillars
- i Digging Deep: How to Implement It?
- i Timelines, Next Steps...



Just for fun....

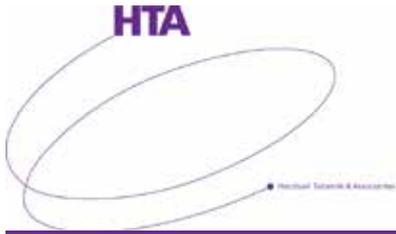
Collective Impact Jargon

- i Keep a running list of all the jargon you hear today



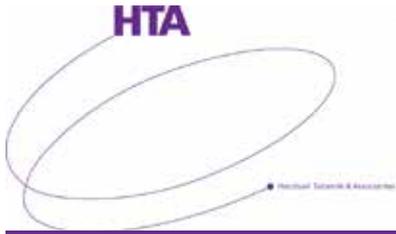
The Big Picture: Background On Collective Impact





Why Collective Impact?

- **No single program, organization, or institution acting in isolation can bring about large-scale social change on their own**
- **Current systems are fragmented and inadequate and we often work in silos**
- **Sustainable community/systems level change requires the concerted efforts of the many players who can *contribute* to change and band together around a common agenda**

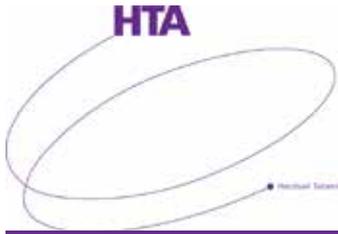


Why Now?

Serendipity and CI

A number of historical trends has led us to this place:

- i The power of the computer & technology = more accessibility of data and information and ease of group communication
- i The problem of rising need and relatively declining resources
- i Lessons learned from 30 years of community initiatives, collaborations, investments



Lessons Such As....

- i Collaboration is better than competition
- i Bringing cross sector groups together can catalyze dramatic change and learning as siloes break down
- i Having a goal that is a shared group priority brings broad focus and the potential for big impacts
- i Selecting a shared indicator and tracking it together can be a powerful driver for change
- i Sharing credit encourages change more than taking credit

Discussion

What have you noticed works with collaboration?

What doesn't work?

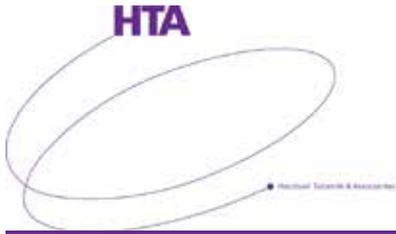
Has there been a moment of synergy that you remember?



Collective Impact:

The 5 Pillars

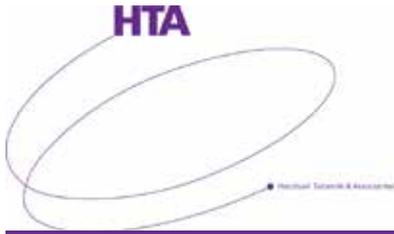




The Collective Impact Approach

Collective Impact approach includes five elements:

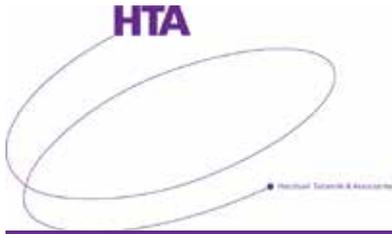
- | A broad range of actors focused on moving a common agenda (results)
- | There is a system of shared measurement and agreed upon shared measures (indicators)
- | Mutually reinforcing programs
- | Continuous communication
- | A backbone agency



Building The Common Agenda

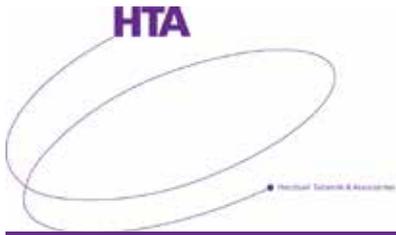
Guide Vision and Strategy

- i **Build a common understanding of the problem that needs to be addressed**
- i **Provide strategic guidance to develop a common agenda**
- i ***Looking across systems: Conceptual and data rich***



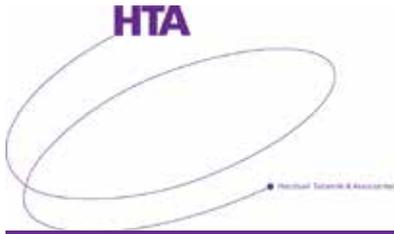
Fostering mutually reinforcing activities

- i **Coordinate and facilitate** partners' continuous communication and collaborative work
- i **Convene** partners and key external stakeholders
- i **Catalyze** or **incubate** new initiatives or collaborations
- i Provide **technical assistance** to build management and administrative capacity (e.g., coaching and mentoring, as well as providing training and fundraising support)
- i Create **paths for, and recruit, new partners** so they become involved
- i Seek **out opportunities for alignment** with other efforts



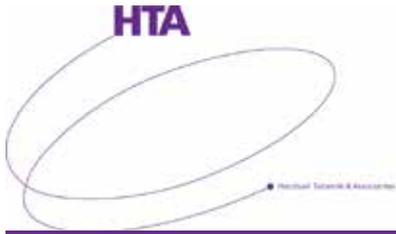
Shared Measures – Indicators

- i Collective impact focuses on data that can be a goal for all participants.
- i Shared indicators can help to drive change – Indicators show impact across a system or geography
- i Important to understand that no one organization can usually take credit for moving an indicator – Contribution not attribution



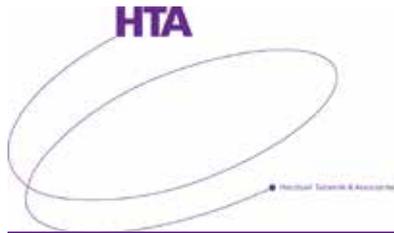
Establishing Shared Measurement Practices

- i Identify measure for each common agenda item
- i Collect, analyze, interpret, and report **data**
- i Catalyze or develop **shared measurement systems**
- i Provide technical assistance for building partners' **data capacity**



Continuous Communications, Building Public Will & Funding

- i Communication and convening are important aspects of advancing collaboration
- i Communication keeps participants informed of progress and collectively focused
- i Communication for an aligned **policy agenda**
- i Mobilize and align public and private **funding to support initiative's goals**



What Might CI Success Look Like?

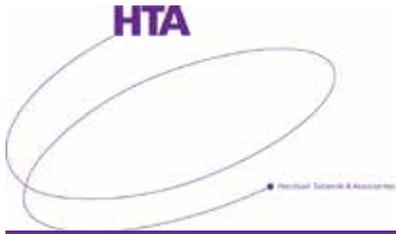
<p>Guide Vision and Strategy</p>	<ul style="list-style-type: none"> • Partners share a common understanding of the problem at the initiative level • Networks of partners are built around key strategies or priorities • Partners are committed to the initiative • Partners see backbone as playing a critical role in initiative success
<p>Support Aligned Activities</p>	<ul style="list-style-type: none"> • Partners are informed about initiative and learn about their roles and roles of others • Gaps are addressed through partnerships • Cross-sector actors are engaged in the initiative (e.g., government and corporations) • Partners' actions are aligned to work toward initiative goals • Partners feel accountable and supported • Partners have greater capacity to work toward initiative goals
<p>Establish Shared Measurement Practices</p>	<ul style="list-style-type: none"> • Data is managed and shared among partners • Partners have robust data capacity • Stakeholders use data to understand the scope of need and track progress
<p>Build Public Will</p>	<ul style="list-style-type: none"> • Community members are informed in an accessible, actionable way • Community members' voices are represented • Community members are supportive of and endorse the initiative • Community members are engaged in the initiative
<p>Advance Policy</p>	<ul style="list-style-type: none"> • Target audiences (e.g., key influencers and policymakers) are more aware of need, initiative and backbone organization • Public policy supports initiative goals • Changes occur in the system and are increasingly integrated and institutionalized

Discussion

Evaluation Jargon

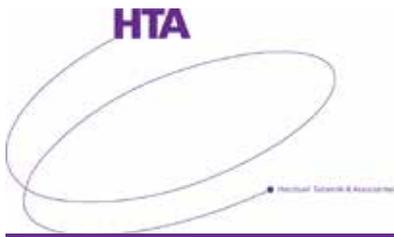
What additional jargon have you noted so far?





Collective Impact Jargon

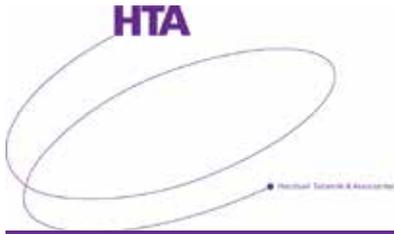
- i Shared Measurement
- i Backbone
- i Indicator
- i Common Agenda
- i Turning the curve
- i Others?



Practical Challenges: Digging Deeper

- i How do we Implement?
- i Strategic vs. CI Planning
- i Staff & Commission
- i Roles
- i Communication

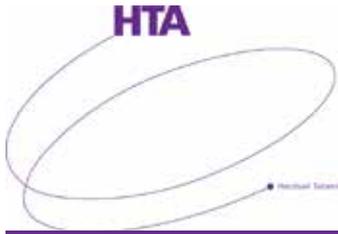




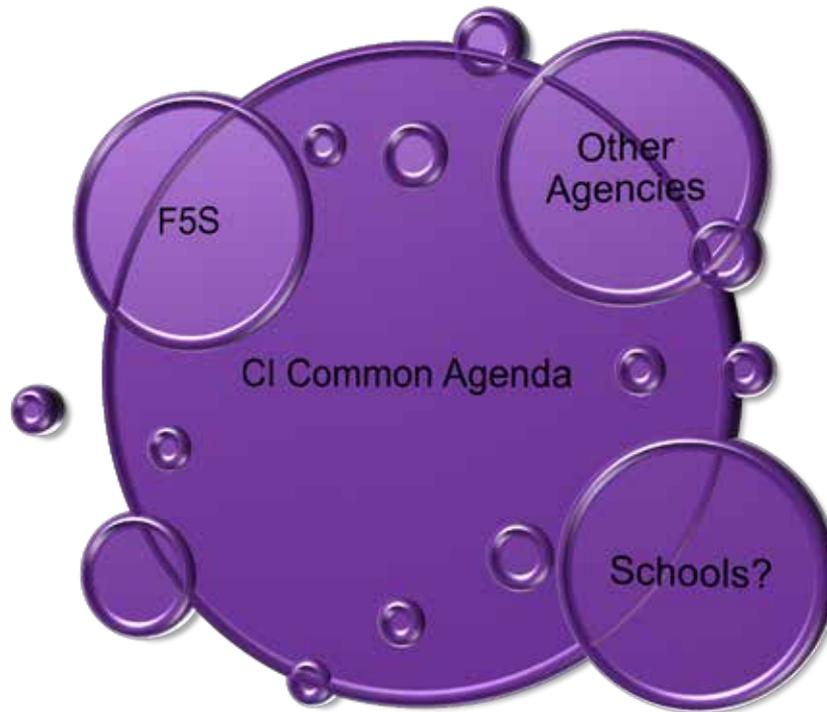
How do we Implement This?

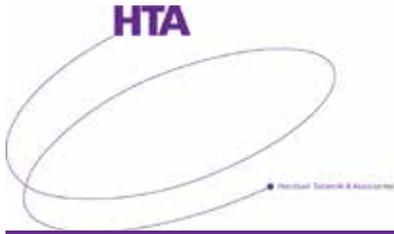
Now through March-ish

- i Broad look at the system comes first – Conceptual “systems mapping” that uses data exploration and practitioner knowledge to look at resources and gaps
- i Use the meta-collaborative (HMG Leadership plus some additional members) to launch the systems map broadly
- i After a systems map is generated and some potential common agenda items are identified – Leadership Group committee convenes work groups



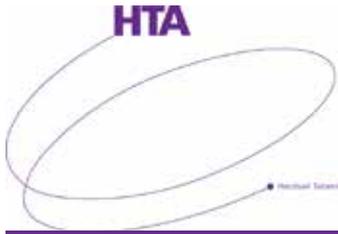
Strategic Planning as a subset of Collective Impact Planning





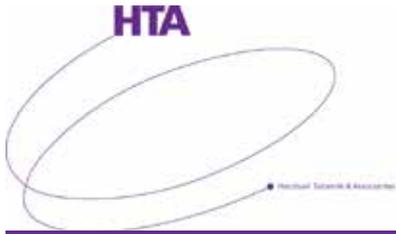
F5S Strategic Plan & CI Plan

- i F5S Plan will unfold parallel with the CI planning
- i These plans will be aligned to some degree
- i The CI Plan will be broader than the F5S Plan
- i The CI Plan will allow for other funding to come into the overarching collective effort along with First 5



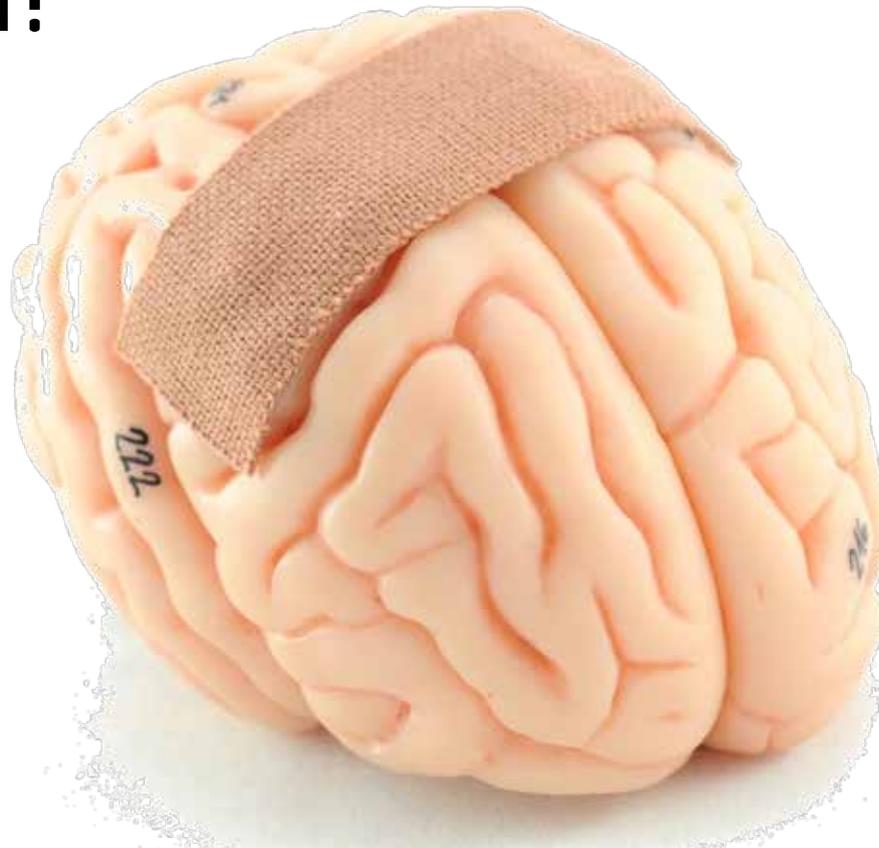
Staff and Commission Roles

- i Does CI change staff and commission roles?
- i What might be different?
- i What should stay the same?



Questions??

Thank You!



Help Me Grow & Collective Impact Planning

Prepared by:

HTA

Hatchuel Tabernik and Associates



Help Me Grow
Solano

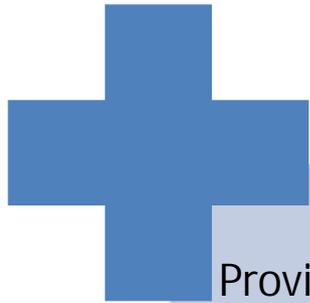
This Presentation

- Background on history of collaboration among First 5 Grantees and what worked
- Current collaboration in Help me Grow
- Strategy for building out the Collective Impact approach (the first six months)
- Assessment and System Mapping
- Big picture of process First 5 Solano Planning and Collective Impact

First 5 Solano Collaboration History



Prior Collaborative Model by Initiative



Providers with similar focus areas working together

High level of cooperation and coordination within partnerships

Increased efficiency from previous system of individual grantee performance measures not connected or consistent with other agencies

High potential for duplicative services or referrals

Inconsistent communication

Lack of connection with other 0-5 services providers

Anecdotal reports of some children “falling through the cracks” due to no centralized access portal for all services

No common agenda or outcomes

Help Me Grow Collaborative Framework – More Sectors Participate



Collaboration with Help Me Grow

What the HMG model adds to Collaboration

- Cross-pollination and coordination with non-traditional partners and 0-5 programs who are not funded by First 5 Solano
- Centralized access and triage for all services for young children and families
- Simplified and efficient referral process for providers: “one stop shop” for all services
- Common data indicators across partner agencies
- A Collective Impact approach ready to add new partners to the table

Collaboration Evolving into Collective Impact: Broad range of systems and a common agenda



An Early Step: Mapping the Systems & Assets Addressing Early Childhood



An Early Step: Mapping the System & Assets

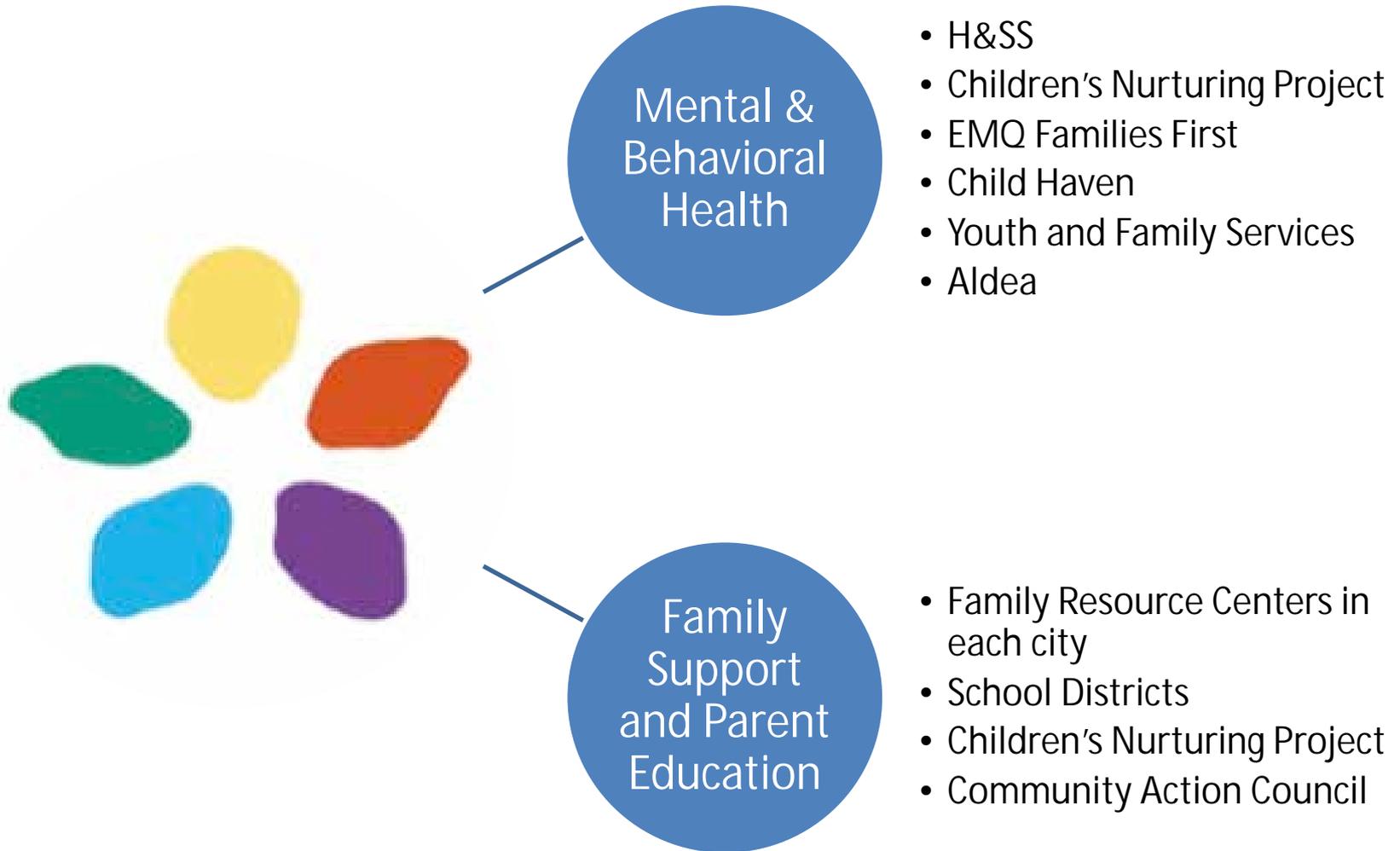
Addressing Early Childhood – Unpacking the makeup of each sub-system



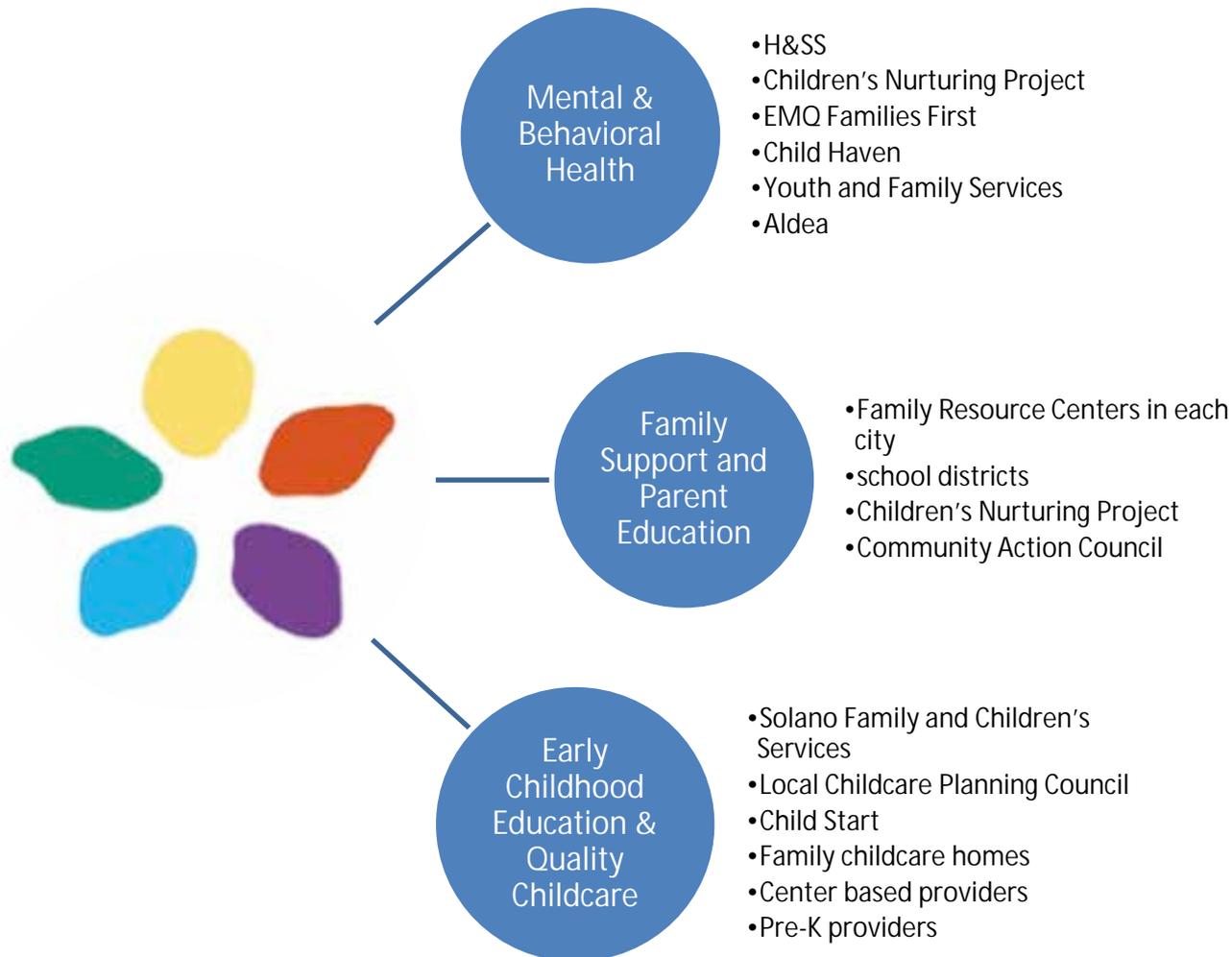
Mental &
Behavioral
Health

- H&SS
- Children's Nurturing Project
- EMQ Families First
- Child Haven
- Youth and Family Services
- Aldea

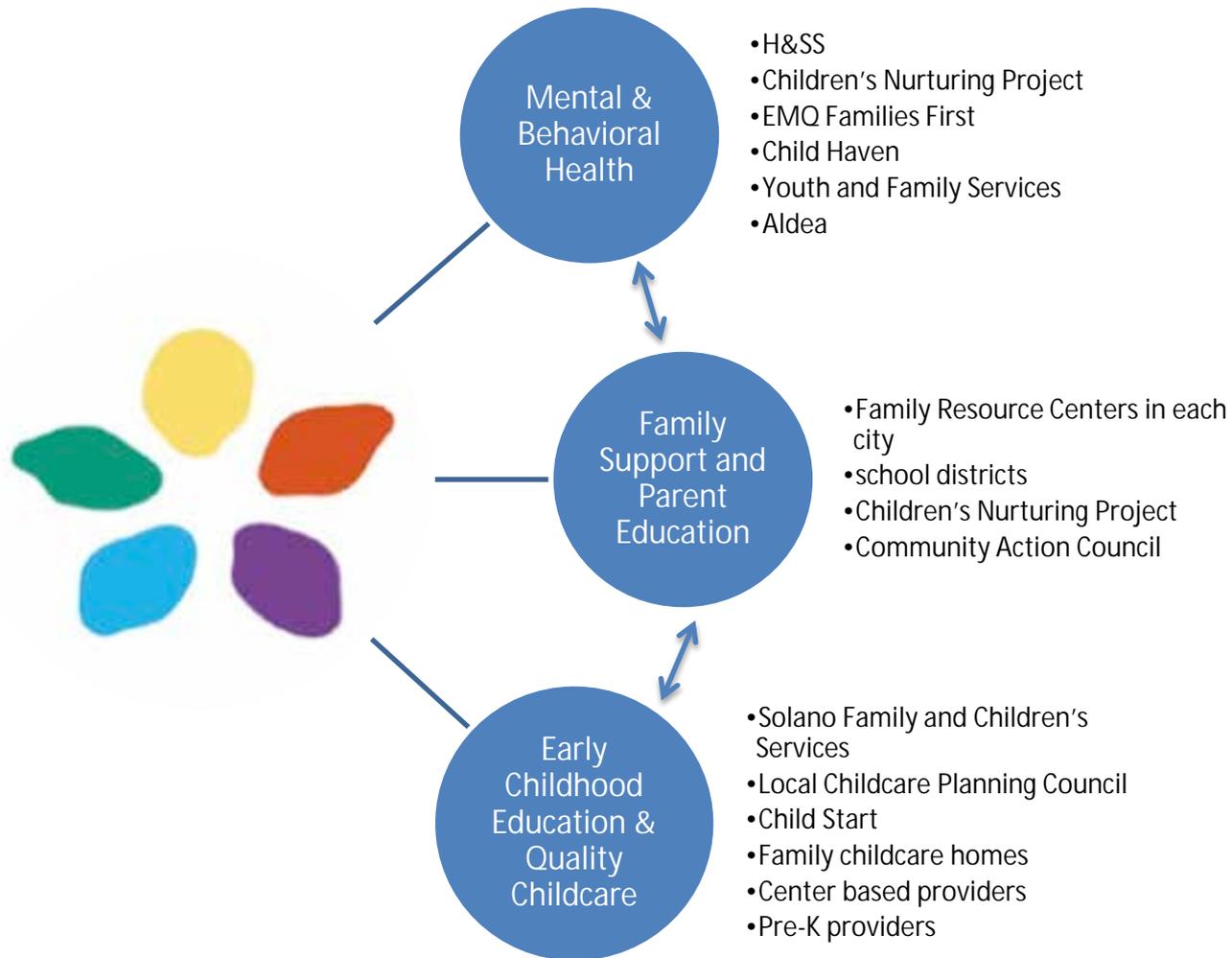
Planning Groups will Describe Multiple Sub-systems



A Rich Picture of System & Assets Addressing Early Childhood Will Result



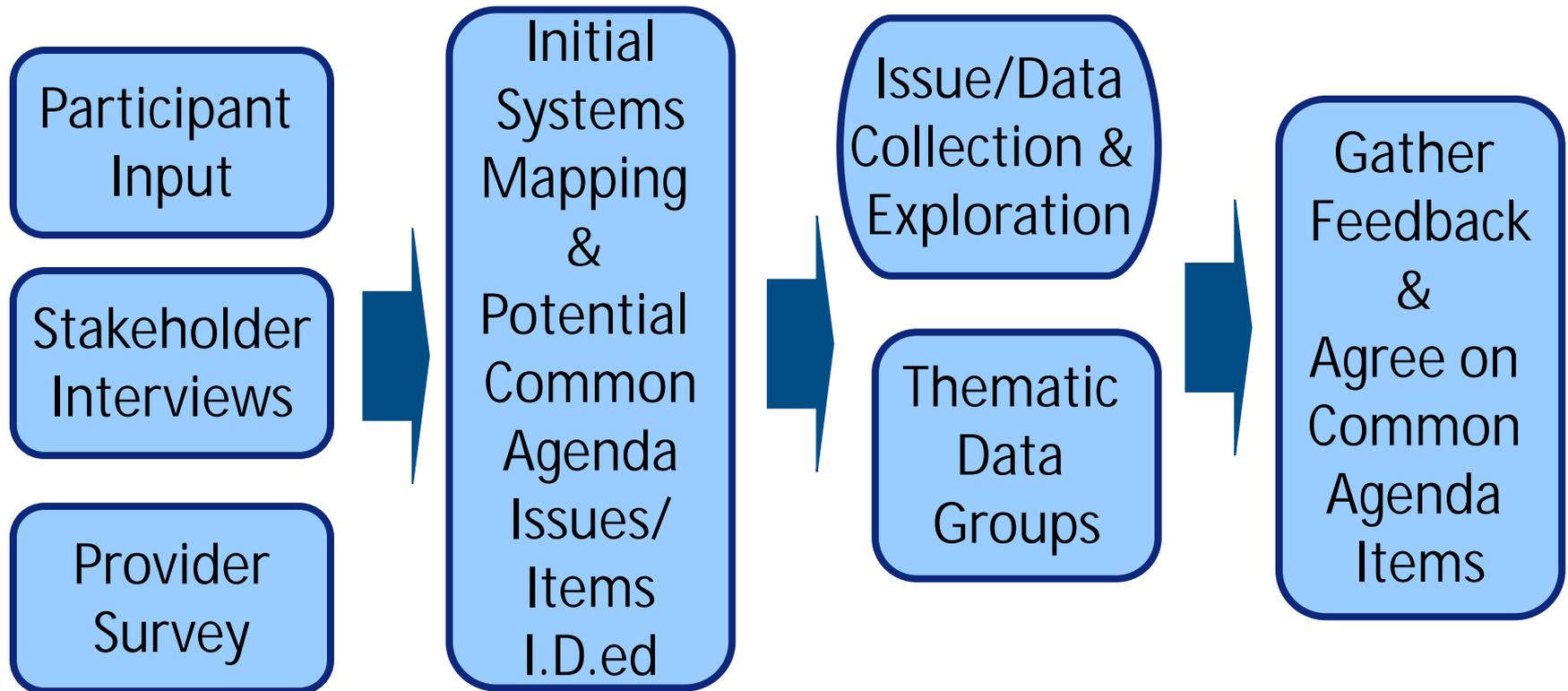
Then Exploring Overlaps & Connections



Issue Identification & Gap Assessment

- A parallel task during early planning will be to unpack a range of issues across these systems
- We will explore issues and root causes
- The issues will be aligned with system map to do a gap analysis ultimately surfacing a targeted common agenda

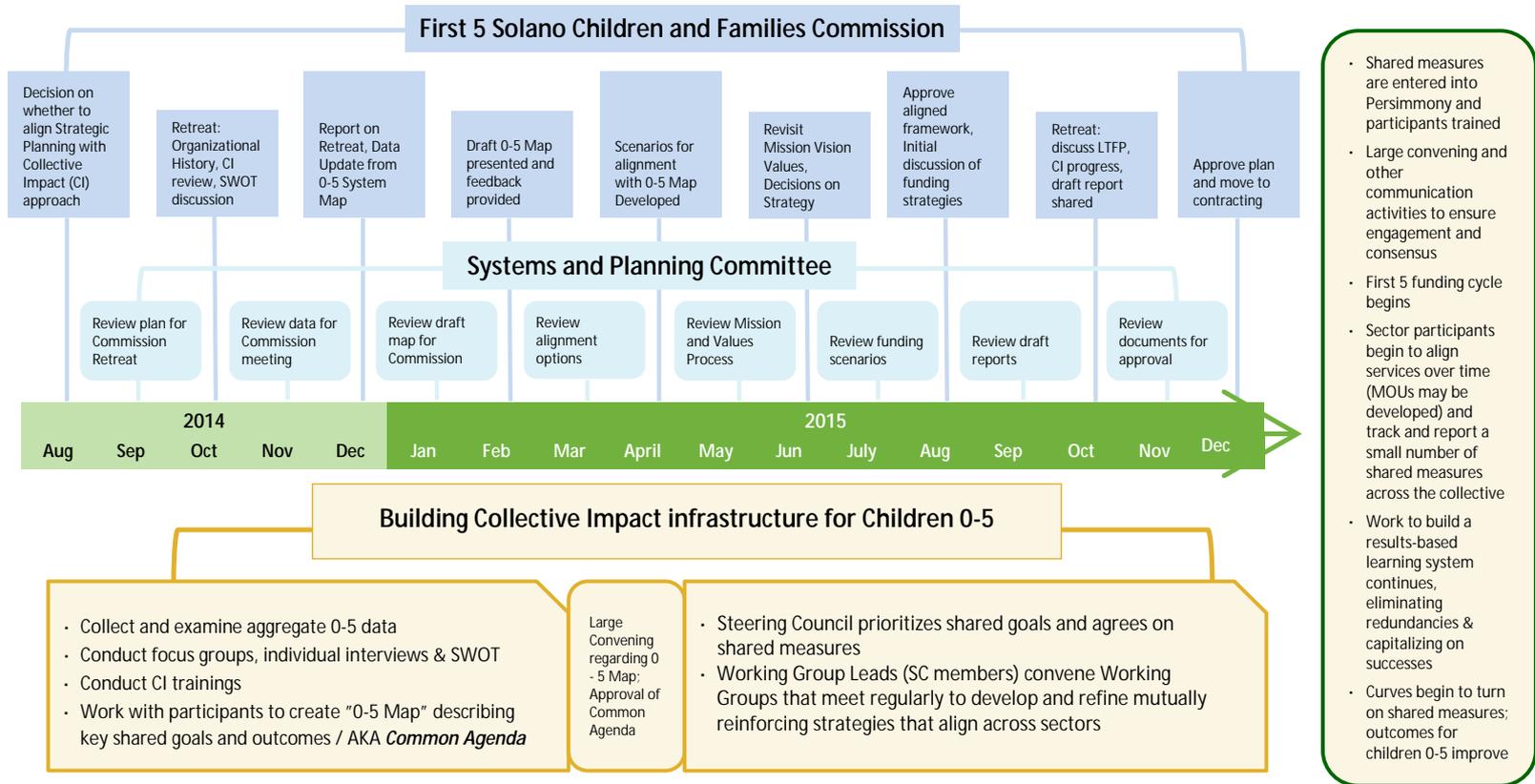
Data Process Informing Development of Common Agenda



Help Me Grow and Collective Impact Collaboration

- HMG is already a highly evolved form of collaboration – Seamless service provision
- Collective Impact will add a strategic focus aimed at 'moving the needle' on critical issues
- Benefits include added sustainability and integration of services

Strategy for Building Collective Impact Collaboration through Dec 2015



Help Me Grow Solano Leadership Team (with additions as appropriate) becomes Steering Council Executive Committee; full Steering Council is formed. Steering Council EC meets monthly; full SC meets regularly to provide input, oversee & make decisions to move the CI process forward.

First 5 Solano (and other partners that may volunteer) funds "backbone support" for the CI process and infrastructure, including but not limited to staffing the SC, EC and working groups, data collection/evaluation/shared measurement system, training and technical support, parent/community engagement and continuous communication.

Roles for the commission?

What are commission roles in coming months

How involved will you be in systems mapping, data exploration, and common agenda development?

Next steps