

**First 5 Commission of San Diego**  
 September 12, 2011  
**Recommendations for Fiscal Year 2010-11 Unexpended Funds**

**Request**

The matter before the Commission is a request to allocate the actual unexpended funds from the budget for fiscal year 2010 – 11 to current and future projects.

**Background**

Through operational efficiencies, salary savings, and reductions to services & supplies, the Commission did not expend all allocated funds for fiscal year 2010 – 11. Moreover, as a result of the impacts of AB 99 on Commission funding, the FY 2010 – 11 budget had unexpended funds that are available to allocate for projects that would not continue, or would continue at a reduced funding level. These funds can be used for projects that address critical gaps in the safety net for young children and their families in the coming fiscal year and beyond.

**Actual Unexpended Funds from FY 2010 –11**

The unexpended funds for fiscal year 2010 –11 as determined by accounting reports at the close of the fiscal year are itemized below:

<i><b>BUDGET CATEGORY</b></i>	<i><b>UNEXPENDED FUNDS</b></i>
Salaries and Benefits	\$ 143,071
Services & Supplies	304,412
Programs (Contributions to Community Projects)	10,214,663
<i>Subtotal of Unexpended Funds</i>	<i>\$ 10,662,146</i>
Projected Revenue Deficit	(3,366,973)
<b><i>Total Unexpended Funds for FY 2010 - 11</i></b>	<b><i>\$ 7,295,173</i></b>

**Commission Action on June 13, 2011 (Item 7)**

The Commission allocated the unexpended funds from FY 2010 – 11 as follows:

- 1) Allocated \$1,656,856 of the unexpended funds from FY 2010 – 11 as an increase to the FY 2011 – 12 budget as follows:
  - a. Contributions to Community Projects – Health: allocate up to \$751,748 to Community Water Fluoridation for Capital and Other Expenses.
  - b. Contributions to Community Projects – Family: allocate up to \$668,717 to allow an extension of services for the Foster Care Safety Net Project for Children 0 - 5.
  - c. Special Expenses: allocate up to \$136,391 to liquidate the outstanding balance due to First 5 California for the Healthy Families Program from the 2008 – 09 fiscal year.
  - d. County Counsel: allocate \$100,000 for anticipated expenses.
- 2) Designate the actual balance of remaining unexpended funds to be reserved in the Sustainability Fund for Targeted At-Risk Home Visiting or other high-priority projects, pending the outcome of AB 99 and/or the County's lawsuit.

Based on the allocation of funds approved by the Commission on June 13, 2011, the unexpended funds from FY 2010 – 11 are designated as follows:

<b>BUDGET CATEGORY</b>	<b>UNEXPENDED FUNDS</b>
<b>Total Unexpended Funds for FY 2010 – 11</b>	<b>\$ 7,295,173</b>
<i>June 13, 2011 Allocation to High Priority Projects:</i> <ul style="list-style-type: none"> <li>• <i>Fluoridation</i></li> <li>• <i>Foster Care Safety Net</i></li> <li>• <i>Healthy Families</i></li> <li>• <i>County Counsel Costs</i></li> </ul>	\$ (1,656,856)
<b>Total Unexpended Funds for Targeted Home Visiting or Other High Priority Projects</b>	<b>\$ 5,638,317</b>

**Proposed Allocation of Unexpended Balance**

<b>BUDGET CATEGORY</b>	<b>UNEXPENDED FUNDS</b>
<b>Total Unexpended Funds for Targeted Home Visiting or Other High Priority Projects</b>	<b>\$ 5,638,317</b>
<i>Proposed Allocations for High Priority Projects:</i> <ul style="list-style-type: none"> <li>• <i>Mi Escuelita(6 mos)</i></li> <li>• <i>Childhood Obesity Initiative (39 mos)</i></li> </ul>	\$ 154,215 \$ 422,500
<b>Total Unexpended Funds for Targeted Home Visiting or Other High Priority Projects</b>	<b>\$ 5,061,602</b>

**South Bay Community Services (SBCS): “Mi Escuelita”**

“Mi Escuelita” is a free full-day preschool program that provides comprehensive therapeutic services for children ages 3-5 who have been traumatized by family violence and/or homelessness, and it is the only school of its kind in Southern California/San Diego County. Through First 5 San Diego’s funding, the school provides comprehensive education, developmental assessments, bilingual services, parenting classes, and counseling in a safe and healthy environment for 36 young children. The goal of the program is to ensure successful outcomes for these trauma-exposed children so that they can enter kindergarten ready to learn.

Mi Escuelita was categorized as a “high priority program” when the Commission approved this Responsive Funds request in December 2008 (totaling \$878,400 for 3 years). This 6-month funding extension would allow First 5 funding to conclude at the fiscal year end, and grant SBCS the opportunity to secure resources to continue these critical program services beyond June 2012.

**Childhood Obesity Initiative**

The childhood obesity rate in San Diego County surpasses the national average, with more than one in four local children rated as overweight or obese. Childhood obesity is a predictor of future health problems, as an estimated 50% - 70% of overweight adolescents will become obese adults. The health and social consequences associated with obesity are extensive. In October 2004, the San Diego County Board of Supervisors unanimously voted to form the Childhood Obesity Initiative (COI) to support the creation, coordination and implementation of a Childhood Obesity Action Plan to end childhood obesity. The Action Plan emphasizes policy and environmental changes that will create physical and social environments that promote healthy individual choices to reduce and prevent childhood obesity.

The First 5 Commission of San Diego has supported COI since November of 2005 through an Memorandum of Understanding (MOU) with HHSA Public Health. The current agreement is scheduled to sunset March 31, 2012. Extending this MOU through June of 2015 will support

COI's efforts, which tie directly to the County's vision for Live Well, San Diego! Public Health will release a Request for Information (RFI) and, pending approval of this funding, may proceed with the intent to competitively procure a contract to lead the COI into its next phase.

### **Commission History**

#### *Mi Escuelita*

- December 16, 2008 (Item 2): the Commission authorized the Executive Director to award a contract to South Bay Community Services to support the "Mi Escuelita" Therapeutic Preschool Program for up to \$878,400 over 3 years.

#### *Childhood Obesity Initiative*

- December 16, 2008 (Item 6): The Commission augmented and extended the MOU with Public Health to provide \$130,000 annually for 3 years to support the Childhood Obesity Initiative.
- November 7, 2005 (Item 6): The Commission approved up to \$50,000 annually for 3 years (total \$150,000) to support the development and implement of a countywide child obesity action plan.
- September 12, 2005 (Item 15): The Commission directed staff to research and provide recommendations on how First 5 San Diego could contribute to existing local efforts on childhood obesity prevention, focusing on our target population.

### **Link to the Strategic Plan**

#### *Mi Escuelita*

- This program links directly to the issue areas of Children's Health; Children's Learning and Social-Emotional Health; Parent and Family Development and Resources.

#### *Childhood Obesity Initiative*

- This program promotes each child's healthy physical, social and emotional development.
  - Support strategy: Parent and caregiver education to promote positive practices

### **Link to Live Well, San Diego!**

#### *Mi Escuelita*

- Provides a coordinated system of care and increased collaboration with partners in support of safety for the children and families served.

#### *Childhood Obesity Initiative*

- Addresses two of the three target behaviors identified in *Live Well, San Diego!: Building Better Health* – poor nutrition and lack of physical activity. Specifically, COI promotes encouraging healthy eating and promoting access to healthy foods as primary strategies to combat childhood obesity.

### **Staff Recommendations**

- 1) Find that the proposed contract amendments are consistent with the Commission's Strategic Plan, furthers the support and improvement of early childhood education within the County and provides a public benefit.
- 2) Allocate \$154,215 for the Mi Escuelita contract; and \$422,500 for the Childhood Obesity Initiative from the unexpended funds from FY 2010 – 11 as an increase to the FY 2011 – 12 budget.
- 3) Authorize the Executive Director or her designee to negotiate and execute an amendment with South Bay Community Services – Mi Escuelita for up to six months, through June 30, 2012, for up to \$154,215.
- 4) Authorize the Executive Director or her designee to negotiate and execute an amendment with County of San Diego, Health and Human Services Agency – Public Health Services for up to thirty-nine months, through June 30, 2015, as a project length budget for up to \$422,500.

- 5) Change the amount of unexpended funds from FY 2010-11 reserved in the Sustainability Fund for Targeted At-Risk Home Visiting or other high-priority projects from \$5,638,317 (the amount determined in June 2011) to \$5,061,602 (the current balance if item #2 above is approved).

**Fiscal Impact**

The FY 2011 – 12 Operating Budget will increase by \$576,715. The amount of \$5,061,602 will be reserved in the Commission's Sustainability Fund for Targeted At-Risk Home Visiting or other high-priority projects.