

## First 5 Commission of San Diego

*Vision: All the children ages 0 through 5 are healthy, are loved and nurtured and enter school as active learners.*

Commission Meeting

October 8, 2021

2:00pm – 4:00pm

*This meeting is being held virtually via Zoom.  
Details are posted on the First 5 Web Site.*

### AGENDA

<u>Item</u>	<u>Subject</u>	<u>Presenter</u>
<b>A</b>	Roll Call and Introductions	Chair Fletcher
<b>B Action</b>	<b>Approval of the Minutes of the Meeting of the First 5 Commission of San Diego – April 20, 2021</b> Supporting Documents	Chair Fletcher
<b>C</b>	<b>Opportunity for Public Comments</b>  Items not on the Agenda – Limit two minutes per speaker. ( <i>Request to Speak</i> slips for this item or any other item on the agenda must be submitted to Commission staff prior to the meeting being called to order.)	Chair Fletcher
<b>D</b>	<b>Commissioner Recusal Reminder</b>  All Commissioners are reminded to recuse themselves from voting on any agenda item that has a real or perceived conflict of interest.	Chair Fletcher
<b>E Action</b>	<b>Consent Calendar</b>  The Commission will vote on any action items not pulled for discussion by Commissioners or members of the public.  Items <u>Available for the Consent Calendar</u> are:  <b>Item F:</b> Brown Act Teleconferencing Motion <b>Item 3:</b> First 5 CA Shared Services Alliance Pilot Grant <b>Item 4:</b> Sunset review of three Commission policies	Chair Fletcher

<u>Item</u>	<u>Subject</u>	<u>Presenter</u>
<b>F Motion Action</b>	<b>Brown Act Teleconferencing Motion</b> Supporting Document  The Commission will consider authorization of teleconferencing meeting option pursuant to Government Code Section 54953(e) to promote social distancing.	<b>Executive Director Arguilez</b>
<b>1 Public Hearing  Presentation  Action</b>	<b>Annual Report to First 5 California for FY 2020 - 21</b> Supporting Documents  The Commission is asked to approve the submission of the Annual Report to First 5 California for FY 2020 - 21.	<b>Executive Director Arguilez</b>
<b>2 Public Hearing  Action</b>	<b>Annual Audit for FY 2020-21</b> Supporting Document  The Commission is asked to approve the annual audit for FY 2020-21.	<b>Executive Director Arguilez</b>
<b>3 Action</b>	<b>First 5 CA Shared Services Alliance Pilot Grant</b> Supporting Document  The Commission is asked to review and approve receipt of the funding for the 2-year grant to be implemented starting in FY 2021 thru 2023.	<b>Executive Director Arguilez</b>
<b>4 Action</b>	<b>Sunset Review of Three Commission Policies</b> Supporting Documents  The Commission is asked to review and approve three Commission policies at their sunset review date.	<b>Executive Director Arguilez</b>
<b>5 Presentation</b>	<b>University of California Health Milk Bank</b>  The Commission will receive an updated presentation on the UC Health Milk Bank	<b>UCSD Health Milk Bank Dr. Stellwegen</b>
<b>6 Information</b>	<b>Finance Committee Report</b> Supporting Document  This is a standing agenda item report of the Finance Committee's activities.	<b>Chair of the Finance Committee Fred Baranowski</b>

<p style="text-align: center;"><b>7 Information</b></p>	<p><b>Executive Director Report</b> Supporting Document</p> <p>This is a standing agenda item report from the Executive Director.</p>	<p style="text-align: center;"><b>Executive Director Arguilez</b></p>
<p style="text-align: center;"><b>8</b></p>	<p><b>Future Agenda Items</b></p> <ul style="list-style-type: none"> <li>• Annual Report to the Community for FY 2020 – 21</li> </ul>	<p style="text-align: center;"><b>Chair Fletcher</b></p>

*If you are planning to attend and need special accommodations, please call Karen Hays at (858) 285-7710 at least three days in advance of the meeting.*

**Pursuant to Government Code section 54957.5, written materials distributed to the Commission in connection with this agenda less than 72 hours before the meeting will be made available to the public at 9655 Granite Ridge Drive, #120, San Diego, CA**

The schedule for future Commission meetings is posted on the Commission's website.

**The next Commission meeting will be on November 9, 2021**

The Commission meeting agenda is available on the Commission's website: [www.first5sandiego.org](http://www.first5sandiego.org)



# County of San Diego

**NICK MACCHIONE, FACHE**  
AGENCY DIRECTOR

**HEALTH AND HUMAN SERVICES AGENCY**  
PUBLIC HEALTH SERVICES

**WILMA J. WOOTEN, M.D.**  
PUBLIC HEALTH OFFICER

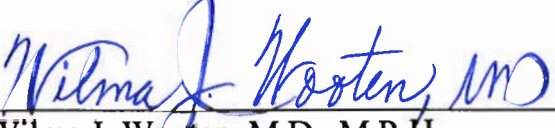
## HEALTH OFFICER TELECONFERENCING RECOMMENDATION

COVID-19 disease prevention measures, endorsed by the Centers for Disease Control and Prevention, include vaccinations, facial coverings, increased indoor ventilation, handwashing, and physical distancing (particularly indoors).

Since March 2020, local legislative bodies—such as commissions, committees, boards, and councils—have successfully held public meetings with teleconferencing as authorized by Executive Orders issued by the Governor. Using technology to allow for virtual participation in public meetings is a social distancing measure that may help control transmission of the SARS-CoV-2 virus. Public meetings bring together many individuals (both vaccinated and potentially unvaccinated), from multiple households, in a single indoor space for an extended time. For those at increased risk for infection, or subject to an isolation or quarantine order, teleconferencing allows for full participation in public meetings, while protecting themselves and others from the COVID-19 virus.

Utilizing teleconferencing options for public meetings is an effective and recommended social distancing measure to facilitate participation in public affairs and encourage participants to protect themselves and others from the COVID-19 disease. This recommendation is further intended to satisfy the requirement of the Brown Act (specifically Gov't Code Section 54953(e)(1)(A)), which allows local legislative bodies in the County of San Diego to use certain available teleconferencing options set forth in the Brown Act.

September 23, 2021

  
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Wilma J. Wooten, M.D., M.P.H.  
Public Health Officer  
County of San Diego

First 5 Commission of San Diego  
 October 8, 2021  
**Annual Report to First California for FY 2020-21**

**Request**

The request before the Commission is to approve the Annual Report for FY 2020-21 to be submitted to First 5 California. The Commission is required by law to hold a public hearing on its annual report to First 5 California. State law requires First 5 San Diego to submit this approved report by October 30, 2021.

**Background**

The Health and Safety Code requires local commissions to prepare an Annual Report to First 5 California. This report contains information on its expenditures, the number of clients served in core areas, as well as demographic information. This information is aggregated across all counties to provide the legislature and the public with a state-level picture of the activities of county commissions. In addition, the report requires brief descriptions of the Commission’s evaluation activities, key results and policy direction.

In order to aggregate the work of 58 county commissions, the activities reported in the state annual report are necessarily at a high level. Local commissions report only on a small list of services that are common across the counties. First 5 San Diego’s projects report service-level data through the state report on a fraction of their many services. The narrative sections are brief in order to meet specific requirements concerning content and length.

The Annual Report to First 5 California does not contain a comprehensive picture of the activities of the previous fiscal year and does not address all of the priorities of First 5 San Diego. The Commission, however, will receive detailed information on the breadth of its services and the outcomes achieved in FY 2020-21 at its November meeting through the Annual Report to the Community. This report will provide a fuller and richer representation of First 5 San Diego efforts in our county.

**Summary of Data Reported to First 5 California**

The Annual Report data sheets are included as Item 1-2. What follows is a summary of the data. This table includes the number of unduplicated clients intensively served by First 5 San Diego projects in FY 2020-21. These figures do not include the large number of participants who receive “light touch” services where client data is not collected – such as calls to 2-1-1 San Diego or families receiving the Kit for New Parents.<sup>1</sup> Following the reporting guidelines of First 5 California also results in numbers that are under-representing the number of clients served by various programs. The Contract Management and Evaluation Database System (CMEDS) and increased standardization of reporting allows staff to provide the Commission with more in-depth information on who is served through First 5 funded programs.

<b>Unduplicated Clients Across Initiatives – Intensive Services</b>	<b>Children</b>	<b>Parents/ Caregivers</b>	<b>Providers</b>	<b>Total</b>
<b>Served in FY 2020-2021</b>	<b>24,990</b>	<b>9,842</b>	<b>2,582</b>	<b>37,414</b>

<sup>1</sup> “Light touch” services are not included in the unduplicated count. To reduce the burden of data collection and reporting on its contractors, First 5 San Diego does not require contractors to enter individual client records in CMEDS on children receiving these types of services which enables more contract dollars to be spent on direct services. Contractors report aggregate numbers for these services.

<b>Unduplicated Clients <u>Within</u> Each Initiative – Intensive Services</b>	<b>Children</b>	<b>Parents/ Caregivers</b>	<b>Providers</b>	<b>Total</b>
Healthy Development Services	8,655	6,098	0	<b>14,753</b>
KidSTART Center	216	270	0	<b>486</b>
Learn Well	11,583	0	2,582	<b>14,165</b>
Oral Health	7,524	2,595	0	<b>10,119</b>
Targeted Home Visiting	601	1,120	0	<b>1,721</b>
<b>Total</b>	<b>28,579</b>	<b>10,083</b>	<b>2,582</b>	<b>41,244</b>

### Participant Demographics

These data are a snapshot of the population of children and parents intensively served by programs funded by First 5 San Diego.

<b>Profile of Children Served</b>	<b>% Total Clients</b>
Girls	46.0%
Boys	54.0%
Children Under age 3	43.1%
Children ages 3-5	56.9%

<b>Languages Spoken by Clients Served</b>	<b>% Total Clients</b>	<b>% Total Children</b>	<b>% Total Parents/ Caregivers</b>	<b>% Total Providers</b>
English	56.72%	59.60%	51.59%	48.41%
Spanish	28.96%	34.26%	18.78%	16.46%
Arabic	1.53%	1.66%	1.32%	1.01%
Vietnamese	0.21%	0.26%	0.05%	0.27%
Chaldean	0.19%	0.14%	0.37%	0.00%
Tagalog	0.14%	0.16%	0.05%	0.35%
Somali	0.12%	0.10%	0.18%	0.00%
Mandarin	0.09%	0.12%	0.03%	0.08%
Cantonese	0.02%	0.03%	0.01%	0.04%
Korean	0.03%	0.04%	0.02%	0.04%
Other	2.28%	2.93%	0.93%	1.08%
Don't Know / Decline/Unknown	9.71%	0.70%	26.67%	32.26%

Over half of the clients served by First 5 San Diego programs (56.72%) speak English as the primary language in their home with Spanish as the next most common language spoken (28.96%). Other languages spoken by clients served were Arabic, Vietnamese, Chaldean, Tagalog, Somali, Mandarin, Cantonese, and Korean; all at less than 2%.

Over half of clients served are Hispanic (53.23%) with White (non-Hispanic) (13.47%), multiracial (4.29%), and African-American (4.23%) as the next most common race/ethnicities.

<b>Race/Ethnicity by Clients Served</b>	<b>%Total Clients</b>	<b>%Total Children</b>	<b>% Total Parents/ Caregivers</b>	<b>% Total Providers</b>
Hispanic/Latino	53.23%	61.69%	36.46%	35.32%
White (non-Hispanic)	13.47%	14.21%	11.12%	15.22%
Multiracial	4.29%	4.17%	5.40%	1.24%
African-American/Black	4.23%	4.97%	2.35%	4.30%
Asian	2.72%	2.97%	1.92%	3.37%
White (Middle Eastern)	1.21%	0.96%	2.16%	0.00%
American Indian/Alaskan Native	0.69%	0.96%	0.10%	0.35%
Pacific Islander	0.32%	0.32%	0.28%	0.46%
African	0.27%	0.25%	0.40%	0.00%
Other	2.19%	1.72%	2.08%	7.21%
Don't Know/Declined/ Unknown	17.38%	7.78%	37.73%	32.53%

### **Next Steps**

The Executive Director will submit the Annual Report to First 5 California prior to November 1, 2021, as required by law. The Commission's evaluator, Harder+Company Community Research, and marketing consultant, MIG, Inc. are currently working on the Annual Report to the Community, which will be presented to the Commission at its next meeting on November 9, 2021.

### **Staff Recommendations**

- 1) Open Public Hearing.
- 2) Staff Presentation.
- 3) Receive public comment.
- 4) Approve the First 5 Commission of San Diego Annual Report for Fiscal Year 2020-2021.
- 5) Authorize the Executive Director to submit the Annual Report to First 5 California.
- 6) Close the Public Hearing.

### **Fiscal Impact**

The Health and Safety Code grants First 5 California the authority to withhold funding from any county commission that fails to submit an annual report.



**Annual Report AR-1**  
**San Diego Revenue and Expenditure Summary**  
**July 1, 2020 - June 30, 2021**

**Revenue Detail**

<b>Category</b>	<b>Amount</b>
<b>Tobacco Tax Funds</b>	\$28,636,321
<b>First 5 IMPACT 2020 Funds</b>	\$544,079
<b>Small Population County Augmentation Funds</b>	\$0
<b>DLL Pilot Funds</b>	\$0
<b>Other First 5 California Funds</b>	\$35,153
<b>Other First 5 California Funds Description</b> Home Visiting Coordination Grant	
<b>Other Public Funds</b>	\$3,336,668
<b>Other Public Funds Description</b> CalWORKs, Cal-learn, and CHVP	
<b>Donations</b>	\$0
<b>Revenue From Interest Earned</b>	\$413,747
<b>Grants</b>	\$34,396
<b>Grants Description</b>	
<b>Other Funds</b>	\$0
<b>Other Funds</b>	
<b>Total Revenue</b>	<b>\$33,000,364</b>



## Improved Family Functioning

Service	Grantee	Program(s)	Children	Caregivers	Providers	Amount
General Family Support	CBO/Non-Profit	<ul style="list-style-type: none"> <li>Not Applicable (211)</li> </ul>	0	7065	0	\$300,000
Intensive Family Support	Hospital/Health Plan	<ul style="list-style-type: none"> <li>Not Applicable (Complex Developmental and Social-Emotional Health Issues)</li> </ul>	386	270	0	\$847,841
Intensive Family Support	CBO/Non-Profit	<ul style="list-style-type: none"> <li>Incredible Years</li> <li>Not Applicable (Mild to Moderate Mental Health)</li> </ul>	135	580	0	\$653,160
Intensive Family Support	CBO/Non-Profit	<ul style="list-style-type: none"> <li>Not Applicable (Mild to Moderate Maternal Mental Health)</li> </ul>	43	32	0	\$107,479
Family Literacy and Book Programs	First 5 County Commission	<ul style="list-style-type: none"> <li>Kit for New Parents</li> </ul>	0	7328	0	\$1
					<b>Total</b>	<b>\$1,908,481</b>

## Improved Child Development

Service	Grantee	Program(s)	Children	Caregivers	Providers	Amount
Quality Early Learning Supports	County Office of Education/School District	<ul style="list-style-type: none"> <li>Quality Counts California</li> </ul>	11583	0	0	\$6,370,189
					<b>Total</b>	<b>\$6,370,189</b>

# Improved Child Health

Service	Grantee	Program(s)	Children	Caregivers	Providers	Unique Families	Amount
General Health Education and Promotion	CBO/Non-Profit	<ul style="list-style-type: none"> <li>Safety Education</li> </ul>	211	664	268	0	\$149,312
Oral Health Education and Treatment	CBO/Non-Profit	<ul style="list-style-type: none"> <li>Other - Describe county commission local efforts</li> </ul>	28758	2595	0	0	\$983,451
Early Intervention	Hospital/Health Plan	<ul style="list-style-type: none"> <li>Care Coordination and Linkage</li> <li>Mild-to-Moderate Supports</li> </ul>	6102	0	0	0	\$2,447,556
Early Intervention	CBO/Non-Profit	<ul style="list-style-type: none"> <li>Care Coordination and Linkage</li> <li>Mild-to-Moderate Supports</li> </ul>	8505	0	0	0	\$6,778,993
Early Intervention	Other Public	<ul style="list-style-type: none"> <li>Mild-to-Moderate Supports</li> </ul>	232	0	0	0	\$1
Perinatal and Early Childhood Home Visiting	CBO/Non-Profit	<ul style="list-style-type: none"> <li>Healthy Families America</li> </ul>	563	666	0	0	\$6,472,732
						<b>Total</b>	<b>\$16,832,045</b>

# Improved Systems Of Care

<b>Service</b>	<b>Grantee</b>	<b>Program(s)</b>	<b>Amount</b>
Policy and Public Advocacy	Research/Consulting Firm	<ul style="list-style-type: none"><li>• Not Applicable ()</li></ul>	\$414,334
Systems Building	CBO/Non-Profit	<ul style="list-style-type: none"><li>• Early Identification and Intervention</li></ul>	\$1,788,969
Systems Building	County Office of Education/School District	<ul style="list-style-type: none"><li>• Not Applicable (Quality Early Learning Support)</li></ul>	\$437,866
Systems Building	First 5 County Commission	<ul style="list-style-type: none"><li>• Health Systems</li></ul>	\$19,250
		<b>Total</b>	<b>\$2,660,419</b>

## Expenditure Details

<b>Category</b>	<b>Amount</b>
Program Expenditures	\$27,771,134
Administrative Expenditures	\$2,590,119
Evaluation Expenditures	\$880,360
Total Expenditures	\$31,241,613
Excess (Deficiency) Of Revenues Over (Under) Expenses	\$1,758,751

## Other Financing Details

<b>Category</b>	<b>Amount</b>
Sale(s) of Capital Assets	\$0
Other	\$0
<b>Total Other Financing Sources</b>	<b>\$0</b>

## Net Change in Fund Balance

<b>Category</b>	<b>Amount</b>
Fund Balance - Beginning	\$40,465,040
Fund Balance - Ending	\$42,223,791
Net Change In Fund Balance	\$1,758,751

## Fiscal Year Fund Balance

<b>Category</b>	<b>Amount</b>
Nonspendable	\$2,196
Restricted	\$0
Committed	\$42,221,595
Assigned	\$0
Unassigned	\$0
Total Fund Balance	\$42,223,791

# Expenditure Note

No data entered for this section as of 9/23/2021 12:38:45 PM.

## Small Population County Funding Augmentation Expenditure Detail

Category	Amount	Comment
Program: Evidence-Based	\$0	
Program: Evidence-Informed	\$0	
Program: Other Funded	\$0	
Program: Professional Development, Training and Technical Assistance	\$0	
Administration	\$0	
Evaluation	\$0	
Other (Please Explain)	\$0	
	<b>Total</b>	
	\$0	
If unspent funds occurred during the FY, please list amount and provide explanation.	\$0	



**Annual Report AR-2**  
**San Diego Demographic Worksheet**  
**July 1, 2020 - June 30, 2021**

**Population Served**

<b>Category</b>	<b>Number</b>
Children Less than 3 Years Old	26,027
Children from 3rd to 6th Birthday	30,100
Children – Ages Unknown (birth to 6th Birthday)	348
Primary Caregivers	19,168
Providers	268
<b>Total Population Served</b>	<b>75,911</b>

## Primary Languages Spoken in the Home

Category	Number of Children	Number of Primary Caregivers
English	30,418	6,732
Spanish	22,586	1,895
Cantonese	9	0
Vietnamese	189	26
Korean	14	14
Other - Specify with text box Tagalog, Somali, Arabic, Chaldean	2,453	137
Mandarin	78	27
Unknown	728	10,337
<b>Totals</b>	<b>56,475</b>	<b>19,168</b>



## Race/Ethnicity of Population Served

Category	Number of Children	Number of Primary Caregivers
Alaska Native/American Indian	868	3
Asian	1,669	38
Black/African-American	2,738	76
Hispanic/Latino	35,261	792
Native Hawaiian or Other Pacific Islander	192	5
White	7,543	234
Two or more races	2,227	18
Other – Specify with text box African, Middle Eastern, Other	2,436	135
Unknown	3,541	17,867
<b>Totals</b>	<b>56,475</b>	<b>19,168</b>

# Duplication Assessment

Category	Data
Degree of Duplication	10%
Confidence in Data	Very confident
Additional Details (Optional)	

# Annual Report AR-3

## San Diego County Evaluation Summary and Highlights

July 1, 2020 - June 30, 2021

### County Evaluation Summary

#### Evaluation Activities Completed, Findings, and Policy Impact

First 5 San Diego utilizes a standardized evaluation design for five major initiatives that include quantitative process and outcome data and qualitative data (e.g., focus groups and testimonials). Each initiative tracks client demographic data and the following: 1. Oral Health Initiative (OHI): tracks screenings, examinations, and treatment for children; care coordination services and oral health education for parents/pregnant women; and training for OBGYN's, pediatricians and dentists. 2. Healthy Development Services (HDS): tracks services for children identified with mild to moderate developmental and/or social emotional needs and families receiving care coordination support and screenings, assessments and/or treatment for behavior, development, and speech/language concerns. 3. Learn Well Initiative (LWI): focuses on strengthening the existing early care and education system structures and expanding FCC, FFN and non-subsidized childcare provider participation in quality early learning and care with a targeted focus on providers serving infants and toddlers. 4. KidSTART: KidSTART Center tracks gains measured for children with multiple, complex disorders. 5. First 5 First Steps (F5FS): home visiting program tracks services for children and pregnant women. It measures parenting skills, overall safety and developmental appropriateness of the home environment, and each child's health and well-being. There are 229,227 children ages 0-5 in San Diego County. First 5 San Diego programs intensively served 24,940 children, 9,842 parents/caregivers, and 2,582 providers (unduplicated counts). Hispanic/Latino children (61.7%) and parents/caregivers (36.5%) were the most prominent group intensively served, followed by White non-Hispanics children and parents/caregivers (14.2% and 11.2% respectively). Through OHI, 7,254 children received oral health screenings and 9,321 dental exams. 99.5% of high-risk children and pregnant women with dental disease received treatment. HDS provided developmental and/or behavioral screenings, assessments, and/or treatment to 8,655 children. 6,098 caregivers participated in developmental and/or behavioral classes, consultations, or therapy. LWI provided 11,583 children with a quality preschool experience. 478 early learning and care sites participated in LWI. Of those, 317 worked with experienced coaches to develop site-specific Quality Improvement Plans. KidSTART served 216 children with complex needs via assessments and/or treatment or were connected to treatment services for multiple behavioral and/or developmental concerns. F5FS served 1120 caregivers/pregnant women and 601 children. 54.6% of mothers receiving F5FS services reported breastfeeding their children when they were 6 months. At 12 months of age, 84.1% of children were up-to-date with their Well Baby Checks and 85.3% were up to date with their immunizations. First 5 San Diego publishes its evaluation report annually and shares it with the Commission, First 5 San Diego contractors, other government agencies, community organizations and the public. The report is posted on the First 5 San Diego website and report findings are presented to the Commission for review and approval. The evaluation results are reviewed with contractors and used to identify successful practices and to implement strategies for continuous improvement. Data is used by the First 5 staff to support strategic planning, funding priorities, partner engagement/collaboration and is accessible to others. An example of this is, during FY20-21, First 5 San Diego leveraged its evaluation data to secure philanthropic funding for the creation of a report outlining a new approach for tracking participation in Quality Preschool Initiative preschool children into the k-12 systems. It is anticipated that this report will lay the foundation for a future quality preschool longitudinal study whose results would significantly add to the state and national knowledgebase.

# County Highlights

## County Highlight

During FY20-21, the COVID19 pandemic continued to present unique challenges for staff, community partners, and San Diego families. First 5 San Diego staff joined County partners in a joint countywide COVID response effort. Under the leadership of the First 5 Executive Director, First 5 staff worked to provide families and providers of children birth to 5 years of age with supportive resources and services to ensure their safety and well-being. First 5 San Diego initiated ongoing communication with the Early Childhood Education Coalition to assess the impact of the pandemic on the childcare sector. They maintained the Early Care sector support webpage to provide up-to-date information on the rapidly evolving public health situation with local, state, and national guidance tailored to the childcare community. First 5 San Diego also began hosting informative telebriefings and engaged a diverse provider group throughout the county, all while following public health guidelines and utilizing digital methods of communication. This response effort led to the re-activation of the Child Care Disaster Council (CCDC) co-chaired by the First 5 Executive Director. The CCDC developed the "Child Care Emergency Response Plan" that outlined a means to coordinate, receive and distribute emergency supplies from the State and the First 5 CA Commission through regional distribution sites. First 5 service providers continued to offer services, including virtual/phone check-ins, virtual developmental/behavioral services, virtual home visits and virtual preschool. Maintaining these connections and supporting families through these most difficult times has been critical for family's well-being. Despite the pandemic, thousands of families benefited from community-wide services such as daily activities on social media and the First 5 SD website, distribution of the Kit for New Parents, maintaining the parent warm line, and providing community health screenings and outreach.

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**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION**  
(A component unit of the County of San Diego, California)

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

For the Fiscal Year Ended June 30, 2021

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**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION**  
(A component unit of the County of San Diego, California)

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**For the Fiscal Year Ended June 30, 2021**

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Draft

Christina Bagic

Fiscal Manager

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FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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# **INTRODUCTION SECTION**

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*COMMISSION MEMBERS*

*NATHAN FLETCHER – Chair*

*SANDRA L. McBRAYER - Vice Chair*

*RICK RICHARDSON – Secretary*

*NICK MACCHIONE – Commissioner*

*DR. WILMA J. WOOTEN- Commissioner*

*ALETHEA ARGUILEZ – Executive Director*

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September 15, 2021

To the Members of the Commission and the Citizens of the County of San Diego:

The Comprehensive Annual Financial Report (CAFR) of the First 5 Commission of San Diego (F5SD) for the fiscal year ended June 30, 2021 is hereby submitted as mandated by applicable statutes. These statutes require First 5 San Diego to annually issue a report of its financial position and activity. A complete audit of the report by an independent firm of certified public accountants is also required. Responsibilities for both accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rest with the Commission’s management. The information in this report is intended to present the reader with a comprehensive view of the Commission’s financial position and the results of its operations for the fiscal year ending June 30, 2021, along with additional disclosures and financial information designed to enable the reader to gain an understanding of First 5 San Diego’s financial activities.

Moss, Levy & Hartzheim, LLP Certified Public Accountants have issued an unmodified (“clean”) opinion on First 5 San Diego’s financial statements for the fiscal year ended June 30, 2021. The independent auditor’s report is located on page 1 of this CAFR.

Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction.

*PROFILE OF THE COMMISSION*

First 5 San Diego was created by the San Diego County Board of Supervisors on December 8, 1998 following the passage of Proposition 10, through which the California voters made an unprecedented investment in early childhood development. During the last 22 years, First 5 San Diego has made a lasting positive impact in San Diego County through its allocation of more than \$818 million towards programs and operations that improve the well-being of young children and families in San Diego County.

## *LOCAL ECONOMY*

San Diego County encompasses 4,206 square miles and extends nearly 160 miles from the Pacific Ocean to Imperial County to the East. It borders Mexico to the South and Orange County and Riverside County to the North. There are 18 incorporated cities within the county. Total county population per the 2018 U.S. Census is 3,302,833, with children under 5 years old representing 6.4% of that total with 39,258 new births in 2019, the last year that data was available. The County unemployment rate has fallen slowly from a high of 13.9% in June 2020 to 7.6% in June 2021. Total non-farm employment increased by 60,800 from the previous year, up 4.5%. Notable increases include:

- Leisure and Hospitality led the increases adding 27,800 jobs
- Education and Health Services increased 7,600 jobs
- Professional and Business Services increased by 7,600 jobs
- Other services are up 6,800 jobs
- Construction up 6,000 jobs

The economy has gotten much better in the last year. The unemployment rate for the United States (US) was 5.4% in July 2021. The State of California (CA) was 7.6%, and San Diego (SD) was at 6.9%. These compare to a US rate of 10.2%, CA rate of 13.7%, and SD rate of 12.3% in July 2020. Looking forward, San Diego County's economy is expected to improve as COVID restrictions are lifted.

### *COVID-19*

During the fiscal year 20/21, First 5 San Diego continued with the impact of the COVID-19 pandemic just as the rest of the nation was. The pandemic presented the challenge of not being able to be physically present with our children and families we serve through our contracted partners. It was a critical priority to ensure our ongoing connection, support and communication to our providers as they strived to maintain continuity of services. F5SD supported our contracted partners to ensure that the children of San Diego County were as safe and cared for as possible during this difficult time. F5SD continued a lead function within the County's Emergency Operations Center (EOC) leading on behalf of the early care and education / childcare sector county-wide. Notable efforts include supporting new policy to support childcare vouchers, funds to support access to PPE and other supplies and a childcare provider grant. Additionally, F5SD engaged in an advisory role for the appropriation of Federal CAREs Act and ARPA funds that have been prioritized for the early care and education / child care sector. This event has brought together cross sector leaders/stakeholders throughout our region to lift up the vision and mission of F5SD.

### *MAJOR ACCOMPLISHMENTS*

- Recognizing the financial conditions facing the State, the County of San Diego and San Diego County families with young children; the Commission allocated \$30,180,089 in contracts for services in the areas of health, education, family and community programs.
- The Commission awarded contracts to 19 agencies throughout San Diego County for services in the areas of health, education, family and community services.
- Government Finance Officers Association of the United States (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to First 5 Commission for the fiscal Year ended June 30, 2020. This was the seventh consecutive year that the Commission has achieved this prestigious award.

## *FUTURE INITIATIVES*

This was the first year of the 2020-2025 Strategic Plan which was approved by the Commission on April 18, 2019, covering fiscal years 2020/2021 through 2024/2025.

The primary components of this plan are:

- The accountability and framework designed to measure the success of the plan;
- Increase access, affordability and quality of early care and education;
- Increase access, affordability and utilization for healthcare services for children 0-5;
- Identify and treat children with special health and developmental needs as early as possible;
- Ensure parents utilize age-appropriate health and development information in their parenting practices;
- Ensure that parents and caregivers are knowledgeable about available community resources and programs;
- In addition, the new plan further captures four new strategic directions that include the following: Resilient Families, Coordinated Systems of Care, Integrated Leadership and Sustained Funding. A direct service approach will continue in the near-term, now with a greater focus on how these investments may also support systems change and sustainability that goes beyond First 5 San Diego's investments in the long-term.

## *OTHER FINANCIAL INFORMATION*

### *Internal Control*

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

### *Budgetary and Accounting Systems*

The Commission is required to adopt an operating budget for the following year before the end of each fiscal year. Any increase in the adopted appropriations during the fiscal year must have Commission approval. Periodic financial updates are provided to the Commissioners at the regularly scheduled Commission meetings.

### *Financial Spending Plan*

The Commission adopts a Financial Spending Plan (FSP) annually as part of the budget approval process. The FSP is being used to plan the reduction of the Sustainability Fund (Fund Balance) to an amount of \$7.5 million for a Management Reserve. Approximately \$6.1 million annually on average will be used from the Sustainability Fund over the next 5 years.



*ACKNOWLEDGEMENTS*

The Commission's Comprehensive Annual Financial Report was prepared through the combined effort of all First 5 San Diego's staff. Special recognition is due to the Fiscal Department staff for their effort to ensure timely and accurate reporting. I also thank the Commissioners for their continued support and interest in planning the financial operations of First 5 San Diego in a responsible and comprehensive manner.

Sincerely,



Alethea Arguilez  
Executive Director  
First 5 Commission of San Diego

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**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**Board of Commissioners**

Nathan Fletcher - Chair

Sandra L. McBrayer -Vice Chair

Rick Richardson – Secretary

Nick Macchione - Commissioner

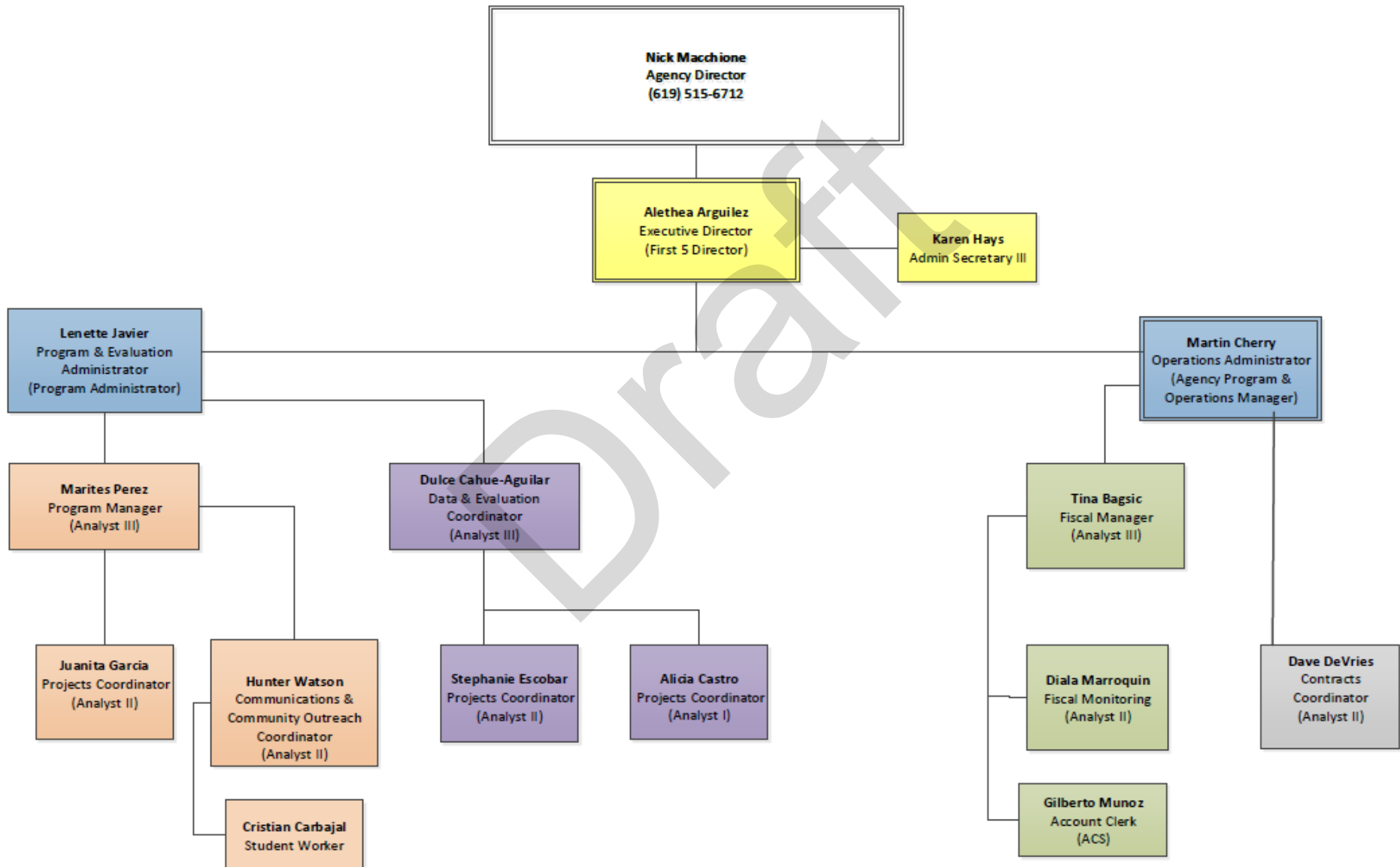
Dr. Wilma J. Wooten - Commissioner

**Executive Director**

Alethea Arguilez

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Government Finance Officers Association

Certificate of  
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for Excellence  
in Financial  
Reporting

Presented to

**First 5 Commission of San Diego  
California**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2020

*Christopher P. Morill*

Executive Director/CEO

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# **FINANCIAL SECTION**

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# MOSS, LEVY & HARTZHEIM LLP

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CERTIFIED PUBLIC ACCOUNTANTS

**PARTNERS**

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CRAIG A HARTZHEIM, CPA  
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## INDEPENDENT AUDITOR'S REPORT

Board of Commissioners  
First 5 Commission of San Diego  
San Diego, California

### *Report on the Financial Statements*

We have audited the accompanying financial statements of the governmental activities and the major fund of the First 5 Commission of San Diego (the Commission), a discretely presented component unit of the County of San Diego, California, as of and for the fiscal year ended June 30, 2021, 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 from 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 fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity'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.

## ***Opinions***

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 major fund of First 5 Commission of San Diego as of June 30, 2021, 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.

## ***Other Matters***

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the required supplementary information, such as management's discussion and analysis on pages 5 through 10 and the Budgetary Comparison information on page 33 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, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the Commission's basic financial statements. The introductory section, supplementary information, and the statistical section listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information on pages 36 through 47 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information section is fairly stated, in all material respects, in relation to the financial statements as a whole.

The introduction and statistical sections have 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 provided any assurance on them.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 15, 2021, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.

*Moss, Levy & Hartzheim*

Moss, Levy & Hartzheim, LLP  
Culver City, California  
September 15, 2021

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**

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### **INTRODUCTION**

Our discussion and analysis of the First 5 Commission of San Diego's (The Commission) financial performance provides an overview of the Commission's financial activities for the fiscal year that ended June 30, 2021. It should be read in conjunction with the Commission's financial statements.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, issued June 1999; GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus*, an amendment to GASB Statements No. 21 and No. 34, issued in June 2001 and; GASB Statement No. 38, *Certain Financial Statement Note Disclosures*, issued in 2001. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

### **FINANCIAL HIGHLIGHTS (FY 2020/2021)**

This Financial Highlights section is governmental fund information.

Expenditures were \$1,758,751 less than revenues. Overall revenues were \$33,000,364. Expenditures were \$31,241,613. This is the first time since 2013 that revenues have been greater than expenditures. This is due to the revenues from the Prop 56 backfill being about \$2 million higher than expected.

Expenditures fall within three categories: Administrative, Program, and Evaluation. Administrative expenditures were \$2,590,119 or 8.3% of the total expenditures (not to be confused with the Administrative Rate, which is calculated on the final Operating Budget); Program expenditures were \$27,771,134 or 88.9%; Evaluation expenditures were \$880,360 or 2.8% of the expenses. Total expenditures were \$31,241,613.

The Commission's Administrative Rate is set by policy to be no more than 10% of the Total Operating Budget. For FY 2020/2021 the administrative rate was 7.47% of the budget. This is based on the Total Administrative Expenditures of \$2,590,119 and the final Total Operating Budget of \$34,653,746.

### **OVERVIEW OF THE 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 statement* is 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 showing how the Commission’s net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the 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 (e.g. earned but unused vacation leave). The government-wide financial statements can be found on pages 11 and 12 of this report.

Fund Financial Statements

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Commission, like other local governments, uses fund accounting to ensure compliance with finance-related legal requirements. Fund financial statements report essentially the same functions as those reported in the government-wide financial statements. However, unlike the government-wide financial statements, 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. In the County of San Diego’s ORACLE accounting system Proposition 10 funds are designated as a Special Revenue Fund.

The Commission adopts an annual appropriated budget for its special revenue fund. A budgetary comparison statement (page 33) has been provided for the special revenue fund to demonstrate compliance with this budget.

The fund financial statements can be found on pages 13 and 15 of this report.

Government-Wide Financial Analysis

**Net Position**

Table I: Net Position

	<b>FY 2020/2021</b>	<b>FY 2019/2020</b>
Total Assets	\$ 51,517,228	\$ 50,667,385
Total Liabilities	9,397,268	10,217,606
Net Position:		
Restricted	-	-
Unrestricted	42,119,960	40,449,779
Total Net Position	\$ 42,119,960	\$ 40,449,779

The Commission’s total net position increased by \$1,670,181 or 4.1% from the prior fiscal year due to revenues from the Prop 56 backfill being higher than expected by nearly \$2 million.



## Changes in Net Position

Table II: Changes in Net Position

	<b>FY 2020/2021</b>	<b>FY 2019/2020</b>
Program Revenues	\$ 32,586,617	\$ 30,560,823
General Revenues	413,747	955,100
<b>Total Revenues</b>	<b>33,000,364</b>	<b>31,515,923</b>
Administrative Expenses	3,484,606	3,696,281
Program Expenses	27,771,134	33,893,728
<b>Total Expenses</b>	<b>31,255,740</b>	<b>37,590,009</b>
Change in net position	1,744,624	(6,074,086)
<b>Net position – Beginning, July 1</b>	<b>\$ 40,449,779</b>	<b>\$ 46,523,865</b>
<b>Prior period adjustment</b>	<b>(74,443)</b>	<b>-</b>
<b>Net position – Beginning, July 1, restated</b>	<b>\$40,375,336</b>	<b>-</b>
<b>Net position – Ending, June 30</b>	<b>\$ 42,119,960</b>	<b>\$ 40,449,779</b>

Program Revenues had an increase of \$2,025,794 or 6.6% from the previous fiscal year primarily due to having received a higher than expected backfill from Prop 56.

General Revenues decreased by (\$541,353) or 56.7% from the prior fiscal year due to lower yields from all cash being in the County Pool with no long-term investments.

The change in Net Position went from negative to positive resulting in a total change of \$7,818,710. The change is due to less program costs that were planned to lower expenses to match revenues by the end of the 2020 – 2025 Strategic Plan and higher than expected revenues.

In 2009 the Commission decided to reduce the Sustainability Fund to zero through systematically spending more every year until the Fund was expended. The funds have been used to maintain funding in the community at a constant level as Prop 10 revenues continued to decline. The Net Position has decreased every year since 2013, until this year. In FY 2020 – 2021 the Net Position increased by \$1,744,624. This increase is due to a change in the strategy of reducing the Sustainability Fund. For the 2015 – 2020 Strategic Plan period the fund was reduced by \$7.8 million per year on average. For the 2020 – 2025 Strategic Plan period the rate of reduction has been reduced to a \$6.2 million average to change the slope so when the fund does run out it will be less of an impact on the community. The increase in Net Position this year is due to the planned slowing of the Sustainability Fund reduction and a higher than expected Prop 56 backfill.

## BUDGETARY HIGHLIGHTS

- Expenditures were less than budgeted by \$3,412,133 or 9.8% due to significant savings in labor from vacant positions and programs that did not expend their full budgeted allocation.
- Prop 10 Tobacco Tax revenue had an increase over budget of \$4,294,192 or 17.6% due to an increase in tobacco tax backfill of Prop 56.
- Revenue from the County of San Diego Health and Human Services Agency for the Home Visiting program were less than budgeted by \$1,976,061 or 36% due to this being the first year of

the program. The program got off to a slow start do to COVID-19 and was managed very conservatively. Additionally, difficulties hiring qualified staffing compounded the problem.

- Labor & Benefits expense had a favorable variance of \$440,439 or 17.9% due to position vacancies during the fiscal year.
- Contributions to Community Projects (Program Expenses) had a favorable variance of \$3,046,335 or 9.9% due to lower than expected expenditures in contracts.

**BEYOND FY 2020/2021**

In April 2019, the Commission approved the Strategic Plan that will guide the Commission’s community investments for fiscal years 2020-21 to 2024-25. During this period, the Sustainability Fund that allowed the investment in programs well beyond the revenue received will be eliminated. By the end of the Strategic Plan 2020–2025 the Commission will no longer have a Sustainability Fund due to reduction of the fund over the life of the Strategic Plan. The plan is to convert the Sustainability Fund to an adequate Management Reserve, and match expenses to revenues in the future years beyond 2025.

The Sustainability Fund was used to supplement revenues by \$7.8 million on average over the 2015 – 2020 Strategic Plan. The fund is projected to supplement income on average by \$6.2 million per fiscal year and be nearly exhausted at the end of the 2020-2025 Strategic Plan period with \$7.5 million remaining as a management reserve

The Commission, through formal action, approved the Budget that obligates funding for FY 2021-2022 for the following programs:

Healthy Development Services	\$ 10,000,000
First 5 First Steps Home Visiting	8,651,929
Learn Well Initiative	8,000,000
Oral Health Initiative	1,000,000
KidSTART Center	800,000
Mi Escuelita Therapeutic Preschool	653,160
Parent & Public Education	400,000
2-1-1 Information & Referral	300,000
Childhood Injury Prevention	150,000
Maternity Shelter	125,000
Community Outreach	100,000
<b>Total</b>	<b>\$ 30,180,089</b>

**DECLINING REVENUES**

History has proven that Prop 10 revenues derived from the sales of tobacco products decline as the sales of tobacco products decrease. It is estimated the Commission will receive about \$22 million per year in Proposition 10 revenues after the Sustainability Fund will be completely exhausted at the end of the 2024-2025 fiscal year. Leveraging of additional contracts, grants and new sources of revenues are continuously being explored to support the future sustainability of the services provided to the children and families of San Diego County.

## EFFECTS OF COVID-19

The COVID-19 pandemic continues to be the single greatest threat to our economy in many years. At the beginning of this reporting period, California was just beginning to emerge from a stay-at-home order issued by the Governor. Some businesses were allowed to start re-opening to just be ordered to close again as the number of COVID-19 cases in hospitals nearly doubled.

Throughout this fiscal year there have been ongoing attempts to limit the COVID-19 exposure to lessen the public impact. Data shows that the period from December 2020 through March 2021 as having the highest levels of confirmed COVID-19 cases.

In mid-December 2020 a COVID-19 vaccine became publicly available. It was given at first to the high-risk population and eventually to the general public.

By the end of the fiscal year in June 2021 the economy continued to reopen with few restrictions. Positive signs of changes from the previous year include the following:

- The leisure and hospitality sector is up 17.5%.
- The category of “other services” as reported by the U.S. Bureau of Labor Statistics is up 19.1%.
- Overall, the “non-farm” sectors are up 5.2%.
- California’s unemployment rate was 10.1% for 2020, it is now down to 7.6% at the end of the fiscal year mid-way through the 2021 calendar year.

At the time of this report, there is an emerging Delta Variant becoming the dominant COVID-19 strain. It has been noted that this strain is much more infectious than the original strain and leading to increased transmissibility. The impact of this new variant is yet to be determined and time will tell if this creates a significant impact to the organization.

Amidst the continued pandemic, we see the economy is recovering:

- More than 75% of the eligible population are vaccinated with at least one dose (2 doses is fully vaccinated).
- The average hourly wage is up 4%.
- The U.S. Gross Domestic Product is projected to grow 7% in 2021.
- Business is opening so rapidly that there are work-force shortages in all sectors.

The pandemic is far from over, but the economy is showing significant signs of recovery and return to pre-pandemic levels of activity. Some reports project the economy to not fully recover until 2024. It appears that the worse seems to be behind us and economic statistics are showing signs of recovery. First 5 San Diego shares in the optimism that all aspects of the economy are improving, and strides are being made as it relates to controlling the spread of COVID-19. The pandemic may subside, but the effects on our way of life will continue to shape future priorities of First 5 San Diego and the world we all live in.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the First 5 Commission of San Diego finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: First 5 Commission of San Diego, 9655 Granite Ridge Drive, Suite 120, San Diego, California 92123.

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**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
STATEMENT OF NET POSITION  
JUNE 30, 2021**

		<b>GOVERNMENTAL ACTIVITIES</b>
		<b>2021</b>
<b>Assets</b>		
Cash and investments in county treasury		\$ 49,324,834
Imprest cash		250
Accounts receivable		2,108,006
Due from County of San Diego		81,942
Prepaid expenses		2,196
Total assets		51,517,228
<b>Liabilities</b>		
Accounts payable		9,204,958
Due to County of San Diego		88,479
Compensated absences:		
Due within one year		73,418
Due more than one year		30,413
Total liabilities		9,397,268
<b>Net Position</b>		
Restricted		-
Unrestricted		42,119,960
Total net position		\$ 42,119,960

See accompanying notes to the basic financial statements.

**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

		<u>PROGRAM REVENUES</u>	<u>NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION</u>
<u>GOVERNMENTAL ACTIVITIES</u>	<u>EXPENSES</u>	<u>PROPOSITION 10 AND SPECIAL FUND</u>	<u>GOVERNMENTAL ACTIVITIES</u>
			<u>2021</u>
Health	\$ 11,627,348	\$ 10,530,637	\$ (1,096,711)
Learning	7,595,960	7,457,971	(137,989)
Family	7,733,280	10,375,686	2,642,406
Community	814,546	737,717	(76,829)
General administration	<u>3,484,606</u>	<u>3,484,606</u>	<u>-</u>
Total governmental activities	<u>\$ 31,255,740</u>	<u>\$ 32,586,617</u>	<u>\$ 1,330,877</u>
 <b>GENERAL REVENUES:</b>			
Net investment revenue			<u>413,747</u>
Total general revenues			413,747
Change in net position			<u>1,744,624</u>
Net position, beginning of fiscal year			40,449,779
Prior period adjustments			<u>(74,443)</u>
Net position, beginning of fiscal year, restated			<u>40,375,336</u>
Net position – end of fiscal year			<u>\$ 42,119,960</u>

See accompanying notes to the basic financial statements.

**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
BALANCE SHEET  
GOVERNMENTAL FUND  
JUNE 30, 2021**

	<b>2021</b>
<b>Assets</b>	
Cash and investments in county treasury	\$ 49,324,834
Imprest cash	250
Accounts receivable	2,108,006
Due from County of San Diego	81,942
Prepaid expenditures	2,196
Total assets	\$ 51,517,228
<b>Liabilities and Fund Balance</b>	
Liabilities:	
Accounts payable	\$ 9,204,958
Due to County of San Diego	88,479
Total liabilities	9,293,437
Fund Balance:	
Non-spendable	2,196
Restricted	-
Committed	42,221,595
Total fund balance	42,223,791
Total liabilities and fund balance	\$ 51,517,228

See accompanying notes to the basic financial statements.

**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2021**

	<u>2021</u>
Total governmental fund balance	\$ 42,223,791
Compensated absences are not due and payable in the current period and accordingly are not reported as fund liabilities. All compensated absences, both current and long-term, are reported in the Statement of Net Position.	(103,831)
Net position of governmental activities	<u>\$ 42,119,960</u>

Draft



**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Revenues:	<u>2021</u>
Prop 10 tobacco tax (including SMIF & Prop 56 back-fill)	\$ 28,636,321
F5CA IMPACT Hub	544,079
F5CA Home Visiting Coordination	35,153
CalWORKs Home Visiting Program Services	2,453,747
Cal-Learn Educational Support Services	717,980
CA Home Visiting Program State General Fund Expansion Program	164,941
CDE QRIS Certification Grant	34,396
Interest revenue	413,747
Total revenues	<u>33,000,364</u>
Expenditures:	
Labor and benefits (* less: Evaluation Labor)	2,015,727
Services and supplies	574,392
Evaluation (*add: Evaluation Labor)	880,360
Contributions to community projects	<u>27,771,134</u>
Total expenditures	<u>31,241,613</u>
Net change in fund balance	<u>1,758,751</u>
Fund balance, beginning of fiscal year	40,539,483
Prior period adjustments	<u>(74,443)</u>
Fund balance, beginning of fiscal year, restated	40,465,040
Fund balance, end of fiscal year	<u><u>\$ 42,223,791</u></u>

See accompanying notes to the basic financial statements.

**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<b>2021</b>
Net change in total governmental fund balance	\$ 1,758,751
In the statement of activities, compensated absences are measured by the amounts earned during the fiscal year. In the governmental fund, however, expenditures for these items are measured by the amount of financial resources used (essentially the amount paid).	(14,127)
Change in net position of governmental activities	<b>\$ 1,744,624</b>

Draft

**FIRST 5 COMMISSION OF SAN DIEGO**  
**A PROPOSITION 10 COMMISSION**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The San Diego County Board of Supervisors established the First 5 Commission of San Diego, formerly the San Diego County Children and Families Commission (The Commission) on December 8, 1998, under the provisions of the California Children and Families Act of 1998 (Act). The Commission is discretely presented as a component unit of the County of San Diego, California. The Commission provides leadership for a network of support for all children from the prenatal stage through age five and their families; develops and operates in partnerships with communities and families; and is accountable for improving outcomes in children's health, safety and learning. The Commission is funded through tobacco tax revenue generated as a result of the California approval of the Proposition 10 Act (Prop 10) in November 1998. The Commission is made up of five members: one (1) member of the Board of Supervisors, two (2) members-at-large appointed by the Board of Supervisors, one (1) member is the Director of the Health and Human Services Agency and one (1) member is nominated by the Director of the Health and Human Services Agency from among the County health officer and persons responsible for management of the following County functions: children's services, public health services, social services, behavioral health services, and tobacco and other substance abuse prevention and treatment services.

In April 2019, the Commission adopted the Strategic Plan for 2020–2025. The plans focus the Commission's investments toward achieving key results that best promote early childhood development in San Diego County. The Commission's vision is that "All children are healthy, are loved and nurtured, and enter school as active learners." The current plan guides the allocation of up to \$30,180,089 (page 8) for fiscal year 2021/2022 to support four strategic goal areas that strengthen the relationships essential for the healthy development of young children: (1) Health, (2) Learning, (3) Family, and (4) Community. The plan spends down the fund balance from \$40.5 million at the beginning of FY 2020/2021 to \$5.9 million excluding a Management Reserve of \$7.5 million at the end FY 2024/2025.

**B. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The Commission's financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Commission's more significant accounting policies are described below.

The government-wide financial statements (i.e. *The Statement of Net Position* and *The Statement of Activities* on pages 11 and 12 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 the related cash flows. Contributions to community projects through local contractors are recognized as expenditures when criteria for contract payments are met by the contractors.

**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

*The Statement of Net Position* presents the Commission's financial position in a *net position approach*.

Net Position

GASB Statement No. 63 requires that the difference between assets added to the deferred outflows of resources and liabilities added to the deferred inflows of resources be reported as net position. Net position is classified as net investment in capital assets, restricted, or unrestricted.

Net position that is net investment in capital assets consist of capital assets, net of accumulated depreciation, and reduced by the outstanding principal of related debt. Restricted net position is the portion of net position that has external constraints placed on it by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

*The Statement of Activities* reports the change in net position in a net program cost format to demonstrate the degree to which the expense of the Commission is offset by its program revenues (page 12) in the categories of 1) Health, 2) Learning, 3) Family, and 4) Community.

Governmental fund financial statements, presented after the government-wide financial Statements are reported using the *current financial resources measurement focus* and the *modified accrual* basis of accounting on pages 13 and 14. 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. Revenues are considered to be *available* when they are collectible within 90 days of the end of the current fiscal period. Revenues susceptible to accrual include tax revenue, grants, and investment income. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable.

**C. Budgets, Budgetary Process and Encumbrances**

The Commission adopts an annual budget, which can be amended by the Commission throughout the fiscal year. Revenue (not including interest revenue) was budgeted at \$34.3 million per the Financial Spending Plan that was approved in April 2020. The Financial Spending Plan is reviewed annually and, if necessary, is revised to account for updated projections of birth rates, taxable sales of tobacco products and changes in interest rates. Budgeted revenues were established to balance revenues with projected expenditures. Liability for unrealized gains and losses under Governmental Accounting Standards Board's Statement No. 31 (GASB Statement No. 31) is not included in the budget.

**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. 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 that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual reports could differ from those estimates.

**E. Cash and Investments**

Investments are valued at fair value. Fair value is defined as the amount that the Commission could reasonably expect to receive for an investment as a current sale between a willing buyer and seller and is generally measured by quoted market prices.

**F. Future Accounting Pronouncements**

GASB Statements listed below will be implemented in future financial statements:

Statement No. 87	"Leases"	The provisions of this statement are effective for fiscal years beginning after June 15, 2021.
Statement No. 89	"Accounting for Interest Cost Incurred before the End of a Construction Period"	The provisions of this statement are effective for fiscal years beginning after December 15, 2020.
Statement No. 91	"Conduit Debt Obligations"	The provisions of this statement are effective for fiscal years beginning after December 15, 2021.
Statement No. 92	"Omnibus 2020"	The provisions of this statement are effective for fiscal years beginning after June 15, 2021.
Statement No. 93	"Replacement of Interbank Offered Rates"	The provision of this statement except for paragraphs 11b, 13, and 14 are effective for fiscal years beginning after June 15, 2020. Paragraph 11b is effective for fiscal years beginning after December 31, 2021. Paragraphs 13 and 14 are effective for fiscal years beginning after June 15, 2021.

**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**F. Future Accounting Pronouncements (continued)**

Statement No. 94	"Public-Private and Public-Public Partnerships and Availability Payment Arrangements"	The provisions of this statement are effective for fiscal years beginning after June 15, 2022.
Statement No. 96	"Subscription-Based Information Technology Arrangements"	The provisions of this statement are effective for fiscal years beginning after June 15, 2022.

**NOTE 2: CASH AND INVESTMENTS BY COUNTY TREASURY**

The Commission’s cash and investments at June 30, 2021 are included in the County’s balance sheet as “Cash and Investments in County Treasury”. The Commission has two dedicated portfolios with the County Treasurer’s Office, and a segment of these portfolios are positions in the County Investment Pool. The County Treasurer maintains an investment pool for all funds of the County and other agencies for which the County treasury is the depository. Interest earned on the pooled funds is allocated and credited to these funds quarterly. Interest on investments that are outside the County pool are recognized when earned (i.e. coupon payments on bonds). Interest from the County pool is apportioned to the Commission based on the average daily balances on deposit with the Treasurer of those funds. All cash and investments at June 30, 2021, are stated at fair value.

Cash and Investments in County Treasury consisted of the following at June 30, 2021:  
Assets Invested through the County Treasurers Office:

Negotiable Certificates of Deposit	\$ -
Commercial Paper Disc. Amortizing	-
County Pool	<u>49,324,834</u>
Total Cash and Investments by County Treasury	<u>\$ 49,324,834</u>

**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2: CASH AND INVESTMENTS BY COUNTY TREASURY (continued)**

**Investments Authorized by the California Government Code**

The California Government Code Section 53601 governs the investments of the Commission. The Commission adopted an investment policy on October 4, 2004 but it does not contain policies for exposure to interest rate risk, credit risk and concentration of credit risk. Portfolios will invest primarily in the County Investment Pool (“County Pool”), Commercial Paper, Negotiable CD, Medium Term Notes, US Agencies and Treasuries. The portfolio maturity structure will be driven by the cash flow needs of First 5, as provided by staff members and accommodations for appropriate levels of liquidity.

California Government Code 53601 provides that the County Board of Supervisors is empowered to authorize the Commission to hold investments with maturities that exceed five years. The Commission has received such an authorization from the San Diego Board of Supervisors on March 22, 2005 to invest for a maximum of 20 years.

**Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. In general, the longer the maturity of an investment, the greater the sensitivity of its fair value to the changes in market interest rates. Information about the sensitivity of the fair values of the Commission’s investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Commission’s investments by maturity:

<u>Investment Type</u>	<u>Amount</u>	<u>Remaining Maturity in Months</u>		
		<u>12 months or less</u>	<u>13 to 24 months</u>	<u>25 to 60 months</u>
Negotiable Certificates of Deposit	\$ -	\$ -	\$ -	\$ -
Commercial Paper Disc.	-	-	-	-
County Pool	<u>49,324,834</u>	<u>49,324,834</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 49,324,834</u>	<u>\$ 49,324,834</u>	<u>\$ -</u>	<u>\$ -</u>

**Credit Risk**

Generally, credit risk is the risk that the issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by the California Government Code Section 53601 (where applicable) and the actual rating as of year-end for each investment type.

**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2: CASH AND INVESTMENTS BY COUNTY TREASURY (continued)**

<u>Investment Type</u>	<u>Amount</u>	<u>Minimum Rating Required</u>	<u>Credit Quality Rating</u>
Negotiable Certificates of Deposit	\$ -	A-1 or equivalent	A-1
Commercial Paper Disc	-	A-1 or equivalent	AAA
County Pool	<u>49,324,834</u>	VARIOUS	AAA
Total	<u>\$ 49,324,834</u>		

**Concentration of Credit Risk**

The California Government Code Section 53601 places limitations on the amount that can be invested in any one issuer. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, negotiable certificates of deposit, and external investment pools) that represent 1% or more of total investment are as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Amount</u>	<u>% of Total Investments</u>
None for FY 2020/2021			

**Custodial Credit Risk**

Custodial risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that in the event of the failure of the counter party (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code Section 53652 requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure government deposits by pledging first trust deed mortgage notes having a value of 150% of the secure public deposits.



**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2: CASH AND INVESTMENTS BY COUNTY TREASURY (continued)**

**Investment in San Diego Investment Pool**

The Commission is a voluntary participant in the pool regulated by the California Government Code Sections 53601 and 53635, under the oversight of the Treasurer of the County of San Diego. The fair value of the Commission's investment in this pool is reported in the accompanying financial statements at amounts based upon the Commission's pro-rata share of the fair value provided by the County of San Diego for the entire pool portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the pool, which are recorded on a cash basis.

**Fair Value**

The Commission categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy is based on the valuation inputs used to measure an asset's fair value. The following provides a summary of the hierarchy used to measure fair value:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, either directly or indirectly.

Level 3 - Unobservable inputs should be developed using the best information available under the circumstances, which might include the Commission's own data. The Commission should adjust that data if reasonable available information indicates that other market participants would use different data or certain circumstances specific to the Commission are not available to other market participants.

Uncategorized - Investments in the San Diego County Treasury Investment Pool and/or Local Agency Investment Funds/State Investment Pools are not measured using the input levels above because the Commission's transactions are based on a stable net asset value per share. All contributions and redemptions are transacted at \$1.00 net asset value per share.

The Commission's fair value measurements at June 30, 2021 were as follows:

	<b>Quoted Prices <u>Level 1</u></b>	<b>Observable Inputs <u>Level 2</u></b>	<b>Unobservable Inputs <u>Level 3</u></b>	<b><u>Uncategorized</u></b>	<b><u>Total</u></b>
Investments in county treasury	\$ -	\$ -	\$ -	\$ 49,324,834	\$ 49,324,834
Other investments	-	-	-	-	-
<b>Total leveled investments</b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 49,324,834</u></b>	<b><u>\$ 49,324,834</u></b>

**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

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**NOTE 3: ACCOUNTS RECEIVABLE**

Accounts receivable is recorded at full value and represents the amount of Prop 10 revenue the California Children and Families Commission (First 5 California) owes the Commission for the month of June 2021, and miscellaneous Surplus Money Investment Fund (SMIF) revenue. Additionally, the First 5 Commission of California owes First 5 San Diego IMPACT Hub and CA Home Visiting Coordination for revenue earned in FY 2020/2021.

Prop 10 revenue for:	
June 2021	\$ 1,752,863
SMIF	17,300
F5CA IMPACT Hub Grant	302,690
F5CA Home Visiting Coordination Grant	35,153
	<hr/>
Total	\$ 2,108,006
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**NOTE 4: ACCOUNTS PAYABLE**

Accounts payable is comprised of \$9,204,958 in funding due to contractors at June 30, 2021.

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**NOTE 5: DUE TO/DUE FROM COUNTY OF SAN DIEGO**

These are funds that are “due to” or “due from” the County of San Diego’s general fund.

The County of San Diego owes the Commission \$81,942 for investment interest earnings in the operating fund and the sustainability fund.

The Commission owes the County of San Diego \$88,479 for:

- 1) Purchasing & Contracting services of \$28;
- 2) Computing and IT charges of \$7,291;
- 3) Commission labor cost of \$81,160

**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 6: COMPENSATED ABSENCES**

Compensated absences represent the liability for unpaid vacation leave, holidays and other compensated absences with similar characteristics, except sick leave. Compensated absences liability activities for the year ended June 30, 2021 is as follows:

	<u>Balance</u> <u>July 1, 2020</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2021</u>	<u>Due Within</u> <u>One Year</u>	<u>Due More Than</u> <u>One Year</u>
Compensated Absences	<u>\$ 89,703</u>	<u>\$ 36,026</u>	<u>\$ (21,898)</u>	<u>\$ 103,831</u>	<u>\$ 73,418</u>	<u>\$ 30,413</u>

**NOTE 7: REVENUE**

The Commission receives a proportionate share of Proposition 10 and Proposition 56 money from First 5 California based on the number of live births in the county in comparison to the number of live births statewide. This fund is identified in the County of San Diego's accounting records as the First 5 Commission Operating Fund (Fund Number 49217). The Commission also receives Special Funding, as explained in Note 8, and Surplus Money Investment Fund (SMIF) allocations from First 5 California. The SMIF allocations represent distributions of interest accrued on statewide Proposition 10 money.

Revenue for the fiscal year 2020/2021 is comprised of:

Prop 10 revenue (monthly allocations)	\$ 22,003,878
SMIF	17,300
Prop 56 backfill (included in Prop10 in Financials)	6,615,143
F5CA IMPACT Hub Grant	544,079
F5CA Home Visiting Coordination Grant	35,153
CalWORKs Home Visiting Program Services	2,453,747
Learn Educational Support Services	717,980
CA Home Visiting Program State GF Expansion	164,941
CDE QRIS Certification Grant	34,396
Interest	413,747
Net increase (decrease) in FMV of investments	<u>-</u>
Total revenue	<u>\$ 33,000,364</u>

**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

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**NOTE 8: SPECIAL FUNDING**

Special funding for FY 2020/2021 included \$544,079, for the IMPACT Hub award; \$35,153 for the F5CA Home Visiting Coordination; \$2,453,747 for CalWORKs Home Visiting Program Services; \$717,980 for Cal-Learn Educational Support Services; \$164,941 for CA Home Visiting Program State General Fund Expansion; and \$34,396 for the California Department of Education QRIS Certification Program.

**First 5 CA IMPACT Coordination and Training and Technical Assistance Hub Grant (Hub).**

The purpose of First 5 CA IMPACT Hub Grant is to provide a mechanism for coordination and specialized support to consortia within a region to create economies of scale while building a local early learning system. The Hubs goals include: 1) coordinate local and regional CA-QRIS implementation across multiple systems, 2) leverage local and state resources to help consortia integrate county, state, and national research and promising practices into First 5 IMPACT work, 3) create regional efficiencies for quality improvement, staffing, data collection, and systems development, and 4) increase local capacity to build on existing strengths, increase efficiency, and meet local needs. The balance sheet and statement of revenue, expenditures and changes in fund balance for this special funding program is presented as supplementary information in this report on pages 36 and 37.

**First 5 CA Home Visiting Coordination Grant (F5 CA HVC).** The primary purpose of the F5 CA HVC is to facilitate activities that improve cross-program service coordination and integration into a system of supports that enables families to be served during their greatest need, with the most appropriate program and services to recover from the effects of the COVID-19 pandemic. The HVC goals include: 1) increase cross-agency understanding of local population needs relative to the impacts of COVID-19 on families and services; 2) ensure families are served through efficient, coordinated, and sustainable evidence-based home visiting programs that meet their critical recovery needs; 3) embed home visiting into early childhood systems to promote strong family outcomes; and 4) Promote cross-county, shared learning and capacity-building, resource sharing, and expertise to strengthen local systems change efforts, and rebuild early childhood and family support systems following the pandemic. The balance sheet and statement of revenue, expenditures and changes in fund balance for this special funding program is presented as supplementary information in this report on pages 38 and 39.

**CalWORKs Home Visiting Program Services.** The California Work Opportunity and Responsibility to Kids (CalWORKs) Home Visiting Program (HVP) is a voluntary program supervised by the California Department of Social Services (CDSS) and administered by participating California counties. The HVP aims to support positive health development and well-being outcomes for pregnant and parenting people, families, and infants born into poverty, expand their future educational, economic, and financial capability opportunities, and improve the likelihood that they will exit poverty. The balance sheet and statement of revenue, expenditures and changes in fund balance for this special funding program is presented as supplementary information in this report on pages 40 and 41.

**FIRST 5 COMMISSION OF SAN DIEGO**  
**A PROPOSITION 10 COMMISSION**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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**NOTE 8: SPECIAL FUNDING (continued)**

**Cal-Learn Educational Support Services.** The Cal-Learn Program began in 1995 as part of a five-year California Work Pays Demonstration Project. It became a permanent program as of January 1, 1999, as part of California Work Opportunity and Responsibility to Kids (CalWORKs). The program is designed to prevent long-term dependence among pregnant and parenting teens receiving CalWORKs cash aid. The program's primary goal is to help teens achieve self-sufficiency through school participation leading to a high school diploma or its equivalent. Intensive case management and supportive services, including childcare and transportation assistance, as well as financial sanctions and incentive payments are used to encourage teens to stay in, or return to, high school. The balance sheet and statement of revenue, expenditures and changes in fund balance for this special funding program is presented as supplementary information in this report on pages 42 and 43.

**The California Home Visiting Program (CHVP)** is designed for overburdened families who are at risk for Adverse Childhood Experiences (ACEs), including child maltreatment, domestic violence, substance abuse and mental illness. Home visiting gives parents the tools and know-how to independently raise their children. It's a preventive intervention focused on promoting positive parenting and child development. Decades of research on home visiting shows that home visits by a trained professional during pregnancy and in the first few years of life improves the lives of children and families by preventing child abuse and neglect, supporting positive parenting, improving maternal and child health, and promoting child development and school readiness. Contractor shall be responsible for the start-up, implementation, and on-going service delivery of the California Home visiting Program in South Region. Countywide Coordinator shall work with contractor and other partners to ensure that services are provided with fidelity to the home visiting model and curriculums. Core areas of responsibilities include: home visiting service delivery, staff hiring, training, and certification, data collection and program evaluation, and inter-agency coordination. The balance sheet and statement of revenue, expenditures and changes in fund balance for this special funding program is presented as supplementary information in this report on pages 44 and 45.

**CDE Quality Rating and Improvement System (QRIS) Certification Grant:** The primary purposes of the California Department of Education (CDE) QRIS Certification Grant is to support the CDE QRIS system by building capacity for certified trainers, observers, assessors, and coaches. Funds are used to build regional and local capacity to implement the QRIS Rating Matrix and the Continuous Quality Improvement Pathways Certifications. The balance sheet and statement of revenue, expenditures and changes in fund balance for this special funding program is presented as supplementary information in this report on pages 46 and 47.

**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

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**NOTE 9: LEASE OBLIGATION**

The Commission is obligated for the next ten years under a space rental lease which is accounted for as an operating lease. An operating lease does not give rise to property rights and therefore, the results of the lease agreement are reflected in the Commission’s basic financial statements.

The future rental payments required under the operating lease is as follows:

Fiscal Year ending June 30:

2022	268,104
2023	276,147
2024	284,432
2025	292,965
2026	301,754
2027	310,806
2028	320,131
2029	329,735
2030	<u>339,627</u>

Total lease obligation \$ 2,723,701

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**NOTE 10: EVALUATION EXPENSES**

The Commission spent \$880,360 on program evaluation during the audit period.

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**NOTE 11: FUND BALANCES**

As of June 30, 2021, fund balances of the governmental funds are classified as follows:

Non-spendable – amounts that cannot be spent either because they are in non-spendable form (e.g. Prepaid Expense) or because they are legally or contractually required to be maintained intact (e.g. revolving fund or the principal of an endowment).

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal “Action Item” of the Commission. This formal “Action Item” is the approval by the Commission of a meeting agenda action item, if approved resulting in a final resolution to be implemented. The Commission is the highest level of decision-making authority. These committed amounts cannot be used for any other purpose unless the Commission removes or changes the specific uses through the same type of formal action taken to establish the commitment.

**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 11: FUND BALANCES (continued)**

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Commission’s adopted policy, only the Commission or Executive Director may assign amounts for specific purposes.

Unassigned – all other spendable amounts.

When an expense is incurred for purposes for which both restricted and unrestricted fund balance is available, the commission considers restricted funds to have been spent first. When an expense is incurred for which committed, assigned, or unassigned fund balance are available, the Commission considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Commission has provided otherwise in its commitment or assignment actions.

The details of the fund balances as of June 30, 2021 are presented below:

**Fund Balance:**

Non-spendable:	
Prepaid items	\$ 2,196
Committed To:	
Administration	2,542,893
Evaluation	795,289
Healthy Development Services	9,910,290
KidStart	792,731
Oral Health	993,287
Reducing Childhood Injuries	123,126
Learn Well Initiative	7,420,779
Mi Escuelita	653,136
Targeted Home Visits	8,079,955
Parent & Public Education	397,312
Maternity Shelter	118,231
Information & Referral	295,500
Community Projects	99,066
Management Reserve	10,000,000
Total Committed	42,221,595
Total Fund Balance	\$ 42,223,791

**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

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**NOTE 12: RELATED PARTY**

For FY 2020-21 the First 5 Commission had a contract with The Children’s Initiative for \$150,000 for the Childhood Injury Prevention Program. The Chief Executive Officer of The Children’s Initiative is Sandra McBrayer, one of the five First 5 San Diego Commissioners.

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**NOTE 13: FINANCIAL HEALTH UNCERTAINTY**

The World Health Organization has declared the outbreak of Novel Coronavirus (COVID-19) as a “Public Health Emergency of International Concern,” which continues to spread throughout the world and has adversely impacted global commercial activity and contributed to significant declines and volatility in financial markets. The Coronavirus outbreak and government responses are creating disruption in global supply chains and adversely impacting many industries. The outbreak could have a continued material adverse impact on economic and market conditions and trigger a period of global economic slowdown. The rapid development and fluidity of this situation precludes any prediction as to the ultimate material adverse impact. Nonetheless, the outbreak presents uncertainty and risk with respect to the Commission’s performance, and financial results.

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**NOTE 14: PRIOR PERIOD ADJUSTMENTS**

The accompanying financial statements include adjustments that resulted in the restatements of beginning net position. The following summarizes the effect of the prior period adjustments to beginning net position as of July 1, 2020:

Reason for adjustments	Governmental Activities
(Overstatement) of Accounts Receivable	<u>\$ (74,443)</u>
	<u><u>\$ (74,443)</u></u>



**REQUIRED SUPPLEMENTARY INFORMATION SECTION**

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**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
BUDGETARY COMPARISON SCHEDULE GOVERNMENT FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<b>BUDGETED AMOUNTS (UNAUDITED)</b>			<b>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>ACTUAL</b>	
<b>Revenues:</b>				
Prop 10 tobacco tax (see page 14)	\$ 24,342,129	\$ 24,342,129	\$ 28,636,321	\$ 4,294,192
F5CA IMPACT Hub Grant	416,580	416,580	544,079	127,499
F5CA Home Visiting Coordination Grant	-	100,000	35,153	(64,847)
CalWORKs Home Visiting Program	3,540,000	3,540,000	2,453,747	(1,086,253)
Cal-Learn Educational Support Services	944,425	1,172,729	717,980	(454,749)
CA Home Visiting Program State GFEP	600,000	600,000	164,941	(435,059)
CDE QRIS Certification Grant	-	-	34,396	34,396
Interest revenue	591,805	591,805	413,747	(178,058)
Total revenues	<u>30,434,939</u>	<u>30,763,243</u>	<u>33,000,364</u>	<u>2,237,121</u>
<b>Expenditures:</b>				
Labor and Benefits	2,456,166	2,456,166	2,015,727	440,439
Services and Supplies	536,341	501,341	574,392	(73,051)
Evaluation	878,770	878,770	880,360	(1,590)
Contributions to Community Projects	<u>30,454,165</u>	<u>30,817,469</u>	<u>27,771,134</u>	<u>3,046,335</u>
Total expenditures	<u>34,325,442</u>	<u>34,653,746</u>	<u>31,241,613</u>	<u>3,412,133</u>
Net change in fund balance	(3,890,503)	(3,890,503)	1,758,751	5,649,254
Fund balance, beginning of fiscal year	40,539,483	40,539,483	40,539,483	-
Prior period adjustments	<u>                    </u>	<u>                    </u>	<u>(74,443)</u>	<u>(74,443)</u>
Fund balance, beginning of fiscal year, restated	40,539,483	40,539,483	40,465,040	(74,443)
Fund balance, end of fiscal year	<u>\$ 36,648,980</u>	<u>\$ 36,648,980</u>	<u>\$ 42,223,791</u>	<u>\$ 5,574,811</u>

**Budget and Budgetary Process**

The Commission adopts an annual budget which can be amended throughout the year. The basis used to prepare the budget is in accordance with accounting principles generally accepted in the United States (GAAP).

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**SUPPLEMENTARY INFORMATION SECTION**

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**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
BALANCE SHEET  
F5CA IMPACT Hub GRANT  
JUNE 30, 2021**

	2021
<b>Assets</b>	
Cash and investments in county treasury:	\$ -
Total assets	\$ -
<b>Liabilities and Fund Balance</b>	
Liabilities:	
Unearned revenue	\$ -
Total liabilities	-
Fund balance:	
Restricted for F5CA IMPACT Hub Grant	-
Total fund balance	-
Total liabilities and fund balance	\$ -

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**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE  
F5CA IMPACT Hub GRANT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<b>2021</b>
Revenues:	
F5CA IMPACT Hub Grant	\$ 544,079
Total revenues	544,079
Expenditures:	
Labor and benefits	-
Contributions to community projects	544,079
Total expenditures	544,079
Net change in fund balance	-
Fund balance, beginning of fiscal year	-
Fund balance, end of fiscal year	\$ -

Draft

**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
BALANCE SHEET  
F5CA HOME VISITING COORDINATION GRANT  
JUNE 30, 2021**

	2021
<b>Assets</b>	
Cash and investments in county treasury:	\$ -
Total assets	\$ -
<b>Liabilities and Fund Balance</b>	
Liabilities:	
Unearned revenue	\$ -
Total liabilities	-
Fund balance:	
Restricted for F5CA Home Visiting Coordination Grant	-
Total fund balance	-
Total liabilities and fund balance	\$ -

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**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE  
F5CA HOME VISITING COORDINATION GRANT  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2021**

	<b>2021</b>
Revenues:	
F5CA Home Visiting Coordination Grant	\$ 35,153
Total revenues	35,153
Expenditures:	
Labor and benefits	-
Contributions to community projects	35,153
Total expenditures	35,153
Net change in fund balance	-
Fund balance, beginning of fiscal year	-
Fund balance, end of fiscal year	\$ -

Draft

**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
BALANCE SHEET  
CALWORKS HOME VISITING PROGRAM SERVICES  
JUNE 30, 2021**

	2021
<b>Assets</b>	
Cash and investments in county treasury:	\$ -
Total assets	\$ -
<b>Liabilities and Fund Balance</b>	
Liabilities:	
Unearned revenue	\$ -
Total liabilities	-
Fund balance:	
Restricted for CalWORKs Home Visiting Program Services	-
Total fund balance	-
Total liabilities and fund balance	\$ -

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**FIRST 5 COMMISSION OF SAN DIEGO**  
**A PROPOSITION 10 COMMISSION**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE**  
**CALWORKS HOME VISITING PROGRAM SERVICES**  
**FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2021**

	<b>2021</b>
Revenues:	
CalWORKs Home Visiting Program Services	\$ 2,453,747
Total revenues	2,453,747
Expenditures:	
Labor and benefits	-
Contributions to community projects	2,453,747
Total expenditures	2,453,747
Net change in fund balance	-
Fund balance, beginning of fiscal year	-
Fund balance, end of fiscal year	\$ -

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**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
BALANCE SHEET  
CAL-LEARN EDUCATIONAL SUPPORT SERVICES  
JUNE 30, 2021**

	<b>2021</b>
<b>Assets</b>	
Cash and investments in county treasury:	\$ -
Total assets	\$ -
<b>Liabilities and Fund Balance</b>	
Liabilities:	
Unearned revenue	\$ -
Total liabilities	-
Fund balance:	
Restricted for Cal-Learn Educational Support Services	-
Total fund balance	-
Total liabilities and fund balance	\$ -

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**FIRST 5 COMMISSION OF SAN DIEGO**  
**A PROPOSITION 10 COMMISSION**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE**  
**CAL-LEARN EDUCATIONAL SUPPORT SERVICES**  
**FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2021**

	<b>2021</b>
Revenues:	
Cal-Learn Educational Support Services	\$ 717,980
Total revenues	717,980
 Expenditures:	
Labor and benefits	-
Contributions to community projects	717,980
Total expenditures	717,980
 Net change in fund balance	-
 Fund balance, beginning of fiscal year	-
 Fund balance, end of fiscal year	\$ -

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**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
BALANCE SHEET  
CA HOME VISITING PROGRAM STATE GENERAL FUND  
EXPANSION PROGRAM  
JUNE 30, 2021**

		<u>2021</u>	
<b>Assets</b>			
Cash and investments in county treasury:		\$	-
Total assets		<u>\$</u>	<u>-</u>
<b>Liabilities and Fund Balance</b>			
Liabilities:			
Unearned revenue		\$	-
Total liabilities			<u>-</u>
Fund balance:			
Restricted for CA Home Visiting Program State General Fund Expansion			<u>-</u>
Total fund balance			<u>-</u>
Total liabilities and fund balance		<u>\$</u>	<u>-</u>

**FIRST 5 COMMISSION OF SAN DIEGO**  
**A PROPOSITION 10 COMMISSION**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE**  
**CA HOME VISITING PROGRAM STATE GENERAL FUND**  
**EXPANSION PROGRAM**  
**FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2021**

	<b>2021</b>
Revenues:	
CA Home Visiting Program State General Fund Expansion Program	\$ 164,941
Total revenues	164,941
Expenditures:	
Labor and benefits	-
Contributions to community projects	164,941
Total expenditures	164,941
Net change in fund balance	-
Fund balance, beginning of fiscal year	-
Fund balance, end of fiscal year	\$ -

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**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
BALANCE SHEET  
CDE QRIS CERTIFICATION GRANT  
JUNE 30, 2021**

	<b>2021</b>
<b>Assets</b>	
Cash and investments in county treasury:	\$ -
Total assets	\$ -
<b>Liabilities and Fund Balance</b>	
Liabilities:	
Unearned revenue	\$ -
Total liabilities	-
Fund balance:	
Restricted for CDE QRIS Certification Grant	-
Total fund balance	-
Total liabilities and fund balance	\$ -

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**FIRST 5 COMMISSION OF SAN DIEGO**  
**A PROPOSITION 10 COMMISSION**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE**  
**CDE QRIS CERTIFICATION GRANT**  
**FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2021**

	2021
Revenues:	
CDE QRIS Certification Grant	\$ 34,396
Total revenues	34,396
Expenditures:	
Labor and benefits	-
Contributions to community projects	34,396
Total expenditures	34,396
Net change in fund balance	-
Fund balance, beginning of fiscal year	-
Fund balance, end of fiscal year	\$ -

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# **STATISTICAL SECTION**

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**FIRST 5 COMMISSION OF SAN DIEGO**  
**A PROPOSITION 10 COMMISSION**  
**Statistical Section (Unaudited)**  
**For the Fiscal Year Ended June 30, 2021**

The information in this section is not covered by the Independent Auditor's Report, but it is presented as supplemental data for the benefit of the readers of the comprehensive annual financial report. The objectives of the statistical section information are to provide financial statement users with additional statements, notes to financial statements and required supplemental information to understand and assess the Commission's economic condition.

	<u>Pages</u>
<u>Financial Trends</u>	
These schedules contain trend information to help the reader understand how the Commission's financial performance and well-being have changed over time.	51 -54
<u>Revenue Trends</u>	
These schedules contain trend information to help the reader assess the Commission's most significant revenue base.	55 - 56
<u>Demographic Information</u>	
These schedules offer economic and demographic indicators to help the reader understand how the information in the Commission's financial report relates to the services the Commission provides and the activities it performs.	57 - 60
<u>Operating Information</u>	
This schedule contains infrastructure data to help the reader understand how the information in the Commission's financial report relates to the services the Commission performs.	61

**FIRST 5 COMMISSION OF SAN DIEGO**  
**A PROPOSITION 10 COMMISSION**  
**Statistical Section (Unaudited)**  
**For the Fiscal Year Ended June 30, 2021**

**Net Position by Component**  
**Last Ten Fiscal Years\***

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 557,910
Unrestricted	42,119,960	40,449,779	46,523,865	55,106,348	65,232,870	73,239,274	79,330,400	100,898,266	127,377,162	143,546,761
Extraordinary Expense – AB99**										(88,374,589)
<b>Total net position</b>	<b>\$ 42,119,960</b>	<b>\$ 40,449,779</b>	<b>\$ 46,523,865</b>	<b>\$ 55,106,348</b>	<b>\$ 65,232,870</b>	<b>\$ 73,239,274</b>	<b>\$ 79,330,400</b>	<b>\$ 100,898,266</b>	<b>\$ 127,377,162</b>	<b>\$ 144,104,671</b>

\* Governmental Accounting Standards Board (GASB) Statement 63 was implemented by the Commission in fiscal year ended June 30, 2013. Net Position was reported as net assets prior to GASB 63 implementation.

\*\* This line was added to show the effect of Assembly Bill No. AB99 on Net Position.

**FIRST 5 COMMISSION OF SAN DIEGO**  
**A PROPOSITION 10 COMMISSION**  
**Statistical Section (Unaudited)**  
**For the Fiscal Year Ended June 30, 2021**

**Changes in Net Position**  
**Last Ten Fiscal Years\***

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Prop 10 tobacco taxes (see page 15) Prop 10 school readiness	\$ 28,636,321	\$ 27,663,745	\$ 26,411,158	\$ 25,589,026	\$ 17,887,814	\$ 21,643,265	\$ 18,440,315	\$ 13,579,043	\$ 18,461,833	\$ 22,614,591
Prop 10 childcare retention	-	-	-	-	-	-	-	-	-	-
10 special needs demonstration project Prop 10 quality preschool initiative Prop 10 power of preschool – bridge Prop 10 preschool for all/power	-	-	-	-	10,769,855	7,877,537	11,728,390	15,962,144	13,426,675	-
Prop 10 child signature program	-	-	-	-	1,677,313	3,454,625	3,354,625	3,354,625	3,354,625	-
CDE QRIS Certification Grant Federal	34,396	181,918	179,039	189,959	-	-	-	-	-	-
Medi-Cal administrative activities The California Endowment grant	-	-	-	-	-	-	-	93,553	75,833	92,431
Race to the Top	-	-	-	-	-	1,830,888	2,245,507	1,657,897	1,018,700	-
F5CA IMPACT Grant	-	2,173,883	1,599,578	1,587,196	1,607,269	-	-	-	-	-
F5CA IMPACT Hub Grant	544,079	541,277	339,197	400,661	250,321	-	-	-	-	-
F5CA Home Visiting Coordination Grant	35,153	-	-	-	-	-	-	-	-	-
CalWORKs Home Visiting Program	2,453,747	-	-	-	-	-	-	-	-	-
Cal-Learn Educational Support Services	717,980	-	-	-	-	-	-	-	-	-
CA Home Visiting Program	164,941	-	-	-	-	-	-	-	-	-
Interest revenue	413,747	955,100	1,021,281	784,637	828,087	578,755	443,268	658,242	777,073	782,814
Other miscellaneous	-	-	-	-	-	43,146	-	-	-	-
Net increase (decrease) in FMV	-	-	206,530	248,038	25,604	(79,750)	(3,050)	(74,500)	(347,800)	7,054
<b>Total revenues</b>	<b>\$ 33,000,364</b>	<b>\$ 31,515,923</b>	<b>\$ 29,756,783</b>	<b>\$ 28,799,517</b>	<b>\$ 33,046,263</b>	<b>\$ 35,348,466</b>	<b>\$ 36,309,055</b>	<b>\$ 35,231,004</b>	<b>\$ 36,766,939</b>	<b>\$ 36,213,723</b>
Labor and benefits	\$ 2,015,727	\$ 2,074,074	\$ 2,053,585	\$ 2,226,197	\$ 2,123,804	\$ 2,542,561	\$ 3,033,480	\$ 2,735,486	\$ 2,836,095	\$ 2,234,344
Services and supplies	574,392	723,356	654,081	632,742	627,523	623,890	622,703	628,161	619,849	820,809
Evaluation	880,360	864,294	824,939	873,122	842,058	821,321	1,189,466	1,283,035	1,416,937	1,290,408
Contributions to community projects	27,771,134	33,893,728	34,809,655	35,183,575	37,461,932	7,512,258	53,010,552	57,085,235	48,634,245	45,435,941
<b>Total expenses</b>	<b>\$ 1,241,613</b>	<b>\$ 37,555,452</b>	<b>\$ 38,342,260</b>	<b>\$ 38,915,636</b>	<b>\$ 41,055,317</b>	<b>\$ 41,500,030</b>	<b>\$ 57,856,201</b>	<b>\$ 61,731,917</b>	<b>\$ 53,507,126</b>	<b>\$ 49,781,502</b>
<b>Extraordinary Expense-AB99</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$(88,374,589)</b>
<b>Excess of revenues over expenses</b>	<b>\$ (1,758,751)</b>	<b>\$ (6,039,529)</b>	<b>\$ (8,585,477)</b>	<b>\$ (10,116,119)</b>	<b>\$ (8,009,054)</b>	<b>\$ (6,151,564)</b>	<b>\$ (21,547,146)</b>	<b>\$ (26,500,913)</b>	<b>\$ (16,740,187)</b>	<b>\$ 74,806,810</b>
Compensated absences	(14,127)	(34,557)	2,994	(10,403)	2,650	60,438	(20,720)	22,017	12,678	(50,580)
Adjustment for reallocation	-	-	-	-	-	-	-	-	-	-
<b>Change in net position</b>	<b>\$ (1,744,624)</b>	<b>\$ (6,074,086)</b>	<b>\$ (8,582,483)</b>	<b>\$ (10,126,522)</b>	<b>\$ (8,006,404)</b>	<b>\$ (6,091,126)</b>	<b>\$ (21,567,866)</b>	<b>\$ (26,478,896)</b>	<b>\$(16,727,509)</b>	<b>\$ 74,756,230</b>

\* Governmental Accounting Standards Board (GASB) Statement 63 was implemented by the Commission in fiscal year ended June 30, 2013. Net Position was reported as net assets prior to GASB 63 implementation.

**FIRST 5 COMMISSION OF SAN DIEGO**  
**A PROPOSITION 10 COMMISSION**  
 Statistical Section (Unaudited)  
 For the Fiscal Year Ended June 30, 2021

**Fund Balance – General Fund**  
**Last Ten Fiscal Years\***

	<u>2021*</u>	<u>2020*</u>	<u>2019*</u>	<u>2018*</u>	<u>2017*</u>	<u>2016*</u>	<u>2015*</u>	<u>2014*</u>	<u>2013*</u>	<u>2012*</u>
<b>Fund Balance</b>										
Non-spendable	\$ 2,196	\$ 2,081	\$ 1,946	\$ 1,895	\$ 1,889	\$ 32,325	\$ 2,816	\$ 1,914	\$ 1,730	\$ 1,671
Committed	42,221,595	40,537,402	46,577,066	55,162,594	65,278,719	73,257,337	79,438,411	100,986,459	127,487,556	143,669,892
Restricted	-	-	-	-	-	-	-	-	-	557,910
Unassigned										
Extraordinary Expense – AB99										(88,374,589)
<b>Total Fund Balance</b>	<u><u>\$ 42,223,791</u></u>	<u><u>\$ 40,539,483</u></u>	<u><u>\$ 46,579,012</u></u>	<u><u>\$ 55,164,489</u></u>	<u><u>\$ 65,280,608</u></u>	<u><u>\$ 73,289,662</u></u>	<u><u>\$ 79,441,227</u></u>	<u><u>\$ 100,988,373</u></u>	<u><u>\$ 127,489,286</u></u>	<u><u>\$ 144,229,473</u></u>

\* Fund balance presentation changed in fiscal year 2010-2011 due to the implementation of GASB 54.

**FIRST 5 COMMISSION OF SAN DIEGO A PROPOSITION 10**  
**COMMISSION Statistical Section (Unaudited)**  
**For the Fiscal Year Ended June 30, 2021**  
**Changes in Fund Balances – General Fund Last 10 Fiscal Years**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<b>Revenues</b>										
Prop 10 tobacco taxes (including SMIF) Prop 10 school readiness	\$ 28,636,321	\$ 27,663,745	\$ 26,411,158	\$ 25,589,026	\$ 17,887,814	\$ 21,643,265	\$ 18,440,315	\$ 13,579,043	\$ 18,461,833	\$ 22,614,591
Prop 10 childcare retention	-	-	-	-	-	-	-	-	-	-
10 special needs demonstration project Prop 10 quality preschool initiative Prop 10 power of preschool – bridge Prop 10 preschool for all/ power	-	-	-	-	10,769,855	7,877,537	11,728,390	15,962,144	13,426,675	12,290,550
Prop 10 child signature program	-	-	-	-	1,677,313	3,454,625	3,354,625	3,354,625	3,354,625	-
CDE QRIS Certification Grant	34,396	181,918	179,039	189,959	-	-	-	-	-	-
Federal Medi-Cal administrative activities	-	-	-	-	-	-	-	93,553	75,833	92,431
The California Endowment grant	-	-	-	-	-	-	-	-	-	426,283
Race to the Top	-	-	-	-	-	1,830,888	2,245,507	1,657,897	1,018,700	-
F5CA IMPACT Grant	-	2,173,883	1,599,578	1,587,196	1,607,269	-	-	-	-	-
F5CA IMPACT Hub Grant	544,079	541,277	339,197	400,661	250,321	-	-	-	-	-
F5CA Home Visiting Coordination Grant	35,153	-	-	-	-	-	-	-	-	-
CalWORKs Home Visiting Program	2,453,747	-	-	-	-	-	-	-	-	-
Cal-Learn Educational Support Services	717,980	-	-	-	-	-	-	-	-	-
CA Home Visiting Program	164,941	-	-	-	-	-	-	-	-	-
Interest revenue	413,747	955,100	1,021,281	784,637	828,087	578,755	443,268	658,242	777,073	782,814
Other miscellaneous	-	-	-	-	-	43,146	-	-	-	-
Net increase (decrease) in FMV	-	-	206,530	248,038	25,604	(79,750)	(3,050)	(74,500)	(347,800)	7,054
<b>Total revenues</b>	<b><u>\$ 33,000,364</u></b>	<b><u>\$ 31,515,923</u></b>	<b><u>\$ 29,756,783</u></b>	<b><u>\$ 28,799,517</u></b>	<b><u>\$ 33,046,263</u></b>	<b><u>\$ 35,348,466</u></b>	<b><u>\$ 36,309,055</u></b>	<b><u>\$ 35,231,004</u></b>	<b><u>\$ 36,766,939</u></b>	<b><u>\$ 36,213,723</u></b>
Labor and benefits	\$ 2,015,727	\$ 2,074,074	\$ 2,053,585	\$ 2,226,197	\$ 2,123,804	\$ 2,542,561	\$ 3,033,480	\$ 2,735,486	\$ 2,836,095	\$ 2,234,344
Services and supplies	574,392	723,356	654,081	632,742	627,523	623,890	622,703	628,161	619,849	820,809
Evaluation	880,360	864,294	824,939	873,122	842,058	821,321	1,189,466	1,283,035	1,416,937	1,290,408
Contributions to community projects	27,771,134	33,893,728	34,809,655	35,183,575	37,461,932	37,512,258	53,010,552	57,085,235	48,634,245	45,435,941
Total expenditures	<b><u>\$ 31,241,613</u></b>	<b><u>\$ 37,555,452</u></b>	<b><u>\$ 38,342,260</u></b>	<b><u>\$ 38,915,636</u></b>	<b><u>\$ 41,055,317</u></b>	<b><u>\$ 41,500,030</u></b>	<b><u>\$ 57,856,201</u></b>	<b><u>\$ 61,731,917</u></b>	<b><u>\$ 53,507,126</u></b>	<b><u>\$ 49,781,502</u></b>
Extraordinary Expense-AB99	-	-	-	-	-	-	-	-	-	\$(88,374,589)
<b>Excess of revenues over expenditures</b>	<b><u>\$ 1,758,751</u></b>	<b><u>\$ (6,039,529)</u></b>	<b><u>\$ (8,585,477)</u></b>	<b><u>\$ (10,116,119)</u></b>	<b><u>\$ (8,009,054)</u></b>	<b><u>\$ (6,151,564)</u></b>	<b><u>\$ (21,547,146)</u></b>	<b><u>\$ (26,500,913)</u></b>	<b><u>\$ (16,740,187)</u></b>	<b><u>\$ 74,806,810</u></b>
Adjustments for reallocation	-	-	-	-	-	-	-	-	-	-
<b>Change in fund balance</b>	<b><u>\$ 1,758,751</u></b>	<b><u>\$ (6,039,529)</u></b>	<b><u>\$ (8,585,477)</u></b>	<b><u>\$ (10,116,119)</u></b>	<b><u>\$ (8,009,054)</u></b>	<b><u>\$ (6,151,564)</u></b>	<b><u>\$ (21,547,146)</u></b>	<b><u>\$ (26,500,913)</u></b>	<b><u>\$ (16,740,187)</u></b>	<b><u>\$ 74,806,810</u></b>





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**Cigarette Tax**

**TABLE 30A—CIGARETTE TAXES AND OTHER TOBACCO PRODUCTS SURTAX REVENUE, 1959-60 TO 2019-20**

Fiscal Year From	Fiscal Year To	Cigarette Tax Revenue	Cigarette Tax Distributors' Discount	Gross Value Of Cigarette Tax Indicia	Cigarette Tax Refunds	Other Tobacco Products Surtax Revenue	Other Tobacco Products Surtax Rate
2019	2020	1,708,597,000	5,075,000	1,713,672,000	1,191,000	258,560,000	59.27%
2018	2019	1,786,074,000	5,305,000	1,791,379,000	3,659,000	271,772,000	62.78%
2017	2018	1,882,025,000	5,590,000	1,887,615,000	1,033,000	211,440,000	65.08%
2016	2017	950,676,000	6,091,000	956,768,000	1,185,000	95,330,000	27.30%
2015	2016	741,937,000	6,360,000	748,297,000	1,262,000	101,427,000	28.13%
2014	2015	748,022,000	6,413,000	754,434,000	837,000	86,949,000	28.95%
2013	2014	751,513,000	6,443,000	757,956,000	600,000	86,424,000	29.82%
2012	2013	782,115,000	6,705,000	788,820,000	498,000	82,548,000	30.68%
2011	2012	820,322,000	7,032,000	827,355,000	1,017,000	80,424,000	31.73%
2010	2011	828,831,000	7,105,000	835,937,000	1,308,000	77,016,000	33.02%
2009	2010	838,709,000	7,187,000	845,896,000	1,583,000	84,617,000	41.11%
2008	2009	912,724,000	7,819,000	920,543,000	626,000	85,506,000	45.13%
2007	2008	955,030,000	8,185,000	963,215,000	727,000	85,929,000	45.13%
2006	2007	998,723,000	8,558,000	1,007,281,000	1,330,000	79,946,000	46.76%
2005	2006	1,026,497,000	8,795,000	1,035,293,000	1,707,000	67,348,000	46.76%
2004	2005	1,024,272,000	8,778,000	1,033,051,000	1,653,000	58,441,000	46.76%
2003	2004	1,021,366,000	8,755,000	1,030,121,000	4,721,000	44,166,000	46.76%
2002	2003	1,031,772,000	8,845,000	1,040,617,000	13,248,000	40,996,000	48.89%
2001	2002	1,067,004,000	9,146,000	1,076,150,000	10,774,000	50,037,000	52.65%
2000	2001	1,110,692,000	9,503,000	1,120,195,000	8,741,000	52,834,000	54.89%
1999	2000	1,166,880,000	9,980,000	1,176,859,000	9,413,000	66,884,000	66.50%
1998	1999	841,911,000	7,206,000	849,117,000	6,808,000	42,137,000	61.53%
1997	1998	612,066,000	5,244,000	617,309,000	5,448,000	39,617,000	29.37%
1996	1997	629,579,000	5,394,000	634,973,000	5,060,000	41,590,000	30.38%
1995	1996	639,030,000	5,469,000	644,499,000	6,193,000	32,788,000	31.20%
1994	1995	656,923,000	5,628,000	662,551,000	11,159,000	28,460,000	31.20%
1993	1994	647,993,000	5,553,000	653,546,000	8,353,000	19,773,000	23.03%
1992	1993	667,479,000	5,715,000	673,195,000	9,138,000	21,480,000	26.82%
1991	1992	711,275,000	6,086,000	717,362,000	7,791,000	22,016,000	29.35%
1990	1991	729,612,000	6,242,000	735,854,000	7,904,000	24,064,000	34.17%
1989	1990	770,042,000	6,581,000	776,623,000	11,615,000	24,956,000	37.47%
1988	1989	499,712,000	4,273,000	503,984,000	4,968,000	9,994,000	41.67%
1987	1988	254,869,000	2,180,000	257,049,000	2,970,000	-	0
1986	1987	257,337,000	2,202,000	259,539,000	2,661,000	-	0
1985	1986	260,960,000	2,231,000	263,190,000	2,834,000	-	0
1984	1985	265,070,000	2,267,000	267,337,000	2,390,000	-	0
1983	1984	265,265,000	2,267,000	267,532,000	2,756,000	-	0
1982	1983	273,748,000	2,336,000	276,084,000	2,060,000	-	0
1981	1982	278,667,000	2,383,000	281,050,000	1,843,000	-	0
1980	1981	280,087,000	2,395,000	282,482,000	1,567,000	-	0
1979	1980	272,119,000	2,327,000	274,446,000	1,645,000	-	0
1978	1979	270,658,000	2,315,000	272,973,000	1,408,000	-	0
1977	1978	275,042,000	2,352,000	277,394,000	1,239,000	-	0
1976	1977	270,502,000	2,315,000	272,817,000	832,000	-	0
1975	1976	269,852,000	2,309,000	272,161,000	927,000	-	0
1974	1975	264,182,000	2,262,000	266,444,000	745,000	-	0
1973	1974	259,738,000	2,222,000	261,960,000	632,000	-	0
1972	1973	253,089,000	2,167,000	255,256,000	626,000	-	0
1971	1972	248,398,000	2,127,000	250,525,000	677,000	-	0
1970	1971	240,372,000	2,058,000	242,430,000	552,000	-	0
1969	1970	237,220,000	2,032,000	239,253,000	455,000	-	0
1968	1969	238,836,000	2,046,000	240,882,000	492,000	-	0
1967	1968	208,125,000	1,862,000	209,987,000	328,000	-	0
1966	1967	75,659,000	1,543,000	77,202,000	129,000	-	0
1965	1966	74,880,000	1,528,000	76,407,000	88,000	-	0
1964	1965	74,487,000	1,520,000	76,007,000	61,000	-	0
1963	1964	71,530,000	1,459,000	72,989,000	71,000	-	0
1962	1963	70,829,000	1,445,000	72,274,000	79,000	-	0
1961	1962	68,203,000	1,390,000	69,593,000	47,000	-	0
1960	1961	66,051,000	1,675,000	67,726,000	76,000	-	0
1959	1960	61,791,000	767,000	62,558,000	67,000	-	0



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**California Live Births Data**

TABLE: LIVE BIRTHS, CALIFORNIA COUNTIES, 2010-2019 (By Place of Residence)

COUNTY	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>CALIFORNIA</b>	<b>464,300</b>	<b>454,244</b>	<b>485,901</b>	<b>488,490</b>	<b>491,789</b>	<b>502,973</b>	<b>494,390</b>	<b>503,788</b>	<b>502,023</b>	<b>509,979</b>
ALAMEDA	18,875	18,225	19,551	19,559	19,440	19,657	19,050	19,550	19,002	19,302
ALPINE	6	10	5	4	5	6	6	8	6	4
AMADOR	327	305	309	308	305	291	269	285	269	272
BUTTE	2,394	2,419	2,430	2,493	2,444	2,482	2,372	2,397	2,392	2,454
CALAVERAS	370	375	381	373	379	348	328	347	326	346
COLUSA	284	267	311	315	300	285	306	314	302	338
CONTRA COSTA	12,567	11,995	12,927	12,342	12,600	12,560	12,173	12,061	12,057	12,352
DEL NORTE	254	269	315	308	300	324	317	302	337	372
EL DORADO	1,764	1,678	1,590	1,599	1,598	1,618	1,561	1,513	1,629	1,618
FRESNO	14,891	14,413	15,116	15,098	15,363	15,796	15,939	15,953	16,157	16,281
GLENN	402	365	380	379	374	416	391	368	391	434
HUMBOLDT	1,336	1,365	1,521	1,487	1,446	1,474	1,455	1,511	1,448	1,551
IMPERIAL	2,958	2,628	3,108	2,976	3,216	3,270	3,139	3,041	3,075	3,072
INYO	199	176	199	182	202	226	219	219	213	192
KERN	13,415	12,874	13,732	13,721	13,770	14,199	14,514	14,558	14,287	14,416
KINGS	2,369	2,256	2,216	2,247	2,277	2,342	2,417	2,357	2,565	2,507
LAKE	697	714	726	752	723	748	726	739	715	721
LASSEN	328	307	296	302	295	326	298	298	300	322
LOS ANGELES	111,500	110,167	121,413	122,958	124,442	130,150	127,194	131,697	130,312	133,160
MADERA	2,090	2,076	2,257	2,347	2,223	2,313	2,339	2,258	2,401	2,434
MARIN	1,799	2,122	2,239	2,258	2,287	2,403	2,310	2,306	2,385	2,368
MARIPOSA	155	154	157	148	167	138	137	161	132	145
MENDOCINO	918	896	994	1,023	1,052	1,020	1,077	1,153	1,061	1,059
MERCED	4,305	3,870	4,073	4,109	4,106	4,158	4,279	4,311	4,281	4,248
MODOC	105	100	88	105	79	90	72	76	87	119
MONO	137	129	134	132	152	149	142	131	156	151
MONTEREY	5,904	5,887	6,304	6,213	6,428	6,458	6,552	6,652	6,814	6,764
NAPA	1,334	1,206	1,441	1,408	1,456	1,478	1,501	1,431	1,572	1,525
NEVADA	832	772	823	776	875	817	812	810	761	793
ORANGE	37,250	35,643	36,693	38,107	37,622	38,610	37,429	38,186	38,100	38,237
PLACER	3,792	3,664	3,820	3,734	3,747	3,644	3,806	3,648	3,832	3,824
PLUMAS	185	168	172	172	162	147	156	151	165	170
RIVERSIDE	30,001	28,684	30,596	30,629	30,511	30,271	30,540	30,316	30,610	30,659
SACRAMENTO	19,362	19,052	19,540	19,598	19,431	19,886	19,439	19,618	19,998	20,055
SAN BENITO	781	772	755	780	718	697	763	701	772	735
SAN BERNARDINO	30,354	28,964	30,217	31,120	30,619	31,306	30,265	30,691	30,573	31,367
<b>SAN DIEGO</b>	<b>39,258</b>	<b>40,008</b>	<b>42,574</b>	<b>42,578</b>	<b>43,960</b>	<b>44,596</b>	<b>42,676</b>	<b>44,391</b>	<b>43,621</b>	<b>44,838</b>
SAN FRANCISCO	8,924	8,690	9,077	9,065	8,970	9,102	8,768	9,070	8,813	8,800
SAN JOAQUIN	10,010	9,811	10,411	10,234	9,988	10,095	10,179	10,129	10,328	10,593
SAN LUIS OBISPO	2,419	2,433	2,749	2,574	2,670	2,595	2,580	2,580	2,632	2,736
SAN MATEO	8,192	8,326	8,975	8,961	9,039	9,098	8,815	9,182	9,047	9,193
SANTA BARBARA	5,557	5,256	5,396	5,493	5,675	5,829	5,664	5,584	5,803	5,819
SANTA CLARA	20,871	21,267	22,958	23,011	23,394	23,759	23,224	24,308	23,652	23,936
SANTA CRUZ	2,460	2,447	2,688	2,804	2,843	3,047	3,005	3,084	3,232	3,190
SHASTA	2,085	1,961	1,996	2,056	2,075	2,083	2,051	2,110	2,021	2,136
SIERRA	32	26	28	34	30	21	19	19	23	23
SISKIYOU	456	438	458	458	467	451	482	501	472	434
SOLANO	5,241	5,039	5,192	5,253	5,134	5,251	5,161	5,061	5,158	5,047
SONOMA	4,244	4,525	5,101	4,964	5,016	5,075	5,157	5,144	5,150	5,391
STANISLAUS	7,552	7,339	7,790	7,867	7,701	7,521	7,644	7,592	7,737	7,804
SUTTER	1,383	1,266	1,396	1,363	1,303	1,317	1,290	1,258	1,326	1,360
TEHAMA	802	731	840	787	826	787	751	767	728	767
TRINITY	127	113	104	115	103	112	108	125	123	107
TULARE	7,315	6,900	7,380	7,149	7,411	7,618	7,854	8,000	7,966	8,155
TUOLUMNE	473	450	441	456	467	454	444	459	430	487
VENTURA	9,300	9,025	9,975	9,580	10,062	10,471	10,565	10,641	10,656	11,147
YOLO	2,134	2,127	2,372	2,423	2,400	2,395	243	2,452	2,340	2,426
YUBA	1,225	1,099	1,171	1,238	1,156	1,193	1,232	1,213	1,282	1,223

\*latest data available

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**Demographic Data**

	Percentage										
Demographic		2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Total Population		3,316,073	3,302,833	3,283,665	3,337,685	3,223,096	3,183,143	3,211,252	3,177,063	3,140,069	3,095,313
White	70.7%	2,345,667	2,335,447	2,324,835	1,395,152	1,518,174	1,510,851	1,510,757	1,509,733	1,502,204	1,506,581
Hispanic	33.7%	1,117,517	1,106,925	1,096,744	1,131,475	1,102,256	1,039,752	1,057,428	1,037,685	1,021,896	991,353
Asian	11.9%	394,742	390,418	384,189	417,211	379,566	351,811	356,394	356,437	340,979	330,644
Pacific Islander	0.4%	13,867	13,903	13,135	20,026	13,579	13,400	14,008	15,207	11,802	13,658
Black	5.0%	166,750	166,412	164,183	183,573	160,385	150,600	154,477	153,435	146,766	147,967
American Indian & Alaskan Native	0.7%	22,524	20,980	19,702	43,390	10,330	11,620	11,962	12,433	12,004	14,239
Multi-race or other race	5.2%	173,794	170,366	167,467	146,858	106,204	100,430	106,226	92,133	104,418	90,871
Female	49.7%	1,646,558	1,640,902	1,631,982	1,658,829	1,604,151	1,595,992	1,595,992	1,579,000	1,563,754	1,541,466
Male	50.3%	1,669,515	1,661,931	1,651,683	1,678,856	1,618,151	1,633,360	1,615,260	1,598,063	1,576,315	1,553,847
Under 5 years	6.3%	209,680	211,969	213,438	212,336	210,874	206,904	208,731	209,686	207,245	203,423
5-14 years	11.9%	395,673	395,874	397,323	398,130	394,489	703,475	517,012	517,861	521,251	520,169
15-24 years	14%	464,149	471,614	476,131	471,120	489,299	371,733	366,083	371,716	367,388	368,453
25-34 years	16.5%	545,838	541,385	535,237	544,111	512,116	525,589	510,589	495,622	483,571	470,629
35-44 years	13.3%	441,301	436,855	433,444	434,625	427,056	425,285	423,885	422,549	420,769	417,993
45-54 years	12.5%	415,472	420,221	423,593	424,672	428,074	425,285	423,885	425,726	430,189	430,378
55-64 years	11.7%	389,871	385,320	380,905	388,177	363,514	370,871	362,871	352,654	345,408	331,298
65-74 years	7.9%	261,738	251,516	239,708	258,784	217,961	416,991	218,365	203,332	188,404	182,678
75+ years	5.8%	192,351	188,079	183,885	185,794	179,713	185,030	179,830	174,738	172,704	170,293

Source: US Census Bureau, American Community Survey

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**Income Data**

2019 American Community Survey (1-year estimates)  
**INCOME (IN 2019 INFLATION-ADJUSTED DOLLARS)**  
 California, Counties, and Places of 65,000+ population

Geography	Median household income (dollars) - Estimate	Median household income (dollars) - Margin of Error	Mean household income (dollars) - Estimate	Mean household income (dollars) - Margin of Error	Median family income (dollars) - Estimate	Median family income (dollars) - Margin of Error	Mean family income (dollars) - Estimate	Mean family income (dollars) - Margin of Error	Per capita income (dollars) - Estimate	Per capita income (dollars) - Margin of Error
California	\$80,440	+/- \$313	\$113,563	+/- \$505	\$91,377	+/- \$376	\$126,354	+/- \$636	\$39,393	+/- \$176
San Diego County	\$83,985	+/- \$1,908	\$112,786	+/- \$1,727	\$96,164	+/- \$1,431	\$126,563	+/- \$2,053	\$40,389	+/- \$608

2019 American Community Survey (1-year estimates)  
**PERCENTAGE OF FAMILIES AND PEOPLE WHOSE INCOME IN THE PAST 12 MONTHS IS BELOW THE POVERTY LEVEL**  
 California, Counties, and Places of 65,000+ population

Geography	All families - Percent	All families - Percent Margin of Error	Married couple families - Percent	Married couple families - Percent Margin of Error	Families with female householder, no spouse present - Percent	Families with female householder, no spouse present - Percent Margin of Error
California	8.2	+/- 0.2	4.9	+/- 0.1	20.2	+/- 0.6
San Diego County	6.8	+/- 0.6	4.3	+/- 0.5	17.6	+/- 2.3

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**Employment Status**

2019 American Community Survey (1-year estimates)  
 EMPLOYMENT  
 STATUS  
 California, Counties, and Places of 65,000+ population

Geography	Population 16 years and over - Estimate	Total - Estimate	Total - Percent (Labor Force Participation Rate)	Civilian labor force - Total Civilian labor force - Estimate	Civilian labor force - Total Civilian labor force - Percent	Civilian labor force - Employed - Estimate	Civilian labor force - Employed - Percent	Civilian labor force - Unemployed - Estimate	Civilian labor force - Unemployed - Percent	Civilian labor force - Unemployment Rate - Percent	Armed Forces - Estimate	Armed Forces - Percent	Not in labor force - Estimate	Not in labor force - Percent
California	31,617,786	20,246,507	64.0	20,095,761	63.6	19,078,101	60.3	1,017,660	3.2	5.1	150,746	0.5	11,371,279	36.0
San Diego County	2,702,171	1,802,924	66.7	1,721,606	63.7	1,624,854	60.1	96,752	3.6	5.6	81,318	3.0	899,247	33.3

**FIRST 5 COMMISSION OF SAN DIEGO  
A PROPOSITION 10 COMMISSION  
Statistical Section (Unaudited)  
For the Fiscal Year Ended June 30, 2021**

**Capital Assets**

The First 5 Commission of San Diego has no capital assets.

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## **COMPLIANCE SECTION**

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# MOSS, LEVY & HARTZHEIM LLP

CERTIFIED PUBLIC ACCOUNTANTS

## PARTNERS

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

Board of Commissioners  
First 5 Commission of San Diego  
San Diego, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and major fund of the First 5 Commission of San Diego (the Commission), a discretely presented component unit of the County of San Diego, California, as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the First 5 Commission of San Diego's basic financial statements, and have issued our report thereon dated September 15, 2021.

### 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 our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

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

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

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose

*Moss, Levy & Hartzheim*

Moss, Levy & Hartzheim, LLP  
Culver City, CA  
September 15, 2021



**PARTNERS**

RONALD A LEVY, CPA  
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**INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE**

Board of Commissioners  
First 5 Commission of San Diego  
San Diego, California

**Compliance**

We have audited the First 5 Commission of San Diego (the Commission), a discretely presented component unit of the County of San Diego, California, compliance with the requirements specified in the State of California's *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act*, issued by the State Controller's Office, applicable to the Commission's statutory requirements identified below for the fiscal year ended June 30, 2021.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws and regulations 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 (First 5)*, 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 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 that 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>Procedure 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 Commission of San Diego 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, 2021.

*Moss, Levy & Hartzheim*

Moss, Levy & Hartzheim, LLP  
 Culver City, California  
 September 15, 2021

Draft

**First 5 Commission of San Diego**  
October 8, 2021  
**First 5 CA Shared Services Alliance (SSA) Pilot Grant**

**Request**

The request before the Commission is to approve the receipt of the 2-year First 5 CA Shared Services Alliance pilot grant award.

On July 30, 2021, the Executive Director submitted a grant proposal for the Share Services Alliance pilot RFP that was made available by the F5 CA Commission and award notification was made on September 8, 2021. The grant award amount is \$250,000 over 2 years, October 1, 2021 to June 30, 2023.

**Background**

First 5 San Diego has supported quality early learning since 2006, that began with the Preschool for All Demonstration project, that led to the creation of the Quality Preschool Initiative (SD-QPI), to our presently funded Learn Well Initiative. Over these years, First 5 SD has supported the quality improvement of both center based (CB) and family child care (FCC) that included sites funded via the CA Dept of Education, Head Start, Early Head Start and now privately funded providers.

The Federal system for supporting quality early learning system is called the Quality Rating and Improvement System (QRIS) (refer to attachment #1), and in the State of CA it is known as Quality Counts California (QCC) (refer to attachment #2). In San Diego County there is a QCC consortium that advises the direction of the local quality early learning system. Representatives of the QCC consortium membership includes First 5, SDCOE, R&R, CDSS, Head Start, Alternative Payment, Early Head Start /Head Start, Public Higher Education and Tribal regions. It is through this structure that SD County is able to leverage investments from First 5 SD, CDE and First 5 CA.

Historically, the QRIS work focused on traditional center-based (CB) sites. As the funding climate continued to change for First 5 CA, this led them to assess the statewide QCC system to better understand the state commissions future investments. This report, which was presented to the First 5 CA commission in April 2019, identified a new priority to leverage F5 CA funds towards quality improvement for early education and care settings not addressed by other funding efforts and lay the foundation for an integrated, quality early learning system. The focus then began to shift to alternative childcare and early care and education settings that include FCC and alternative settings.

The Shared Services Alliance pilot grant will engage two community partners, YMCA Childcare Resource Services and Child Development Associates to explore the viability and sustainability of a shared services mode through a Planning, Pilot and Assessment Cycle.

This pilot will engage up to 15 providers, a minimum of 5 childcare centers and 10 family childcare homes to inform and build a shared services model to increase enrollment, maximize fee collection, and ensure that program pricing covers the program costs.

A shared service model provides efficiencies to early care and education providers, the majority of whom are low-income women of color, expanding care for low-to-moderate income communities by strengthening business and pedagogical leadership and creating technology and staff infrastructure that enable sharing of staff, information, and resources as well as increased business efficiencies.

First 5 San Diego, Child Development Associates and the YMCA CRS have deep provider relationships, strong content area expertise, and robust technology infrastructure and are positioned to pilot a successful shared service model. This model would allow participating providers to access technology supports and pool and share resources to improve their long-term business capacity and provide high quality care.

**Link to the Strategic Plan**

The services support the following Strategic Plan Objective:

- Increase the percentage of children ages 0 through 5 enrolled in a quality early care and education (ECE) program with a highly qualified workforce.

**Link to *Live Well San Diego***

These services support the County's *Live Well San Diego* plan to provide healthy, safe and thriving communities as they promote opportunities to increase active and meaningful living, including improving avenues for physical activity for San Diego's youngest residents.

**Staff Recommendation**

- 1) Receive the grant award for \$250,000 over 2 years, October 1, 2021 to June 30, 2023.
- 2) Award a contract and approve funding to the local R&R agency, YMCA Childcare Resource Services in the amount of up to \$250,000 as a project length budget for a twenty-one-month period (October 1, 2021 to June 30, 2023).

**Fiscal Impact**

Up to \$250,000 awarded by First 5 CA.

# QRIS Resource Guide



NATIONAL CENTER ON  
Early Childhood Quality Assurance

## Section 1: About QRIS

The QRIS Resource Guide is intended as a tool for states and communities to explore key issues and decision points during the planning and implementation of a quality rating and improvement system (QRIS). States are involved in various activities to improve the availability and quality of early and school-age care and education programs. Most often these activities are supported by quality set-aside funds from the Child Care and Development Fund (CCDF). States increasingly use CCDF funds to create QRIS or elements of QRIS.

The development of QRIS began in the 1990s with states rewarding higher quality providers with higher subsidy reimbursement rates for those that were accredited. They found, however, that few providers were able to achieve accreditation. Due to the large difference between licensing and accreditation standards, states saw the need for steps in between to help providers bridge the gap. At this same time, states were creating comprehensive professional development systems and seeking to align their many different quality initiatives. The first statewide QRIS was implemented by Oklahoma in 1998. Since then, more than half of the states and the District of Columbia have implemented statewide QRIS, and most of the remaining states are developing or exploring QRIS as a mechanism for organizing quality initiatives into one coherent system. Additional information about the development of QRIS is available in Mitchell's (2005) [Stair Steps to Quality](#). In addition, [Quality Rating and Improvement System Fact Sheets](#) (National Center on Early Childhood Quality Assurance, 2017) provide information about the state of QRIS in the United States.

### What is a QRIS?

A QRIS is a systemic approach to assess, improve, and communicate the level of quality in early and school-age care and education programs. Similar to rating systems for restaurants and hotels, QRIS award quality ratings to early and school-age care and education programs that meet a set of defined program standards. By participating in their state's QRIS, early and school-age care providers embark on a path of continuous quality improvement. Even providers that have met the standards of the lowest QRIS levels have achieved a level of quality that is beyond the minimum requirements to operate.

### Why Develop a QRIS?

QRIS are intended to improve the quality of early and school-age care and education programs through the alignment and coordination of systemwide initiatives. A QRIS may offer states several opportunities:

- ◆ Increase quality of early care and education services.
- ◆ Increase parents' understanding and demand for higher quality early care and education.
- ◆ Increase professional development opportunities, benchmarks, and rewards for a range of early care and education practitioners and providers.
- ◆ Create a cross-sector framework that can link standards, technical assistance, monitoring, finance, and consumer engagement for programs in a range of settings, including family child care homes, child care centers, school-based programs, Head Start programs, early intervention, and others.
- ◆ Develop a roadmap for aligning many pieces of the early care and education system, such as child care licensing, prekindergarten and Head Start program oversight, national program accreditation, early learning



guidelines, subsidy administration, technical assistance, training, quality initiatives, professional development systems, and others.

## What are the Elements of a QRIS?

QRIS are composed of five common elements:

### 1. Program Standards

QRIS standards assign ratings to programs that participate in QRIS and provide parents and the public with information about each program's level of quality. States have chosen QRIS standards that are grounded in research about factors that contribute to positive child outcomes. States typically use child care licensing standards as the base of the system, and then build on those. All QRIS contain two or more levels of standards beyond licensing, with incremental progressions to the highest level of quality, as defined by the state. Systems vary in the number of levels and the number of standards identified in each level.

### 2. Supports for Programs and Practitioners

QRIS include provider supports, such as training, mentoring, and technical assistance, to promote participation and help programs achieve higher levels of quality.

Most states currently have professional development systems, or elements of a system, to assist practitioners. These systems organize training opportunities, recognize practitioners' achievements, and help ensure the quality of available training. States may use these systems to help programs meet higher professional development standards and progress toward higher QRIS ratings.

States also promote participation in QRIS for improved quality by providing technical assistance. A mentor or coach may be used with a program to facilitate the rating process. In addition, partnerships may be formed with existing technical assistance providers in the state, such as child care resource and referral (CCR&R) agencies, and programs participating in the QRIS may be given priority to receive this assistance. Some states invest in specialized technical assistance, such as support in caring for infants and toddlers or integrating children with special needs. Nongovernmental agencies typically provide classroom assessments, technical assistance, training, and other support, and often work under contract with the state.

### 3. Financial Incentives

QRIS use financial incentives to help early and school-age care and education providers improve learning environments, attain higher ratings, and sustain long-term quality. Financial support can be a powerful motivator for participation in QRIS. All statewide QRIS provide financial incentives of some kind, including increased CCDF subsidy reimbursement rates, bonuses, quality grants, or merit awards; refundable tax credits; loans linked to quality ratings; and priority on applications for practitioner wage initiatives, scholarships, or other professional development supports.

### 4. Quality Assurance and Monitoring

Accountability and monitoring processes provide ways to determine how well programs meet QRIS standards, assign ratings, and verify ongoing compliance. Monitoring also provides a basis of accountability for programs, parents, and funders by creating benchmarks for measuring quality improvement.

In most states, the licensing agency alone, or in partnership with the subsidy agency or a private entity, monitors the QRIS. States use a variety of approaches (alone or in combination) to monitor QRIS standards, such as onsite visits, program self-assessments, and document reviews and verifications. Many states also gather rating information from child care licensing agencies to ensure that minimum requirements are met, and from training registries and accrediting bodies, where appropriate.

## 5. Consumer Education

QRIS provide a framework for educating parents about the importance of quality in early and school-age care and education. Most QRIS use easily recognizable symbols, such as stars, to indicate the levels of quality and inform and educate parents. Easy and widespread access to information about ratings is important. Many states post ratings on Web sites; others promote QRIS through media, posters, banners, certificates, decals, pins, and other items that rated programs can display. In addition, CCR&R agencies play a vital role in parent education.

*The National Center on Early Childhood Quality Assurance (ECQA Center) supports state and community leaders and their partners in the planning and implementation of rigorous approaches to quality in all early care and education settings for children from birth to school age. The ECQA Center is funded by the U.S. Department of Health and Human Services, Administration for Children and Families.*

### **National Center on Early Childhood Quality Assurance**

9300 Lee Highway  
Fairfax, VA 22031

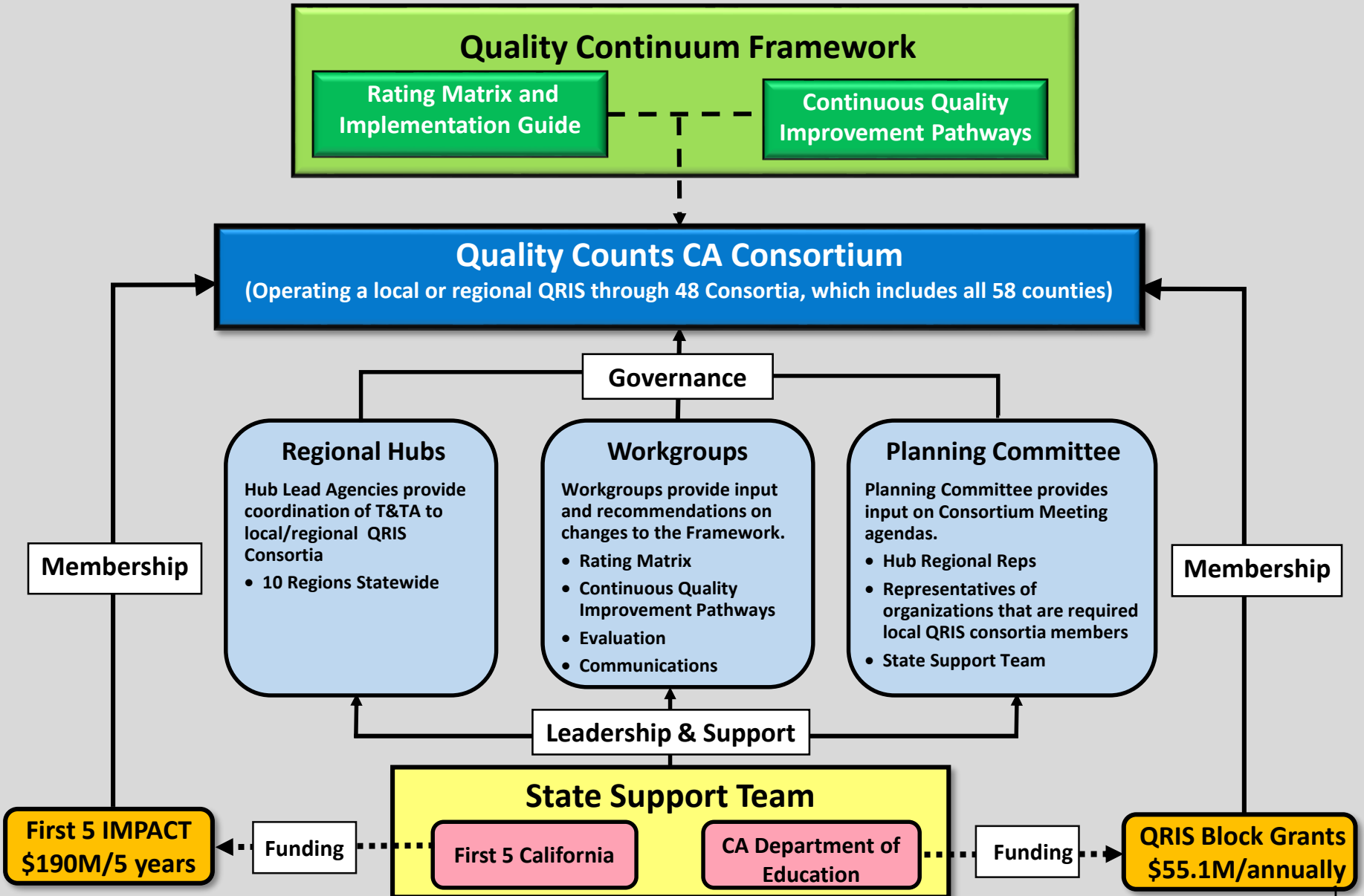
Phone: 877-296-2250  
Email: [QualityAssuranceCenter@ecetta.info](mailto:QualityAssuranceCenter@ecetta.info)

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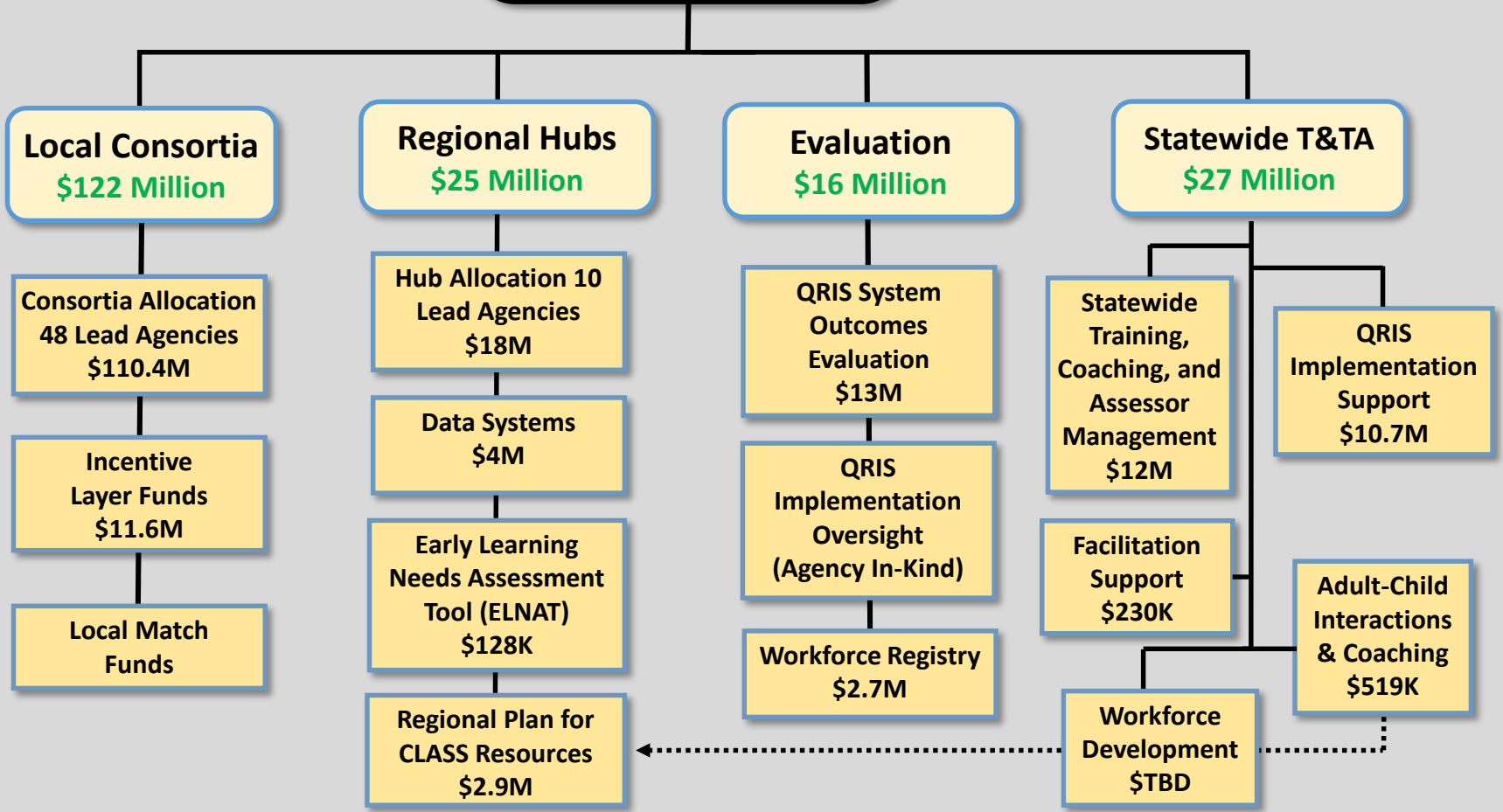
ADMINISTRATION FOR  
**CHILDREN & FAMILIES**

# Quality Counts California: Raising the Quality Of Early Learning and Care

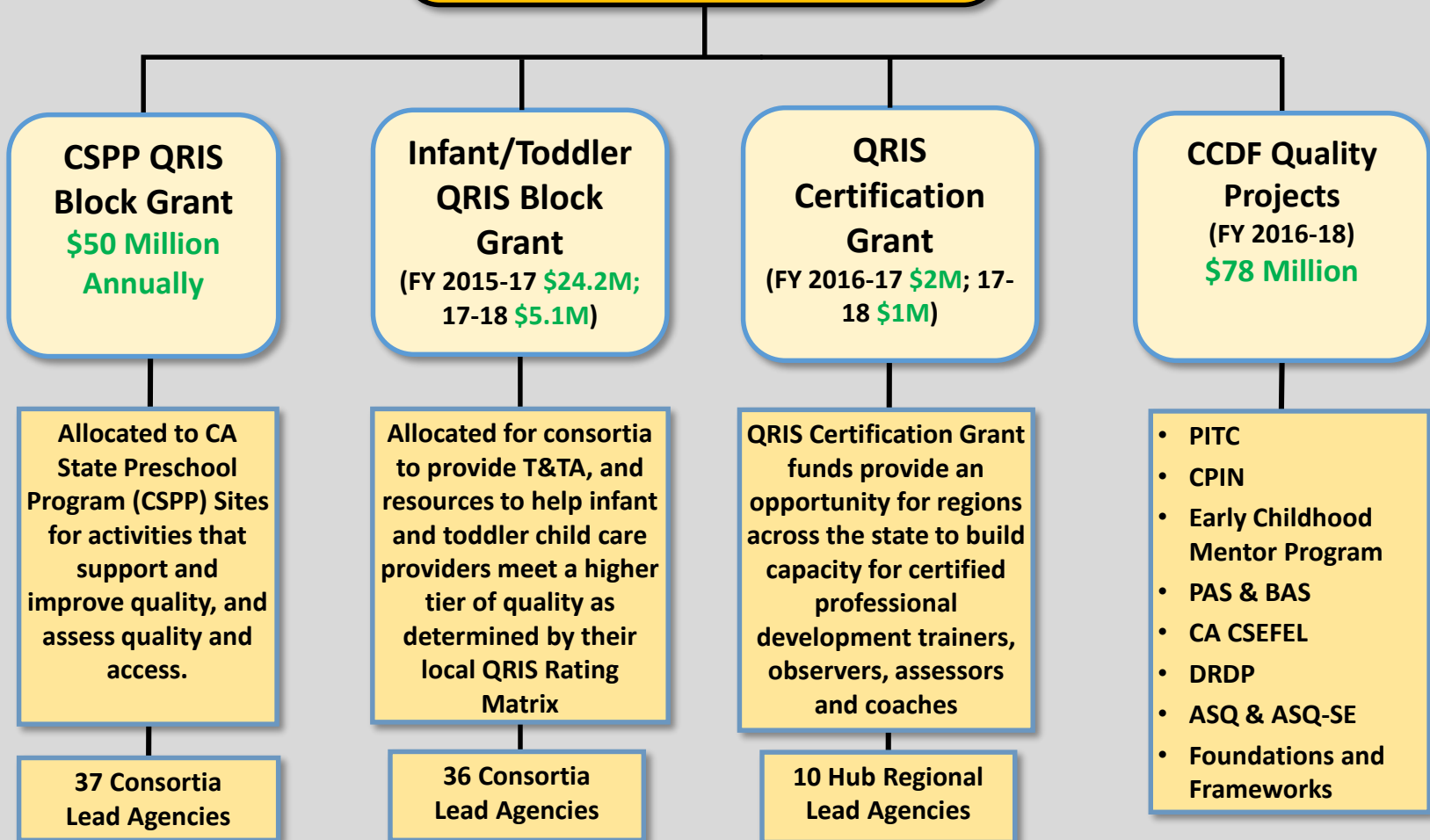


**First 5 IMPACT  
\$190 Million +  
Agency In-Kind  
(FY 2015–2020)**

First 5 IMPACT funding is allocated to support a network of local quality improvement systems (Consortia) to better coordinate, assess, and improve the quality of early learning settings across California



# California Department of Education



## First 5 Commission of San Diego

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### Subject: Commission Funding Process

Policy Number: F5C-003

Effective Date: ~~April-October 2, 2018~~ 208, 2021

Page 1 of 3

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### Purpose

To establish the policy of the First 5 Commission of San Diego (Commission) for the allocation of funds for programs and services that fulfill the Commission's mandate.

### Background

The Commission funds programs and services for children ages zero to five years, and their families, to ensure that every child in San Diego County will enter school ready to learn. The Commission's mandate is set forth in Health and Safety Code sections 130100 et seq., San Diego County Administrative Code, Article III, sections 84.100 et seq., and the Commission's Strategic Plan. ~~Health and Safety Code sections 130100 et seq., San Diego County Administrative Code, Article III, sections 84.100 et seq., and the Commission's Strategic Plan.~~

The Commission's funding decisions are primarily guided by its Strategic Plan. The Strategic Plan is a five-year plan that the Commission reviews annually. The Strategic Plan sets forth the Commission's goals for its strategic funding investments. A key component of the Strategic Plan is the Commission's Evaluation Framework, which provides the indicators that will be measured and priority strategies that will demonstrate achievement of the Desired Results in the Commission's Strategic Plan. The Commission also develops a corresponding Financial Spending Plan that identifies the annual funding commitments for each Commission initiative and/or program ~~jeet~~.

### Policy

All programs and services considered for funding by the First 5 Commission of San Diego must comply with this Policy. Programs receiving Commission funding shall not use Commission funds to supplant other funding sources per Commission Policy F5C-009 Supplantation. ~~Commission Policy F5C-009 Supplantation.~~

### Procedures

#### A. Solicitations

- 1) The Commission will issue solicitations to identify organizations capable of providing the described programs, ~~or~~ services, or products. Solicitations will be aligned ~~issued in with the~~ areas identified in the Strategic Plan and supported by the corresponding Financial Spending Plan. Each solicitation will include specific procedures for applicants to follow to properly submit an application.

**Subject: Commission Funding Process**

Policy Number: F5C-003

Page 2 of 3

- 2) The Commission's Executive Director will ~~select~~ identify the composition, select and convene a Source Selection Committee (SSC) to review applications and make funding recommendations to the ~~Executive Director~~ Commission. ~~The Executive Director may determine the number of participants to serve on the SSC.~~
- 3) The SSC may be comprised of Commission and/or County staff, community members, and professionals in the area of the solicited service and/or product. No member of the Commission, or advisory committees to the Commission, may be a member of an SSC. SSC members shall sign appropriate documents for compliance with conflict of interest and confidentiality procedures. The SSC will consider only those applications submitted in accordance with the procedures set forth in the published solicitation. The SSC will review the applications, and make recommendations for award to the Commission's Executive Director. Commission staff who serve solely as technical advisors are prohibited from making recommendations for award. The SSC may recommend items for Commission staff to address in negotiations in their recommendations to the Executive Director.
- 4) The Executive Director will present recommendations for award to the Commission. The Commission will then consider the recommendations and may accept, reject or modify the recommendations. Additionally, the Commission may instruct the Executive Director to negotiate changes to applications as a funding condition. Commission approved recommendations for award and successful negotiations will result in an executed contract.
- 5) New contracts for services and/or products must be approved by the Commission. The Commission's approval of the annual budget satisfies this requirement.
- 6) At the time of contract award, if it is anticipated that more than the initial contract term is needed or desired to achieve the outcomes required in the contract, funding for additional option years requires Commission approval. The Commission's approval of the annual budget satisfies this requirement.
- 7) Commission staff will conduct a risk assessment; and develop; and implement a monitoring plan for each new contract.

B. Single Source Contracts

- 1) Under the conditions outlined in County Board Policies A-81: Procurement of Contract Services and A-87: Competitive Procurement, ~~County Board Policy A-81: Procurement of Contract Services and A-87: Competitive Procurement~~, the Commission's Executive Director may consider executing a single source contract.

**Subject: Commission Funding Process**

Policy Number: F5C-003

Page 3 of 3

- 2) The Executive Director will present recommendations for sole single source contracts to the Commission and provide justifications that support such recommendations. The Commission will consider recommendations and may accept, reject or modify the recommendations. Additionally, the Commission may instruct the Executive Director to negotiate changes to a proposed sole single source contract as a funding condition. Commission approved recommendations for award and successful negotiations will result in an executed contract.

Sunset Review: April-October 2021

Originally Approved: May 7, 2001 (9)

Revised: June 2, 2003 (13); June 20, 2005 (6); June 18, 2007 (7); June 3, 2009 (1); June 29, 2009 (2); June 4, 2012 (2); June 29, 2015 (2); April 2, 2018 (6)

Approved:

April-October 2, 2018-208, 2021

Date

Commission Item No.

64



## First 5 Commission of San Diego

---

**Subject: Commission Funding Process**

Policy Number: F5C-003

Effective Date: October 8, 2021

Page 1 of 3

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### **Purpose**

To establish the policy of the First 5 Commission of San Diego (Commission) for the allocation of funds for programs and services that fulfill the Commission's mandate.

### **Background**

The Commission funds programs and services for children ages zero to five years, and their families, to ensure that every child in San Diego County will enter school ready to learn. The Commission's mandate is set forth in [Health and Safety Code sections 130100 et seq.](#), [San Diego County Administrative Code, Article IIP, sections 84.100 et seq.](#), and the [Commission's Strategic Plan](#).

The Commission's funding decisions are primarily guided by its Strategic Plan. The Strategic Plan is a five-year plan that the Commission reviews annually. The Strategic Plan sets forth the Commission's goals for its strategic funding investments. A key component of the Strategic Plan is the Commission's Evaluation Framework, which provides the indicators that will be measured and priority strategies that will demonstrate achievement of the Desired Results in the Commission's Strategic Plan. The Commission also develops a corresponding Financial Spending Plan that identifies the annual funding commitments for each Commission initiative and/or program.

### **Policy**

All programs and services considered for funding by the First 5 Commission of San Diego must comply with this Policy. Programs receiving Commission funding shall not use Commission funds to supplant other funding sources per [Commission Policy F5C-009 Supplantation](#).

### **Procedures**

#### A. Solicitations

- 1) The Commission will issue solicitations to identify organizations capable of providing the described programs, services, or products. Solicitations will be aligned with the areas identified in the Strategic Plan and supported by the corresponding Financial Spending Plan. Each solicitation will include specific procedures for applicants to follow to properly submit an application.

**Subject: Commission Funding Process**

Policy Number: F5C-003

Page 2 of 3

- 2) The Commission's Executive Director will identify the composition, select and convene a Source Selection Committee (SSC) to review applications and make funding recommendations to the Commission.
- 3) The SSC may be comprised of Commission and/or County staff, community members, and professionals in the area of the solicited service and/or product. No member of the Commission, or advisory committees to the Commission, may be a member of an SSC. SSC members shall sign appropriate documents for compliance with conflict of interest and confidentiality procedures. The SSC will consider only those applications submitted in accordance with the procedures set forth in the published solicitation. The SSC will review the applications, and make recommendations for award to the Commission's Executive Director. Commission staff who serve solely as technical advisors are prohibited from making recommendations for award. The SSC may recommend items for Commission staff to address in negotiations in their recommendations to the Executive Director.
- 4) The Executive Director will present recommendations for award to the Commission. The Commission will then consider the recommendations and may accept, reject or modify the recommendations. Additionally, the Commission may instruct the Executive Director to negotiate changes to applications as a funding condition. Commission approved recommendations for award and successful negotiations will result in an executed contract.
- 5) New contracts for services and/or products must be approved by the Commission. The Commission's approval of the annual budget satisfies this requirement.
- 6) At the time of contract award, if it is anticipated that more than the initial contract term is needed or desired to achieve the outcomes required in the contract, funding for additional option years requires Commission approval. The Commission's approval of the annual budget satisfies this requirement.
- 7) Commission staff will conduct a risk assessment and develop and implement a monitoring plan for each new contract.

**B. Single Source Contracts**

- 1) Under the conditions outlined in [County Board Policies A-81: Procurement of Contract Services](#) and [A-87: Competitive Procurement](#), the Commission's Executive Director may consider executing a single source contract.
- 2) The Executive Director will present recommendations for single source contracts to the Commission and provide justifications that support such recommendations. The Commission will consider recommendations and may accept, reject or modify the recommendations. Additionally, the Commission may instruct the Executive

**Subject: Commission Funding Process**

Policy Number: F5C-003

Page 3 of 3

Director to negotiate changes to a proposed single source contract as a funding condition. Commission approved recommendations for award and successful negotiations will result in an executed contract.

Sunset Review: October 2024

Originally Approved: May 7, 2001 (9)

Revised: June 2, 2003 (13); June 20, 2005 (6); June 18, 2007 (7); June 3, 2009 (1);  
June 29, 2009 (2); June 4, 2012 (2); June 29, 2015 (2); April 2, 2018 (6)

Approved:

October 8, 2021  
Date

4  
Commission Item No.

## First 5 Commission of San Diego

---

### Subject: Contracting and Procurement Policy

Policy Number: F5C-013  
of 2

Effective Date: ~~April~~ ~~October 2, 2018~~ ~~208, 2021~~ Page 1

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### Purpose

To facilitate compliance with the Health and Safety Code Section 130140 (d) (4) (B) requiring ~~the~~ county commission~~s~~ to adopt, in a public hearing, contracting and procurement policies that are consistent with state law. And to comply with Health and Safety Code Section 130151(b) (1) requiring that ~~the~~ county commission~~s~~' contracting and procurement policies contain provisions to ensure that its ~~grants and~~ contracts are consistent with the First 5 Commission of San Diego's Strategic Plan.

### Background

Companion bills AB 109 (Chan) and SB 35 (Florez) were adopted by the California State Legislature and signed into law by the Governor on September 23, 2005. The new law is found in Chapters 243 and 284, Statutes of 2005, now codified in the California Health and Safety Code Section 130140 et seq. The California First 5 Commission has informed county commissions that they must comply with the new laws by July 1, 2006, in order to receive funding under the California Children and Families Program.

The County of San Diego Code of Administrative Ordinances, Article IIIp, Sections 84.100-84.111, effective December 8, 1998, establishes the First 5 Commission of San Diego (Commission).

The Professional Services Memorandum of Understanding (MOU) between the County of San Diego (County) and the Commission, entered into on June 13, 2000, provides that:

- The Commission retains the final authority and responsibility regarding contractual terms of all Commission contracts. (Article 1.1 (b))
- Commission contract decisions regarding acquisition of supplies and services or distribution of Commission funds may be accomplished by use of the County Purchasing Agent and County Procurement Procedures. (Article 1.5)
- The Auditor ~~and~~/Controller of the County shall process all Commission claims for payments. (Article 2.10.2)

### Policy

It is the policy of the ~~First 5 Commission of San Diego~~ that the Commission and staff will comply with state law mandates and the Commission Strategic Plan in all matters regarding the Commission's contracting and procurement activities.

With respect to the purchasing of services, supplies and equipment, the Commission, as part of the County of San Diego, affirms the use of the County of San Diego Policies and Procedures Manual and the Department of Purchasing and Contracting Procurement Procedures, provided

**Subject: Contracting and Procurement Policy**

Policy Number: F5C-013

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however that Commission mandates set forth in Sstate law and Commission policies shall take precedence where they pertain to contracting and procurement policies and procedures of the Commission. Any updates to the County of San Diego Policies and Procedures Manual and the Department of Purchasing and Contracting Procurement Procedures will be strictly adhered to by the Commission, except where otherwise required by state law or where a specific Commission Policy has been adopted or is adopted hereafter and applicable to a purchasing and contracting activity of the Commission.

The Commission further affirms that Commission staff shall follow specifically adopted Commission policies regarding contracting and procurement undertaken by the Commission with respect to:

- A. Policy F5C-003: Commission Funding Process, pertaining to the allocation of funds for programs and services to fulfill the Commission's mandate.
- B. Policy F5C-006: Protest Procedures for Award of Solicitations, pertaining to the handling of protests of the award of Solicitations.
- C. Policy F5C-021: Contract Extensions, pertaining to the guidelines for extending the terms of grants and contracts.
- D. Such contracting and procurement policies as have been or may be specifically adopted or updated by the Commission in accordance with State law and the Commission Strategic Plan.

The ~~First 5~~ ~~Commission of San Diego~~ further provides that its adherence to the County of San Diego Policies and Procedures Manual and the Department of Purchasing and Contracting Procurement Procedures shall continue to be applied to Commission matters as follows:

- A. Where applicable and where forms are available, Commission staff shall continue to use contractual forms provided by the County, provided that revisions to such forms to meet the unique needs of the Commission may be inserted without approval of representatives of the County Department of Purchasing and Contracting.
- B. Where contract negotiation is called for, Commission staff shall be responsible for conducting such negotiation with the assistance of the Department of Purchasing and Contracting, as requested.

Sunset Review: April-October 2021~~4~~

Originally approved: June 19, 2006 (5)

Revised: April 27, 2009 (1), June 4, 2012 (2), June 29, 2015 (2), April 2, 2018 (6)

Approved:

**Subject: Contracting and Procurement Policy**

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Date

Commission Item No.

## First 5 Commission of San Diego

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### **Subject: Contracting and Procurement Policy**

Policy Number: F5C-013

Effective Date: October 8, 2021

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### **Purpose**

To facilitate compliance with the Health and Safety Code Section 130140 (d) (4) (B) requiring county commissions to adopt, in a public hearing, contracting and procurement policies that are consistent with state law. And to comply with Health and Safety Code Section 130151(b) (1) requiring that county commissions' contracting and procurement policies contain provisions to ensure that its contracts are consistent with the First 5 Commission of San Diego's Strategic Plan.

### **Background**

Companion bills AB 109 (Chan) and SB 35 (Florez) were adopted by the California State Legislature and signed into law by the Governor on September 23, 2005. The new law is found in Chapters 243 and 284, Statutes of 2005, now codified in the California Health and Safety Code Section 130140 et seq. The California First 5 Commission has informed county commissions that they must comply with the new laws by July 1, 2006, in order to receive funding under the California Children and Families Program.

The County of San Diego Code of Administrative Ordinances, Article IIIp, Sections 84.100-84.111, effective December 8, 1998, establishes the First 5 Commission of San Diego (Commission).

The Professional Services Memorandum of Understanding (MOU) between the County of San Diego (County) and the Commission, entered into on June 13, 2000, provides that:

- The Commission retains the final authority and responsibility regarding contractual terms of all Commission contracts. (Article 1.1 (b))
- Commission contract decisions regarding acquisition of supplies and services or distribution of Commission funds may be accomplished by use of the County Purchasing Agent and County Procurement Procedures. (Article 1.5)
- The Auditor and Controller of the County shall process all Commission claims for payments. (Article 2.10.2)

### **Policy**

It is the policy of the Commission that the Commission and staff will comply with state law mandates and the Commission Strategic Plan in all matters regarding the Commission's contracting and procurement activities.

With respect to the purchasing of services, supplies and equipment, the Commission, as part of the County of San Diego, affirms the use of the County of San Diego Policies and Procedures Manual and the Department of Purchasing and Contracting Procurement Procedures, provided however, that Commission mandates set forth in State law and Commission policies shall take precedence where they pertain to contracting and procurement policies and procedures of the

**Subject: Contracting and Procurement Policy**

Policy Number: F5C-013

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Commission. Any updates to the County of San Diego Policies and Procedures Manual and the Department of Purchasing and Contracting Procurement Procedures will be strictly adhered to by the Commission, except where otherwise required by state law or where a specific Commission Policy has been adopted or is adopted hereafter and applicable to a purchasing and contracting activity of the Commission.

The Commission further affirms that Commission staff shall follow specifically adopted Commission policies regarding contracting and procurement undertaken by the Commission with respect to:

- A. Policy F5C-003: Commission Funding Process, pertaining to the allocation of funds for programs and services to fulfill the Commission’s mandate.
- B. Policy F5C-006: Protest Procedures for Award of Solicitations, pertaining to the handling of protests of the award of Solicitations.
- C. Policy F5C-021: Contract Extensions, pertaining to the guidelines for extending the terms of contracts.
- D. Such contracting and procurement policies as have been or may be specifically adopted or updated by the Commission in accordance with State law and the Commission Strategic Plan.

The Commission further provides that its adherence to the County of San Diego Policies and Procedures Manual and the Department of Purchasing and Contracting Procurement Procedures shall continue to be applied to Commission matters as follows:

- A. Where applicable and where forms are available, Commission staff shall continue to use contractual forms provided by the County, provided that revisions to such forms to meet the unique needs of the Commission may be inserted without approval of representatives of the County Department of Purchasing and Contracting.
- B. Where contract negotiation is called for, Commission staff shall be responsible for conducting such negotiation with the assistance of the Department of Purchasing and Contracting, as requested.

Sunset Review: October 2024

Originally approved: June 19, 2006 (5)

Revised: April 27, 2009 (1), June 4, 2012 (2), June 29, 2015 (2), April 2, 2018 (6)

Approved:

October 8, 2021  
Date

4  
Commission Item No.



## First 5 Commission of San Diego

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### Subject: Contract Extensions

Policy Number: F5C-021  
1 of 2

Effective Date: ~~April~~October 2, 2018~~20, 2021~~ Page

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### Purpose

To establish a policy and provide guidelines for extending the terms and/or funding of ~~grants and~~ contracts for services.

### Background

The California Health and Safety Code Section 130140(d)(4)(B) requires county First 5 Commissions to adopt, in a public hearing, contracting and procurement policies that are consistent with ~~s~~State law. In addition, the Health and Safety Code Section 130151(b)(1) requires that the Commission's contracting and procurement policies contain provisions to ensure that its grants and contracts are consistent with the Commission's Strategic Plan.

As specified in its Strategic Plan, the First 5 Commission of San Diego (Commission) is accountable to the ~~public~~community and the children for the ~~allocation~~use of its funds. The Commission has adopted policies regarding contracting and procurement to serve as guidance, as well as to provide basic information to the public.

This Policy on Contract Extensions pertains to all Commission contracts, ~~in compliance,~~ receiving funds to provide services to children, families, communities, and the Commission.

Commission approval for contract extensions is required for additional option periods and funding beyond what was originally approved as a contract award. The ~~corresponding~~ financial ~~S~~pending ~~p~~Plan and annual ~~operating~~ budget approval satisfies this requirement.

~~For additional background, Per Policy F5C-003: Commission Funding Process, outlines in greater detail risk assessment and mitigation procedures that Commission staff perform, s a risk assessment and develops a compliance monitoring plan that is documented in the contractor's file. The monitoring plan specifies the schedule for monitoring the contract, and describes the methods that will be used for monitoring, such as reports, site visits, and/or quality assurance reviews.~~

~~The Commission's contract monitoring process assists the contractor and the Commission to identify contract compliance issues as early as possible. When it is determined that a contract is out of compliance with the Commission's contract requirements, the contract monitor initiates a corrective action process that specifies the changes needed for the contractor to come back into compliance with contract requirements.~~

### Policy

Commission approval is required for additional option periods, or additional funding beyond the term of a contract.

### Procedures

## Subject: Contract Extensions

Policy Number: F5C-021

Page 2 of 2

1. To be eligible for option year funding, a contractor must be in compliance with all Commission contract requirements and policies, including the following specific requirements: have
  - Fully ~~compliance~~ with the Commission's required reporting responsibilities,
  - Must ~~demonstration of~~ be making expected progress in meeting the required program's performance measures ~~process~~ and outcome objectives, and
  - Must be meeting Adherence to the general requirements of the contract's terms and conditions.
2. If it is determined, through the contract monitoring process, that a contractor is meeting or exceeding contract requirements, the Executive Director has the authority to approve the contract extension previously authorized by the Commission.
3. If monitoring indicates that a contractor is out of compliance with contract obligations, Commission staff will follow procedures for corrective action. The corrective action process includes:
  - Documented meetings or other communications with the contractor to clarify and resolve compliance issues.
  - Provision of technical assistance, if appropriate.
  - Development of a plan for corrective action, including timeframes for correction, follow-up, and consequences for lack of improvement.
  - Assistance, if needed, from the HHS Agency Contract Support (ACS), the Agency (ACO) County Contract Compliance Office (ACO), and/or County Counsel on issues of non-compliance and possible contract termination or other action.
4. If a corrective action is implemented late in the contract period and the contractor is showing reasonable progress in complying with the corrective action plan, the Executive Director has the authority to approve a contract extension previously approved by the Commission.
5. In cases where all steps of the corrective action process have been exhausted, and ~~a~~ the contractor is not meeting contract requirements or other performance criteria, the Executive Director may determine that the contract is not eligible for a contract extension. In these instances, the Executive Director will provide an update to the Commission on the results of the contractor's performance status.
6. Commission approval is required for any additional contract option periods and funding beyond what was approved at the time of contract award. The ~~F~~ financial ~~S~~ pending ~~P~~ plan and annual operating budget approval satisfies this requirement.
7. No-cost extensions to the term of a contract may be approved by the Executive Director.

Sunset Review: April-October 2024

Originally Approved: June 18, 2007 (9)

Revised: June 3, 2009 (1), June 4, 2012 (2), June 29, 2015 (2), April 2, 2018 (6)

**Subject: Contract Extensions**

Policy Number: F5C-021

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## First 5 Commission of San Diego

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**Subject: Contract Extensions**

Policy Number: F5C-021

Effective Date: October 8, 2021

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### **Purpose**

To establish a policy and provide guidelines for extending the terms and/or funding of contracts for services.

### **Background**

The California Health and Safety Code Section 130140(d)(4)(B) requires county First 5 Commissions to adopt, in a public hearing, contracting and procurement policies that are consistent with State law. In addition, the Health and Safety Code Section 130151(b)(1) requires that the Commission's contracting and procurement policies contain provisions to ensure that its grants and contracts are consistent with the Commission's Strategic Plan.

As specified in its Strategic Plan, the First 5 Commission of San Diego (Commission) is accountable to the public for the allocation of its funds. The Commission has adopted policies regarding contracting and procurement to serve as guidance, as well as to provide basic information to the public.

This policy on Contract Extensions pertains to all Commission contracts, in compliance, receiving funds to provide services to children, families, communities, and the Commission.

Commission approval for contract extensions is required for additional option periods and funding beyond what was originally approved as a contract award. The corresponding financial spending plan and annual operating budget approval satisfies this requirement.

For additional background, policy F5C-003: Commission Funding Process outlines in greater detail risk assessment and mitigation procedures that Commission staff perform.

### **Policy**

Commission approval is required for additional option periods, or additional funding beyond the term of a contract.

### **Procedures**

1. To be eligible for option year funding, a contractor must be in compliance with all Commission contract requirements and policies, including the following specific requirements:
  - Full compliance with the Commission's required reporting responsibilities,
  - Demonstration of expected progress in meeting the required performance measures and outcome objectives, and
  - Adherence to the general requirements of the contract's terms and conditions.
2. If it is determined, through the contract monitoring process, that a contractor is meeting or exceeding contract requirements, the Executive Director has the authority to approve the contract extension previously authorized by the Commission.

**Subject: Contract Extensions**

Policy Number: F5C-021

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  - Documented meetings or other communications with the contractor to clarify and resolve compliance issues.
  - Provision of technical assistance, if appropriate.
  - Development of a plan for corrective action, including timeframes for correction, follow-up, and consequences for lack of improvement.
  - Assistance, if needed, from the HHS Agency Contract Support (ACS), the Agency Compliance Office (ACO), and/or County Counsel on issues of non-compliance and possible contract termination or other action.
4. If a corrective action is implemented late in the contract period and the contractor is showing reasonable progress in complying with the corrective action plan, the Executive Director has the authority to approve a contract extension previously approved by the Commission.
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Approved

October 8, 2021  
Date

4  
Commission Item No.

UNIVERSITY  
OF  
CALIFORNIA  
HEALTH

Milk  
Bank



# FY 21 Report

August 2021

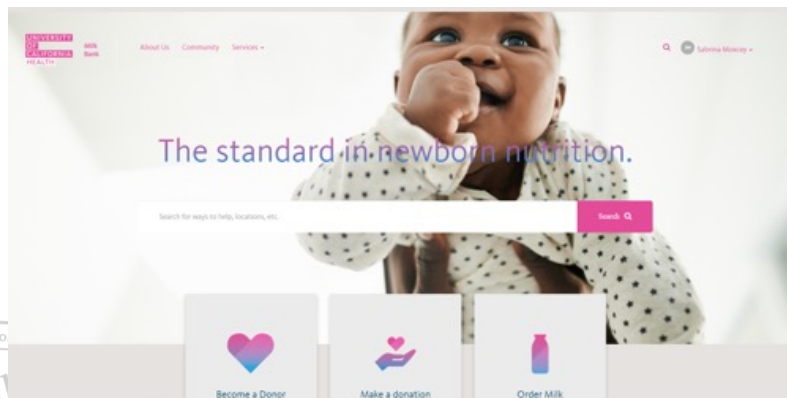


# UC Health Milk Bank

Year 1 Review

On August 27<sup>th</sup>, 2020 the University of California Health Milk Bank became the **first non-profit accredited milk bank in Southern California**. Additionally, it is the only physician-led, health system owned milk bank in North America.

During the first 10 months of operations, the Milk Bank has increased access to pasteurized human donor milk (PHDM) in Southern California; serving **163 outpatient families** and **12 hospitals** in FY 21.



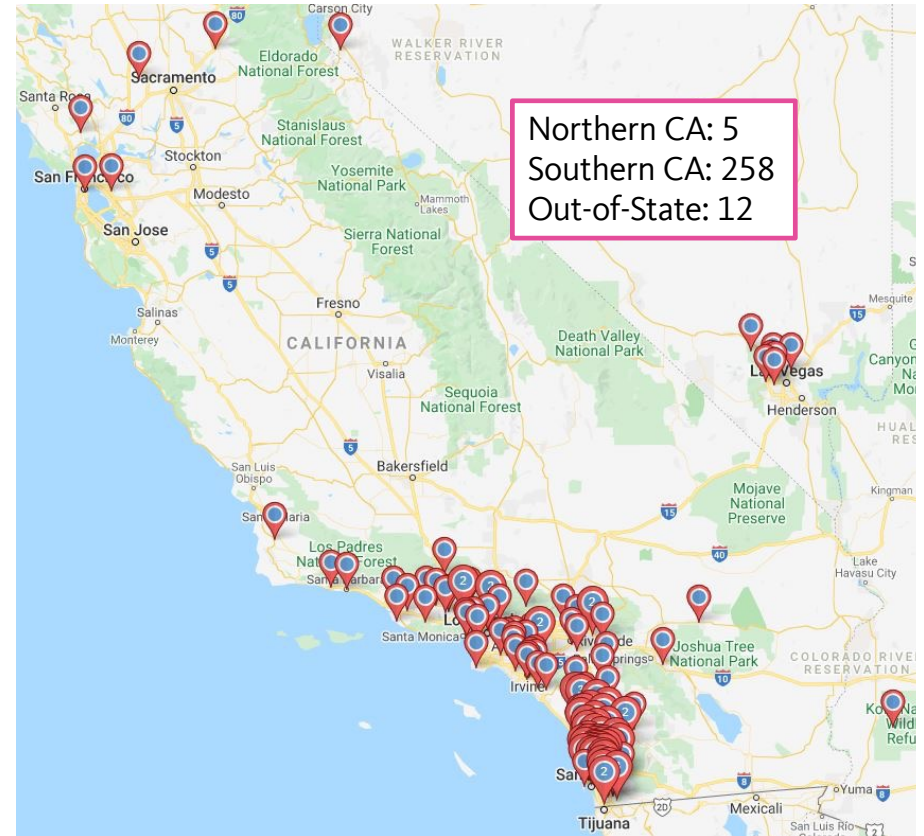
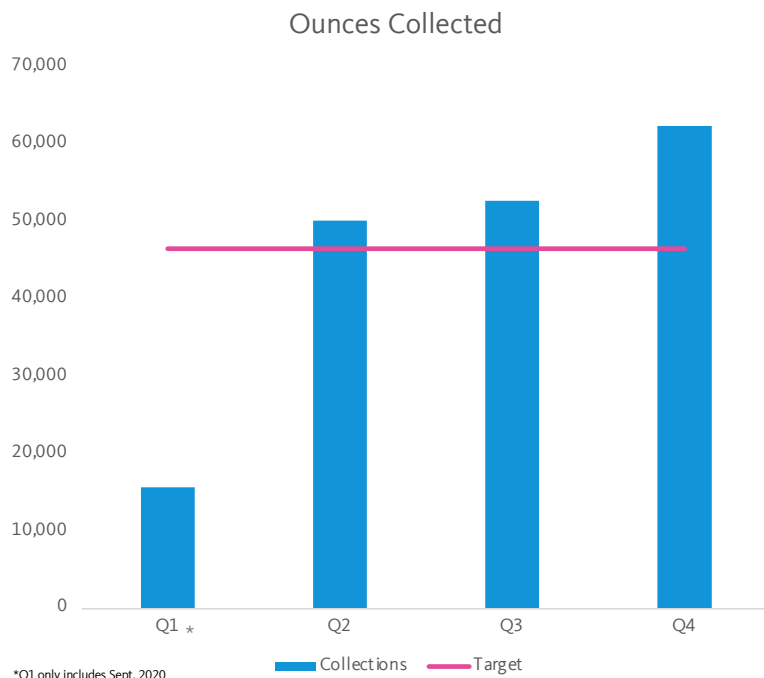
*The UC Health Milk Bank aims to increase access to PHDM, improve donor experience and elevate the standard of newborn nutrition through our best practices, including:*

- **Milk nutrient analysis** to help clinicians manage the dietary needs of NICU babies
- **Pre-pasteurization** culture of milk, improving safety and reducing product lost to contamination (2%) from the industry standard (10%)
- **Bar coding system** to ensure milk safety and prevent milk misadministration in the NICU
- **Online portal** for hospitals to conveniently order milk and donors to easily register and donate
- **Simultaneous blood screen and first donation** for new donors, reducing donor time commitment and ensuring donation completion



# Donors

In FY 21 the UC Health Milk Bank approved **275 donors** and collected **180,768 ounces** of milk.





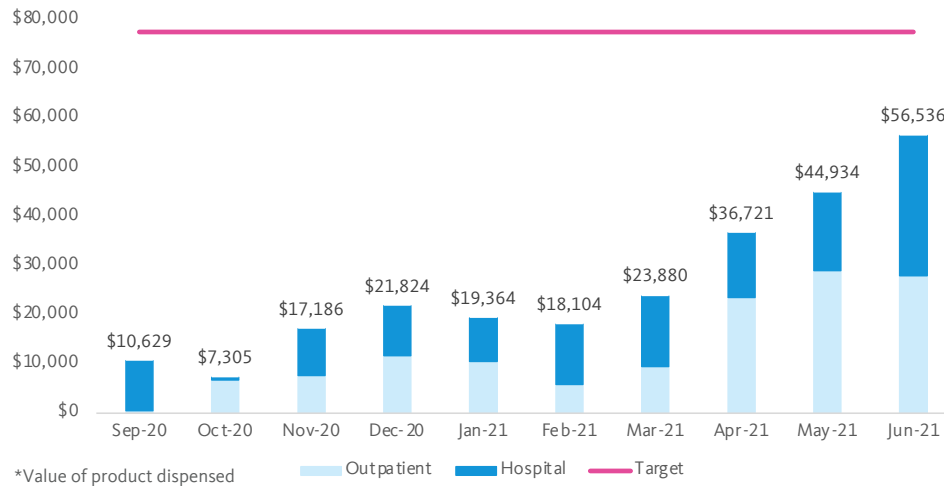
# Sales

In FY 21 UC Health Milk Bank **dispensed \$256,482** of PHDM, serving a wide community of hospitals and outpatient families. The majority of sales were to San Diego NICUs and families. Additionally, the Milk Bank serviced various Southeastern US hospitals during the Texas Winter Storm, as well as Commonwealth Healthcare Center of Saipan, a remote Pacific island.



“I am beyond grateful for the UC Health Milk Bank for providing donor breast milk to infants like my daughter, Alaya. She was intolerant to most, if not all, formulas on the shelf and was fussy most of the time for her first 2 months of life. Meanwhile, I was not producing enough milk. She is now a changed baby and happy all of the time; Breast truly is best!” — Alejandra

PHDM Sales\*, FY 21

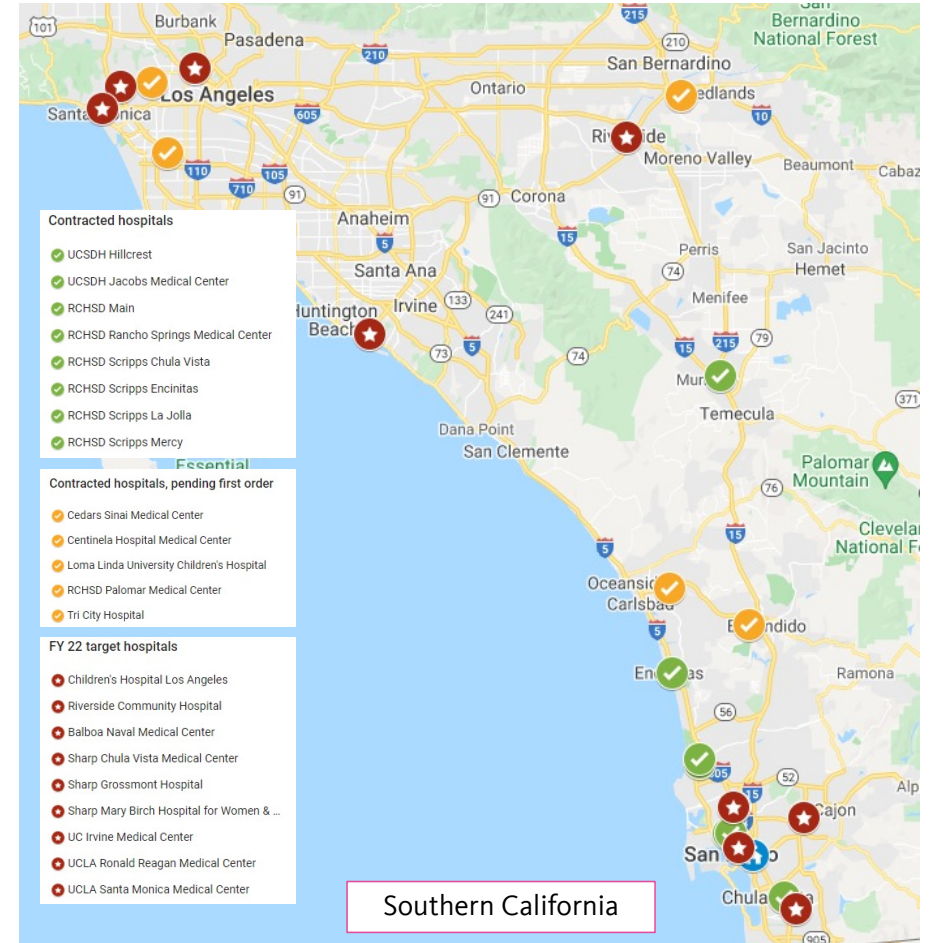


# Sales

## Contracted Hospitals and FY 22 Targets

The UC Health Milk Bank aspires to **increase its San Diego and Southern California markets and serve all UC Health hospitals by the end of FY 22.**

The Milk Bank is currently surveying Southern California hospital NICUs to identify inequities in donor milk use. It aims to support hospitals that do not currently use donor milk by assisting with **program adoption, tissue bank licensing and, potentially, provision of donor milk.**



**FIRST 5 COMMISSION OF SAN DIEGO  
SUMMARY BALANCE SHEET  
As of August 31, 2021**

Item 6-1

\*\* FOR MANAGEMENT PURPOSES ONLY \*\* PER ORACLE \*\* NON GAAP\*\*

***BALANCE SHEET***

**First 5 Funds  
FY 2021-22**

1	<u><b>Assets</b></u>	
2	Cash (Treasury; Invested; Escrow; Petty Cash)	\$ 41,471,500
3	Accounts Receivable (Prop 10; Interest)	
4	Prepaid Expense	2,196
5	<b>TOTAL ASSETS</b>	<b>\$ 41,473,696</b>
6	<u><b>Liabilities &amp; Fund Balance</b></u>	
7	Liabilities	\$ 5,000
8	Fund Balance	41,468,696
9	<b>TOTAL LIABILITIES &amp; FUND BALANCE</b>	<b>\$ 41,473,696</b>

***OBLIGATIONS AGAINST FUND BALANCE***

10	<b>TOTAL FUND BALANCE (Line 8)</b>	<b>\$ 41,468,696</b>
11	Encumbrances (contracts) (31,588,578)	
12	Obligations from Prior Years	
13	Budgeted Obligations	
14	Total Committed Funds	(31,588,578)
15	<b>Funds Committed for Sustainability (Financial Spending Plan)</b>	<b>\$ 9,880,118</b>

**First 5 Commission of San Diego**

October 8, 2021

**Staff Report****Updates Since Last Report****Health****• Healthy Development Services (HDS)**

- HDS Countywide Coordinator: American Academy of Pediatrics (AAP)  
AAP continues to provide technical assistance to the HDS Regions as they adjust to hybrid services to assist families during COVID-19.
- Pediatricians Dr. Pradeep Gidwani, AAP and Dr. Ruth Newton, NCAR co-authored the blog Dyadic Therapy Changes Lives for the First 5 Center for Children's Policy. The article addresses the importance of dyadic treatment and attunement. Parents must meet baby's physical *and* emotional needs, which means that caregivers must be physically, emotionally, and mentally resourced to attune to and be in sync with their nonverbal infants. The First 5 Center for Children's Policy is an initiative of the California Children and Families Foundation, a sister organization of the First 5 Association of California.
- AAP continues to coordinate and communicate with community partners (including frontline providers) in addressing the barriers in recruiting and engaging HDS clients.
- AAP participated in the 12<sup>th</sup> Annual Early Childhood Mental Health Conference: We Can't Wait, held on September 23<sup>rd</sup> and hosted a HDS session on "Parent Engagement Strategies That Work" that included 4 HDS providers from regions to share their knowledge and expertise.
- In July and August 2021, HDS North Central, North Coastal, and North Inland offered in-person groups for toddlers and children preparing to enter Kindergarten.
- HDS South, Central, and East Regions have started to offer developmental assessments in person.
- In alignment with the new strategic plan evaluation framework objective, staff are working with contractors, AAP, and Harder+Company to develop the caregiver well-being checkup process to screen and refer for parent/caregiver mental health concerns.

**• KidSTART Center**

- Rady Children's Hospital is continuing to provide services to children and families via a combination of virtual and in-person services.
- KidSTART participated in the 12th Annual Early Childhood Mental Health Conference: We Can't Wait, held on September 23<sup>rd</sup> and hosted a session "Helping Caregivers Move Beyond the Impact of Their Own ACEs".

**• Oral Health Initiative (OHI)**

- For FY 2021-22 OHI will be operating with 9 sub-contractors instead of 10. La Maestra decided to end their participation in the Oral Health Initiative on June 30, 2021.

- Health clinics are continuing to provide dental services to children 0-5 through a combination of telehealth and limited in-person routine dental services.
- All open participating clinics are now performing in-person services.
- Clinics are working on ways to continue to boost community education for oral hygiene through a mix of virtual trainings and in-person drive-thru style trainings for families. Clinics provide oral health information and toothbrushes for those who are in need.

## **Learning**

- **Learn Well Initiative**

- SDCOE is collaborating with Grossmont-Cuyamaca Community College District, through a project called Learn Well Professional Advancement Cohorts for the SDQPI Workforce, to establish a cost per person per cohort and for Learn Well funds to pay the tuition and advisement & academic support costs directly to Grossmont- Cuyamaca College therefore removing the access barrier other stipend and tuition reimbursement models present for many of the ELC workforce members. This collaboration will increase quality in early learning and care settings and will provide equitable access to CTC permits and degree completion by providers. Additionally, this opportunity also addresses the qualified ECE professional shortage.
- SDQPI met with the YMCA CRS to outline, plan and develop the content, logistics and instructors for the upcoming 2021-22 SDQPI Catalog offerings with a focus on workshops and CoP development for providers.
- The SDQPI Media Outreach, Communications and Website development has been completed with an interactive platform that will house the SDQPI Onboarding Series videos within the Provider Portal.
- External Reviews for Quality Rating purposes were cancelled for FY 2020-21, however, rating is starting back up dependent on CAL/OSHA guidelines for FY 2021-22. There has been a slight modification moving forward with the calendar of external review and rating, which will happen throughout the year instead of one time yearly. Currently, sites are calendared based on their due dates starting in August 2021. Providers will be offered to engage in rating opportunities earlier than their scheduled due dates if they wish to be rated earlier.

- **Mi Escuelita**

- In alignment with the new strategic evaluation framework, Objective #2, focusing on parent/primary caregiver mental health screening and referral; Mi Escuelita is screening and referring caregivers for mental health services.
- Mi Escuelita continues to operate and follow the COVID-19 guidance shared through the Emergency Response Early Care and Education Sector.
- Mi Escuelita' s program lead with the clinical supervisor hosted a session at the 12<sup>th</sup> Annual Early Childhood Mental Health Conference: We Can't Wait held on September 25<sup>th</sup>. The session consisted of sharing how to practice mindfulness techniques in the classroom.
- Mi Escuelita students are attending the pre-school "in-person". They are carefully offering opportunities for parents to engage with teachers and therapists in-person.

## Family

- **First 5 First Steps (Home Visiting Initiative)**

- Most contractors have transitioned to delivering a combination of both virtual and in-person home visits. Other contractors will transition to in-person visits later in the fall. Decisions on when to shift to in-person services are being made by the family and home visitor.
- To increase CalWORKs Home Visiting Program (HVP) enrollment, HHSA – Self-Sufficiency Services has allowed contractors to begin cold calling HVP-eligible CW recipients. Contact lists were sent to program leads this week.

**First 5 First Steps (F5FS) Countywide Coordinator: American Academy of Pediatrics – Chapter 3 (AAP)**

- AAP continues to provide technical assistance to the F5FS Regions as they adjust to hybrid services to assist families during COVID-19. Additionally, AAP also continues to provide quality assurance checks to F5FS contractors and continues to coordinate and communicate with community partners.
- AAP continues to be the lead on the F5CA Home Visiting Coordination Grant. As required, the 2<sup>nd</sup> Action Plan and Survey were submitted. The Home Visiting (HV) partners list in the HVC Portal were also provided.

## Community

- **Community Outreach and Engagement Events**

First 5 San Diego is proud to have sponsored the following community outreach events throughout San Diego. Due to Covid-19 restrictions, there have been limited in-person (drive-thru) events since March 2020.

- **San Diego Zoo Global** (July 1, 2021 – June 30, 2022) – With this agreement, First 5 San Diego sponsored the Breast-Feeding Lounges at both the San Diego Zoo and Safari Parks. In addition, First 5 San Diego sponsored the San Diego Zoo Kids Activities page, which promotes at-home activities and links back to our First 5 San Diego Website. <https://kids.sandiegozoo.org/activities>
- **Summer Movies in the Park** (May – October 2021) - Summer Movies in the Park, a series of free outdoor movie events in park facilities, is a collaboration between the County of San Diego Department of Parks and Recreation, the Cities of San Diego, Carlsbad, La Mesa, Lemon Grove, National City, Oceanside, Poway, Vista, and the USS Midway Museum. Each event provides opportunities to gather as a community and build sense of community and offers residents free opportunities to enjoy themselves outdoors in the summer evenings. This program has a projected reach of 50,000 San Diegans on an annual basis. First 5 San Diego has been a proud sponsor of Summer Movies in the Park since 2012.
- **Toddler Time** (June 25, 2021 – September 24, 2021) – First 5 San Diego partnered with The New Children’s Museum to present “Toddler Time” throughout the summer to encourage talking, reading and singing with children throughout the summer. Toddler time is presented in both an in-person and virtual format on alternating Fridays.
- **3x3 Literacy Event** (July 24, 2021) – First 5 San Diego partnered with the San Diego Special Needs Foundation to promote literacy for kids from ages 0-10, put a free book in the hands of every child, teach empathy and compassion through stories and crafts and to educate families about the resources available at the Binford I CAN, Too! Center and in the Flourishing Families

## Resource Guide.

- **Day of Play** (July 31, 2021) – First 5 San Diego partnered with Olivewood Gardens to help encourage healthy food choices for children ages 0-5 through hands-on cooking and healthy snack preparation activities. In addition, families were provided opportunity to complete activities where children were able to touch, smell and taste new fruits and vegetables. The event was full of activities to help encourage families to work together on making healthy choices and to help inspire families to engage in fun activities.
- **Miracle Babies 5K** (August 15, 2021) – First 5 San Diego partially sponsored the activity zone/games at this year's annual 5K festival.
- **Military Hero's Festival** (August 21, 2021) – First 5 San Diego partnered with the USO in San Diego to host a table at their local Military Hero's Festival. This festival brought together thousands of local active duty and veteran military families. First 5 was there to provide resources for families and their young children.
- **Community Health Fest** (August 28, 2021) – First 5 San Diego partnered with Black Tech Link to provide sponsorship to this year's Community Health Fest held at Civita Park in Mission Valley.
- **Special Needs Resource Fair** (September 25, 2021) – First 5 San Diego partnered with the San Diego Special Needs Foundation to host a resource table at their annual resource fair. This resource fair brings together hundreds of local resources for families who have children with different developmental needs or concerns.

## **Administration**

### • **Data and Evaluation**

- Harder+Company, in coordination with initiatives and programs, is analyzing the first year of mental health screenings for parent/caregivers. There are ongoing conversations to continue developing a baseline for this new strategic plan objective.
- Launch of the new platform for the Contract Management Evaluation and Data System (CMEDS) system is set for November 2021. The core functionality and workflow will continue to be the same, but the upgrade interface will incorporate new streamlined features and functionality including simplified navigation, improved search and filter capacity with customized reports, and HIPAA-compliant video appointments and messaging from within the application.

### • **Finance Committee**

- The Committee met virtually on September 21, 2021. They reviewed the Balance Sheet as of August 31, 2021 and the Independent Audit Report for FY 2020-21. They heard from the Senior Auditor from Moss, Levy, and Hartzheim who reported that there are no findings on compliance or internal controls over financial reporting. All documents were approved by the Finance Committee to go to the Commission and are included in the agenda packet.

### • **First 5 Networking / Administrative Updates / Professional Development**

- Executive Director Arguilez, along with partners from the YMCA CRS and CDA submitted a proposal in response to the funding opportunity for the F5CA Shared Services Alliance 2-year pilot grant.
- Executive Director Arguilez has been named tri-chair of the newly formed HHS Children's Council aimed to bring together key leadership from all HHS divisions to coalesce on all things children, youth and families.

- Executive Director, Arguilez was invited to present at the NCIT Capacity-Building Hub three-part series showcasing counties that have demonstrated excellence in the areas of Early childhood education, Family Support, and Health. The discussion will highlight three states, Oregon, Louisiana and California, of which San Diego was selected for the prioritization of local funds to support early care and education.
- Executive Director Arguilez, with the support of MIG, Inc. led follow up session with the Ad Hoc Committee for Strategic Planning and also the 2<sup>nd</sup> session of the Child and Family Strengthening Network to continue their work around systems integration and coordination of the early care and education system.
- Executive Director Arguilez, with support from key First 5 SD team members, continues to lead the ECE/Child Care Sector on behalf of the County Emergency Operations Center (EOC). This requires ongoing coordination with the various stakeholder groups externally and our internal EOC leadership team.
- Executive Director Arguilez continues to support the Child Care Disaster Council as the Co-chair and linking the ECE/Child Care Sector to the EOC to discuss the emergency response needs to the field including communications and access to supplies and distribution efforts with local stakeholders.
  - Continued outreach in supporting childcare vaccine rollout and communications to ensure the community of providers are well informed via the support of YMCA CRS and CDA organizations.
- Executive Director Arguilez continues to represent First 5 San Diego in the following community stakeholder engagement efforts:
  - Child and Family Strengthening Advisory Board and Organizational Structure Subcommittee representative
  - SDSU College of Education Dean Advisory Board
  - Children's First Collective San Diego (formerly San Diego ECE Advocacy Coalition)
  - First 5 Association Public Policy Committee Southern California Representative
  - Catalyst San Diego (formerly San Diego Grantmakers) Early Education Funders Group
  - YMCA Partners in Prevention (PiP) Leadership Advisory Committee



# Background on First 5 San Diego Commission's Current Projects

## **2-1-1 INFORMATION AND REFERRAL**

2-1-1 San Diego is a free 24-hour phone service and online database that connects people with community resources. 2-1-1 also operates a First 5 San Diego Warm Line (1-800 5FIRST5) that assists parents of children ages zero through five with locating services and resources for their families.

## **CHILDHOOD INJURY PREVENTION PROGRAM**

The Childhood Injury Prevention Program educates parents, caregivers, and early childhood education staff about childhood injury prevention strategies to make homes, automobiles, and communities safer for children ages zero through five.

## **FIRST 5 FIRST STEPS (F5FS)**

F5FS provides countywide home visitation services to specific high-risk target populations including pregnant and parenting teens, military, refugee/immigrant, and low-income families using the Healthy Families America (HFA) model and Baby TALK curriculum.

## **HEALTHY DEVELOPMENT SERVICES (HDS)**

HDS is an array of services for early identification and treatment of children with mild to moderate developmental delays. Services include assessment and treatment for behavioral and developmental concerns (including speech and language, occupational and physical therapies), parent education and care coordination to all families receiving HDS services.

## **KIDSTART**

KidSTART is an integrated program within First 5 San Diego and the Health and Human Services Agency's Behavioral Health Services to support children with complex developmental, socio-emotional/behavioral health, medical, and family needs. The KidSTART Center performs screening, triage, assessment, referrals and treatment for children with multiple, complex delays, and needs. The KidSTART Clinic, funded by Behavioral Health Services, provides comprehensive behavioral and social-emotional clinical treatment (First 5 San Diego funding supports the Center only).

## **KIT FOR NEW PARENTS**

The Kit for New Parents is a free, comprehensive resource from First 5 California for new and expectant parents emphasizing the importance of a child's early years. Kits are distributed countywide and are available in English, Spanish, Korean, Vietnamese, and Chinese.

## **MATERNITY HOUSING PROGRAM (MHP)**

The MHP provides safe, secure and supportive housing with comprehensive home-based family-focused supportive services and intensive case management services for pregnant and parenting young women between 18 and 24 years old, and their dependent children. MHP assists these young women who are homeless, or at risk of becoming homeless, develop the skills necessary to live independently while providing a safe and stable home for them and their children.

## **MI ESCUELITA THERAPEUTIC PRESCHOOL**

Mi Escuelita provides a therapeutic preschool experience for young children 3-5 years old who have been traumatized by family violence. The goal of this program is to help children enter kindergarten as active learners by working with the family emotionally, socially, and developmentally.

**ORAL HEALTH INITIATIVE (OHI)**

OHI provides oral health services, care coordination and preventative education to children ages birth through five with the goal of improving oral health and promoting positive oral health practices.

**LEARN WELL INITIATIVE**

The Learn Well Initiative supports sustainable development of quality early learning and care programs and aims to support providers in the form of technical assistance, instructional support, coaching and ongoing professional development.