



BUSINESS PLAN
FISCAL YEAR 2017-2018

April 5, 2017

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I. Executive Summary

The Business Plan complements the Strategic Plan by outlining how management will direct and deploy operational resources in the coming year to support the goal and objectives in the Strategic Plan. It is intended to provide insight to stakeholders, such as funded agencies and collaborative partners, on how the Commission will operate and carry out its mission and goals in the coming Fiscal Year. The Strategic Plan provides overall direction on how Orange County's Proposition 10 dollars will be spent, consistent with the voters' intent. Implementation of the Strategic Plan is supported by the annual Business Plan, Evaluation Plan, and Long Term Financial Plan.

The Fiscal Year 2017/18 Business Plan represents the first year in a three year planning cycle. Commission staff and key consultants have participated in ongoing planning process to set priorities for the next three years based on the changing environment of children and young families and the decline in Proposition 10 revenue. This three year business plan builds off the themes that were presented in the 2016 strategic assessment from the The Bridgespan Group and the February 2017 Report on Pivoting from Direct Services to Systems Level Impacts prepared by the Commission executive director.

The 2017/18 Business Plan presents an ambitious plan focused on key growth areas including the communications platform, strengthening partnerships, and increasing knowledge. The Business Plan was developed as a three-year plan with the intent that annual updates would be presented to the Commission in parallel with consideration of the annual budget. The Business Plan is focused on building the organization, resources and partnerships to sustain, support and expand services for young children in Orange County. The Fiscal Year 2017/18 Business Plan is grounded in five strategic focus areas.

Strategic Intent #1: Focus on Organizational Effectiveness

Strategic Intent #2: Focus on Strengthen Systems Outcomes

Strategic Intent #3: Leverage and Expand Strategic Data Partnerships

Strategic Intent #4: Focus on Advancement of Knowledge

Strategic Intent #5: Develop a Communications Platform

Each of these Strategic Intent statements is expanded in Section III, including specific objectives and target dates for completing. Action plans will also be developed that will define staff responsibilities, milestone dates, and annual measures of progress.

II. Introduction

Strategic Plan and Annual Business Plan

Since its inception, the Commission and staff have worked diligently to develop and refine the organizational and operational infrastructure necessary to achieve its stated mission and goals. The three main tools that the Commission relies upon to plan and manage its funding and operations are:

- Strategic Plan
- Long Term Financial Plan
- Business Plan

The Strategic Plan is the overall guiding document supported through the Long Term Financial Plan implemented through funding decisions detailed in the annual budget and supported through the Business Plan. The Business Plan is geared to informing the Commissioners on how management will direct and deploy operational resources in the coming year. It is intended to provide insight to other stakeholders, such as funded agencies and collaborative partners, on how the Commission will operate and carry out its mission and goals in the coming fiscal year.

The Business Plan is an operational document and may be amended and adjusted during the year based on emerging priorities that may be identified at the annual planning meeting or subsequently throughout the year.

Two supporting documents include:

- *Annual Budget* – The Annual Budget is integral to the successful implementation of the Business Plan. Although developed consistent with the Business Plan, it is approved as a separate document.
- *Evaluation Work Plan* – The Evaluation Work Plan is developed annually in furtherance of the Strategic Plan and operational Business Plan. Priority evaluation-related items for fiscal year 2017/18 are presented in the appendix.

The Business Plan was also developed to ensure responsiveness to requirements of Proposition 10 – The Children and Families Act of 1998 and related statutory policies enacted by the State Legislature. The Business Plan ensures consistency with First 5 California Guidelines for County Commissions. The statutory and legislative requirements of Proposition 10 are summarized in the appendix.

As a public entity, the Commission's financial management practices are fully compliant with all applicable Generally Accepted Accounting Principles for government and will be updated as the Governmental Accounting Standards Board (GASB) issues any new guidance or reporting requirements. The Governmental Accounting Standards Board issues accounting standards that ensure governmental accounting and reporting is conducted effectively and in the public interest. The Commission manages its financial responsibility in accordance with best practices and relies on the Government Finance Officers Association (GFOA) Financial Management Guide for First 5 Commissions as guidance for all financial policies and procedures.

III. Fiscal Year 2017/18 Business Plan Priorities

As defined in the Strategic Plan, the Commission's core functions are to:

- Fund services and programs to achieve desired results.
- Be a catalyst and leader for coordinating, integrating and leveraging existing resources.
- Build community and organizational capacity for the health and early learning of young children and their families.

This Business Plan defines how those core functions will be executed and addresses the strategic imperatives. Building on the process that began in 2014, staff engaged in business planning which included; establishing project teams around objectives, and leads to ensure successful implementation, quarterly reporting to the Commission, and management team meetings.

The 2017/18 business plan builds on the guidance provided by The Bridgespan Group's 2016 report and the supplemental discussion that reinforced these recommendations. The Bridgespan report outlines six areas of focus for the work going forward, including:

- Using the Early Developmental Index as a summative indicator of progress.
- Sustaining the catalytic orientation to investment.
- Accelerating the transition from funding programs to building sustainable services.
- Continuing to bring supplemental financial resources to bear.
- Leveraging the Commission's reputation and non-financial assets.
- Using the Early developmental Index to guide the allocation of the Commission's own resources.

While the Commission maintains a portfolio of funded projects that are core to the strategic plan, the business plan targets staff resources towards strengthening the ability of those strategic investment to impact the larger early childhood systems. The strategic intent objectives include targeted outcomes such as:

- Building a communication platform that disseminates the Commission's knowledge and learnings on the issues that affect early childhood.
- Strengthen our evaluation work to better assess systems impact and return on investment.
- Grow and realign the Commission's internal capacity to meet the increasing needs of communication, policy, and evaluation work.

The table on the following pages summarizes the fiscal year 2017/18 strategic intents and related objectives. Over the course of the fiscal year updates will be provided that monitor the progress made on each objective. The business plan and objectives are updated annually documenting revisions to existing objectives, additional objectives, or removal of completed objectives.

Summary of Operational Objectives

Strategic Intent #1: Focus on Organizational Efficiency

The Children and Families Commission of Orange County invests in people, processes and technology to inform and improve our internal capacity.

1. By June 2018, review and assess current long term financial plan for alignment with sustainability strategies and administrative cap and update policies and practices as necessary.
2. By December 2017, review administrative operations and alignment of roles and responsibilities to optimize operations.
3. By July 2018, establish an automated performance evaluation system with capacity to include performance bonuses and staff developmental.
4. By December 2017, develop an on-boarding orientation for new employees

Strategic Intent #2: Focus on Strengthening Systems Outcomes

The Children and Families Commission of Orange County will work collectively with its partners to strengthen systems-level impact, including modifying investments based on outcomes and impacts.

1. By July 2019, define successful systems impact outcomes for each Commission initiative areas.
2. By July 2018, establish a collaboratively process working with Commission partners in defining returns on investment (ROI) and developing strategies to measure and evaluate.
3. By April of each fiscal year, develop a plan that identifies Commission initiative(s) that will be evaluated in that fiscal year for continuous program improvement and shared learning.

Strategic Intent #3: Leverage and Expand Strategic Data Partnerships

The Children and Families Commission of Orange County will develop and expand strategic partnerships to share and receive data to improve outcomes for young children.

1. Starting in December 2017, expand the use of Early Developmental Index as a shared measurement tool and criterion in policy and programmatic decision making by supporting community partners with incentives and technical assistance.
2. Over the next three years, engage in at least one data sharing partnership to support the implementation of evaluations identified as priority areas in one or more of the Commission's initiatives.

Strategic Intent #4: Focus on Advancement of Knowledge

The Children and Families Commission of Orange County will serve as a catalyst for the development, exchange, and dissemination of data, policies and best practices that promote positive outcomes for children.

1. By September 2017, conduct a survey of partner organizations to identify topics of interest for a webinar; and by July 2018, host two webinars (formatted as TED-like talks), including one on EDI and one on a topic TBD based on the partner survey.
2. By July 2018, develop a children’s policy agenda in partnership with organizations with expertise in early childhood. (For years two and three, “Promote the children’s policy agenda, as measured by the number of organizations adopting the policy.”)
3. By December 2017, provide child related data (Conditions of Children Report, EDI) and strategic presentations to at least two non-traditional organizations (faith-based and private preschools).

Strategic Intent #5: Develop a Communications Platform

The Children and Families Commission of Orange County will build a communications platform to elevate children’s issues and champion child development and early education systems.

1. By April 2018, develop recommendations for the establishment of a communications platform that focuses on policy and advocacy issues.

IV. Operating Model and Administrative Budget

Operating Model

A collaborative, dynamic model is employed to execute the policy direction provided by the Commission. Public and private agencies work collaboratively with staff to accomplish the Strategic Plan and regularly participate in planning and evaluation efforts. This process ensures that the Commission's strategies are informed by robust evaluation, lessons are learned from partners in the community, and there is an awareness of emerging knowledge around child development. The collaborative model allows the Commission to keep abreast of local, statewide, and national issues and trends, as well as proactively addressing long-term sustainability challenges for programs and grantees.

Innovative Sustainability Strategies

Since inception, the Commission has been deliberate and intentional to ensure that effective, proven strategies that have been created through the Commission's funding are sustained beyond the cycle of direct funding. Examples of these strategies include the following:

- Transitioning an increasing portion of funding portfolio from sustaining to catalytic investments.
- Pursuing federal and state leveraging opportunities such as Medi-Cal Administrative Activities (MAA), Targeted Case Management (TCM), Early and Periodic Screening, Diagnosis and Treatment (EPSDT) and AmeriCorps programs. Since inception, for example, the Commission and funded programs have increased local budgets by close to \$48 million through the leverage of Commission dollars with federal programs such as: MAA, TCM, EPSDT.
- Ensuring that the organizations that receive Commission funding are fiscally and administratively sound. Fund development, business planning, and sustainability efforts are supported through technical assistance offered to funded organizations.

In the last three years, the funding portfolio has been transitioning from sustaining to catalytic funding. Catalytic investments are one-time funding investments, which achieve one or more of the following outcomes: 1) reduce or eliminate ongoing funding allocations from the Commission; 2) innovative, high-impact projects that yield multi-year services with no additional funding from the Commission; or 3) provide the necessary infrastructure or start-up funding to allow for sustainability through external funding sources. Some of the most significant catalytic investments to date include allocations to emergency shelters, services to children with autism, early literacy, community clinics, Pretend City (healthy child development), and oral health.

Public/Private Partnerships

Bring together public and private philanthropy to support the health and development of young children has been a strategic focus area. A major focus of the Fiscal Year 2016/17 Business Plan continues to be the development and implementation of sustainability strategies to support the Commission's investments. To this end, the Commission continues to work on implementing a *Pay for Success* funding structure. The Commission's launched the child abuse prevention and early intervention program, Neighborhood Resource Network last year, which was selected by the Institute for Child Success for a technical assistance grant to develop a feasibility study for the implementation of a *Pay for Success* project. The feasibility study is scheduled for publication in May 2017. Additionally, the Neighborhood Resource Network program received an evaluation grant from the Laura and John Arnold Foundation to fully fund the implementation of a randomized control trial evaluation which will help inform the design of a *Pay for Success* agreement.

The Commission has successfully developed partnerships with THINK Together, the Orange County Department of Education, the OC STEM Initiative, Samueli Foundation and PBS SoCal to support early

STEM professional development. The 2017 Early Childhood STEM Symposium attracted over 400 early educators and administrators for panel presentations and workshops to support STEM early education. HomeAid Orange County's *Essentials for Young Lives* Diaper Drive also brings together corporate sponsors to support the donation and delivery of diapers and other essential items for mothers with babies to homeless shelters in Orange County. The sponsors have include the Automobile Club of Southern California, Bank of America, CHOC Children's, Cox Communications, NBC4, St. Joseph Health Systems, Time Warner Cable, UPS and the YMCA of Orange County. The Orange County Sheriff serves as honorary chair of the annual diaper drive.

Participation in National Networks Related to Innovative Programs

Successful programs developed and implemented in Orange County serve as models that can be brought to scale at the state and/or national level. Participation in these national networks benefits both our funding strategies and the broader national landscape of funders working to improve child outcomes. One example has been the participation in the leadership team for the national Early Childhood Learning and Innovation Network for Communities (EC-LINC) in partnership with the Center for the Study of Social Policy and other national early childhood experts. EC-LINC is dedicated to improving results for young children by accelerating the development of community-based integrated early childhood systems including: tackling shared challenges, building and disseminating knowledge of strategies used, and developing opportunities for local leaders and state and federal policy makers to work together to accelerate deployment of strategies. Current projects have included serving as the lead organization for a Research to Action Grant and participating in the Outcomes and Metrics Workgroup focused on identifying population-level outcomes and indicators that would measure the impact of early childhood systems.

The Commission has also been an active partner in supporting the spread and scale of the Help Me Grow program across the state and nation. Help Me Grow is a national effort that connects children at risk for developmental and behavioral issues by providing a comprehensive, statewide, coordinated system for early identification and referral to services. The HMG system building activities includes the cultivation of affiliates along with providing support for the collection and analysis of program data. A recent joint policy statement, released by the U.S. Departments of Education and Health and Human Services, included a recommendation for states to adopt a centralized intake, screening and referral process, specifically naming the *Help Me Grow*® as an effective system model. *Help Me Grow* Orange County was established in 2005 through a funding partnership with the Commission, CHOC Children's and the University of California Irvine Medical Center to connect families to developmental services. Orange County was the first site in the nation to replicate the *Help Me Grow* model that was originally established in Hartford, Connecticut in 1998.

Local and Regional Funding Collaboratives

The Commission also participates in, and helped launch several local and regional efforts with other grant makers to develop joint matching fund opportunities and sharing of best practices. The Commission participates in several local planning and evaluation groups including OC Funders Roundtable, Health Funders Partnership, and the OC STEM Initiative. Working with the County, the Commission participates in The Orange County Children's Partnership, made up of public agencies and representative community agencies, focused on common goals related to improving the conditions of Orange County's children, and the Commission to End Homelessness.

Strategic Communications

Generating national, regional and local support for Commission investments requires a proactive strategy to inform policymakers, local funders, and the public about the impact of Commission investments on the lives of children and families in Orange County. Through a combination of staff and professional services, the communications plan focus on three strategies:

- *Community Partnerships* - Develop and maintain relationships and support with key organizations, local elected officials, and community leaders. Provides information on the programs supported by the Orange County Commission and the impact of the programs to the overall health and education to young children and families. The objective is to create a broad awareness among Orange County leaders regarding the programs and services funded with local Proposition 10 revenues.
- *Public Awareness* - Manage and promote events and activities supported by the Commission, such as the *Essentials for Young Lives* donation drive that promotes public awareness of the partnership with HomeAid Orange County. The objective is to broaden the base of support for critical programs through additional direct funding support, individual donations and in-kind corporate support.
- *Government Relations* - Outreach activities with the Orange County State Legislative Delegation both in Sacramento and at the local district offices, including activities related to the State Budget or other legislative actions that may have a potential impact to Proposition 10. Government relations also include informational briefings and site visits to Commission funded programs and briefings with city and school district leaders. The objective is to protect local funding and decision making to Proposition 10 investments.

Reliance on Evaluation Results

Proposition 10 requires each county commission to have a plan that describes the goals and objectives to be achieved; the programs, services and projects to be provided; and how measurable outcomes of programs, services, and projects will be determined using appropriate and reliable indicators. To address this mandate, the Commission's Evaluation Team measures progress toward achievement of the goals and objectives in the Commission's Strategic Plan. Each year, the Evaluation Team provides an update of its accomplishments (Section V) and recommends priority evaluation items for the coming year (Appendix B).

Beginning in fiscal year 2017/18, the Evaluation Priority Area will be organized in sections related to the Commission's four goal areas and other high priority topics such as the Early Development Index and Overall Evaluation Activities rather than by previous evaluation areas (i.e., Commission-wide data, external evaluations, etc.). While containing much of the same information as prior years, this change was made to align with the goal areas and provide more information on the project, planned evaluation activities and funding sources.

The Evaluation Priority Areas have been developed to support the Operational Imperative included in the Fiscal Year 2017/18 Business Plan as well as specifically address the priorities in Strategic Intent 2: Focus on Achieving Outcomes; and, Strategic Intent 4: Focus on Community Learning and Advancement of Knowledge. Resources to support these evaluation-related Work Plan projects are reflected in the Fiscal Year 2017/18 Budget. Planned resources include staff, and on-call evaluation consultant resources.

Organizational Approach

Three operating principles have guided the organizational structure and budget planning since its inception:

1. Maintain a core internal staff of limited size, made up of experienced and dedicated personnel. This structure is intended to be flexible and responsive to issues and challenges as they arise and change overtime.
2. Leverage consultants to provide specialized technical expertise and assist with implementation of certain programs. Three types of consultants are engaged to support the Commission operations:
 - Project managers –supplement staff and assist in reviewing funded programs for compliance with approved scope of work, budget and all contract requirements.
 - Evaluation consultants – provide expertise on evaluation-related matters.

- On call/special technical consultants - provide short-term or one-time needed expertise on a particular matter before the Commission.
 - Professional support services consultants - provide financial planning, strategic communications, administrative, and legal counsel services.
3. Utilize county support and fiscal services as needed. The Commission has a standing agreement with the County of Orange whereby the County provides critical, required services such as treasury/investment management, general accounting, purchasing, risk management, information technology, and other support services. The agreement with the County Health Care Agency provides for a full-time evaluation manager dedicated to the Commission.

The Commission also has the ability to use other County staff resources, as needed, on a fee-for-service basis to supplement workload peaks and balance the availability of the core internal staff. The County Human Resources Department continues to assist in the recruitment and hiring processes, and complex or technical matters.

Administrative Budget and Operations

The proposed staffing plan for fiscal year 2017/18 includes 12 regular staff positions. Currently, four positions are vacant. Active recruitments are in process for an Early Learning Director and a staff specialist. Recruitment of the remaining two positions will be initiated following further analysis of programmatic needs and the Long Term Financial Plan. The Evaluation Manager is a loaned position from the Orange County Health Care Agency. Extra help and limited term positions can be used to support core staff and address peaks in workload requirements, as needed.

The fiscal year 2017/18 budget proposal represents the first of the three-year funding actions approved in February 2017. The proposed base program budget for fiscal year 2017/18 is \$19.8 million and is consistent with the Long-Term Financial Plan assumptions.

Tobacco tax revenue is projected by First 5 California to experience a sharp decline for fiscal year 2017/18 followed by an above average increase in 2018/19. The decline is the result of the Proposition 56 backfill calculations that will be performed in arrears and take into account the prior year of actual revenue lost attributable to the increased sales tax. The decline in fiscal year 2017/18 is projected by First 5 California to be as high as 17.55% followed by an increase of 16.20% in 2018/19. After a highly volatile two years, the ongoing annual decline is expected to stabilize at 2.9%, just under the Commission long-term assumption of 3.5% decline.

The recommendation for fiscal year 2017/18 is to initially budget for a 17.55% decline in tobacco tax revenue as a conservative measure following First 5 California's lead. Budgeted revenue can be revisited at a later date and after more experience under the new legislation has been gained and new information becomes available.

The Commission administrative budget and Long-Term Financial Plan adheres to the strict limit of 10-percent limit of administrative costs to the operating budget. The Commission complies with the administrative cost definitions as defined by the First 5 Association Financial Management Guide (Appendix A). An increasing challenge to the administrative budget is employee benefits costs. Employee retirement and healthcare costs will continue to become a greater percentage of staffing costs for the next several years. There is limited control over these costs, but they will continue to be monitored for the cost impact.

V. Fiscal Year 2016/17 Accomplishments

The Fiscal Year 2016/17 Business Plan implementation was marked by continuing progress towards the strategic intent objects and efforts to sustain programs and strengthen program evaluation. Examples of the Commission's successful sustainability efforts include continued work on the Bridges Maternal Child Health Network *Pay for Success* initiatives.

Progress and completion of the plan objectives are regularly monitored and reviewed against the plan. Regular progress reports are presented each quarter on the status of annual business plan and each objective against the proposed timeline. All Commission staff are involved in the accomplishments of the objectives, functioning either as a team member or a team lead. All team members also provide input on each other's performance on the business plan team as a component of the annual review process. As strategic plan objectives are completed specific plans to transition or operationalize each objective are developed to ensure that the work continues, as appropriate. Fiscal year 2016/17 was marked by the following accomplishments:

Strategic Intent 1 – Organizational Effectiveness

- The Intergovernmental Transfer (IGT) is one strategy the Commission has pursued to provide additional revenue to priority Commission funded programs. The Commission completed its first IGT transaction early this fiscal year and was notified by CalOptima of an additional IGT opportunity that will cover fiscal years 2015/16 and 2016/17. For every dollar provided as a match, about \$1.80 is returned to the originating county. MOMS Orange County and CHOC Children's met the IGT requirement. An IGT of \$4,235,000, that returns an estimated total of \$6,776,000 for prenatal health services, developmental services, and early childhood mental health is feasible.
- The Commission's Financial Manager monitors the potential fluctuations of the new tobacco legislation to Proposition 10 tobacco tax revenue. Updates were presented at the July and September meetings confirming the expected increase in revenue due to savings in the Board of Equalization administrative fees; and a decline due to the raising of the smoking age to 21. In addition, a one-time payment from the Board of Equalization of an estimated \$180,000 will be received in fiscal year 2016/17 and added to the catalytic program budget.
- Performance management software programs were evaluated to streamline the annual performance evaluation process and establish a pay for performance merit system. In lieu of salary increases, end of year merit bonuses were included in January.

Strategic Intent 2 – Achieving Outcomes

- A consultant was employed to provide technical assistance to implement the "rapid-cycle evaluation" method to test various process improvements, with the goal of increasing the number of clients participating in the Bridges Maternal Child Health Network infant home visitation program. Children's Bureau and the Orange County Prevention are currently testing different ideas to determine which process improvements will increase the number of clients in the programs. Conducting rapid-cycle process improvement projects helps providers to systematically and intentionally improve services, and increase positive outcomes for families.
- The Commission is implementing a Pay for Success funding model for the Neighborhood Resource Network Program. Nine Orange County service providers (Child Behavioral Pathways, Children's Bureau, Help Me Grow, MOMs Orange County, and Orange County Child Abuse Prevention Center) took part in the Service Provider Readiness Accelerator Training supported by the Nonprofit Finance Fund (NFF), the Institute for Child Success (ICS) as part of their Pay for Success technical assistance initiative. The Commission was selected based on interest in the training, as well as dedication and intensity in completing the feasibility study for the Neighborhood Resource Network Program.

Additional technical assistance will be provided by NFF to each organization that participated in the training.

- A 12-month optimization process to identify strengths and opportunities for improvement in the Bridges Maternal Child Health Network was initiated this year with the approval of a continuous quality improvement program and a prospective evaluation study using CalOptima data. This process will better position the program for sustainability through increased efficiencies and strengthen outcomes measurement. The optimization process includes: enhanced use of the Commission's information technology systems; implementation of Continuous Quality Improvement (CQI), which will lead to measurable improvement in health care services and the health status of targeted patient groups; employing predictive analytics to identify patterns among mothers who decline services; and an evaluation to measure the impact of services on at-risk children and pregnant women with respect to utilization of preventative and emergency health care and the relationship to healthcare cost avoidance.

Strategic Intent 3– Strategic Partnerships and Synergistic Collaborations

- A strategic partnership with the Santa Ana Unified School District (SAUSD) has developed as the district identified early learning as a priority area and are interested in the data collected through the Early Development Index (EDI). On March 10, 2017 Commission Chair Sandy Barry and Santa Ana Unified School District Superintendent Stefanie Phillips co-authored an opinion-editorial piece that ran in the Orange County Register, *Readying kids for kindergarten – and life*. The SAUSD is one of the largest districts in the county and confirmed their focus on early education to improve student's learning.
- The National Help Me Grow required that each state have a statewide Help Me Grow that can provide technical assistance to communities investigating the feasibility of a Help Me Grow program, as well as provide administrative support to aggregate statewide data and reporting. The First 5 Association serves as the California's Help Me Grow, and assembled a cohort of county commissions, including Orange County, to lead the effort of establishing Help Me Grow and restructuring Help Me Grow California. Help Me Grow California strengthens local legislative advocacy for developmental screenings, attracts funding support from foundations, and provides one direct link to national Help Me Grow. Membership in Help Me Grow California improves services for young children and their families by providing a coordinated, statewide developmental screening system.
- The Commission received a \$60,000 grant to serve as the project lead for the Early Childhood Learning and Innovative Network for Communities (EC-LINC) Research to Action Project. This year, five participating communities from across the state and nation convened in Orange County to document lessons learned and recommendations of experiences in developing and tracking outcomes and metrics related to early childhood systems. The Commission is the project lead that includes Denver's Early Childhood Council, First 5 Alameda, First 5 Ventura, Office for Community Child Health, Connecticut's Children in Hartford and Thrive in 5 Boston. The project tests the implementation of the proposed outcome measures and metrics developed under the Learning Lab and builds upon the research and success. The project goal is to develop a common measurement framework for evaluating child outcomes and develop measurement systems that assess whether systems that serve children are positively impacting their lives and their families' lives and improvements for better outcomes.

Strategic Intent 4 – Community Learning and Advancement of Knowledge

- Representatives from early child health and development organizations are developing an Early Childhood Policy Framework. The Task Force began meetings as a follow-up to the PBS documentary *Raising of America*. The five-part series focused on the importance of creating a strong start for children that can lead to better individual outcomes and a better America. The purpose of an Orange County policy framework is to optimize the systems that impact children's outcomes. The proposed policy framework would include three focus areas that align with the Commission's goals: Learning and

Development; Family Support and Education; and Health and Well-being. The task force has agreed to continue meeting to share resources and support the development of the Early Childhood Policy Framework.

- More than 400 early educators and administrators attended the 2017 Early Childhood STEM Symposium in March 2017. Commission Chair Sandy Barry joined representatives from the OC STEM Initiative and the Orange County Department of Education to welcome the attendees. The professional development event included a discussion with experts on creating a STEM-based environment, which was followed by hands-on workshops that included activities and projects that participants can recreate in their classrooms. The highlight of the event was the key note presentation by NASA astronaut Leland Melvin who shared his story. Mr. Melvin engaged the audience with his life story that included a time in the National Football League and two trips on the Space Shuttle Atlantis to help build the International Space Station.
- The Association of California Cities-Orange County hosts a weekly podcast “The City Square” to promote policy and positive Orange County initiatives. The Commission Executive Director joined the Mission Viejo City Manager in September 2016 to tape an episode about the Commission’s partnership with the Association of Cities. Mission Viejo was one of the four cities that participated in technical workshops using the Early Development Index (EDI) data that assesses young children’s developmental progress when they enter kindergarten. The program included information for cities that are interested in using EDI data to strategically plan city programs. The city of Mission Viejo is currently using the data to analyze their programs and overlaying the EDI data and their library card data on GIS maps to identify vulnerabilities. Their work has resulted in a grant from the California Library Association to expand the accessibility of library services during non-traditional times. The cities of Buena Park, La Habra and Stanton have either created or expanded community/collaborative partner meetings to include early learning and EDI data to their discussions.

Fiscal Year 2016/17 Evaluation Accomplishments

In addition to meeting the state evaluation reporting requirements, the Commission participated in several high priority evaluations-related activities that focused on assisting the Commission and its funded programs support the Operational Imperatives set forth in the Strategic Plan. Highlighted evaluation accomplishments from fiscal year 2016/17 include:

- Continued attainment of 100-percent participation in the Early Development Index (EDI) with public schools that have a kindergarten population, providing the second year of county-wide assessment of school readiness of children in Orange County.
- Through in-kind collaboration between researchers from UCLA and UCI, implemented a predictive validation study of the EDI, which examines the ability of the EDI to predict later educational outcomes, including second or third grade academic achievement; kindergarten through third grade retention; kindergarten through third grade special education placement; and time spent transitioning from English Language Learner to English proficiency.
- Received a grant and began work with the University of Southern California to examine whether early childhood development and school readiness (as measured with the EDI) differ in population-matched neighborhoods with differing rates of child abuse and neglect.
- Completion of an Accelerating Assistance Award from Third Sector Capital Partners to explore the feasibility of implementing a *Pay for Success* project for the Bridges Maternal Health Network (Bridges Network).
- Completion of a retrospective study of Bridges Maternal Child Health Network and comparison participants on selected CalOptima health plan measures.
- Based on site visits and interviews with Bridges Maternal Child Health Network partners, implemented two rapid cycle evaluation (RCE) activities to provide continuous quality improvement to referral and service delivery processes.
- Implemented of a *Pay for Success* model called the “Neighborhood Resource Network” to serve families with at least one child age 0-5 which had an initial Child Abuse Report and would not receive further services from the Orange County Services Agency. Funding was obtained from the Arnold Foundation to conduct a randomized clinical trial of the Neighborhood Resource Network program. Received ongoing technical assistance to implement the Pay for Success model by the Institute for Child Studies.
- Completed an evaluation assessing three years of Help Me Grow program data.
- Participated in a leadership team for the Early Childhood Learning and Innovative Network for Communities. Work includes development of a set of common indicators of early childhood well-being.

VI. Appendix

Statutory and Legislative Mandates

Proposition 10 – The Children and Families Act of 1998 (H & S Code 130140)	First 5 California Guidelines for County Commissions	Statutory Policies Enacted by State Legislature
<ul style="list-style-type: none"> • Adopt an adequate and complete county strategic plan for the support and improvement of early childhood development within county, as well as for implementation of programs. Minimum requirements contained in H&S Code, section 130140(a)(1)(C)(ii). • At least annually, review county strategic plan and revise the plan as necessary/appropriate. • Conduct at least one public hearing before the plan is adopted, and before any revisions to the plan are adopted. • Submit adopted plans and any subsequent revisions to the State Commission. 	<p>The State will adopt guidelines for an integrated and comprehensive statewide program, define the results to be achieved by the adopted guidelines, and collect and analyze data to measure progress toward attaining such results.</p> <p>According to state level guidelines that have been established, four strategic results should be pursued:</p> <ol style="list-style-type: none"> 1. Improved Child Health: Healthy Children 2. Improved Child Development: Children Learning and Ready for School 3. Improved Family Functioning: Strong Families 4. Improved Systems: Integrated, Consumer-Oriented, Accessible Services <p>These four strategic results served as the initial basis for strategic plans developed at both the state and county levels.</p>	<ul style="list-style-type: none"> • AB 109 (Chapter 284, Statutes of 2005) - requires county commissions to adopt policies on employee salaries and benefits, conflict of interest, procurement and contracting, and define the percent of the commission’s operating budget that may be spent on administrative functions. • AB 2932 (Chapter 111, Statutes of 2006) specifies the conflict of interest and contracting/procurement statutes with which commission policies must comply. • SB 35 (Chapter 243, Statutes of 2005) requires every commission to be audited to determine whether it has adopted the required policies and is applying them appropriately, is adhering to the county ordinance that established it, is operating consistently with its strategic plan, and has a long-range financial plan. This “expanded audit” must also indicate the commission's financial condition, the amount it expends on evaluation, and the documented results of that evaluation.

Definition of Costs

First 5 Association of California, Financial Management Guide, 3rd Edition 2010

ADMINISTRATIVE COST	PROGRAM COST	EVALUATION COST
Costs incurred in support of the general management and administration of a First 5 commission, for a common or joint purpose that benefits more than one cost objective (other than evaluation activities), and/or those costs not readily assignable to a specifically benefited cost objective.	Costs incurred by local First 5 commissions readily assignable to a program, grantee, contractor, or service provider (other than evaluation activities) and/or in the execution of direct service provision.	Costs incurred by local First 5 commissions in the evaluation of funded programs based upon their accountability framework and data collection and evaluation for required reporting to state and local stakeholders.
General accounting/financial reporting	Direct services	Evaluation
Local annual reporting activities	Program outreach and education	Evaluation technical assistance
Financial planning	Program planning	Evaluation database
Commission/association meetings and travel	Program grants and contracts	Travel and training related to evaluation
Payroll/benefits	Program/provider technical assistance and support (formerly Quality Assurance)	
Human resources services	Program database management	
Other Costs: Legal services/consulting Contract compliance Audit Strategic planning Procurement Rent and building maintenance		

Fiscal Year 2017/18 Evaluation Priority Areas

The following table contains high priority evaluation activities planned for FY 2017/18. Included is information about the project, planned activities and funding sources. High priority evaluation projects are included for each of the Goal areas: Healthy Children, Strong Families, Early Learning, and Capacity Building. In addition, high priority evaluation efforts that fall outside the Goal areas are also described below.

Goal/Priority Area	Project Title	Project Description	Planned Activities	Funding Source(s)
Healthy Children	Dental Transformation Initiative	Pilot project to improve dental care for children on Medi-Cal in Orange County	Hire analyst to collect dental services utilization data and document learnings.	Fully funded from the California Department of Health Care Services
	Bridges Maternal Child Health Network	Study of effect of Bridges services on key maternal child health indicators	Hire outside evaluator to compare HEDIS rates between Bridges participants and non-participants.	To be funded by Commission evaluation budget; \$5,000 funded by Nonprofit Finance Fund grant
	School Readiness Nursing	A gap analysis and assessment of current School Readiness Nursing duties and scope of work and formulation of recommendations for future program enhancements	Hire outside evaluator to assess systems level impact of SRN program.	To be funded by Commission evaluation budget
Strong Families	Neighborhood Resource Network	A voluntary referral opportunity to community-based services for all Orange County families who have a child 0-5 with an initial report to the county Child Abuse Registry but who will not receive any further services.	Continue to evaluate and modify program and Randomized Clinical Trial with outside evaluator, Children's Data Network, to better utilize and understand data sources to meet outcome measures.	Fully funded by the Arnold Foundation

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Early Learning	Champions for Children’s Literacy	Three organizations that provide services to the 0-5 population selected to implement programs and interventions to ensure that children in Orange County are reading at grade level by third grade. The school districts in the most vulnerable areas were identified using the Commission’s Early Development Index (EDI) and the California Department of Education’s Smarter Balance (CAASPP) test scores.	Work collaboratively with United Way evaluators to develop recommendations for an evidence-based curriculum for the FY17/18 funding cycle; develop short-term and long-term goals for the new funding cycle; monitor data collection; and provide evaluation technical assistance to sites as needed.	Co-funded by the United Way, the Commission, and the Orange County Community Foundation.
	Effective integration of early learning into Local Control and Accountability Plans (LCAPs)	Examine models across California which have effectively integrated early learning into the LCAP and successfully funded early learning through LCAP funding.	Coordinate with the Orange County Department of Education to analyze their review of all LCAPs to assess the impact of using LCAP funding to fund early learning.	Funded by the OCDE Early Learning agreement, in-kind Commission staff time and Commission evaluation budget.
	Early Learning Specialists	A gap analysis and assessment of current Early Learning Specialist duties and scope of work and formulation of recommendations for future program enhancements	Hire outside evaluator to assess systems level impact of ELS program.	To be funded by Commission evaluation budget

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Capacity Building	Evaluation of the impact of capacity building and catalytic projects	Conduct evaluation on the impact, return on investment and long term sustainability of capacity building and catalytic funded programs.	Hire outside evaluator to conduct evaluation.	\$90,000 of funding for evaluation was approved by the Commission with the Round 1 Capacity Building grants.
Early Development Index (EDI)	Advancing the Understanding of Influences on Child Abuse and Neglect and Early Childhood School Readiness	Pilot project conducted by the University of Southern California to examine whether early childhood development and school readiness differ in population matched neighborhoods with differing rates of child abuse and neglect.	Overlay EDI data with neighborhood level data from child welfare administrative and Census sources, and with data emerging from resident surveys in Orange County.	Fully funded by a non-Commission grant received by Dr. Michael Hurlburt at the University of Southern California.
	Predictive validation study of Early Development Index (EDI)	To examine the ability of the EDI school readiness assessment to predict later educational outcomes, such as: 2 nd or 3 rd grade academic achievement; K-3 rd grade retention; K-3 rd grade special education placement; and time spent transitioning from English Language Learner to English proficiency.	Facilitate the conduction of a predictive validity study of the EDI by UCLA and UCI.	Fully funded by in-kind collaboration between researchers from UCLA and UCI.
	EDI as a communication tool and planning tool	Facilitate the expanded use of the EDI for community planning such as with the Association of California Cities, Orange County	UCLA and Commission staff to provide technical assistance and training on the EDI as needed.	Funded by in-kind Commission staff time and Commission evaluation budget.

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Overall Evaluation	Annual Report on the Conditions of Children	Develop community indicators to provide a comprehensive look at how children in Orange County are faring in terms of health, socioeconomics, education and safety.	Provide program management and evaluation leadership regarding the form and content of the Annual Report.	Funded by Orange County Social Services Agency and the Commission.
	Community Indicators Report	Develop community indicators, which focus on pivotal issues that impact the well-being of residents in Orange County.	Provide program management and evaluation leadership regarding the form and content of the Community Indicators Report.	Co-funded by various funders in the county.
	Commission Process and Outcome Data	The Children and Families First Act of 1998 requires First 5 Commissions to collect and analyze outcome data that “measures progress toward attaining results”, in line with approved strategic plans.	Continue collection of process and outcome measures by Commission-funded programs and grantees.	Funded by Commission evaluation budget.