COMMISSION MEETING INFORMATION PACKET

Monday, September 21, 2020

Virtual Meeting - Via Zoom

9:00 AM - 12:00 PM

www.First5SBC.org

5385 Hollister Ave., Bldg. 10, Ste. 110
Santa Barbara, CA 93111
(805) 884 - 8085

218 W. Carmen Lane, Ste. 111
Santa Maria, CA 93458
(805) 803 - 8743

5385 Hollister Ave., Bldg. 10, Ste. 110
Santa Barbara, CA 93111
(805) 884 - 8085

218 W. Carmen Lane, Ste. 111
Santa Maria, CA 93458
(805) 803 - 8743
“The First 5 Commission will meet from 9:00 a.m. to 12:00 p.m. on Monday, September 21, 2020. Remote Virtual Participation Only.

IMPORTANT NOTICE REGARDING PUBLIC PARTICIPATION. Based on guidance from the California Department of Public Health and the California Governor’s Stay at Home Executive Order N-33-20 issued on March 19, 2020 to protect the health and well-being of all Californians and to establish consistency across the state in order to slow the spread of COVID-19, the First 5 Contract Support Committee meetings will no longer provide in-person participation until further notice. To participate in this meeting, the public are invited to observe and address the First 5 Contract Support Committee telephonically or electronically.

Instructions for public participation are below:

The meeting will be hosted through Zoom. Pursuant to the Governor’s Executive Order N-29-20, issued on March 17, 2020, committee members will attend electronically or telephonically; the meeting will have no location to physically attend.

The public may observe the meeting online at Zoom.us by going to: 

https://us02web.zoom.us/j/89948656085

The Meeting ID is 899 4865 6085. If you are unable to join the online meeting, you may also call in to 669-900-6833 and when prompted, enter the Meeting ID 899 4865 6085. Persons desiring to participate in public comment may use one of the options below:

1. **Online via Zoom**
   a. You may ‘raise your hand’ via a hand icon on your screen. The Chair will call on you, open your mic, and let you address the First 5 Commission for up to 2 minutes.
   
   b. You may indicate your wish to speak in the chat window. The Chair will call on you, open your mic, and let you address the committee for up to 2 minutes.

2. **By phone** – If you would like to make a comment by phone, please call (805) 568-4430 before 9:05 p.m. the day of the meeting. The Chair will call on you, open your mic, and let you address the First 5 Commission for up to 2 minutes.

3. **Distribution to the First 5 Commission** – Submit your comment via email, preferably limited to 250 words or less, to the Committee Clerk at sgonzalez@first5sbc.org prior to noon the day before the meeting. Your comment will be placed into the record and distributed appropriately. To assist staff in identifying the agenda item to which the comment relates, the public is encouraged to indicate the meeting date and agenda item or state “general comment” for items not on the day’s agenda.
4. **Read into the record at the meeting:** Submit your comment via email, preferably limited to 250 words or less, to the Committee Clerk at sgonzalez@first5sbc.org prior to the start of the meeting. To assist staff in identifying the agenda item to which the comment relates, the public is encouraged to indicate the meeting date and agenda item or state “general comment” for public comment for items not on the day’s agenda.

Individuals with disabilities who desire to request a reasonable accommodation or modification to observe or participate in the meeting may make such request by contacting Sara Gonzalez at (805) 568-4430 or by sending an email to sgonzalez@first5sbc.org. The request should be made no later than noon on the day prior to the meeting in order to provide time for the County to address the request.

The Fist 5 Commission rules on hearings and public comment remain applicable to each of the participation methods listed above. The Chair may set reasonable rules as needed to conduct the meeting in an orderly manner.”
A. REGULAR BUSINESS

1. Call Meeting to Order

2. Roll Call/Introductions

3. Motion to approve the Commission August 17, 2020 meeting minutes

4. Public Comment for items not on the agenda

B. INFORMATIONAL ITEMS

1. Commissioner Announcements & Comments

2. Executive Director’s Comment – Wendy Sims-Moten

C. ACTION ITEMS

1. Motion to set a public hearing on October 19, 2020, for the FY 2019-2020 Fiscal Audit and Program Audit of the First 5 Santa Barbara County Children and Families Commission

Every year pursuant to Section 130150 of the Health & Safety Code, the legislation that established First 5, requires each county Commission to conduct an annual program audit and issue a written annual report on the implementation and performance of its functions during the preceding fiscal year. Prior to submission of the annual report, each county Commission shall conduct at least one public hearing prior to adopting the annual audit and report. Once approved, each commission submits the report to the First 5 California Commission on or before October 31, 2020 for inclusion in the state Commission’s consolidated report, which is then given to the Governor, the Legislature, and each county Commission.

The public may address the Commission on any matter listed on the agenda. Speaker slips are available and should be completed and delivered to the Commission Clerk before the item is considered. Writings that are a public record under Government Code Section 54957.5(a) and that relate to an agenda item for an open session of a regular meeting of the Commission and that are distributed to a majority of all of the members of the Commission prior to a meeting but less than 72 hours prior to that meeting shall be available for public inspection at 5385 Hollister Avenue, Bldg. 10, Suite 110, Santa Barbara, CA 93111 during normal business hours. If you require a disability-related modification or accommodation in order to participate in the meeting, you may make a request for a disability-related modification or accommodation, including auxiliary aids or services, by contacting First 5 Santa Barbara County, Children and Families Commission at 805-884-8085 at least 72 hours before the meeting. Translation assistance may also be requested.
2. Fiscal Committee – Susan Salcido  
   a. Motion to approve minutes from the August 13, 2020 meeting  
   b. Report from the August 13 and September 14, 2020 meetings  
   c. Fiscal Framework Discussion – Section 2 of the Strategic Plan – Michelle Robertson  
      i. Budget Scenario Discussion  
      ii. Investment Area Allocations  
      iii. Motion to approve the budget scenario as presented and direct staff to design an operations and funding framework to begin July 2021.

3. Evaluation Committee – Michelle Robertson  
   a. Motion to approve minutes from March 10, 2020  
   b. Report from the August 28, 2020 meeting

D. PRESENTATION / DISCUSSION ITEMS

1. Section 1 of the Strategic Plan – Michelle Robertson  
   The Commission will discuss the vision and mission for the 2021 Strategic Plan and give staff direction on edits.  
   a. Vision – Exercise  
   b. Mission – Exercise

2. Next Steps  
   Timeline Review of the Strategic and Implementation Plan Process.

Adjourn to:  
   Monday, October 19, 2020  
   Via Zoom  
   9:00am to 12:00pm
REGULAR BUSINESS
Commission Meeting Retreat Minutes

Monday, August 17, 2020
9:00am to 1:00pm

Join Zoom Meeting
https://us02web.zoom.us/j/83903549382
Meeting ID: 839 0354 9382
One tap mobile
+1-669-900-6833# US (San Jose)

A. REGULAR BUSINESS

1. Call Meeting to Order
   Chair Paredes Ulloa called meeting to order at 9:01am

2. Roll Call/Introductions
   Commissioners Present: Taylor, Salcido (arrived at 9:11am), Heitman, Williams, Nielson, Cirone, Neenan, and Paredes Ulloa
   
   Commissioners Not Present: Ortiz, Ansorg, Alvarez, Hartmann, and Grimmesey

   Advisory Board Members: Flo Furuike, Anna Kokotovic, Susan Walsh, Taundra Pitchford, and Alma Marquez

   Staff Present: Wendy Sims-Moten, Michelle Robertson, Sharol Viker, Suzanne Hayes, Liliana Martinez, County Counsel: Maria Novatt, and Sara Gonzalez

   Public:
   Lisa Brabo, Family Service Agency
   Lori Goodman, Isla Vista Youth Projects
   Maria Chesley, Carpinteria Children’s Project

3. A motion was made by Cirone, seconded by Williams to approve the Commission July 20, 2020 meeting minutes. The motion carried by the following votes: YES – 6  NO – 0  ABSTAIN – 1

4. Public Comment for items not on the agenda
   None Received
B. INFORMATIONAL ITEMS

1. Commissioner Reports
Commissioner Williams reminded meeting participants to be mindful of high energy use between 3pm and 9pm

2. Executive Director’s Comment – Wendy Sims-Moten
Wendy Sims-Moten provided the Commission a verbal Executive Director’s Report

C. ACTION ITEMS

1. Santa Barbara County Single Comprehensive Conflict of Interest Code – Maria Novatt
   a. A motion was made by Taylor, seconded by Salcido to request amending Exhibit C-16 (First 5 Santa Barbara County Children and Families Commission) of the Santa Barbara County Single Comprehensive Conflict of Interest Code as follows:
      i. Add the following designated employee positions with Category 1 (Full Disclosure):
         1. Team/Project Leader – General
      ii. Remove the following designated employee positions with Category 1 (Full Disclosure):
         1. First 5 Specialist

   The motion carried by the following votes: YES – 7  NO – 0  ABSTAIN – 1

D. STRATEGIC PLANNING SESSION

1. Opening – Nicole Tanner
Nicole Tanner opened the Strategic Planning session by welcoming all participants.

   Public Comment: Lisa Brabo, Family Service Agency, Lori Goodman, Isla Vista Youth Projects. Maria Chesley, Carpinteria Children’s Project

2. The Strategic Planning Journey – Nicole Tanner
Nicole Tanner discussed the Strategic Planning Activities, Problem & Strategic Questions, and Community Input with the Commission
   a. Strategic Planning Activities
   b. Problem & Strategic Questions
   c. Community Input

   Public Comment: None Received

3. Strategic Intent – Nicole Tanner
Nicole Tanner discussed the Mission & Vision and Guiding Principles with the Commission
   a. Mission & Vision
4. Break

Public Comment: None received

5. Proposed Strategic Approach – Michelle Robertson
Michelle Robertson discussed the Framework, Strategies, and Investment Areas with the Commission
   a. Framework
   b. Strategies
   c. Investment Areas

6. Next Steps

Adjourned at 12:59PM to:

Monday, September 21, 2020
Via Zoom
9:00am to 12:00pm
INFORMATIONAL ITEMS
# 2020 First 5 Association Bill Tracker

**Updated: August 31, 2020**

*Questions? Contact Margot Grant Gould at margot@first5association.org or 510.227.6968.*

## Resilient Families

<table>
<thead>
<tr>
<th>Bill Number</th>
<th>Author</th>
<th>Description</th>
<th>Position</th>
<th>Status</th>
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</table>
| AB 1593     | Reyes (D-San Bernardino) | **Personal Income Taxes: earned income credit.**  
This bill would expand the Earned Income Tax Credit to tax filers with Individuals Tax identification Number (TIN). It would be prohibited to use these documents as evidence of an individual’s citizenship or immigration status.  
Association is also supporting corresponding budget request. | Support | Stalled, but extended EITC to ITNs filers with children under age 6 in budget; reintroduced late in session as AB 1876 and now on Gov’s Desk. |
| AB 2405     | Burke (D-Inglewood) | **Right to safe, decent, and affordable housing.**  
This bill would require local jurisdictions to establish and submit to the Department of Housing and Community Development an actionable plan to house their homeless populations based on their latest point-in-time count. This bill would declare that every individual has the right to safe, decent, and affordable housing. Would require relevant state agencies and departments to consider this when revising, adopting, or establishing policies and regulations. Would impose a state-mandated local program. | Support | Governor’s Desk |
| SB 1383     | Jackson (D-Santa Barbara) | **Unlawful employment practice: family leave.**  
Applies to employees of employers with 5 or more employees. Provides unpaid job-protected leave for employees for up to 12 weeks, over a 12 month period, to bond with a newborn, adopted, or foster child, care for a seriously ill family member, address military exigency, or care for their own serious illness under the California Family Rights Act. Additionally provides job-protected leave for pregnancy and childbirth related disability, under the Pregnancy Disability leave Act. | Support | Assembly voting on bill on 8/31 |

## Comprehensive Health & Development
<table>
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<th>Bill Number</th>
<th>Sponsor</th>
<th>Description</th>
<th>Status</th>
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</table>
| AB 898      | Wicks (D-Berkeley) | *Early and Periodic Screening Diagnosis, and Treatment services: behavioral health.*
Currently, less than 5 percent of eligible children receive mental health services under the Medi-Cal program, and fewer than 3 percent receive ongoing clinical treatment. These estimates do not account for the children whose behavioral health needs diverge from strict diagnostic criteria required under EPSDT, many of which affect so many low-income children.

This bill would create the Children's Behavioral Health Action Team to identify strategies and ways to connect children to critical behavioral health and EPSDT services. The First 5 Association or a designee is named as one of the 30 stakeholders in this group.

*The bill is sponsored by the California Children's Trust.*

| AB 526      | Petrie-Norris (D-Laguna Beach) | *Medi-Cal: California Special Supplemental Nutrition Program for Women, Infants, and Children.*
Currently, an estimated 120,000 kids, infants, and pregnant women are enrolled in WIC, but do not receive Medi-Cal benefits, despite eligibility. This bill will establish an expedited pathway for Medi-Cal enrollment based on existing information obtained through WIC. If a WIC applicant does not show Medi-Cal enrollment based on a query to the Medi-Cal database (MEDS), the applicant could initiate Express Lane Eligibility enrollment for Medi-Cal using the WIC eligibility findings.


| AB 2164     | Salas (D-Bakersfield) & Rivas (D-Arleta) | *Telehealth.*
This bill would provide that an FQHC or RHC “visit” includes an encounter between an FQHC or RHC patient and a health care provider using telehealth by synchronous interaction or asynchronous store. The bill would specify that an FQHC or RHC is not precluded from establishing a patient who is located within the FQHC’s or RHC’s federal designated service area through synchronous interaction or asynchronous store and forward as of the date of service if specified requirements are met. The bill would require the department to adopt regulations, as specified, and to provide a status report to the Legislature on a semiannual basis until those regulations have been adopted. As was done in AB 2007, clarify that FQHC/ RHC can "establish a patient" using telehealth. This will still fix the provider manual challenges that are impacting the Virtual Dental Home. The bill would make these provisions inoperative 180 days after the state of emergency for the COVID-19 pandemic has been terminated.

*Was amended to include AB 2007.*

Support
Governor’s Desk
Held in Senate Appropriations
Held in Senate Appropriations
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<th>Bill</th>
<th>Author</th>
<th>Description</th>
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</table>
| AB 2360 | Maienschein (D- San Diego) | **Telehealth: mental health.**  
This bill would require health care service plans and health insurers, by July 1, 2021, to establish or provide access to a telehealth consultation program that meets specified criteria and provides providers who treat children and pregnant and certain postpartum persons with access to a mental health consultation program. The bill would require the consultation by a mental health clinician with expertise appropriate for pregnant, postpartum, and pediatric patients to be conducted by telephone or telehealth video and to include guidance on the range of evidence-based treatment options, screening tools, and referrals. |
| SB 793 | Hill (D-San Mateo) | **Flavored tobacco products.**  
This bill would prohibit a tobacco retailer from selling a flavored tobacco product, without preempting local ordinances related to the prohibition on the sale of flavored tobacco products. A violation of this prohibition would result in a fine of $250 for each violation. |
| **Quality Early Learning** | | |
| AB 125 | McCarty (D–Sacramento) | **Early Childhood Education: reimbursement rates.**  
This bill would provide that it is the intent of the Legislature to enact legislation that would establish a single regionalized state reimbursement rate system for childcare, preschool, and early learning services that would achieve specified objectives.  
*Supported by First 5 CA, CCRC, and EveryChild CA* |
| AB 324 | Aguiar-Curry (D-Winters) | **Childcare services: state subsidized childcare: professional support stipends.**  
The bill revamps the AB 212 stipend program for subsidized childcare professional development. This bill would require CDE to develop guidelines for the use of these professional support stipends, with the goal of creating guidelines that create a standardized, effective, and measurable funding program, while still allowing for local flexibility. AB 324 would also expand the availability of professional support stipends to all qualified child care providers who work directly with children who receive state-subsidized child care services.  
*Supported by First 5 CA.* |

Additional information:  
- Bill language adopted in trailer bill around $195 million for one-time Professional Development Funding. Bill still applicable to current AB 212 stipends; this money was swept in the 2020 Budget.
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<tr>
<th>Bill</th>
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<th>Title</th>
<th>Description</th>
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| AB 2986 | Reyes (D- Grand Terrace) | **Family childcare education networks.** | Continuation of AB 2001 (Reyes). This bill would require family childcare home education network programs to include additional components in their educational objectives for family childcare homes that serve families eligible for subsidized care. This includes appropriate tools for provider assessments and developmental portfolios for each child, as well as including parent involvement opportunities. The contractors will also need to conduct site visits and offer training and technical assistance. The program providers will also have to adopt and use curriculum and provide age-appropriate and developmentally appropriate educational activities for children.  
*Supported by Child Care Resource Center* |
| SB 174 | Leyva (D-Chino) | **Early Childhood Education: reimbursement rates.** | This bill would provide that it is the intent of the Legislature to enact legislation that would establish a single regionalized state reimbursement rate system for childcare, preschool, and early learning services that would achieve specified objectives.  
*Supported by First 5 CA, CCRC, and EveryChild CA* |
| **Federal Bills** | | | |
| HR 2 | DeFazio (D-OR) | **The Moving Forward Act.** | Stimulus package that includes funding for other critical infrastructure needs, in addition to child care, including: $30 billion for infrastructure updates to hospitals, strengthen the delivery of care, and increase capacity for community-based care. $100 billion to reduce housing inequalities, create jobs, and preserve existing affordable housing units. (contains Child Care is Infrastructure Act)  
*Passed House; awaiting Senate committee referral* |
<table>
<thead>
<tr>
<th>Bill Number</th>
<th>Sponsor (D-State)</th>
<th>Bill Title</th>
<th>Support</th>
<th>Committee Ref.</th>
</tr>
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<tbody>
<tr>
<td>HR 7027</td>
<td>DeLauro (D-Connecticut) &amp; Murray (D-Washington) &amp; Scott (D-Virginia)</td>
<td><strong>Child Care is Essential Act.</strong>&lt;br&gt;This act would provide $50 billion in funding to stabilize the child care industry. The new Child Care Stabilization Fund would be part of the CCDBG program, and would provide grant funding to child care providers to stabilize the child care sector and support providers to safely reopen and operate.</td>
<td>Support</td>
<td>Passed House; referred to Senate Appropriations</td>
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<tr>
<td>HR 7201</td>
<td>Clark (D-MA)</td>
<td><strong>Child Care is Infrastructure Act.</strong>&lt;br&gt;H.R. 7201 will provide a $10 billion investment in our nation’s child care infrastructure over the next 5 years and provide dedicated technical assistance resources through experienced intermediaries like Community Development Financial Institutions (CDFIs). The Child Care is Infrastructure Act (H.R. 7201) is included in two broader legislative packages; <strong>The Moving Forward Act</strong> (H.R. 2) and <strong>The Child Care for Economic Recovery Act</strong> (H.R. 7327).</td>
<td>Support</td>
<td>House Education &amp; Labor, and Energy &amp; Commerce, Ways &amp; Means, and Financial Service</td>
</tr>
<tr>
<td>HR 7327</td>
<td>Lowey (D-NY)</td>
<td><strong>The Child Care for Economic Recovery Act.</strong>&lt;br&gt;Makes additional supplemental appropriations for disaster relief requirements for the fiscal year ending September 30, 2020, and for other purposes. <strong>(Contains Child Care is Infrastructure Act)</strong></td>
<td>Support</td>
<td>Passed House, referred to Senate Appropriations</td>
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<tr>
<td>S 3721</td>
<td>Harris (D-CA)</td>
<td><strong>COVID-19 Racial and Ethnic Disparities Task Force.</strong>&lt;br&gt;Would create a task force to help better identify and address racial disparities related to the COVID-19 pandemic. Would inform weekly policy and funding recommendations provided to the U.S. Federal Emergency Management Agency (FEMA), other federal agencies and Congress; develop summaries of resource allocation throughout communities of color; and provide recommendations and advise to federal agencies on disbursement of CARES funding, including small businesses loans. Calls on the CDC to publish more detailed data on COVID-19 broken down by race and ethnicity, and establish a permanent Infectious Disease Racial and Ethnic Disparities Task Force to continue monitoring inequities within the health care system and improve future infectious disease responses.</td>
<td>Support</td>
<td>Senate Health, Education, Labor, and Pensions</td>
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<td>Bill Number</td>
<td>Sponsor (State)</td>
<td>Bill Title</td>
<td>Description</td>
<td>Support</td>
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<tr>
<td>S 3719</td>
<td>Harris (D-CA)</td>
<td><em>Closing the Meal Gap Act of 2020.</em></td>
<td>Would permanently increase supplemental nutritional assistance program (SNAP) benefits by approximately 30 percent. The bill would accomplish this by requiring the U.S. Department of Agriculture (USDA) to calculate SNAP benefits based on a baseline “low-cost” bundle of groceries, rather than a “thrifty” bundle, as is currently done. Overall, by increasing the level of benefits SNAP provides, will decrease food insecurity, increase access to healthy food options, and support the nutritional needs of families and their developing children.</td>
<td>Support</td>
</tr>
<tr>
<td>S 4112</td>
<td>Murray (D-WA)</td>
<td><em>Coronavirus Child Care &amp; Education Relief Act.</em></td>
<td>This legislation would build on the educational investments from the CARES Act and provide almost $430 billion in funding for child abuse and neglect prevention, child care, K-12 education, postsecondary education, and workforce development. This act will provide $50 billion to the Child Care is Essential bill, $1.5 billion for CAPTA, $33 billion to governors to support educational programs significantly impacted by COVID-19. Governors may also use funds to support early childhood education programs, including State pre-K programs, in order to ensure young children continue to receive care and services during the pandemic. Also provides increases for IDEA Part C ($500 million) and 619 ($400 million).</td>
<td>Support</td>
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ACTION ITEMS
FISCAL COMMITTEE MEETING
Minutes
•First 5 Santa Barbara County – ZOOM Meeting•

Thursday, August 13, 2020
9 am to 11 am
Join Zoom Meeting
https://us02web.zoom.us/j/89944272532?pwd=N0QzQzlyd3JzcWNJOGdSeTR6TDVEUT09
Meeting ID: 899 4427 2532
Passcode: 428560
+1 669 900 6833

A. REGULAR BUSINESS

1. Welcome and Roll Call
   Chair Salcido called meeting to order at 9:01 am
   Committee Members Present: Furuike, Mejia, Salcido, Ortiz
   Staff present: Wendy Sims-Moten, Suzanne Hayes, Michelle Robertson

2. Motion to approve minutes from the February 11, 2020 meeting
   Mejia/Furuike-All in favor: Furuike, Mejia, Ortiz, Salcido

3. Public Comment for items not in the agenda
   None Received

B. ACTION ITEMS

1. Review and Discuss Fiscal Year 19-20 Audit
   a) Public Comment
      None Received

   b) Motion to receive and recommend for approval the Annual Fiscal Audit for Fiscal Year 19-20 at the
      October 19, 2020 Commission meeting. ITEM TABLED

   c) Motion to table the item and address at a future date.
      Salcido/Mejia-All in favor: Furuike, Mejia, Ortiz, Salcido

C. NEXT STEPS

1. Adjourned at 9:56 am

In compliance with the Americans with Disability Act, if you need special assistance to participate in this meeting, or if translation assistance is requested please contact First 5 Santa Barbara County, Children and Families Commission

Approved 9.14.20
Commission Staff Report

Date: September 21, 2020

Subject: Item C-2c: Fiscal Framework Discussion – Section 2 of the Strategic Plan

Author: Michelle Robertson, Assistant Director

Recommended Action:

a. Motion to approve the budget scenario as presented and direct staff to design an operations and funding framework to begin July 2021.

Background/Summary:
When First 5 Santa Barbara County was established 21 years ago, the influx of new money dedicated to our county allowed us to use our resources to build or enhance programs and fund direct services that impacted individual children and families. As we make the transition to a leaner organization with fewer resources, we must maintain our sights on our vision, mission, and guiding principles – our “Essential Intent” – while shifting our role and funding approach to create an enduring impact for the greatest number of young children.

Every program that we have funded over the last twenty years were worthy programs. However, we cannot continue to invest in everything we have in the past, nor should we continue to fund programs that were formed to meet the needs of a different generation of children and families. Times have changed, needs have changed, and unfortunately, First 5 Santa Barbara does not have enough revenue to fund at the same level as it has historically based strictly on Prop 10 revenues. Moving forward, we must prioritize our funding to have the greatest impact possible on children, families, and communities.

To that end, we will identify “anchor agencies“ to work with for a systems level approach. Such anchor systems include school districts, Health Providers, county departments, and a select number of non-profit organizations that serve the regions we will be targeting and/or focus areas that produce outcomes towards our vision and mission. This includes increasing our emphasis on strengthening the systems that serve children and families and decreasing our emphasis on funding direct services. These systems-building activities are essential to advancing First 5’s mission and vision and achieving the goals of our strategic focus areas:

- Improved Family Functioning
- Improved Child Development
- Improved Child Health
- Improved Systems of Care
Over the last year of our current strategic plan, the Commission will end its financial support for currently-funded direct service programs as our 2021 Strategic Plan will establish new priority areas that support said systems. Therefore, all current contracts and financial obligations will end June 2021 and there will be an established application process for future funding available in the spring of 2021. The attachments provide a more detailed look at our projected revenues for the next four years, staff recommendations for investment areas for the strategic plan period beginning July 2021, and a snapshot of historic draws upon the reserve. Projections are based on information known at this time, and will be updated annually.

Within in the recommended scenario, First 5 will continue to spend down the discretionary reserves in its fund balance through FY 24/25 in order to release additional dollars to the community. The goal is to maintain a minimum balance of $1.5 million as an Emergency Reserve in the event that First 5’s revenue suddenly decreases and we must consider closing operations.

Commissioners are asked to discuss the proposed funding scenarios attached as well as the suggested allocations by focus areas for the 2021 Strategic Plan. The staff is then seeking direction to develop a fiscal framework that will guide our application process.

Fiscal Impact: Budget Adoption for the 2021 Strategic Plan

Attachments:
- 2021 Strategic Plan Investment Areas and Funding Scenarios
- Warm Glow Handout
## 2021 Strategic Plan Investment Areas and Funding Scenarios

### *4-Year Revenue Projections*

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<tr>
<td>Revenue</td>
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<td>$3,219,152</td>
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</tbody>
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*See County Projection Sheet for detail

Projected Reserve Balance at the Beginning of the 2021 Strategic Plan: **$5,345,478**

*See historic reserve draw for detail

### First 5 Strategies: Engage, Communicate, Measure, Invest

#### Proposed Investment Areas by Strategies and Percentage of Revenue

<table>
<thead>
<tr>
<th>Internal Capacity</th>
<th>Community Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Internal) Aim: 50% or less</td>
<td>(External) Aim: 50% or higher</td>
</tr>
<tr>
<td>First 5 Staff Salary and Benefits (Engage)</td>
<td>Community Investments</td>
</tr>
<tr>
<td>Operations</td>
<td>Innovation and Capacity Building</td>
</tr>
<tr>
<td>Communication and Outreach*</td>
<td>Planning Grants</td>
</tr>
<tr>
<td>Anchor Agencies</td>
<td>Measure (Evaluation Contracts)</td>
</tr>
</tbody>
</table>

*co-sponsorships, High-level Event, collaterals, media platforms, newsletters, graphic designer

### NOT Recommended – for discussion only

#### Funding Scenario 1 – No Draw on Reserve; Prop 10 Revenue and Interest Only

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<tr>
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<td>$1,566,316</td>
<td>$1,611,074</td>
<td>$1,657,050</td>
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<tr>
<td>Measure</td>
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<tr>
<td>Invest</td>
<td>$1,404,784</td>
<td>$1,327,760</td>
<td>$1,278,078</td>
<td>$1,164,805</td>
</tr>
</tbody>
</table>

| | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 |
| | 47%       | 49%       | 50%       | 53%       |
| | 2%        | 2%        | 2%        | 2%        |
| | 8%        | 8%        | 8%        | 8%        |
| | 43%       | 41%       | 40%       | 37%       |
### Staff Recommendation for consideration

#### Funding Scenario 2 – Draw on Reserve to Meet $2,000,000 Community Investment

<table>
<thead>
<tr>
<th></th>
<th>2021-2022</th>
<th>2022-2023</th>
<th>2023-2024</th>
<th>2024-2025</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>From Reserve</strong></td>
<td>$3,255,701</td>
<td>$3,224,076</td>
<td>$3,219,152</td>
<td>$3,151,855</td>
</tr>
<tr>
<td><strong>Engage</strong></td>
<td>$1,520,917</td>
<td>$1,566,316</td>
<td>$1,611,074</td>
<td>$1,657,050</td>
</tr>
<tr>
<td><strong>Communicate</strong></td>
<td>$80,000</td>
<td>$80,000</td>
<td>$80,000</td>
<td>$80,000</td>
</tr>
<tr>
<td><strong>Measure</strong></td>
<td>$250,000</td>
<td>$250,000</td>
<td>$250,000</td>
<td>$250,000</td>
</tr>
<tr>
<td><strong>Invest</strong></td>
<td>$1,750,000</td>
<td>$1,750,000</td>
<td>$1,750,000</td>
<td>$1,750,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2021-2022</th>
<th>2022-2023</th>
<th>2023-2024</th>
<th>2024-2025</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Projected Fund Balance</strong></td>
<td>$5,000,262</td>
<td>$4,578,022</td>
<td>$4,106,100</td>
<td>$3,520,905</td>
</tr>
</tbody>
</table>

**Total 4 Year Budget = $14,675,375**  
**Total 4 Year Reserve Draw = $1,824,573**

#### Invest (Community Investments) - $1,750,000 (4 YR Invest = $7,000,000)

**Community Capacity Grants – NTE = $550,000 (32%)**

<table>
<thead>
<tr>
<th>Focus Area</th>
<th>Amount</th>
<th>% of Allocation</th>
<th>% of Invest</th>
<th>4 YR Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emergency Response/Express Grants</td>
<td>$300,000</td>
<td>55%</td>
<td>17%</td>
<td>$1,200,000</td>
</tr>
<tr>
<td>Innovation and Capacity Building Grants</td>
<td>$80,000</td>
<td>15%</td>
<td>5%</td>
<td>$320,000</td>
</tr>
<tr>
<td>Planning Grants</td>
<td>$150,000</td>
<td>27%</td>
<td>9%</td>
<td>$600,000</td>
</tr>
<tr>
<td>Co-Sponsorships/Matching Funds</td>
<td>$20,000</td>
<td>4%</td>
<td>1%</td>
<td>$80,000</td>
</tr>
</tbody>
</table>

**Anchor Systems – NTE = $1,200,000 (68%)**

<table>
<thead>
<tr>
<th>Focus Area</th>
<th>Amount</th>
<th>% of Allocation</th>
<th>% of Invest</th>
<th>4 YR Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family Functioning</td>
<td>$225,000</td>
<td>19%</td>
<td>13%</td>
<td>$900,000</td>
</tr>
<tr>
<td>Improved Child Development</td>
<td>$125,000</td>
<td>10%</td>
<td>7%</td>
<td>$500,000</td>
</tr>
<tr>
<td>Improved Child Health</td>
<td>$225,000</td>
<td>19%</td>
<td>13%</td>
<td>$900,000</td>
</tr>
<tr>
<td>Improved Systems of Care</td>
<td>$625,000</td>
<td>52%</td>
<td>36%</td>
<td>$2,500,000</td>
</tr>
</tbody>
</table>
First 5 Santa Barbara County

Fund Balance Use by fiscal year

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual-(Draw)/Addition to Fund balance</td>
<td>($64,533)</td>
<td>($81,056)</td>
<td>($142,573)</td>
<td>($58,921)</td>
<td>($112,487)</td>
<td>$410,351</td>
<td>$21,035</td>
<td>($371,812)</td>
<td>$62,263</td>
<td>$659,558</td>
</tr>
<tr>
<td>Variance</td>
<td>($192,282)</td>
<td>$323,625</td>
<td>$314,584</td>
<td>$731,944</td>
<td>$159,953</td>
<td>$842,262</td>
<td>$396,015</td>
<td>$192,755</td>
<td>$530,763</td>
<td>$981,358</td>
</tr>
</tbody>
</table>

The actual use of fund balance varies from the budgeted amount primarily due to unanticipated revenue and/or lower expenditures.
## County Projections

<table>
<thead>
<tr>
<th>Calculation of Revenue projection:</th>
<th>FY 23-22</th>
<th>FY 22-23</th>
<th>FY 23-24</th>
<th>FY 24-25</th>
</tr>
</thead>
<tbody>
<tr>
<td>First 5 CA Disbursement Projection</td>
<td>$3,463,871</td>
<td>$3,430,295</td>
<td>$3,425,090</td>
<td>$3,353,396</td>
</tr>
<tr>
<td>Less backfill</td>
<td>$799,539</td>
<td>$795,078</td>
<td>$793,668</td>
<td>$777,420</td>
</tr>
<tr>
<td>Net</td>
<td>$2,664,332</td>
<td>$2,635,217</td>
<td>$2,631,422</td>
<td>$2,575,976</td>
</tr>
<tr>
<td>Net (without backfill) with 5% decrease</td>
<td>$2,531,116</td>
<td>$2,504,467</td>
<td>$2,499,851</td>
<td>$2,447,177</td>
</tr>
<tr>
<td>Backfill with 10% decrease</td>
<td>$719,585</td>
<td>$716,670</td>
<td>$714,301</td>
<td>$699,678</td>
</tr>
<tr>
<td>Adjusted Prop 10 Disbursement Revenue</td>
<td>$3,250,701</td>
<td>$3,219,076</td>
<td>$3,214,152</td>
<td>$3,146,855</td>
</tr>
</tbody>
</table>

| Variance from First 5 CA May projections | -$213,170 | -$211,219 | -$210,938 | -$206,541 |
| % Variance                             | -6.2%     | -6.2%     | -6.2%     | -6.2%     |

| Add Interest Revenue                  | $5,000    | $5,000    | $5,000    | $5,000    |
| Anticipated Revenue                   | $3,255,701 | $3,224,076 | $3,219,152 | $3,151,855 |
The Children and Families Commission (aka Commission) are tasked with allocating public funds towards building a better system of early childhood strategies towards school readiness. The Commission can be viewed as “impact investors” and are called upon to invest in not just one strategy, but across categories of investments. In the process, they are often influenced by the way these categories are defined. This categorical cognition can only be overcome through careful attention to data towards outcomes. However, there is a critical factor that is often overlooked when decisions are being made and that is **categorical cognition**—a tendency to use simple categories, rather than systematic calculation, to evaluate options; which contributes to the “warm glow” phenomenon.

In the realm of investing to achieve social and environmental impact, definitions of performance are often more ambiguous and information less complete than in traditional investing. Emotions come into play in new and complex ways. Think about the moment when you were first inspired to become involved in social impact. Almost certainly, you were drawn in, at least in part, by the feelings you have about making a difference. These pleasant, fuzzy feelings we associate with doing good are what decision-making researchers call “warm glow”. In the absence of relevant data, impact investors will easily fall into this trap of decision making. This occurs when the investor is typically more responsive to heart-warming stories than nuanced evidence of impact, which do not always go hand in hand. The “warm glow” can create biases, both implicit and explicit, which can lead to investments that don’t move the needle.

We know that the use of data to drive our decision-making is the best way to consider our options when there are many competing interests that could use our support. The practice, if accomplished, can provide an objective basis for identifying and minimizing bias. In other words, impact investors should ask:

1. If we didn’t make this investment, what would be the specific alternative use for our capital?
2. What are the expected financial, social, and environmental returns of that alternative?
3. Are tradeoffs on one dimension required to meet specific goals on the other?

In this way, the Commission can consider the allocation of funds in the context of their full opportunity cost. Investments should be defined first and foremost by the outcomes they produce. For this reason, our fiscal and evaluation plans must be intertwined. We can think of the collection of credible data about impact as playing a similar role in rooting out bias in impact investment. Without objective, reliable evidence of impact, refocusing decisions on outcomes is difficult, if not impossible.

This new approach subtly nudges investment toward the opportunities most likely to drive impact while still offering choice and retaining the story-based experience we often favor. This influence creates an important opportunity to “architect” impact investment decisions in a way that acknowledges biases and seeks to diminish their effects. Design of decision architectures also needs to respect and protect individual choice and allow for the flexibility and fluidity of an ever-changing landscape in the early childhood space.

Reference:

A. REGULAR BUSINESS

1. Welcome and Roll Call
   Chair Heitman convened meeting at 9:02AM

   Member Present:
   Tanja Heitman, Steve Ortiz (left at 10:45am), Flo Furuike, Suzanne Grimmesey (arrived at 9:11am), and Terri Allison

   UCSB Staff Present:
   Erika Felix and Antoniya Terzieva

   Staff Present:
   Michelle Robertson, Mari Ortega-Garcia, Sharol Viker, and Sara Gonzalez

2. A motion was made by Furuike, seconded by Ortiz to approve minutes from the May 20, 2019 meeting. The motion carried by the following votes: YES – 4  NO – 0  ABSTAIN – 0

3. Public Comment for items not in the agenda
   None Received

B. INFORMATIONAL ITEMS

1. 2020 Evaluation Committee Meeting Schedule – Mari Ortega-Garcia
   Committee members reviewed and discussed the 2020 Evaluation Committee meeting schedule. The committee agreed to meet on Thursday, August 20, 2020 from 9am to 12pm and Wednesday, September 30, 2020 from 1pm to 4pm.

C. ACTION ITEMS

   a. A motion was made by Furuike, and seconded by Grimmesey to accept the draft FY 2018-2019 Annual Evaluation Report with edits proposed at today’s meeting, and with the added recommendation that there would be no graphic design implemented in this year’s report and to recommend it to the Commission for final approval. The motion carried by the following votes: YES – 4  NO – 0  ABSTAIN – 0
D. PRESENTATION/DISCUSSION ITEMS

1. Discussion of timeline for future evaluation reports by UCSB – Michelle Robertson
   *Michelle Robertson discussed the timeline of future evaluation reports by UCSB with committee members*

2. Proposed Evaluation Framework for new Strategic Plan – Michelle Robertson/Mari Garcia
   *Michelle Robertson and Mari Ortega-Garcia presented the Proposed Evaluation Framework for new Strategic Plan to committee members*

Meeting Adjourned at 11:53am
PRESENTATION/DISCUSSION
ITEMS