

# First 5

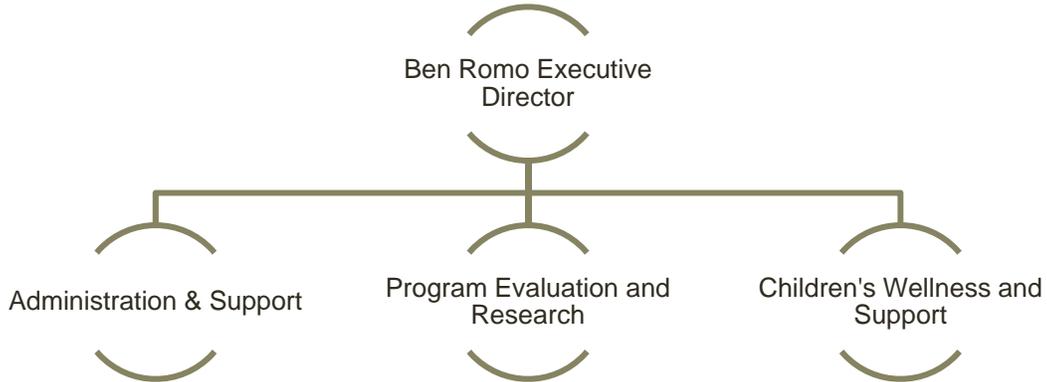


# First 5

## Budget & Full-Time Equivalents (FTEs) Summary

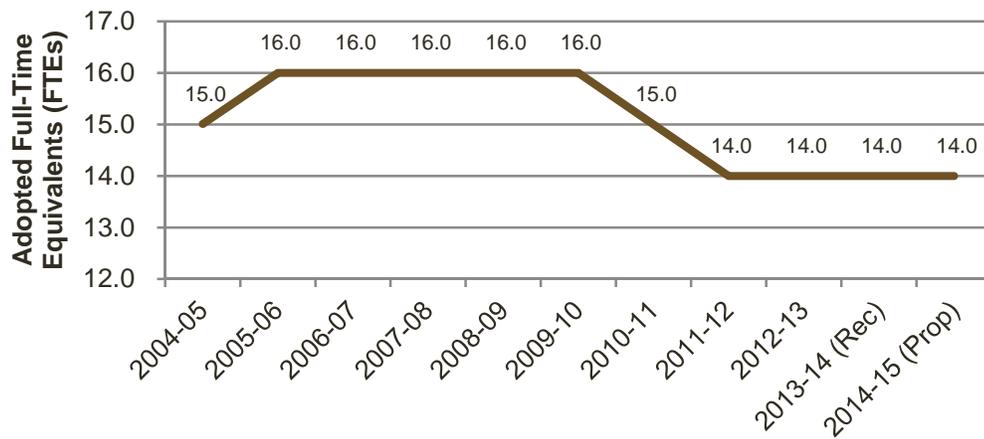
Operating	\$	5,069,892
Capital	\$	-
FTEs		14.0

## Budget Programs Chart



## Staffing Trend

The staffing trend values will differ from prior year budget books in order to show amounts without the impact of any vacancy factors



# First 5

## *Mission Statement*

To improve the lives of children through the support of Countywide, integrated, culturally relevant, and sustainable systems of services that promote optimal child development.

## *Department Description*

First 5 Santa Barbara County (First 5) was established in 1999 through the 1998 passage of Proposition 10, the California Children and Families Act which imposed a sales tax on tobacco products and designated those funds for programs and services that support the healthy and successful development of children from birth thru age 5. Santa Barbara County's share of Prop 10 funds are distributed based on the County's birth rate.

The 13-member First 5 Children and Families Commission (nine commissioners and four alternates) serves as the governing body of First 5 overseeing operations, fiscal and programmatic compliance, and ensuring the proper, effective and efficient use of taxpayer funds. Santa Barbara County is a critical partner in the success of First 5, and serves as the organizational umbrella for the agency. First 5's relationship with the County allows increased capacity and tremendous credibility in the community. First 5 is aligned with the Board of Supervisors Strategic Plan, Goal No. 6: Families and Children: "A community that Fosters the Safety and Well-being of Individuals, Families and Children."

Under the direction of the Executive Director, the department is organized into three budget programs: Administration and Support, Program Evaluation & Research, and Children's Wellness and Support, with a manager overseeing each. Administration and Support has fiscal oversight of the department and all programmatic contracts, funding and allocations. Program and Evaluation has programmatic oversight and accountability for contracts, technical assistance and training for grantees, service integration and coordination, and comprehensive results based evaluation directed

to key outcomes identified in the First 5 Strategic Plan. Additionally, Children's Wellness and Support includes First 5's Early Care and Education staff who coordinate extensive workforce development, engagement with higher education, school readiness, program quality improvement, capacity building, and parent support for children's early learning.

First 5 focuses its grants, programs, and strategies to support 0-5 year olds and their families in four specific areas: Child Health, Early Care and Education, Family Strengthening, and Systems Improvement. In each of these initiative areas, First 5 provides grants and funding to local nonprofits and agencies; leverages funding from state, local, and private sources to augment Prop 10 allocations; provides technical assistance, training, and educational resources to improve organizations, build capacity, and support professional development throughout the youth and families serving sector; and serves as a community partner, leader, catalyst, and convener to engage families, individuals, nonprofits, other funders, school districts and public agencies, and the community at large as partners in First 5's work.

As the department has developed over the years, First 5 has significantly expanded collaboration with other funders and funding streams. Building on its highly recognized expertise in early child development and skills in service integration and capacity building as well as results based evaluation; First 5 has been highly successful in increasing dollars for our County directive of investing in the vital importance of the early years.

## *2012-13 Anticipated Accomplishments*

### **Administration & Support**

First 5 administered and maintained 35 grants and/or contracts totaling \$4.3 million with nonprofits, agencies, school districts, and businesses to serve 0-5 year olds and their families and ensured the highest level of accountability and

# First 5

the proper and effective use of funds in accordance with the intent of Proposition 10 and the will of California Voters

Ensured a high level of fiscal control, transparency, accounting, and reporting meeting all requirements of state law, the rules and regulations of First 5 of California, the County's auditing and fiscal control processes, and an independent third party audit and review of finances.

Provided support to the Santa Barbara First 5 Commission as the governing authority and representative body, charged with spending funds, and overseeing operations, programs, strategies, and activities of the agency.

## **Program Evaluation and Research**

Utilizing UC Santa Barbara as a hub for data aggregation, established a system of data collection and results dissemination with school districts to better track long-term outcomes for children beginning at birth.

Disseminated evaluation results for Commission funded areas within six newsletters. Completed a template that will be used for an electronic newsletter focused on evaluation results and outcomes.

Published Commission's Annual Evaluation Report, Community Impact Report and program results within Commission's website that provide greater access to those documents for the public seeking information on the impact of funded programs.

## **Children's Wellness and Support**

As demonstrated within First 5's 2011-2012 Annual Evaluation Report, clients participating in the Front Porch program within the Family Strengthening Initiative showed a drop in recidivism for child abuse reports from 30% in FY 08-09 to 5.6% in FY 11-12. This was the result of a strong partnership between First 5, the County's Child Welfare System (CWS), Community Action Commission (CAC), and Child Abuse Listening and Mediation (CALM)

working to ensure that children are growing up in safer home environments.

As revealed in the 2011-2012 Annual Evaluation Review, parents receiving services from partners within the Family Strengthening Initiative showed significant improvements in their parenting skills, from 66% at intake to 81% at follow up. Consequently, children in these programs have the opportunity to enjoy more stable and secure relationships with their parents/caregivers.

Over 5,000 children are receiving higher quality early care and education services, which helps improve school readiness. A total of 32 child care centers in the County have met the highest standard for early care and education programs with national accreditation. Additionally, of approximately 2,000 child care providers in Santa Barbara County, 36% now have Bachelor's degrees, and 55 child care providers improved their physical environments by 11%-15%, based on valid and reliable rating tools.

## *2013-15 Objectives*

### **Administration & Support**

Ensure a high level of fiscal accountability and oversight in relation to the granting of funds for program purposes and reporting on outcomes to ensure the effective and efficient use of tax payer dollars; compliance with state, local, and other accounting and reporting requirements; and adherence to the will of California voters and Proposition 10.

Create a new strategic plan that identifies specific goals, objectives, outcomes, and the particular activities, plans and strategies that will be employed to achieve them.

Create a new fiscal strategic plan/business plan that ensures long-term stability and identifies specific investment strategies to achieve results.

# First 5

## Program Evaluation and Research

Provide greater access and transparency to interested parties by publishing data, results, and outcomes on an ongoing basis on the Commission's website and other direct communications venues.

Revise current set of program indicators that track results so that they are easier to gather and better communicate, and more accurately reflect, the desired results that are hoped to be achieved.

Research and present various alternative strategies for funding in preparation for the 2014 Commission Strategic Plan.

## Children's Wellness and Support

Increase First 5 staff knowledge, strategies, and skills in meeting funded scopes of work as well as overall program and agency performance, staff will participate in trainings on the following topics: digesting data, using evaluation within contracts, and the use of our Contract Monitoring Guide.

Increase First 5 funded agency knowledge, strategies, and skills in meeting funded scopes of work as well as overall program and agency performance funded partners through technical assistance and training.

Oversee and facilitate consortia of early care and education stakeholders in establishing a Quality Rating and Improvement System funded through the federal Race to the Top Early Learning Challenge grant in order to improve access to quality early care and education, especially in high need communities.

*Changes & Operational Impact:  
2012-13 Adopted to  
2013-14 Recommended*

## Staffing

No changes in staffing

## Expenditures

- Net operating expenditure decrease of \$29,000:
- +\$69,000 increase in Salaries and Benefits for employee salaries, workers compensation premiums, retirement rate and health insurance increases.
- \$98,000 decrease in Services and Supplies and Other Charges due to:
  - -\$81,000 decrease in contractual services grants sunsetting, fees being charged and increases in county costs
  - -\$17,000 decrease in data processing services, motor pool and slight increase in liability and telephone services
- Net non-operating expenditure decrease of \$203,000 due to a decrease to the fund balance from the FY 2011-12 year-end balancing entry

These changes result in recommended operating expenditures of \$5,070,000, non-operating expenditures of \$2,000, resulting in total expenditures of \$5,072,000. Non-operating expenditures primarily include capital assets, transfers, and increases to fund balances.

## Revenues

- Net operating revenue decrease of \$285,000
  - -\$26,000 Decrease in interest income (interest adjusted to better reflect actual interest earned)
  - -\$39,000 Decrease in State Allocation per revenue projections from Board of Equalization
  - +\$26,000 Increase in Intergovernmental allocation due to late adjustment in state contract
  - -\$245,000 Decrease in Miscellaneous revenue and other grants due to grants sunsetting

# First 5

- Net non-operating revenue increase of \$52,000
  - +\$52,000 in the use of one-time fund balance to fund ongoing operations and release funds designated for approved projects

These changes result in recommended operating revenues of \$4,359,000, non-operating revenues of \$713,000, resulting in total revenues of \$5,072,000. Non-operating revenues primarily include General Fund Contribution, transfers, and decreases to fund balances.

## *Changes & Operational Impact: 2013-14 Recommended to 2014-15 Proposed*

First 5 funding is derived mainly from taxes collected on tobacco products. As the number of smokers has decreased in the state, so too has First 5's annual funding. Recognizing this decrease, in 2010 the First 5 Commission approved spending reserves in order to maintain programs and services. The current fiscal strategic plan calls for maintaining a reserve of no less than one year of operational expenses (approximately \$1.5 million). First 5's continued ability to dip into reserves will be limited in future years. The purpose of the current strategic planning process is to identify the key strategies and focus areas that First 5 pursues in the future to maintain its impact in light of the need for cuts in funding. Revenue generating opportunities will also be developed to maintain organizational capacity. The results of the strategic planning process and revenue generating alternatives are not known at this time and as such, specific cuts have not been specifically identified in the fiscal forecast submitted.

It is anticipated that First 5 Santa Barbara's plan for spending will change resulting from the outcome of the upcoming strategic planning process. The recommended and proposed budgets remain consistent with both the Strategic Plan and the Fiscal Strategic Plan and the best economic information we have to date.

FY 2013-14 and FY 2014-15 will prove to be an exciting time as we venture into a new era under new leadership and strategic direction

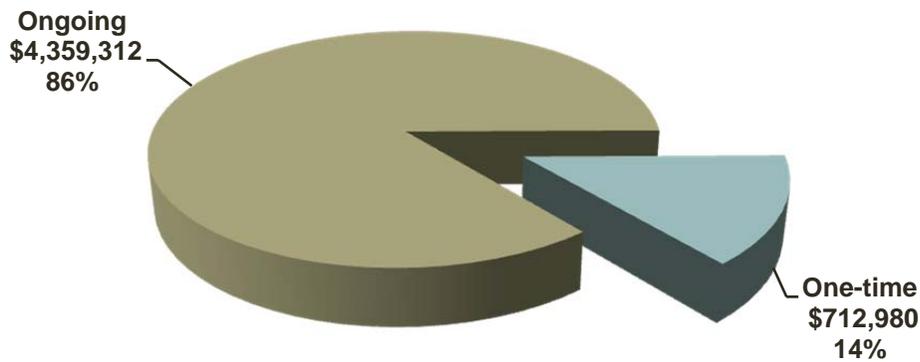
## *Related Links*

For more information on the First Five Department, refer to the Web site at <http://first5santabarbaracounty.org/>.

# First 5

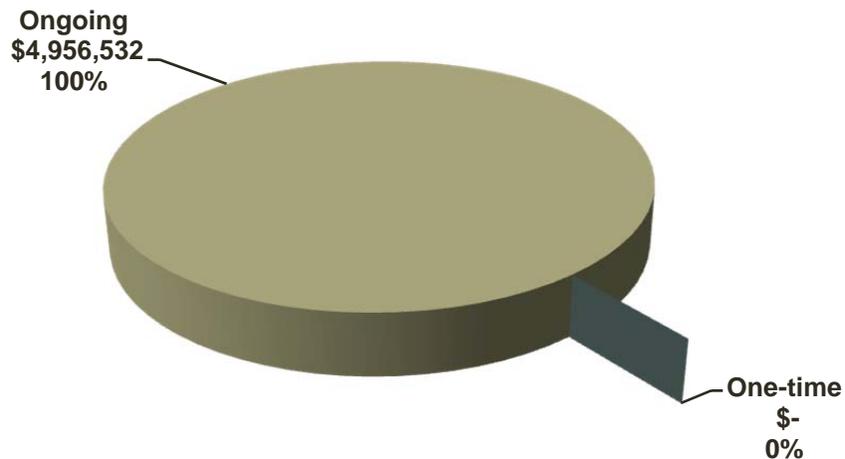
## Gap Charts

### FY 2013-14 Recommended Budget



The FY 2013-14 Recommended Budget relies on the use of reserve funds in the amount of \$713,000 to fund 14% of the department's ongoing operations. The use of these funds is reflected in the First 5 Commission's approved Long Range Financial Plan.

### FY 2014-15 Proposed Budget



The First 5 Commission's approved Long Range Financial Plan projects a decrease in funding in FY 2013-2014, and FY 2014-2015. It is estimated there will be a 16% budget gap of \$794,000 in FY 2014-2015. To support ongoing operations, the Commission has always planned for monitored contributions from designated reserve to make up a portion of the projected decrease.

# First 5

## Performance Outcome Measures

Description	FY 2011-12 Actual	FY 2012-13 Adopted	FY 2013-14 Recommended	FY 2014-15 Proposed
Number of newsletters and community reports providing transparency and communication of results (Target = 8)	8	8	8	8
Percent of contracted agencies receiving site visits to ensure fiscal accountability (Target = 100%)	100% 15	100% 12	100% 15	100% 15
Number of Early Childhood Education individuals receiving national accreditation with First Five assistance (Target = >30)	20	30	42	47

# First 5

## Budget Overview

	2011-12 Actual	2012-13 Adopted	Change from FY 12-13 Ado to FY 13-14 Rec	2013-14 Recommended	2014-15 Proposed
<b>Staffing By Budget Program</b>					
Administration & Support	3.49	4.00	-	4.00	4.00
Program Evaluation and Research	0.99	1.05	0.00	1.05	1.05
Children's Wellness and Support	8.88	8.95	(0.00)	8.95	8.95
<b>Total</b>	<b>13.36</b>	<b>14.00</b>	<b>0.00</b>	<b>14.00</b>	<b>14.00</b>
<b>Budget By Budget Program</b>					
Administration & Support	\$ 680,590	\$ 865,253	\$ (116,515)	\$ 748,738	\$ 766,252
Program Evaluation and Research	404,009	358,292	3,506	361,798	365,723
Children's Wellness and Support	4,816,733	4,081,545	(119,789)	3,961,756	3,824,557
Fund Balance Impact (+)	68,420	-	-	-	-
<b>Total</b>	<b>\$ 5,969,752</b>	<b>\$ 5,305,090</b>	<b>\$ (232,798)</b>	<b>\$ 5,072,292</b>	<b>\$ 4,956,532</b>
<b>Budget By Categories of Expenditures</b>					
Salaries and Employee Benefits	\$ 1,504,918	\$ 1,589,459	\$ 68,703	\$ 1,658,162	\$ 1,713,998
Services and Supplies	4,264,088	3,439,197	(80,951)	3,358,246	3,185,945
Other Charges	73,377	70,558	(17,074)	53,484	54,189
<b>Total Operating Expenditures</b>	<b>5,842,384</b>	<b>5,099,214</b>	<b>(29,322)</b>	<b>5,069,892</b>	<b>4,954,132</b>
Other Financing Uses	2,400	2,400	-	2,400	2,400
Increases to Fund Balances	56,548	203,476	(203,476)	-	-
Fund Balance Impact (+)	68,420	-	-	-	-
<b>Total</b>	<b>\$ 5,969,752</b>	<b>\$ 5,305,090</b>	<b>\$ (232,798)</b>	<b>\$ 5,072,292</b>	<b>\$ 4,956,532</b>
<b>Budget By Categories of Revenues</b>					
Use of Money and Property	\$ 32,894	\$ 55,968	\$ (25,968)	\$ 30,000	\$ 28,000
Intergovernmental Revenue	4,280,806	3,942,591	(13,958)	3,928,633	3,758,951
Miscellaneous Revenue	1,449,059	645,898	(245,219)	400,679	375,879
<b>Total Operating Revenues</b>	<b>5,762,759</b>	<b>4,644,457</b>	<b>(285,145)</b>	<b>4,359,312</b>	<b>4,162,830</b>
Decreases to Fund Balances	206,993	457,157	255,823	712,980	793,702
Fund Balance Impact (-)	-	203,476	(203,476)	-	-
<b>Total</b>	<b>\$ 5,969,752</b>	<b>\$ 5,305,090</b>	<b>\$ (232,798)</b>	<b>\$ 5,072,292</b>	<b>\$ 4,956,532</b>

**First 5**

