

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

701



FROM: Department of Public Social Services/Riverside County
Children and Families Commission

SUBMITTAL DATE:
July 21, 2015

SUBJECT: Fiscal Year 2015/2016 Annual Budget of the Riverside County Children and Families Commission, [Districts-All] [\$0]

RECOMMENDED MOTION: That the Board of Supervisors receive and file the FY 2015/2016 Annual Budget of the Riverside county Children and Families Commission.

BACKGROUND:

Summary

The Riverside County Children and Families Commission (RCCFC) was established by this Board with the adoption of Ordinance No. 784, enacted on January 22, 1999 and reorganized by this Board with the adoption of Ordinance No. 784.9 enacted on June 9, 2009. The RCCFC implements the provisions of Proposition 10, which provides tobacco tax funds to facilitate the creation and implementation of an integrated, comprehensive, and collaborative system of information and services to enhance optimal early childhood development and to ensure that children are ready to enter school.

Susan von Zabern

Susan von Zabern
Director

(Continued on page 2)

Departmental Concurrence

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	\$ 0	\$ 0	\$ 0	Consent <input checked="" type="checkbox"/> Policy <input type="checkbox"/>
NET COUNTY COST	\$	\$ 0	\$ 0	\$ 0	
SOURCE OF FUNDS: Federal Funding: 0% State Funding: 0%; County Funding: 0%; Realignment Funding: 0%; Other Funding: 0%				Budget Adjustment: N/A For Fiscal Year: 15-16	

C.E.O. RECOMMENDATION:

APPROVE

County Executive Office Signature

BY:

Jennifer L. Sargent
Jennifer L. Sargent

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Tavaglione, seconded by Supervisor Washington and duly carried, IT WAS ORDERED that the above matter is received and filed as recommended.

Ayes: Jeffries, Tavaglione, Washington and Benoit
Nays: None
Absent: Ashley
Date: August 18, 2015
xc: Public Health

Kecia Harper-Ihem
Clerk of the Board

By: *Kecia Harper-Ihem*
Deputy

- A-30
- Positions Added
- 4/5 Vote
- Change Order

Prev. Agn. Ref.:

District: All

Agenda Number:

2-41

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Fiscal Year 2015/2016 Annual Budget of the Riverside County Children and Families Commission
[Districts-All] [\$0]

DATE: July 21, 2015

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BACKGROUND:

Summary (continued)

Ordinance No. 784 requires the annual budget be submitted to the Board of Supervisors for review and comment. The Fiscal Year 2015/2016 Annual Budget was approved by the Riverside County Children and Families Commission (RCCFC) on June 20, 2015 (see attached summary of the action item from the Commission meeting). Following is an overview of the major components of the FY 2015/2016 budget as approved by the Commission:

The 2015/2016 budget includes \$20,568,297 in revenues and \$28,927,976 in total expenses with \$8,487,497 coming from fund balance to supplement current year revenues.

The budget is comprised of the following funding priorities in support of ongoing programs and initiatives:

Early Care and Education (ECE) Initiatives: Programs that focus on increasing access to quality child care and preschool through the provision of scholarships and investments in a quality environment and workforce. The needs of high risk families are met across the various programs and through targeted investments that focus on high quality early care and education, and comprehensive wrap around services for children who are exposed to, or experiencing crises (homelessness, domestic violence, etc.), have special health, developmental or social emotional needs. The amount of funding allocated to ECE programs totals \$9,904,761.

Health and Community Programs (HCP) Initiatives: Priority investments include support to children, parents and providers working with children to increase access to, and appropriate utilization of ongoing sources of, health care. This includes outreach and education, screening and the provision of treatment services through programs such as Asthma Management, Breastfeeding Support, Pediatric Residency Program, Health Access, Utilization and Retention, Targeted Home Visitation, Nutrition and Physical Activity, and Early Childhood Mental Health Services. The amount of funding allocated to HCP programs totals \$11,930,480.

Systems Change and Capacity Building: The Commission continues to emphasize systems strengthening and enhancement to mitigate future reduction in Proposition 10 revenues by making long-term sustainable changes in Riverside County through collaborations that support the healthy development of young children and their families by leveraging of funds, technical assistance and service delivery coordination. The amount of funding allocated to System Change and Capacity Building totals \$2,707,371.

Impact on Residents and Businesses

The Riverside County Children and Families Commission delivers services to all Riverside County residents with children in need, 0 to 5 years of age.

SUPPLEMENTAL:

Additional Fiscal Information

100% Proposition 10 revenue

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ATTACHMENTS:

- A. FY 2015/2016 Annual Budget of the Riverside County Children and Families Commission
- B. Commission meeting summary

SvZ:clh

**Riverside County Children and Families Commission
 FISCAL YEAR 2015/2016 BUDGET
 Business Unit = CFARC / DeptID = 938001 / Fund = 25800**

DESCRIPTION	ACCOUNT	PROGRAM	APPROVED BUDGET FOR FISCAL YEAR 2014/2015	APR PROJECTIONS THRU 06/30/15	PROPOSED BUDGET FOR FISCAL YEAR 2015/2016
1 TOTAL REVENUES	7xxxxx		\$ 21,595,124	\$ 21,211,035	\$ 20,568,297
2 EXPENSES:					
3 TOTAL SALARIES & BENEFITS	51xxxx		\$ 2,249,934	\$ 2,099,723	\$ 2,508,753
4 TOTAL OPERATING EXPENSES	52xxxx		\$ 1,084,990	\$ 989,097	\$ 1,456,611
5 CONTRACTS:					
6 Professional Services - Quality Assessments	525440	81400	\$ 33,780	\$ 99,308	\$ 58,916
7 Special Program Expense - Burmuda Dunes	527780	80000	2,125	2,025	-
8 Special Program Expense - IE Autism Assessment Center	527780	80000	-	-	300,000
9 Special Program Expense - Mead Valley	527780	80000	366,047	289,026	67,200
10 Special Program Expense - Murrieta USD	527780	80000	60,000	-	-
11 Special Program Expense - QRIS Training	527780	81400	109,664	109,664	150,000
12 Special Program Expense - Hemet USD - Valle Vista	527780		-	-	1,461,959
13 Contracts - Community Response-NPSS Prior Year Adj	527980	80000	-	149,947	-
14 Contracts - Cares Plus (Local)	527980	81170	782,609	675,000	782,609
15 Contracts - Cares Plus (State)	527980	81220	260,870	226,000	260,870
16 Contracts - Evaluation	527980	81250	118,245	106,831	96,987
17 Contracts - Operational - ECE	527980	81400	7,227,653	7,718,848	7,859,994
18 Contracts - Operational - Quality Availability/Physical Settings	527980	81400	4,979,742	1,675,238	34,200
19 Contracts - Operational - Access & Quality Escuela	527980	81400	99,207	215,753	215,753
20 Contracts - Operational - Grandparents	527980	81400	300,000	300,000	300,553
21 Contracts - Operational - UCR QRIS TA	527980	81400	167,990	173,171	144,879
22 Contracts - Operational - HCP	527980	81400	5,891,891	5,841,688	6,537,405
23 Contracts - Operational - Borrego	527980	81400	121,624	121,624	109,065
24 Contracts - Operational - Medical School	527980	81400	1,203,572	550,000	2,276,260
25 Contracts - Mental Health Initiative	527980	81400	2,585,800	2,624,200	2,757,750
26 Contracts - Healthy Kids	527980	81400	250,000	250,000	250,000
27 Contracts - Riv Cnty Reg Med Cntr	527980	81400	-	66,525	-
28 Contracts - Systems Change and Capacity Building	527980	92910	404,278	-	878,212
29 TOTAL CONTRACTS			\$ 24,965,097	\$ 21,193,848	\$ 24,542,612
30 Land	540040		\$ -	\$ 373,380	\$ -
31 Buildings	542020		-	(378,844)	-
32 Improvements - Building	542060		689,557	243,740	420,000
33 Equipment - Office	546140		39,000	39,000	-
TOTAL CAPITAL EXPENSES			\$ 728,557	\$ 277,276	\$ 420,000
34 TOTAL EXPENDITURES			\$ 29,028,578	\$ 24,559,944	\$ 28,927,976
35 NET INCOME/(LOSS)			\$ (7,433,454)	\$ (3,348,909)	\$ (8,359,679)
36 AMOUNTS FROM FUND BALANCE COMMITMENTS:			\$ 6,452,127	\$ 5,473,301	\$ 8,487,497
37 ADJUSTED NET INCOME/(LOSS)			\$ (981,327)	\$ 2,124,392	\$ 127,818
38 Beginning Fund Balance			\$ 43,293,870	\$ 44,284,583	\$ 40,935,674
39 Net Suplus/(Deficit)			\$ (981,327)	\$ 2,124,392	\$ 127,818
40 Net Change to Committed Fund Balance			\$ (6,452,127)	\$ (5,473,301)	\$ (8,487,497)
41 Ending Fund Balance			\$ 35,860,416	\$ 40,935,674	\$ 32,575,995
42 Committed Fund Balance			\$ 25,440,945	\$ 23,539,969	\$ 17,236,485
43 Assigned Fund Balance			\$ 5,581,375	\$ 13,302,381	\$ 10,518,181
44 Unassigned Fund Balance			\$ 4,838,096	\$ 4,093,324	\$ 4,821,329

Prepared By:
 Date Prepared:

Trudy A. Guthrie
 05/26/15

AB 109 Percentages	
Administration	9.7%
Evaluation	3.5%
Program	86.7%
Total	100.0%

ACTION REPORT – June 10, 2015

Note: Please contact Stella or Tammi with any questions that you may have when reviewing this packet. We will make every effort to address your question/concern and have any information requested to you by Commission meeting day.

Items may be taken individually or in a block motion. All action items including contracts and amendments referenced herein have been reviewed by County Counsel and approved as to form.

Please advise prior to call for the vote if there are other action items you would like to pull from the block vote for further discussion.

Contact Information: (951) 715-4500 or (800) 266-3880
Direct Extension: Stella 4524; Tammi 4699

15-14: Adopting the Annual Budget of the Riverside County Children and Families Commission for Fiscal Year 2015/2016

History/Background:

- June 11, 2014: The Commission approved the current year budget (Action Item 14-16). The approved budget reflected \$21,595,124 in revenues and \$29,028,578 in total expenses with \$7,433,454 from fund balance supplementing current year revenues.

Summary:

- June 10, 2015: The 2015/16 budget reflects estimates of \$20,568,297 in revenues and \$28,927,976 in total expenses with \$8,487,497 from fund balance supplementing current year revenues. Fiscal staff will provide a general overview of the recommended budget for Fiscal Year 2015/16 including a review of funding offsets by fund balance dollars. Below is a summary of significant implications as compared to the prior fiscal year budget:

1. Revenues

- a. Cash on hand and Prop 10 revenues continues to decrease at a rate of 14% and the interest earning on deposited funds is currently at a rate of .46% as of March 2015.
- b. Child Signature Program ended in June 2015 and Cares PLUS will continue for one more fiscal year.
- c. Pending are the QRIS Block Grant through RCOE and the Impact Grant through First 5 California. When these grants are finalized, we will come back with a budget adjustment.

2. Salaries and Benefits

- a. Salaries are based on current employees in line with current union agreements for COLAs, additional steps added to some positions, and scheduled step increases. These changes represent an increase over previous year budget of 11.5%.

3. Operating Expenses

- a. Expenses relating to the maintenance of the building have increased as follows:
 - i. Janitorial Services – an increase of \$12,400
 - ii. Building maintenance – a new expense of \$75,000
 - iii. Ground maintenance – an increase of \$13,100
- b. Miscellaneous Expense includes the First 5 Association dues of \$32,192.
- c. Administrative Expense – a decrease of \$35,692 which includes the reclassification of the First 5 Association dues to Miscellaneous Expense.
- d. Office Equipment includes the purchase of 10 All in One computers for the Commission meetings, an increase of \$8,500.
- e. Administrative Support-Indirect includes the audits being completed by the IRG unit of DPSS, an increase of \$25,000.
- f. Auditing and Accounting includes a reclassification of the IRG audits to Administrative Support-Indirect.
- g. County Counsel increase of \$6,268 includes an increase in their internal service fee (ISF).
- h. Professional Services includes the following:
 - i. Web Consultant for refresh & communication technical assistance for \$50,000
 - ii. Formal Evaluation report for \$300,000.
 - iii. Targeted Needs Assessment for Programs for \$300,000.
- i. Advertising includes the following increases:
 - i. General public relations – an increase of \$6,500.
 - ii. An increase in various campaigns of \$16,300.
- j. Special Program Expense includes the following:
 - i. Inland Empire Autism Center for \$300,000.
 - ii. Mead Valley Child Care for \$67,200.
 - iii. QRIS training including CLASS and DRDP for \$150,000.
 - iv. Hemet Unified School District for \$1,461,959.
- k. Private Mileage includes an increase of \$10,000 for site visits by the Executive Director and Deputy Director.

4. Contract Expenses

- a. Evaluation contract for Persimmony decreased by \$21,258.
- b. ECE contracts which include Access and Quality, Families in Crisis, Home Visitation and Special Needs increased by \$632,341.
- c. Quality Enhancements and Physical Settings decreased by \$4,945,542 due to the quality physical settings portion of the

contracts sun setting in June 2015 and only staffing will be paid in FY 2015/16.

- d. Escuela access and quality contract outside the RFP increase by \$116,546 due to their tier increase.
 - e. Health contracts which include Asthma, Breastfeeding, Nutrition and Physical Fitness, Targeted Home Visitation, and Oral Health increased by \$645,514.
 - f. UCR Medical School increased by \$1,072,688 due to the rollover of unspent funds from FY2012/13 and FY2013/14. Total expensed since inception through April 30, 2015 is \$815,611. The funding cycle of this contract ends in FY2016/17.
 - g. Mental Health contracts increased by \$171,950 due to estimated rollover amounts from prior fiscal year.
 - h. System Change and Capacity Building was originally planned to spend \$1,242,000 in the current strategic plan. This category was significantly underspent and we have included the amount that is still available for spending in this category for \$878,212.
5. Capital Expenditures include the part of remaining amount of the \$3,000,000 reserve for the new building and associated costs.
6. Administrative Rate is at 9.7% due to a decrease in the contracts and the increase in maintenance on the building. Administrative Rate should decrease once the QRIS block grant and the Impact grant are finalized.

Recommended Action: That the Commission 1) adopt the FY 2015/16 budget as proposed, and 2) authorize the Executive Director or designee to approve:

- a. Items specified by a specific vendor under the Operational Expense section of this budget (excluding Operational Contracts). Requisitions or purchases above the \$25,000 authority limit associated with these items are referenced immediately below:

1.	Targeted Needs Assessment	\$300,000
2.	Formal Evaluation Report	\$300,000
3.	Maintenance-Other-Acorn Technology	\$ 55,200
4.	First 5 Association Dues	\$ 32,192
5.	Professional Services-Web Consultant	\$ 50,000

- b. Administrative rate, execute documents and coordinate appropriate actions to expend funds in accordance with established Commission policy and as set forth in the attached budget.

Budget Impact: The 2015/16 budget reflects \$20,568,297 in revenues and \$28,927,976 in total expenses with \$8,487,497 from fund balance supplementing current year revenues.

Strategic Plan Focus Area Relevance: Not Applicable

Potential Conflicts of Interest: None known

15-15: Adopting a Position in Support of Senate Bill 151 - Tobacco products: minimum legal age

History/Background:

- January 29, 2015: Senator Ed Hernandez, D-Azusa had introduced a bill that, if passed, would make California the first state in the country to increase the legal smoking age in California from 18 to 21. Existing law prohibits furnishing tobacco products (including smokeless tobacco products) to, and the purchase of tobacco products by, a person under 18. This bill would extend the applicability of those provisions to persons under 21.
- April 8, 2015: The Commission was advised of an inquiry from a representative in Senator Roth's office concerning the Commission's position on the bill as it could adversely impact Proposition 10 revenues.

Summary:

- May 13, 2015: Staff provided the Commission with an update regarding the status of the bill and of the Association of First 5 Commission letter supporting the bill. The Commission asked staff to draft support document for formal action by the Commission at the June meeting.
-

Recommended Action: That the Commission 1) adopt a position in support of Senate Bill 151 - Tobacco products: minimum legal age 2) authorize the Executive Director or designee to communicate this action as appropriate and, 3) to execute the necessary documents and actions without requiring further action of the Commission.

Budget Impact: No impact

Strategic Plan Focus Area Relevance: Systems Change - Education

Potential Conflicts of Interest: None known