

# Item 3

*Strategic Planning Discussion:  
Review and Discuss Resources and  
Implications*



**Strategic Plan 2015-2020:  
Focusing for the Future**

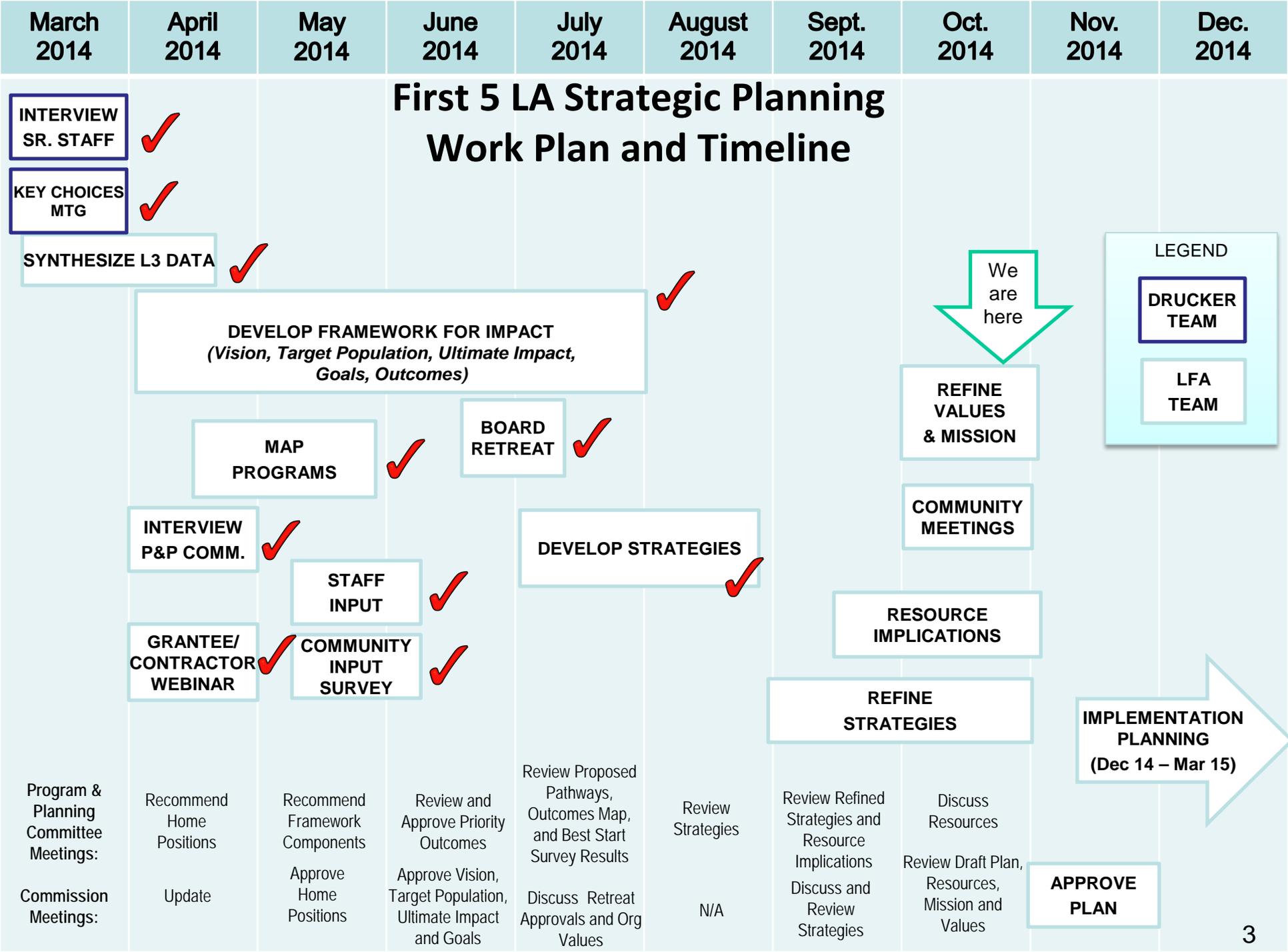
**Program and Planning Committee Meeting/  
Special Meeting of the Commission**

October 22, 2014



# Goals of Today's Presentation

- Review key Commission direction and financial estimates foundational to 2015-2020 strategic priorities
- Provide an overview of ongoing analysis that will continue during implementation planning
- Solicit policy direction on the following:
  - Range of resource allocations required to advance 2015-2020 strategic plan outcomes
  - Resources available for 2015-2020 Strategic Plan



# Board Direction Informs Fiscal Management and Future Investment Decisions

- Long-term Fiscal Projection
  - Provides Commission with an estimated 5-year trend of expenditures and revenues to inform fiscal management
- Reserve Policy
  - Establishes a reserve of 25% of annual operating and program costs to provide a cushion against unexpected events
- Governance Guidelines
  - Affirms commitment to implementing investments that align with next strategic plan and promotes sustainability
- 2015-2020 Strategic Plan: Ultimate Impact, Outcomes, Focus Areas, and Strategies
  - Provides a framework for the change we seek and the role First 5 LA will play

**Outcomes**

**Priority Focus Areas**

**Families**

Increased family protective factors

- Increased parent/caregiver resiliency; social connections; knowledge of parenting and child development; and capacity to provide enriching, structured, and nurturing environments for their children
- Access to concrete supports in times of need
- Improved capacity of ECE- and health-related providers to engage parents/caregivers in supporting their child's development

**Communities**

Increased community capacity to support and promote the safety, healthy development, and well-being of children 0-5 and their families

- Community members have a shared vision and act collectively to improve the policies, services and environments that impact families
- Communities have ECE- and health-related supports that meet family needs
- Communities have physical places and spaces that promote healthy living and encourage interaction

**ECE Systems**

Increased access to quality early care and education

- Improved access to affordable, quality, sustainable early care and education, particularly among high risk populations
- Improved quality of ECE services through increased provider capacity

**Health, Mental Health and Substance Abuse Services Systems**

Improved capacity of health, mental health, and substance abuse services systems to meet the needs of children 0-5 and their families

- Increased effectiveness and responsiveness of screening and early intervention programs across health, mental health, and substance abuse services systems
- Improved capacity of health, mental health, and substance abuse services providers to deliver trauma-informed care to children 0-5 and their families

**Outcomes**

**Families**

Increased family protective factors

**Communities**

Increased community capacity to support and promote the safety, healthy development, and well-being of children 0-5 and their families

**Emerging Programmatic Strategies**

- Lead the testing, modification, and scaling up of evidence-based practices and programs that work directly with parents/caregivers to increase family protective factors, with a primary focus on Welcome Baby and targeted home visiting models
- Pilot and/or promote the scaling of evidence-based parent/caregiver-engagement models that increase family protective factors in ECE and health-related settings

- Convene and create opportunities for collaboration among parents/caregivers, residents, organizations, and institutions across multiple sectors with the Best Start communities to work together to achieve the core results of the Building Stronger Families Framework
- Convene and strengthen the capacity of ECE and health-related organizations and institutions to improve services and supports within the Best Start communities
- Convene and strengthen the capacity of existing advocacy groups to work with communities to create new or improved physical places and spaces for families and children 0-5 with a priority focus on Best Start communities

## Outcomes

### ECE Systems

Increased access to quality early care and education

### Health, Mental Health and Substance Abuse Services Systems

Improved capacity of health, mental health, and substance abuse services systems to meet the needs of children 0-5 and their families

## Emerging Programmatic Strategies

- Advocate for greater public investment in quality early care and education with a focus on both infant/toddler care and preschool
- Support implementation of a uniform Quality Rating and Improvement System (QRIS) within LA County in order to build the evidence base to support advocacy and policy change
- **Strengthen the preparation and professional development system for early care and education providers**

- Advocate for policy and practice changes to support efforts to improve coordination and functioning of developmental screening, assessment and early intervention programs
- Identify and promote best practices around trauma-informed care that improve the service delivery system for children 0-5 and their families

# Implementation Planning Period: Continuing Analysis and Recommendation Development

1. Refine estimates for 2015-2020 Strategic Plan activities
2. Review investments expiring during next strategic plan, identify remaining resources, make recommendations regarding use
3. Explore options for new revenue streams for the organization (e.g., local or state tobacco or e-cigarette revenues)
4. Review staffing needs/organizational structure required to support new strategic plan

# 2015-2020 Strategic Plan Fiscal Analyses

1. What allocation of resources among the outcome areas can effectively support the 2015-2020 Strategic Plan?
2. What resources are available for the 2015-2020 Strategic Plan? Are these resources in alignment with those required to support the 2015-2020 Strategic Plan?

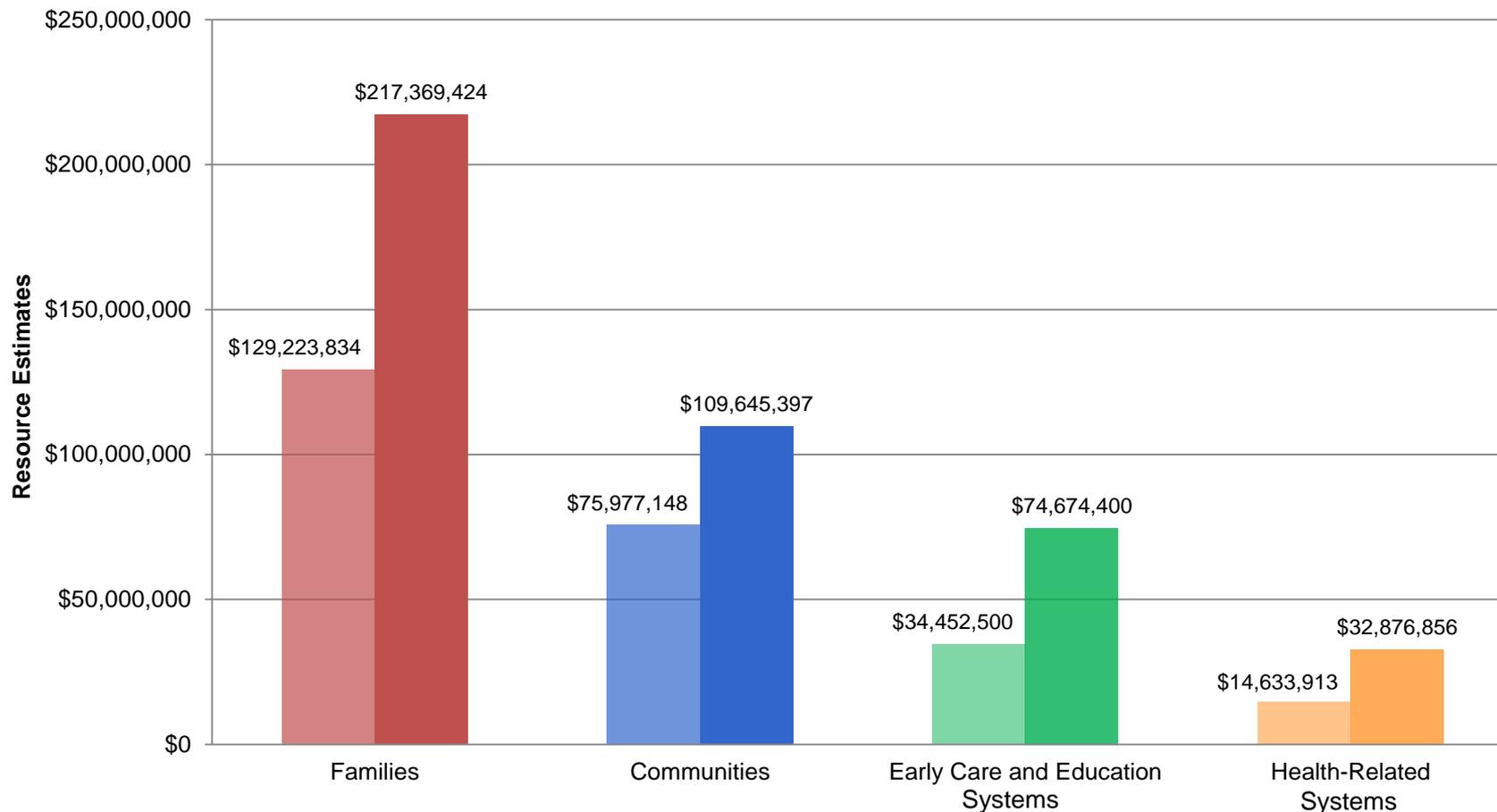
# What allocation of resources among the outcome areas can effectively support the 2015-2020 Strategic Plan?

- Purpose: Estimate the feasibility of implementing proposed programmatic strategies
- Methodology: Develop a range of costs for the anchor and supplemental activities dependent upon the scope, scale, and role of First 5 LA's work in the next strategic plan
- Considerations: Although estimates are grounded in experience and knowledge of important cost drivers, implementation planning will continue to inform estimates

# Observations

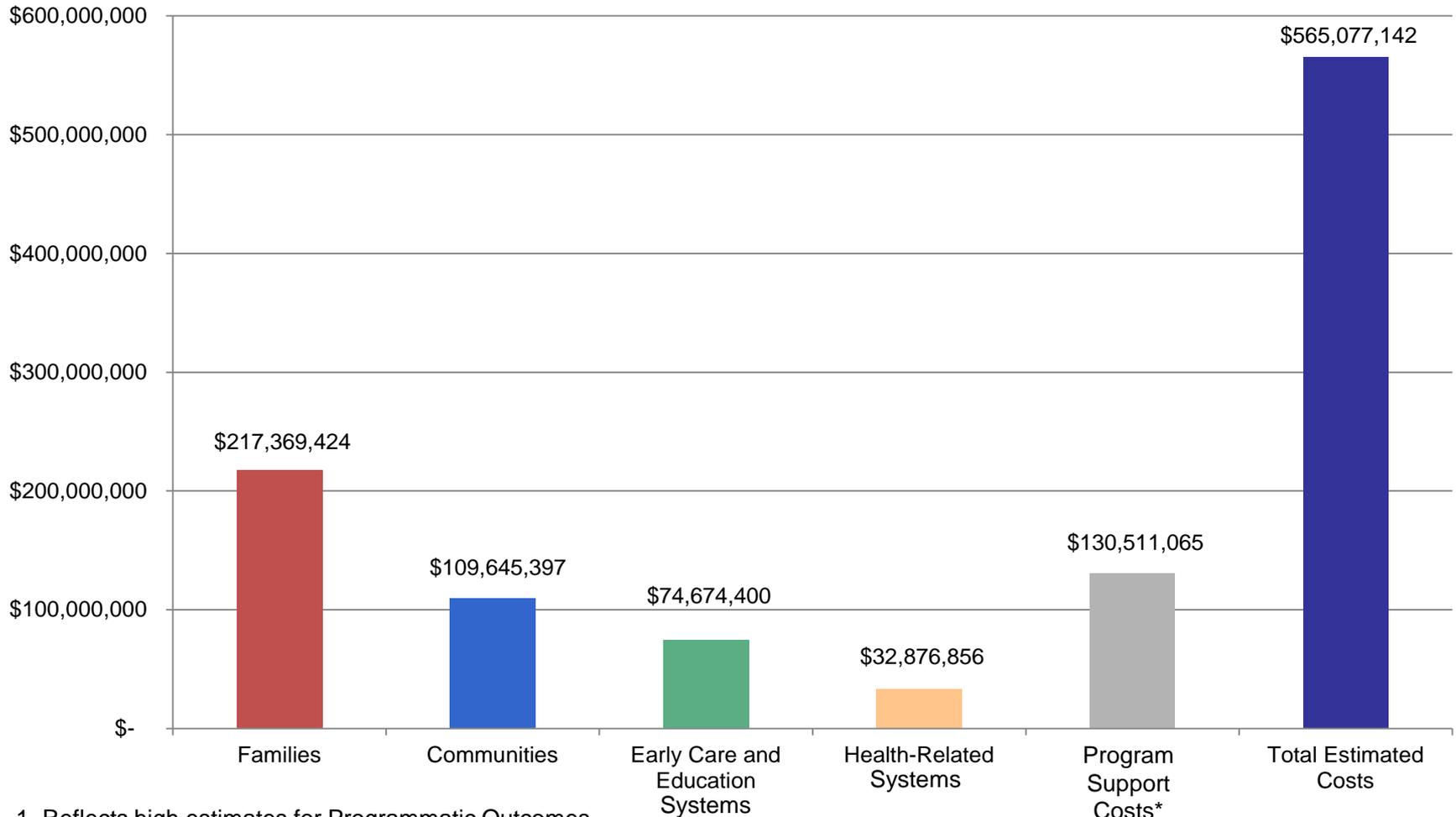
- Programmatic outcome areas are not mutually exclusive; investments in Families and Communities will yield positive effects in early care and education and health outcomes for children
- Families are the core of the work outlined in the next strategic plan and therefore see the greatest investment
- Projections build upon the organization's implementation experience (e.g., Welcome Baby, BSFF)
- Ranges offer flexibility for staff to continue developing refined cost projections through implementation planning; allows for deeper piloting or testing to change systems and policies, as needed

# Estimated 2015-2020 Strategic Plan Investment Ranges Across Programmatic Outcome Areas<sup>1, 2</sup>



1. Investments made in families and communities are expected to have positive effects in early care and education and health-related outcomes for children.
2. The ranges depicted in the Families and Community outcome areas include estimated costs for cornerstone strategies associated with these outcomes, including Welcome Baby Home Visitation and Best Start Community Capacity Building.

# Total Estimated 2015-2020 Resource Requirements including Programmatic Outcomes<sup>1</sup> and Program Support Costs



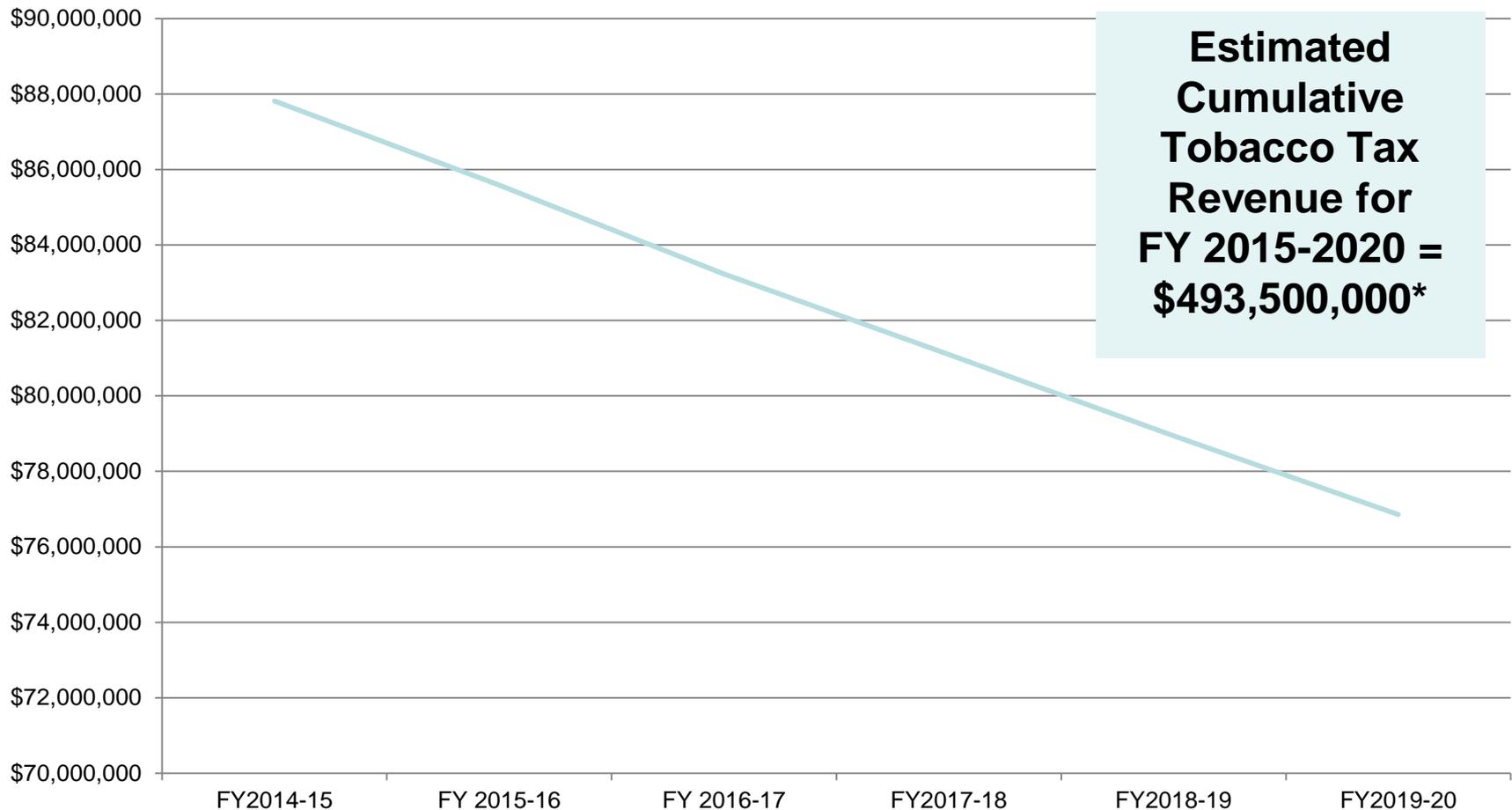
1. Reflects high estimates for Programmatic Outcomes

\* Includes Research & Evaluation, First 5 LA Operations, and funds that have been awarded to grantees and contractors beyond FY 2014-15 for current strategic plan activities related to programs that operate on a zero-based funding platform.

# **What resources are available for the 2015-2020 Strategic Plan? Are these resources in alignment with those required to support the 2015-2020 Strategic Plan?**

- Future annual tobacco tax revenue (\$493.5M)
- All or a portion of Assigned (Uncommitted funds currently ~\$57.7M)
- Existing commitments for initiatives (2) that have not moved forward in development (\$15.9M)

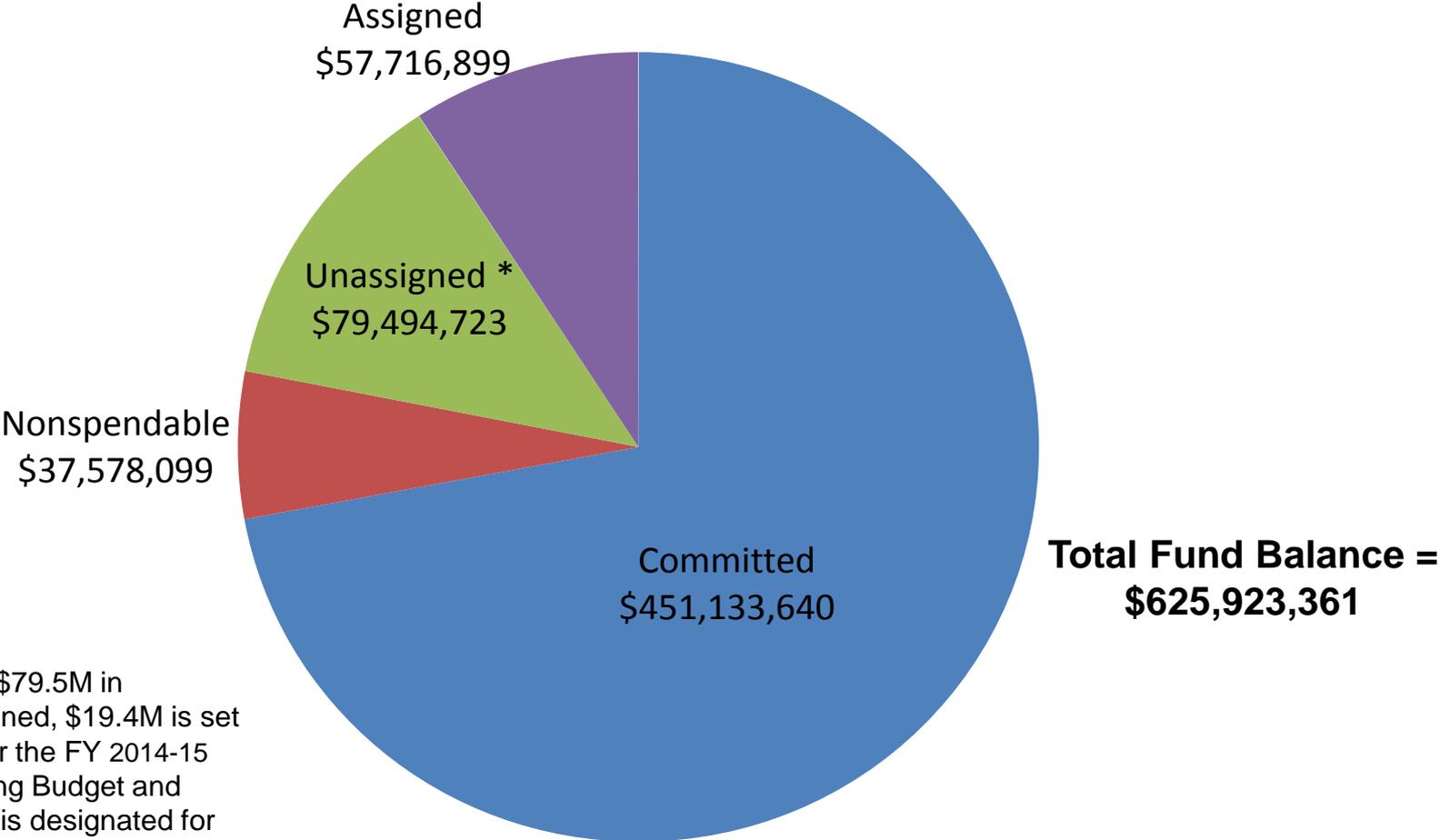
# Tobacco Tax Revenue During the Next Strategic Plan (FY 2015-2020)



\*only tobacco tax revenue, does not include earned interest income

# Fund Balance: FY 2013-2014

## Breakdown by GASB 54 Category



\*Of the \$79.5M in Unassigned, \$19.4M is set aside for the FY 2014-15 Operating Budget and \$60.1M is designated for the Fund Balance Reserve

# What Resources are Available for 2015-2020 Strategic Plan?

Sources	Available Resources
Total Future Tobacco Tax Revenue*	\$493.5 million
Tobacco Tax Revenue + Assigned (Uncommitted Funds currently ~\$57.7 million)	\$551.2 million
Tobacco Tax Revenue + Assigned (Uncommitted Funds currently ~\$57.7 million) + Existing Undeveloped Initiatives (\$15.9 million)	\$567.1 million

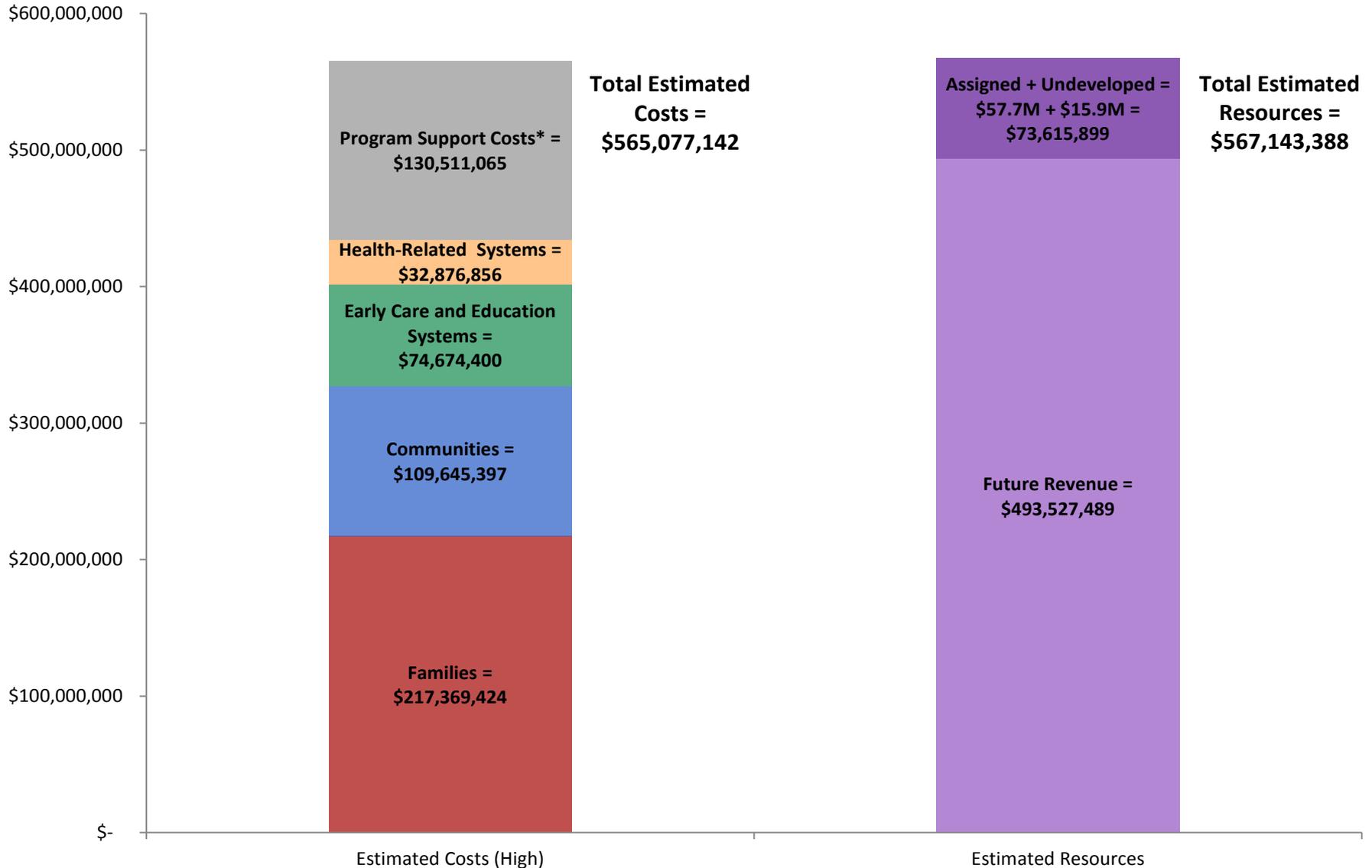
\*Only tobacco tax revenue, does not include earned interest income

**Recommendation:** Dedicate all three sources (\$567.1 million) to 2015-2020 Strategic Plan

# Rationale for Allocating Unspent Resources to 2015-2020 Strategic Plan

- Puts First 5 LA's available resources to use to advance the 2015-2020 Strategic Plan Outcomes
- Consistent with a pivot to a "live within our means" budget
- Enables robust implementation of new strategic plan work and allows for flexibility as we continue to refine strategies, with sufficient resources for Operations and Research & Evaluation activities
- Affirms Governance Guidelines objectives, including long-term financial and sustainability planning
- Aligns with approved Reserve Policy

# Total Estimated Costs and Total Estimated Resources Available for 2015-2020 Strategic Plan



\* Includes Research & Evaluation, First 5 LA Operations, and funds that have been awarded to grantees and contractors beyond FY 2014-15 for current strategic plan activities related to programs that operate on a zero-based funding platform.

# Discussion Questions

- Is the Commission comfortable with the estimated resource ranges across the programmatic outcome areas as a basis for implementation planning purposes?
- Does the Commission approve staff's recommendation to allocate uncommitted and undeveloped initiative allocations to the 2015-2020 Strategic Plan?

# Next Steps

- **November 6<sup>th</sup> Special Meeting of the Board of Commissioners – Strategic Planning Session:**  
Review next draft of Strategic Plan
- **November 13<sup>th</sup> Commission Meeting:**  
Approve First 5 LA 2015-2020 Strategic Plan: Focusing for the Future



# The “Gradients of Agreement” tool will help decision-making during the strategic planning process

