

AGENDA

SPECIAL JOINT MEETING OF THE BOARD OF COMMISSIONERS AND THE BUDGET & FINANCE AND EXECUTIVE COMMITTEES

Budget & Finance Committee Chair: Robert Byrd

**Wednesday, May 7, 2025
2:00 PM**

Meeting Location:
First 5 LA
750 N. Alameda Street
Los Angeles, CA 90012



ASPOSE
Your File Format APIs

1. **ACTION**
Call to Order
2. **INFORMATION**
AB 2449 Request(s) to Participate Remotely Due to Emergency Circumstances and Notice(s) of Remote Participation for Just Cause
3. **INFORMATION** **3**
Review of Meeting Notes from the Joint Committee Meeting of the Budget & Finance and Executive Committees – May 2, 2024
4. **INFORMATION** **7**
Annual Audit – Entrance Interview
- Presenters: Raoul Ortega, Finance Director and Kinnaly Soukhaseum, Partner, Eide Bailly, LLP**
5. **INFORMATION** **30**
Draft Proposed FY 2025-26 Budget, with a Focus on Proposed Operational Expenditures, and Updated Long-Term Financial Plan (LTFP)

COMMISSIONERS

Los Angeles County Supervisor Holly J. Mitchell <i>Chair</i>	Robert Byrd, Psy.D Alma Cortes, Ed.D Barbara Ferrer Ph.D., M.P.H., M.Ed.	Abigail Marquez Brandon Nichols Carol Sigala, Ph.D
Summer McBride <i>Vice Chair</i>	Astrid Heger, M.D	

EX OFFICIO MEMBERS

Deanne Tilton Durfee
Jacquelyn McCroskey, DSW
Alejandra Albarran Moses
Maricela Ramirez, Ed. D.

PRESIDENT & CEO

Karla Pleitéz Howell

EXECUTIVE VICE PRESIDENT

John A. Wagner

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A PUBLIC ENTITY

Presenters: JR Nino, VP Operations and Sustainability; Raoul Ortega, Director, Finance; and Daisy Lopez, Manager, Financial Planning & Analysis

6. **INFORMATION**

Public Comments (For items not on the agenda)

7. **ACTION**

Adjournment



SUMMARY MEETING NOTES

**FIRST 5 LA
SUMMARY MEETING NOTES
Joint Meeting of the Budget & Finance and Executive Committees
May 2, 2024
2:00 pm – 4:00 pm**

EXECUTIVE COMMITTEE MEMBERS

PRESENT:

Robert Byrd
Summer McBride
Maricela Ramirez
Carol Sigala

BUDGET & FINANCE COMMITTEE

MEMBERS PRESENT:

Priya Batra (Alternate)
Alma Cortes
Maricela Ramirez

BUDGET & FINANCE COMMITTEE

MEMBERS ABSENT:

Abigail Marquez

STAFF PRESENT:

Karla Pleitez Howell, Executive Director
Jaimie Knowles, Board Relations Associate
JR Nino, Vice President of Operations & Sustainability
John Wagner, Executive Vice President

LEGAL COUNSEL:

Serita Young

OPEN SESSION

1. Call to Order/Roll Call

Special Joint Meeting of the Board of Commissioners/Budget & Finance and Executive Committees was called to order by Budget & Finance Committee Chair Maricela Ramirez at 2:03 pm

2. AB 2449 Request(s) to Participate Remotely Due to Emergency Circumstances and Notice(s) of Remote Participation for Just Cause

No Commissioners joined under AB 2449.

3. Review of Meeting Notes from the Special Board/Budget & Finance Committee Meeting – May 2, 2023

Notes were received and filed with no changes.

4. Annual Audit - Entrance Interview

Mr. Kyle Bartle, Partner at Eide Bailly LLP, provided an overview of the scope and timeline for the upcoming annual audit. He confirmed that the audit services to be provided are consistent with those in previous years. The audit will include:

- The Annual Comprehensive Financial Report (ACFR)
- A compliance audit following the standards set forth in the Audit Guide issued by the State Controller's Office, specific to entities administering the California Children and Families Act.

The firm's primary responsibility is to express an opinion on whether the financial statements present fairly, in all material respects, and conform to generally accepted accounting principles (GAAP). As part of the process, the audit team will:

- Obtain a comprehensive understanding of the Commission's operating environment and internal controls.
- Conduct a risk assessment to guide the nature, timing, and extent of further audit procedures.
- Review and report any corrected or uncorrected misstatements found during the audit.

SUMMARY MEETING NOTES

- Audit Timeline:
 - Planning Procedures: Begin in May
 - Interim Audit Work: Primarily in June
 - Final Fieldwork: Conducted from August through September
 - Audit Report Issuance: Targeted for early October

The audit process will be divided into two key phases:

1. Planning and Interim Fieldwork, which will include risk assessment and internal control testing.
2. Final Fieldwork and Reporting, which will include evaluation of accounting principles, significant estimates, and legal contingencies.

The presentation concluded with assurance that the audit approach is rooted in transparency, accuracy, and alignment with statutory and professional requirements.

No action required. Informational item only.

There is no further discussion on this item.

5. **Draft Proposed FY 2024-25 Budget, with a Focus on Proposed Operational Expenditures, and Updated Long-Term Financial Plan (LTFP)**

Staff provided an in-depth overview of the proposed FY 2024-25 budget, highlighting the continued emphasis on fiscal discipline, long-term sustainability, and alignment with the Commission's strategic goals.

Key points included:

- Total Proposed Budget: \$92.9 million, representing an 8.2% (\$8.3M) decrease from the prior year's revised budget.
 - Program Spending: Decreased by \$9.7M
 - Operating Costs: Increased by approximately \$871K
- The net demand on First 5 LA resources is expected to be \$81.4M, after accounting for \$11.4M in anticipated external revenue.
- Funding sources include First 5 California, LA County Department of Mental Health, Medi-Cal Managed Care plans, and others.
- Resources have been allocated with an emphasis on long-term sustainability, cost containment, and disciplined inquiry into spending priorities.
- The FY 2024-25 budget includes \$150,000 in an Emerging Opportunities Fund, maintaining flexibility for new initiatives.
- Highlights by program area:
 - Center for Child and Family Impact (CCFI): 12.4% decrease, mainly due to sunset projects and alignment to actual needs.
 - Family Supports: 6.4% decrease; supported by \$6.9M in partner funding.
 - ECE (Early Care and Education): 18% decrease, primarily due to ramp-down of the Kindergarten Readiness Assessment.
 - Health Systems: Nearly 50% decrease due to project completions and reduced external funding.
 - Center Support & Strategic Partnerships: 13.3% increase reflecting targeted reductions in some areas and steady support in others.
- Operating Costs:
 - Proposed \$21.6M, an increase over the previous year's \$20.8M.
 - Staffing includes 105 full-time employees (FTEs), including 9 priority hires and 10 vacancies.
 - Includes \$382K for professional development.

SUMMARY MEETING NOTES

- **Budget Methodology:** Grounded in analysis of historical spending, multi-year contracts, and fiscal realities including Proposition 31 impacts.
- The budget aligns operational resources with the **new FY 2024-2029 Strategic Plan**, while the program budget remains aligned with the concluding 2020-2028 Strategic Plan.

No formal action was required for this informational item, but feedback from Committee members will inform final budget revisions to be presented to the Board for approval in June.

There is no further discussion on this item.

6. **Revised Long-Term Financial Plan (LTFP) for the FY 2024/29 Strategic Plan**

Staff presented a high-level overview of the revised Long-Term Financial Plan (LTFP), in preparation for more detailed review and formal Board approval in the coming months.

Key updates:

- The current LTFP, approved in July 2020, set annual spending limits and reserve policies that have guided financial decisions to date.
- The revised LTFP now accounts for:
 - Updated audited fund balances
 - New revenue forecasts from Proposition 10 (tobacco tax) and other funding sources
 - Updated expenditure estimates based on the proposed FY 2024-25 budget
 - Although revenue from Proposition 10 continues to decline, external funding has increased, helping to offset losses and extend sustainability.
 - Reserve policy remains intact, requiring that 15% of the budget be held in reserve.
 - A 6.4% annual rate of spending decline remains projected for FYs 2025-2028.
 - A new LTFP, extending to FY 2034-35, is being developed to support the next phase of organizational sustainability, with a focus on:
 - Maximizing existing fund balance
 - Creating greater long-term stability in funding and operations
 - Ensuring clarity and confidence for external partners in the face of future uncertainties

Strategic Financial Guardrails Being Considered:

- Sustain existing operations and investments aligned with the Strategic Plan

SUMMARY MEETING NOTES

- Maintain reserve levels to safeguard against revenue volatility
- Explore and grow alternative revenue streams (e.g., partnerships, grants)
- Avoid reaching near-zero fund balances by FY 2027-28
- Use fund balance proactively and strategically to buffer the effects of Prop 31 and other fiscal constraints

The updated LTFP and its foundational assumptions will be presented to the Board in June for formal discussion and endorsement.

No action was taken. Staff requested feedback from Committee members on the strategic direction of the revised LTFP to inform its continued development.

There is no further discussion on this item.

7. Public Comment (for items not on the agenda)

No public comments.

ADJOURNMENT:

Meeting adjourned @ 3:47 pm.

Meeting minutes were recorded by Jaimie Knowles, Board Relations Associate

FIRST 5 LA

SUBJECT:

Optimizing Our Effectiveness: Annual Audit – Entrance Interview

BACKGROUND:

The audit entrance interview presentation is an overview of the upcoming fiscal year 2024-25 annual financial audit.

DISCUSSION:

The presentation, which will be conducted by Kinnaly Soukhaseum, Partner, Eide Bailly LLP, is to communicate and discuss with the Board and management the audit process including the following topics:

- Audit scope – perform the audit of the annual comprehensive financial report and State Compliance issued by State Controller’s Office.
- Timeline – planning and interim fieldwork starts in June and ends in September/October with delivery of the annual report to First 5 LA.
- Auditors’ role and responsibilities – the audit is conducted using the U.S. Generally Accepted Auditing Standard and Government Auditing Standards. Eide Bailly will express an opinion about whether the financial statements that have been prepared by management with the oversight of the Commission are presented fairly, in all material respects in conformity with generally accepted accounting principles. The audit does not relieve management of its responsibilities.
- Approach to planning and risk assessment – auditors will test key business cycles including revenue, disbursements, payroll, investments, financial reporting, IT and budget.
- Final report and exit – prepare draft audit report and present any findings and recommendations as well as provide required communications to those charged with governance. (Audited financial report is required to be submitted to the State Controller’s Office and First 5 California by November 1st)

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CPAs & BUSINESS ADVISORS

FIRST 5 LA — REQUIRED AUDIT COMMUNICATIONS

For the Fiscal Year Ended June 30, 2025

May 7, 2025

ENGAGEMENT MANAGEMENT TEAM



Kinnaly Soukhaseum, CPA

Partner

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Kyle Bartle, CPA

Senior Manager

kbartle@eidebailly.com

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AUDITOR'S REQUIRED COMMUNICATION (AU-C 260)

- Scope of Work for the Annual Audit:
 - Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2025
 - State Compliance – Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act issued by the State Controller's Office

AUDITOR'S REQUIRED COMMUNICATION (AU-C 260)

- Our Responsibility
 - U.S. Generally Accepted Auditing Standards and Government Auditing Standards
 - Express an opinion about whether the financial statements that have been prepared by management are presented fairly, in all material respects, in conformity with generally accepted accounting principles:
 - Reasonable, not absolute assurance
 - Audit does not relieve the management of its responsibilities
 - Issue a report on state compliance with State Controller's Office guidelines

AUDITOR'S REQUIRED COMMUNICATION (AU-C 260)

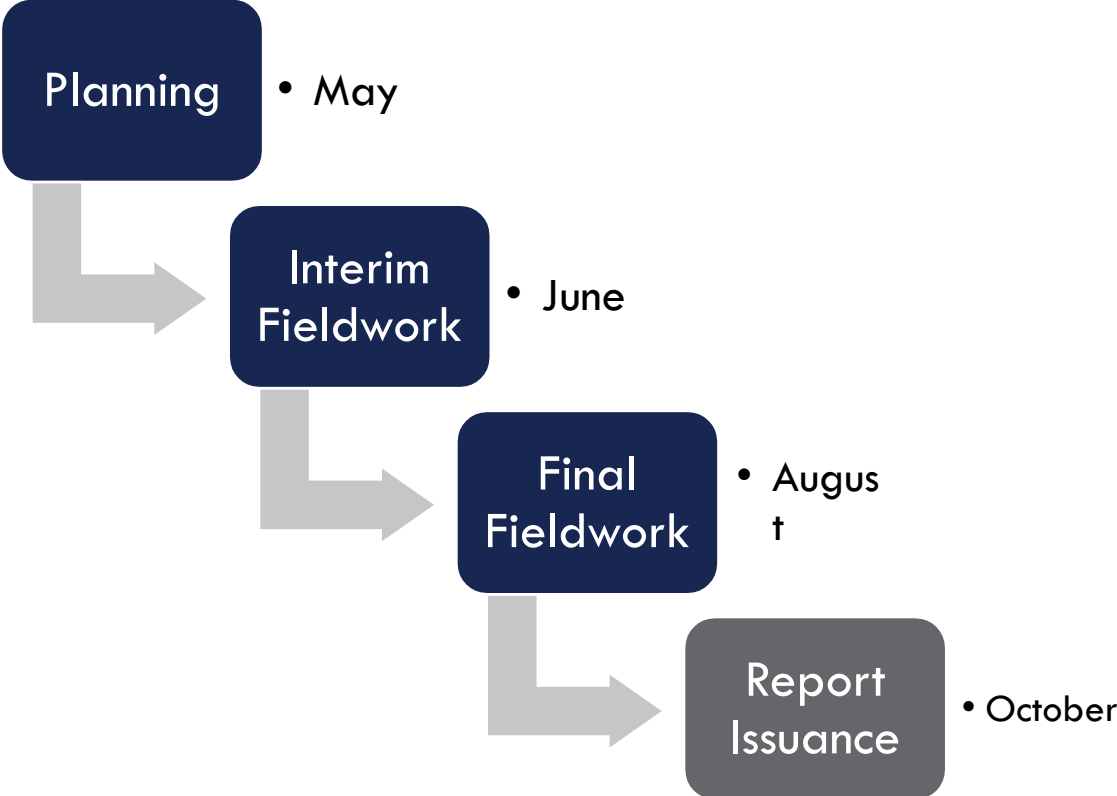
- Our Responsibility (continued)
 - Our audit includes obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing and extent of further audit procedures:
 - Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity
 - Identify areas potentially more susceptible to misstatement:
 - Management override of internal controls
 - No opinion on internal control will be expressed

AUDITOR'S REQUIRED COMMUNICATION (AU-C 260)

- Our Responsibility (continued)
 - Communicate other matters:
 - Qualitative aspects of accounting policies, accounting estimates and note disclosures
 - Difficulties encountered
 - Corrected and uncorrected misstatements
 - Disagreements with management
 - Management representations
 - Consultations with other accountants

AUDITOR'S REQUIRED COMMUNICATION (AU-C 260)

- Engagement Timing



AUDITOR'S REQUIRED COMMUNICATION (AU-C 260)

- Phases of the audit:
 - Planning and Interim Fieldwork
 - Prepare a risk assessment based on our understanding of the entity, its environment and risks to form an audit plan
 - Meet with management
 - Perform inquiries of management and others regarding fraud risks
 - Obtain/update our understanding of the design and implementation of internal controls over financial reporting and compliance
 - Test internal controls over key business cycles
 - Revenues, disbursements, payroll, investments, capital assets, financial reporting, information technology, budget
 - State compliance – guidelines issued by the State Controller
 - Follow up on the status of prior audit findings or recommendations

AUDITOR'S REQUIRED COMMUNICATION (AU-C 260)

- Phases of the audit (continued):
 - Final Fieldwork and Reporting
 - Address key audit areas
 - Perform tests, on a sample basis, on account balances and classes of transactions
 - Prepare draft financial statements
 - Test journal entries for proper support and business purpose
 - Assess accounting principles used and significant estimates
 - Confirm contingencies with legal counsel
 - Consider subsequent events through the issuance of the report
 - Propose/discuss audit adjustments (if any)
 - Present findings and recommendations (if any)
 - Provide required communication to governance

CHANGES IN ACCOUNTING STANDARDS FOR FISCAL YEAR 2025

GASB STATEMENT 101 – COMPENSATED ABSENCES

- **Effective for the fiscal year ended June 30, 2025**
 - This Statement establishes standards of accounting and financial reporting for (a) compensated absences and (b) associated salary-related payments, including certain defined contribution pensions and defined contribution other postemployment benefits (OPEB)
 - This may require a restatement to beginning balances



QUESTIONS?



CPAs & BUSINESS ADVISORS

FIRST 5 LA — REQUIRED AUDIT COMMUNICATIONS

For the Fiscal Year Ended June 30, 2025

May 7, 2025

ENGAGEMENT MANAGEMENT TEAM



Kinnaly Soukhaseum, CPA

Partner

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Kyle Bartle, CPA

Senior Manager

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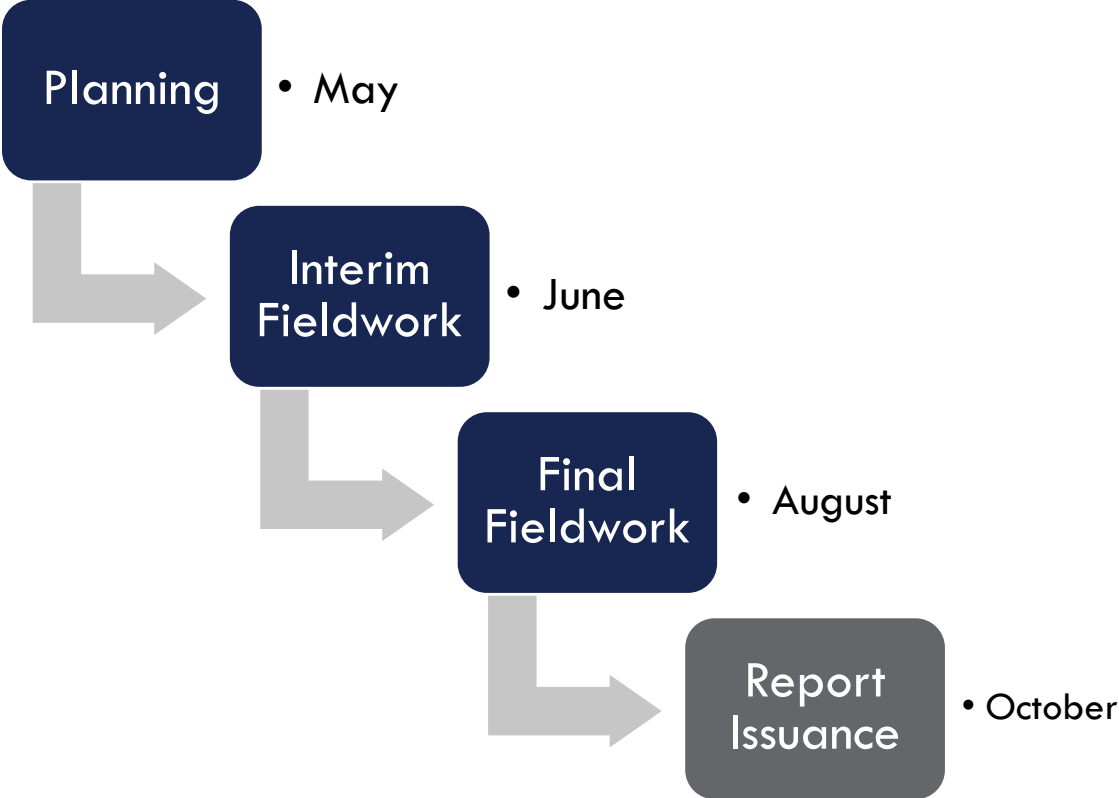
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AUDITOR'S REQUIRED COMMUNICATION (AU-C 260)

- Engagement Timing



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 - Revenues, disbursements, payroll, investments, capital assets, financial reporting, information technology, budget
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AUDITOR'S REQUIRED COMMUNICATION (AU-C 260)

- Phases of the audit (continued):
 - Final Fieldwork and Reporting
 - Address key audit areas
 - Perform tests, on a sample basis, on account balances and classes of transactions
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CHANGES IN ACCOUNTING STANDARDS FOR FISCAL YEAR 2025

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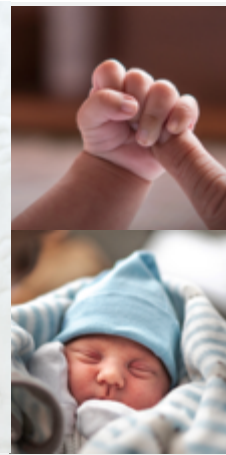
QUESTIONS?



May 7, 2025
Combined Meeting of the Budget & Finance and Executive Committees

FY 2025-26 Budget and Long-Term Financial Plan Updates

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Objectives

1. Budget Process Overview
2. Budget Highlights
 - Components
 - Programs
 - Support Costs
 - Administrative Cost Limit
3. Long-Term Financial Plan Update
4. Next Steps

Budget Process Overview

- 1) Informed by the revised LTFP and our fiscal reality, the estimated target budget was 12.8% below our approved Mid-Year Revised FY25-26 Budget.
- 2) Developed based on an analysis of historical spending, projected expenditures, and anticipated need aligned with the fiscal reality and LTFP spending limit.
- 3) Budget framework corresponds with the 2024-2029 Strategic Plan.
- 4) Operating budget framework is divided into administrative support and program support. Program support costs will be included to capture the total program cost.

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General Budget Highlights

- 1) Continued eye toward long-term sustainability.
 - Restricted Board approved non-First 5 LA funding will offset expenditures (~\$7.6 M)
- 2) Activities ramping down/sunseting consistent with terms
- 3) Proposed budget resources are anchored on the work priorities with greater budget alignment to the fiscal realities

Program Investments

Sunsetting in FY25-26 (\$60K)

- Help Me Grow

Ongoing work that is aligned with the Strategic Plan or evolving, with reduced investment (\$54.5 M)

- | | | |
|---|---|--|
| <ul style="list-style-type: none"> • Welcome Baby • Select Home Visiting Programs • Family Strengthening Oversight Entity • Stronger Families Database • Infrastructure Support for S & HP • AAIMM Birth Outcomes and Disparities • Center for Strategic Partnerships • County Partnerships Fund • 5 RNGs • Cross Regional Alignment • Activating Network Partners • Learning Dialogues • Annual Reporting | <ul style="list-style-type: none"> • Data Requests • Children's Data Network (CDN) • WIC Data Mining Research Partnership • Impact Framework • County ECE Infrastructure Support • Provider Advisory Group • Universal Preschool • Dual Language Learner • Home-Based Child Care Strategy • IMPACT Legacy • QSLA Facilitation and Communications • Early Childhood Policy and Advocacy Fund | <ul style="list-style-type: none"> • Policy Advocacy Fund TA Provider • Organization-Wide Sponsorships • Organizational Memberships • Organization-Wide Partnerships • Policy & Advocacy Stakeholder Engagement • State Policy and Sustainability Advocate • Strategic Plan Advocacy Strategies • Strategic Communications • Strategic Communications Partnerships • Strategic Marketing |
|---|---|--|

New Work (\$5.1 M)

- Equity Index
- Strategic Initiatives Development Fund

Budget Components

Components of the FY 2025-26 Budget

1. Strategic Plan (Program)
 - a) Center for Family Systems & Human Resources
 - b) Center for Community Engagement & Policy
 - c) Center for Strategy & Culture
2. Legacy Investments (Program)
3. Strategic Initiatives Development Fund (Program)
4. Support Costs (Internal Operations)

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Budget Components – Support Costs (Internal Operations)

Executive

Executive Support

Center for Family Systems & HR

Family Systems & HR Support (formerly Center for Child & Family Impact)

Family Supports

Health Systems

Human Resources

Center for Community Engagement & Policy

Community Engagement & Policy Support

Communities

Impact & Accountability (formerly Office of Data for Action)

Public Policy & ECE
(formerly Office of Government Affairs and Public Policy and Early Care & Education)

Center for Operations & Sustainability

Operations & Sustainability Support (formerly Center for Operational Excellence)

Contract Administration & Purchasing

Finance

Information Technology

Center for Strategy & Culture

Strategy & Culture Support

Communications

Board of Commissioners

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FY 2025-26 Budget Summary

Budget Component	FY 2024-25 Budget		Proposed FY 2025-26	Variance
	Original	Revised		
Program				
<i>Center for Family Systems & Human Resources</i>	39,370,160	39,225,160	32,030,413	(7,194,747)
<i>Center for Community Engagement & Policy</i>	25,367,940	25,211,940	21,368,050	(3,843,890)
<i>Center for Strategy & Culture</i>	2,717,825	2,717,825	1,463,500	(1,254,325)
Strategic Plan Total	\$ 67,455,925	\$ 67,154,925	\$ 54,861,963	\$ (12,292,962)
Strategic Initiatives Development Fund	150,000	150,000	4,751,470	4,601,470
<i>Legacy Investments</i>	2,579,000	2,733,607	-	(2,733,607)
Program Total	\$ 70,184,925	\$ 70,038,532	\$ 59,613,433	(10,425,099)
Program Support Total*	7,149,176.00	7,295,569	7,733,819	438,250
Total Program	\$ 77,334,101	\$ 77,334,101	\$ 67,347,252	(9,986,849)
Total Administrative Support*	14,387,291	14,387,291	12,652,748	(1,734,543)
TOTAL BUDGET	\$ 91,721,392	\$ 91,721,392	\$ 80,000,000	\$ (11,721,392)

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*The combined Program Support and Administrative Support Total is equivalent to what was previously referred to as our internal operations costs.

- Net decrease of \$11.7 million or 12.8%
- Net decrease of approximately \$10.4 million (14.9%) in total programs spending, not including program support. Including program support, the total program costs decreased by approximately \$10 million or 12.9%
- Net decrease of approximately \$1.7 million (12.1%) in administrative support spending
- Nearly \$4.8 million in Strategic Initiatives Development Fund resources

Diversifying our Funding (Other Revenue)

Budget Component	Proposed FY 2025-26 Budget
Program	\$ 67,347,252
Administrative Support	12,652,748
TOTAL BUDGET	\$ 80,000,000
OTHER REVENUE	\$ 7,642,112
FIRST 5 LA INVESTMENT	\$ 72,357,888

FUNDING SOURCE	PURPOSE	AMOUNT \$
LA County Department of Mental Health	SHV Services in SPAs 1&2 (Family Supports)	4,016,581
F5CA IMPACT	IMPACT Legacy (ECE)	3,375,531
Medi-Cal Managed Care Plan	WB	250,000
WB = Welcome Baby Hospitals	TOTAL	\$ 7,642,112
SHV = Select Home Visiting		

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Program Centers

Budget Component	Revised FY 2024-25 Budget	Proposed FY 2025-26 Budget	Variance	
Program				
<i>Center for Family Systems & Human Resources</i>				
Family Supports	\$ 36,597,160	\$ 30,699,413	\$ (5,897,747)	-16.1%
Health Systems	2,503,000	1,156,000	(1,347,000)	-53.8%
Center Support	125,000	175,000	50,000	40.0%
<i>CFS&HR Total</i>	39,225,160	32,030,413	(7,194,747)	-18.3%
<i>Center for Community Engagement & Policy</i>				
Communities*	12,502,000	10,189,050	(2,312,950)	-18.5%
Impact & Accountability	1,500,000	1,414,000	(86,000)	-5.7%
Public Policy & Early Care Education	11,209,940	9,765,000	(1,444,940)	-12.9%
<i>CCE&P Total</i>	25,211,940	21,368,050	(3,843,890)	-15.2%
<i>Center for Strategy & Culture</i>				
Communications	2,717,825	1,463,500	(1,254,325)	-46.2%
<i>CS&C Total</i>	2,717,825	1,463,500	(1,254,325)	-46.2%
Total 2024-2029 Strategic Plan	\$ 67,154,925	\$ 54,861,963	\$ (12,292,962)	-18.3%

Strategic Initiatives Development Fund

\$4,751,470 in proposed spending to respond to emerging needs and opportunities to further the strategic plan goals.

The fund will be available for a variety of expenditures, that may include but is not limited to:

- Research and analysis for new initiatives (data).
- Pilot programs or prototypes related to strategic objectives.
- Staffing with expertise and/or specialized knowledge.
- External consultant fees or expertise for specialized knowledge.
- Strategic partnerships or collaborations to further organizational goals.
- Technology or tools that support new tactics.

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Support Costs

SUPPORT COST CATEGORY	FY 2024-25 Budget				Proposed	
	Original		Revised		FY 2025-26 Budget	
Program Support	\$ 7,149,176	33.2%	7,295,569	33.6%	\$ 7,733,819	37.9%
Administrative Support	14,387,291	66.8%	14,387,291	66.4%	12,652,748	62.1%
Total Internal Support Costs	\$ 21,536,467	100.0%	\$ 21,682,860	100.0%	\$ 20,386,567	100.0%

SUPPORT COST CATEGORY	FY 2024-25 Budget				Proposed	
	Original		Revised		FY 2025-26 Budget	
Personnel Services	\$ 17,110,630	79.4%	\$ 17,110,630	78.9%	\$ 16,372,126	80.3%
Operating Services	1,632,818	7.6%	1,612,693	7.4%	1,625,084	8.0%
Consultant Services	1,670,010	7.8%	1,840,278	8.5%	1,283,900	6.3%
Professional Services	469,150	2.2%	468,900	2.2%	458,250	2.2%
Travel Expenses	271,409	1.3%	267,409	1.2%	296,608	1.5%
Professional Development	382,450	1.8%	382,950	1.8%	350,600	1.7%
Total Internal Support Costs	\$ 21,536,467	100.0%	\$ 21,682,860	100.0%	\$ 20,386,567	100.0%

Note: Percentages have been rounded to the nearest tenth

Support Costs - Highlights

- 95 FTE budgeted, including 8 priority hires and 8 vacant positions
- 10 formerly vacant positions eliminated
- Benefits calculated at the single employee average salary/hourly rate for vacant positions
- 2.5% salary adjustment
- No attrition

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Support Costs - Highlights

Estimates were informed by:

- Alignment of staffing needs to strategic direction and LTFP
- Fiscal reality
- Historical spending trends
- Contracts with existing and prospective grantees/vendors
- Anticipated activities and expenditures
- Timing of expenditures based on the timeline of activities

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Administrative Cost Limit (ACL)

FY 2025-26 ACL: \$12,652,748 (15.82%)

- Approach:
 - All administrative department costs, including the Executive budget, Board, and Communications non-program costs, as well as partial salary/benefit costs for all remaining Vice Presidents, Directors and Administrative Assistants
- Decrease of approximately \$1.7 million compared to the FY 24-25 Mid-Year Revised ACL of \$14.4 million (15.69%).

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Long-Term Financial Plan

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LTFP: Overview

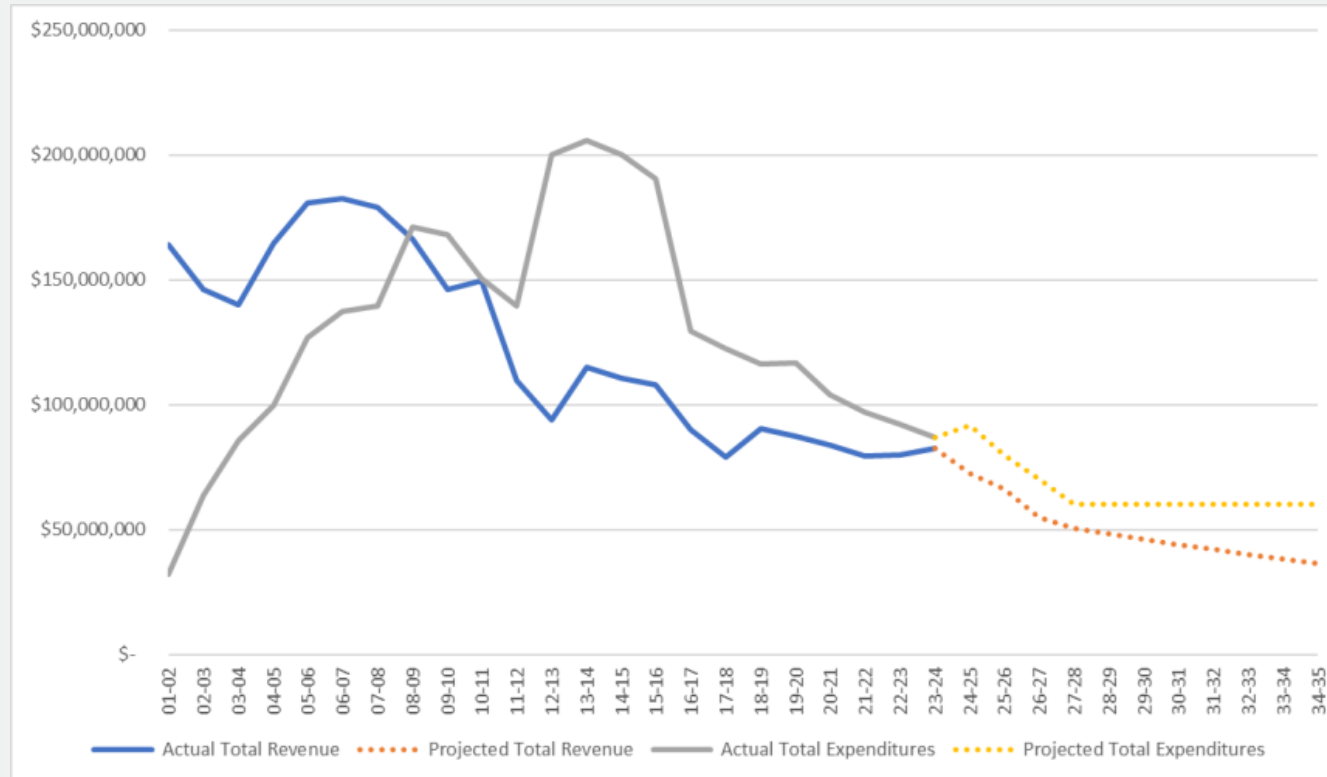
- Purpose of the LTFP: To aid in the Commission's financial stewardship role by providing a framework that shows the long-term implications of funding decisions.
- Our LTFP (plan period FY 2024-2035) revised spending plan was approved by the Board in October 2024. The plan includes revenue, program commitments (including program support) and administrative expenditures that establish our spending ceilings. The plan also presents our fund balance through FY 2034-35.

LTFP: Overview

- The FY 2025-26 Proposed Budget does not exceed the spending limit established by the Long-Term Financial Plan and approved by the Board in October 2024.
- The current process requires that we update the Plan estimates approved by the Board in October 2024 to capture the most recent audited fund balance, updated revenue forecasts, mid-year revised estimates, and the estimated expenditures for the proposed draft budget.
- Revisions to our current LTFP's annual spending and revenues will be shared with the Board separately for discussion, feedback, and approval in tandem with our draft FY budget.

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Revenue & Expenditure Projections (April 2025)



LTFP Assumptions

1. Annual spending limits in this LTFP were established and approved by the Board in October 2024
 - ❖ Changes to revenue, proposed spending, and/or fund balance will be presented to the Board for review and approval
2. The annual spending rate of decline, beginning with FY25-26 through FY27-28, is approximately 13%. Spending limits will stabilize from FY27-28 through FY34-35.

LTFP Assumptions

3. Proposition 10 revenue estimates, projected to decline at a 4.25% annual rate, are grounded in a combination of historical trends, external market factors, and the provided by F5CA, Department of Finance (DOF), and the latest projections from the CA Department of Tax and Fee Administration (CDTFA).
4. Other revenue estimates are updated to align with revised, confirmed, and projected revenues.
5. Reserve assumes 50% of the total budget beginning with FY20-21 in accordance with Resolution #2020-05 reviewed and approved by the Board in July 2020

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Adjustments

- FY25-26 Revenue estimates were updated to align with projections provided in September 2024 by the Department of Finance (DOF) and the California Department of Tax and Fee Administration (CDTFA).
 - Other revenue estimates are updated to align with updated confirmed and projected revenues
 - Other Revenue includes: First 5 CA, Los Angeles County Department of Mental Health, and a Medi-Cal Managed Care Plan
 - Interest earnings calculated at 3.0% for FY 2024-25, 2.5% for FY 2025-26, 2.0% for FY 2026-27, and 1.2% in interest earnings from FY 2027-28 through FY 2034-35 based on the latest analysis of market conditions.
 - Internal Adjustment in response to the Proposition 56 revenue trend remains at a 1% downward adjustment, from FY24-25 through FY34-35

Adjustments

- FY23-24 Total Estimated Spending was revised to align with actual spending, per the audited financial statements
 - Revised from \$101.1 M in estimated spending to just under \$86.8 M in actual spending
- FY24-25 Total Estimated Spending was revised to align with the FY24-25 Mid-Year revised budget, which was cost neutral
 - Cost neutral adjustments resulting in \$91.7 M in estimated spending
- FY25-26 Proposed Budget aligns with the FY25-26 spending limit (\$80.0 M)

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Results

- ✓ Internal 1% adjustment reduces projected revenue and overall fund balance
- ✓ Addition of other/external non-F5LA Proposition 10 funding yields an increase to the fund balance
- ✓ Decreasing or cost-neutral expenditures from FY23-24 through FY24-25 yields an increase to the fund balance
- ✓ Increase in Projected Available Ending FY34-35 Fund Balance

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Next Steps

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Next Steps

- **May 7, 2025 – Combined BFC/Exec Committee Meeting**
 - Overview of the Draft FY 2025-26 Budget and Updated Long-Term Financial Plan

- **May 8, 2025 – Commission Meeting (Information)**
 - Information Item: High-level Overview of the Draft FY 2025-26 Budget, Discussion of Proposed Programmatic Expenses, and Overview of Updated Long-Term Financial Plan

- **June 12, 2025 – Commission Meeting (Action)**
 - Action Item: Final FY 2025-26 Budget and Updated Long-Term Financial Plan presented to the Board for action

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PROPOSED DRAFT FY 2025-26 BUDGET



Combined Budget & Finance Committee
and Executive Committee

May 7, 2025

Memo

To: Budget and Finance and Executive Committees

From: Karla Pleitéz Howell, President & CEO

Date: May 7, 2025

Subject: **FIRST 5 LA PROPOSED FISCAL YEAR 2025-26 BUDGET**

Members of the Committees:

On behalf of the First 5 LA team, I am pleased to present the proposed budget for fiscal year (FY) 2025-2026. The budget is presented to the Board at a time where First 5 LA remains steadfast in our mission to ensure every child has the resources they need to thrive. First 5 LA has been focused on turning our Strategic Plan 2024-2029 vision into action. This includes building upon work of previous years, innovation for new work, in partnership and engagement with our community, and ensuring a fiscally responsible long term approach to our fiscal reality of declining revenue exasperated by the California ballot measure Proposition 31¹.

In November 2024, First 5 LA presented the four key initiatives and ten tactics developed with extensive community participation that will guide the implementation of our Strategic Plan. Centered on four key areas prevention and promotion, vibrant environments, maternal and child well-being and early care and education – the strategic plan initiatives serve as our roadmap for translating our vision into action focused on uplifting the well-being of young children and their families across L.A. County. To achieve this in the 2025-2026 fiscal year budget, we have adjusted investments and operating costs to strengthen alignment to the Strategic Plan, inclusive of declining revenue considerations. We also built flexibility into the budget to address emerging needs and new opportunities to best achieve our Objectives for the children and families of Los Angeles.

The detailed summary of the proposed budget is captured in Attachment B. This summary provides an overview of the work ahead across the organization and the deployment of First 5 LA’s human assets. Attachments C - G provide a more granular overview of the programmatic and operational endeavors.

First 5 LA’s approach to sustainability requires that we take a multi-year view beyond the budget year. Towards that end, the current Board-approved Long Term Financial Plan (LTFP), approved October 2024, establishes spending limits of First 5 LA’s funds for future years through FY 2034-35.

¹ Proposition 31 was passed in November 2022 and prohibits the retail sale of certain flavored tobacco products.

COMMISSIONERS

Los Angeles County Supervisor	Robert Byrd, Psy.D	Abigail Marquez
Holly J. Mitchell	Alma Cortes, Ed. D	Brandon Nichols
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Deanne Tilton Durfee
 Jacquelyn McCroskey, DSW
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 Maricela Ramirez, Ed. D.

PRESIDENT & CEO

Karla Pleitéz Howell

EXECUTIVE VICE PRESIDENT

John A. Wagner

The spending limits were developed and established based on First 5 LA's projected Proposition 10 Tobacco Tax revenues and projected fund balance and does not account for non-First 5 LA Proposition 10 funds that have yet to be secured. The LTFP moves the organization away from a ten-year annual plan to a twelve-year plan with specific spending limits leading toward a stable budget of \$60 million over eight years, effective FY 2027-28. This newly adopted LTFP provides much needed stability and transparency for our work and our partners while aligning better with our ongoing fiscal context and Strategic Plan. Based on the above, we have aligned our FY 2025-26 proposed budget to the established spending proposed in our LTFP.

The budget for FY 2025-26 includes a total budget request of approximately \$80.0 million as presented in the table below. One note is that this amount will be offset by non-Prop 10 revenues by roughly \$7.6 million making the net demand of First 5 LA resources approximately \$72.4 million.

Budget Component	FY 2024-25 Budget Revised	Proposed FY 2025-26	Variance	
Program				
<i>Center for Family Systems & Human Resources</i>	39,225,160	32,030,413	(7,194,747)	-18.3%
<i>Center for Community Engagement & Policy</i>	25,211,940	21,368,050	(3,843,890)	-15.2%
<i>Center for Strategy & Culture</i>	2,717,825	1,463,500	(1,254,325)	-46.2%
Strategic Plan Total	\$ 67,154,925	\$ 54,861,963	\$ (12,292,962)	-18.3%
<i>Strategic Initiatives Development Fund</i>	150,000	4,751,470	4,601,470	3067.6%
<i>Legacy Investments</i>	2,733,607	-	(2,733,607)	-100.0%
Program Total	\$ 69,888,532	\$ 54,861,963	(15,026,569)	-21.5%
Program Support Total*	7,295,569	7,733,819	438,250	6.0%
Total Program	\$ 77,184,101	\$ 62,595,782	(14,588,319)	-18.9%
Total Administrative Support*	14,387,291	12,652,748	(1,734,543)	-12.1%
TOTAL BUDGET	\$ 91,571,392	\$ 75,248,530	\$ (16,322,862)	-17.8%

*The combined Program Support and Administrative Support Total is equivalent to what was previously referred to as our internal operations costs.



ATTACHMENT A:

FY 2025-26 BUDGET HIGHLIGHTS

**ATTACHMENT A:
FY 2025-26 BUDGET – HIGHLIGHTS**

The FY 2025-26 Budget represents an evolution and transition in support of the 2024-2029 Strategic Plan, approved by the Commission in November 2023.

Program costs have been reconfigured in alignment to the 2024-2029 organizational structure. Additionally, operational costs have been rearranged to more effectively convey the comprehensive program costs and administrative costs. Despite changes in framework and categorization of costs, the budgeting process remained largely consistent. Each year, we refine our budgets based on experience and learning. This budget is the result of internal collaboration and work planning across departments, ensuring the alignment of program costs with fiscal realities, and the ongoing evolution of First 5 LA in its various roles as advocate, convener, funder, catalyst, communicator, and partner.

The proposed activities and resources reflect our commitment to applying our values to our work, even as we adapt to legislative changes from late 2022, resulting in a decrease in tobacco tax funding from FY 2022-23 onwards and prompting a revision to our Long-Term Financial Plan, approved by the Board in October 2024. This year's budget presents a noticeable trend of reduced spending across programs due to declining revenue. However, these cuts are accompanied by sustainability strategies, such as the collaboration with the Medi-Cal managed care plan and the LA County Department of Mental Health, maximizing funding streams, and refining our spending based on past trends and future direction.

Our approach will continue to evolve as we prepare for the implementation of the 2024-2029 Strategic Plan tactics. The revision to our LTFP will allow us to continue to manage the transition to a more sustainable spending plan with greater alignment to the new strategic plan and evolving fiscal realities and will provide much needed consistency for our work and our partners. As First 5 LA experiences declining revenue, the Commission must refine the resources necessary to pursue the goals and strategies outlined in the Strategic Plan. Additionally, it's crucial to assess the alignment of current initiatives with new objectives. The FY 2025-26 Budget underscores the organization's dedication to fiscal responsibility by aligning budget estimates with realistic expenditures that maximize our incoming revenue and available fund balance. We will continue to advance the Commission's priorities with an emphasis on sustainability and leveraging, to build durable systems that reduce reliance on First 5 LA's funding while still advancing the mission and strategic plan goals.

This FY 2025-26 Budget Highlights document provides a general high-level overview of budget requests at the Center/Department level, specifically calling out investments that are new, large, high-profile, or Commission priorities. The document is organized into five sections as detailed in the outline below:

- I. Budget Overview
 - A. Budget Development Context
 - o Format and Approach to the FY 2025-26 Budget
 - B. Overall Budget Summary
 - C. Program Costs Summary
 - 1) Center for Family Systems & Human Resources
 - a. Family Supports

- b. Health Systems
 - c. Center Support
 - 2) Center for Community Engagement & Policy
 - d. Communities
 - e. Impact & Accountability
 - f. Public Policy & Early Care & Education
 - 3) Center for Strategy & Culture
 - g. Office of Communications
 - 4) Legacy Investments
 - 5) Strategic Initiatives Development Fund
- D. Support Costs (Combined Program Support and Administrative Support)
- II. Revenue Assumptions
- III. Impact on Fund Balance
- IV. Administrative Cost Limit
- V. Conclusion

It is important to note the distinction and relationship between our Program Costs Summary, which represents our external work, and our Support Costs (combined program support and administrative support), which represents the work to improve our workplace and costs for operational effectiveness.

Further detail on budget requests by each department is provided in Attachments C - G. While the budget document is intended to provide broad parameters around programmatic spending, it is important to note that much of the information included is subject to change, as funding requests were generated using the latest information available at the time the budget was developed. In addition, activities or funding estimates for contracts that have yet to be negotiated may be revised as appropriate. Formal budget adjustments will be included as part of the mid-year adjustment process, as needed.

Key budget and supporting documents are organized as follows:

Attachment A: FY 2025-26 Budget – Highlights

Attachment B: Supplemental Documents

- Program Budget Summary
- Combined Program Support and Administrative Support Costs Summary
- Administrative Limit Calculation
- Time Survey
- Schedule of Authorized Positions

Attachment C: Executive

- Center/Department Cover Page
- Administrative Support Budget –Detail by Center/Department

Attachment D: Center for Family Systems & Human Resources

- Center/Department Cover Page
- Program/Administrative Support Budget –Detail by Center/Department
- Program Budget – Detail by Program

Attachment E: Center for Community Engagement & Policy

- Center/Department Cover Page
- Program/Administrative Support Budget –Detail by Center/Department
- Program Budget – Detail by Program

Attachment F: Center for Strategy & Culture

- Center/Department Cover Page
- Administrative Support –Detail by Center/Department
- Program Budget – Detail by Program

Attachment G: Center for Operations & Sustainability

- Center/Department Cover Page
- Administrative Support –Detail by Center/Department

I. BUDGET OVERVIEW

The FY 2025-26 Budget framework aligns with the 2024-2029 Strategic Plan. In terms of funding and fund balance categories, proposed program and support budget resources will be drawn from the Assigned category of the fund balance. At the time of budget approval, requested program resources will shift from the Assigned resource category to the Committed category and support resources will shift from the Assigned resource category to the Unassigned.

As the organization is currently engaged in discussions regarding tactic implementation for the 2024-2029 Strategic Plan, program alignment adjustments will be reflected in the FY 2026-27 Budget, as applicable. In the interim, we remain committed to evaluating investments through the lens of our Strategic Plan, taking into account our fiscal realities and any necessary adjustments to ensure enhanced alignment across functions and departments.

A. BUDGET DEVELOPMENT CONTEXT

Format and Approach to the FY 2025-26 Budget

Fiscal year 2025-26 is a transition year as we work to identify the most effective means by which to operationalize the tactics to advance the 2024-2029 Strategic Plan goals. Additionally, the budget framework and configuration has evolved to reflect the new organizational structure in support of the 2024-2029 Strategic Plan, with the total program cost encompassing the true total cost, including staff salaries, benefits, and general operational needs, referred to herein as program support.

The purpose of the FY 2025-26 Budget is to set the context and provide a proposal for spending on Commission priorities. To maintain fiscal control, we define Budget Authority as a spending cap, and thus have developed the budget based on spending estimates—rather than negotiated contract amounts—so staff has the flexibility to manage contracts within a budget unit without having to return to the Commission. We have generated program-level budget requests that include the program purpose, expected use of funding, and the methodology used to determine the funding level. Other notable approaches to the FY 2025-26 Budget include:

1. A total budget that adheres to the \$80.0 million spending limit outlined in the Long-Term Financial Plan (LTFP) approved by the Board in October 2024, in response to a decline in

projected Proposition 10 revenues, accelerated by Proposition 31 and the continued push to reducing smoking among Californians.

2. Restricted external funds being used to support or offset the activities earmarked for FY 2025-26 (\$7.6 million).
3. The Emerging Opportunities Fund is now the Strategic Initiatives Development Fund. This fund is intended to be flexible and responsive to emerging needs and opportunities that contribute to the organization's long-term strategic objectives as we begin to move toward full implementation of the strategic plan.
4. The elimination of ten vacant full-time equivalent (FTE) positions, reducing the total revised FTE count from 105 to 95, in an effort to reduce spending in alignment with our long-term direction. Of the 95 FTE, 3 FTE are on-hold and housed under the Human Resources budget, pending the outcome of the 2024-2029 Strategic Plan implementation process.
5. A 2.5% salary adjustment.

As an organization, we will continue to filter our investments in a manner that promotes implementation and engagement that is reflective and responsive to the needs of our communities. Additional funding changes and highlights are noted in the pages that follow.

B. OVERALL BUDGET SUMMARY

The total FY 2025-26 Budget is presented in a summary schedule in Attachment B. As shown in the following high-level table, the Budget totals \$80.0 million, a decrease of approximately \$11.7 million, or 12.8% compared to the FY 2024-25 revised budget of \$91.7 million. It includes approximately \$20.4 million in First 5 LA's support costs, which encompass both program and administrative support expenses, formerly combined and referred to as internal operations. Going forward, First 5 LA will shift from reporting total internal operation costs to separately reflecting program support and administrative costs. This change is intended to more accurately represent the true cost of the programs.

Budget Component	FY 2024-25 Budget		Proposed FY 2025-26	Variance
	Original	Revised		
Program				
<i>Center for Family Systems & Human Resources</i>	39,370,160	39,225,160	32,030,413	(7,194,747)
<i>Center for Community Engagement & Policy</i>	25,367,940	25,211,940	21,368,050	(3,843,890)
<i>Center for Strategy & Culture</i>	2,717,825	2,717,825	1,463,500	(1,254,325)
Strategic Plan Total	\$ 67,455,925	\$ 67,154,925	\$ 54,861,963	\$ (12,292,962)
<i>Legacy Investments</i>	2,579,000	2,733,607	-	(2,733,607)
<i>Strategic Initiatives Development Fund</i>	150,000	150,000	4,751,470	4,601,470
Program Total	\$ 70,184,925	\$ 70,038,532	\$ 59,613,433	(10,425,099)
Program Support Total*	7,149,176.00	7,295,569	7,733,819	438,250
Total Program	\$ 77,334,101	\$ 77,334,101	\$ 67,347,252	(9,986,849)
Total Administrative Support*	14,387,291	14,387,291	12,652,748	(1,734,543)
TOTAL BUDGET	\$ 91,721,392	\$ 91,721,392	\$ 80,000,000	\$ (11,721,392)

*The combined Program Support and Administrative Support Total is equivalent to what was previously referred to as our internal operations costs.

The FY 2025-26 Budget reflects a net decline in spending, consistent with the decline in revenues and long-term plan spending limit and strategic direction.

C. PROGRAM COSTS SUMMARY

2024-2029 STRATEGIC PLAN

This year, the costs and activities are reflective of the current organizational structure, in alignment to the 2024-2029 Strategic Plan, a change from last year when programs were organized according to the 2020-2028 Strategic Plan. All proposed work and activities included in the FY 2025-26 budget operate in support of the Strategic Plan initiatives, goals, and tactics. Additionally, a long-term emphasis on sustainability continues to undergird the investment decisions to advance results for children and families in our communities.

The 2024-2029 Strategic Plan programmatic costs are captured within three of the four organizational centers (excluding Executive): The Center for Family Systems & Human Resources, the Center for Community Engagement & Policy, and the Center for Strategy & Culture.

Budget Component	Original FY 2023-24	Revised FY 2023-24	Proposed FY 2025-26	Variance
Program				
<i>Center for Family Systems & Human Resources</i>				
Family Supports	\$ 36,597,160	\$ 36,597,160	\$ 30,699,413	\$ (5,897,747)
Health Systems	2,553,000	2,503,000	1,156,000	(1,347,000)
CFS & HR Center Support	220,000	125,000	175,000	50,000
<i>CFS&HR Total</i>	<i>39,370,160</i>	<i>39,225,160</i>	<i>32,030,413</i>	<i>(7,194,747)</i>
<i>Center for Community Engagement & Policy</i>				
Communities	12,502,000	12,502,000	10,189,050	(2,312,950)
Impact & Accountability	1,500,000	1,500,000	1,414,000	(86,000)
Public Policy & Early Care Education	11,365,940	11,209,940	9,765,000	(1,444,940)
<i>CCE&P Total</i>	<i>25,367,940</i>	<i>25,211,940</i>	<i>21,368,050</i>	<i>(3,843,890)</i>
<i>Center for Strategy & Culture</i>				
Communications	2,717,825	2,717,825	1,463,500	(1,254,325)
<i>CS&C Total</i>	<i>2,717,825</i>	<i>2,717,825</i>	<i>1,463,500</i>	<i>(1,254,325)</i>
Total 2024-2029 Strategic Plan	\$ 67,455,925	\$ 67,154,925	\$ 54,861,963	\$ (12,292,962)

1) CENTER FOR FAMILY SYSTEMS & HUMAN RESOURCES

The Center for Family Systems and Human Resources plans, develops, and oversees First 5 LA's portfolio of work including efforts focused on family strengthening, health systems, and program development, including efforts to enhance and sustain our programmatic work through key partnerships with family serving public systems. More information is included below and in Attachment D.

Family Supports (\$30,699,413)

The Family Supports FY 2025-26 budget is largely comprised by First 5 LA's continued investments in Welcome Baby Hospitals (WBH) and Select Home Visiting (SHV), which combined comprise a total of \$26.6 million or 86.7% of the total Family Supports budget. However, this year's Family Supports program budget is anticipated to be offset by a total of \$4,266,581 in funding from the Los Angeles County Department of Mental Health (LACDMH) (\$4,016,581) to support SHV services in SPAs 1 and 2, and funding from a Medi-Cal Managed Care Plan (\$250,000) to support home visiting sustainability strategies. Funds from the LACDMH partnership and award indicated above will also

be used to support First 5 LA's Family Supports indirect/operational costs, per the agreement with LACDMH.

At approximately 39.5% of the overall programmatic budget, not adjusting for external funding to offset costs, home visiting is the single largest investment for First 5 LA. Informed by our fiscal reality, staff are thinking through how to evolve our home visiting strategy more intentionally towards improving systems infrastructure and facilitating sustainability. This includes developing and expanding our partnerships, such as those with LACDMH and Medi-Cal Managed Care Plans.

The Family Supports department will continue leading efforts to build and sustain an integrated home visiting system in Los Angeles County. This includes coordination with the Department of Public Health and managed care plans to support Welcome Baby and Select Home Visiting programs, as well as infrastructure like the Stronger Families Database, to support the ongoing database support and enhancements. FY 2025-26 activities focus on sustaining funding streams, piloting new referral pathways, and maximizing cross-sector data use.

The above represents some examples of the costs included within the FY 2025-26 Family Supports budget.

For further information and detail on the FY 2025-26 Family Supports program budget amounts and activities please refer to Attachment D.

Health Systems (\$1,156,000)

In FY 2025-26, the Health Systems department will advance birth equity and early identification/intervention efforts. The Health Systems department will continue to oversee the investment in the African American Infant and Maternal Mortality (AAIMM) initiative to reduce disparities in pregnancy and birth outcomes for Black women through strategies like public awareness campaigns, community engagement, and supporting community-based projects. In partnership with the Los Angeles County Department of Public Health's (LACDPH), the Health Systems will continue promoting culturally responsive care and reducing racial disparities in maternal and infant health.

Additionally, First 5 LA is wrapping up its funding for Help Me Grow LA, in partnership with the Los Angeles County Department of Public Health (LACDPH), which aims to improve early identification and intervention for children at risk of developmental delays, including supporting community collaboratives to strengthen referral pathways and a partnership with L.A. Care Health Plan for developmental screening in clinics. The department will wrap up direct funding for Help Me Grow LA with a final evaluation report that is expected to highlight learnings and impact from HMG LA Pathways

Health Systems now also oversees the Infrastructure Support for Sustainability and Health Planning project, previously managed by the Center Support. This funding is intended to create sustainable financing mechanisms for First 5 LA's investment and priority areas, including engaging healthcare experts, building the infrastructure for the sustainability of home visiting, and securing consultation and sustainability strategy support in other relevant fields.

For further information and detail on the FY 2025-26 Health Systems program budget amounts and activities please refer to Attachment D.

Center Support (\$175,000)

In FY 2025-26, Center Support will continue to invest in strategic external partnerships, emerging opportunities with County partners, and sustainability efforts to strengthen service delivery and workforce support.

The Center for Strategic Partnerships unites government, nonprofits, businesses, and philanthropy around common systems change goals and is a valuable partner to First 5 LA, allowing for the prompt mobilization of public and private resources to support County initiatives aligned with our priorities. Our investment helps to support core operations needed to perform the work aligned with First 5 LA priorities and advance the common goals.

Additionally, First 5 LA has a County Partnership Fund to support emerging opportunities with County Government that align with their 2024-2029 Strategic Plan. These efforts leverage public and private resources to advance outcomes for children and families, often supported by County and philanthropic partners.

For further information and detail on the FY 2025-26 Center Support program budget amounts and activities please refer to Attachment D.

2) CENTER FOR COMMUNITY ENGAGEMENT & POLICY

The Center of Community Engagement & Policy is responsible for overseeing and integrating First 5 LA's community engagement strategy, data agenda, public policy strategy and agenda (including early care and education), and leading First 5 LA's strategic development of external partnership development. More information is included below and in Attachment E.

Communities (\$10,189,050)

FY 2025-26 efforts will focus on community mobilization, regional collaboration, and policy advocacy aligned with Strategic Plan priorities such as housing, food security, and early care.

In FY 2025-26, the Communities department will continue strengthening Best Start Regional Networks across the five Best Start Regions and 14 Best Start Geographies to drive systems change and community leadership. The focus will include partnering with others to leverage our Best Start Networks to lead and fund systems change activities which promote parent and community engagement to advance efforts that result in families having access to the resources, opportunities, and relationships necessary to optimize their child's development across the Best Start Regions. A key component of the Communities department's budget is the Regional Network grantees (RNGs). Of the proposed FY 2025-26 costs within the Communities budget, 95.8% or \$9.8 million is driven by the Best Start RNGs.

The five RNGs represent a network of partners that work together to achieve outcomes aligned with community priorities at regional and local levels. Intentional collaboration and partnerships are at the center of this work. Examples of this work across the five RNGs include parent/resident capacity

building and leadership development, community change work and coordination, regional learning, collective advocacy, resource mobilization, communications outreach, resident/stakeholder engagement and advocacy, and an external independent audit specific to the First 5 LA contract funds. Due to the fiscal realities of declining revenues, our commitment to sustainability, and alignment to the new Long-term Financial Plan (LTFP) the RNGs are on a gradual annual rate of decline, reducing costs between 13% and 14% across each of the five RNGs for FY 2025-26.

This department's budget also includes funds to provide a collective space for RNGs to work toward action-oriented collaboration around policy and systems change, as well as resources to meaningfully engage key networks and key stakeholders. Additional funding will also be used to prioritize learning through conversation and dialogue as strategic components to advance our work and seek to enhance our collective understanding of the issues impacting families with young children in LA County.

The above represents just some examples of the activities and costs included within the FY 2025-26 Communities budget.

For further information and detail on the FY 2025-26 Communities program budget amounts and activities please refer to Attachment E.

Impact & Accountability (\$1,414,000)

For FY 2025-26 Impact & Accountability (I&A) resources will support the organization with data-driven decision-making and strategizing, transparency, technical assistance, and progress measurements. This budget includes costs and activities that will continue implementing the Impact Framework to track Strategic Plan progress, develop and launch the Equity Index, and support data partnerships.

Resources in support of the Impact Framework will be used to: 1) measure progress on Strategic Plan outcomes, 2) identify approaches for measuring objectives lacking existing or accessible data, and 3) initiate processes for developing, acquiring data, and reporting on performance measures. The Equity Index funding will help First 5 LA develop and implement a composite measure of well-being for young children and families in LA County, engage stakeholders, and launch a web-based platform to guide investments and advocacy.

I&A will also lead the First 5 California Annual Reporting process to develop and submit First 5 LA's Annual Report of investments and accomplishments to First 5 CA, expand our access to administrative data and strengthen data use and partnerships to inform LA County prevention efforts, and expand our data-driven insights by conducting research on the lived experiences of low-income families to inform Strategic Plan implementation and decision-making.

For further information and detail on the FY 2025-26 Impact & Accountability program budget amounts and activities please refer to Attachment E.

Public Policy & Early Care and Education (\$9,765,000)

The former Office of Government Affairs & Public Policy and the Early Care and Education departments merged into the department of Public Policy & Early Care and Education (PP&ECE). The PP&ECE department oversees the functions related to public policy, government affairs, early care and education, and works with others to implement systems change aligned with First 5 LA's goals.

For FY 2025-26 investments in Public Policy & Early Care and Education (PP&ECE) will focus on advancing legislative and regulatory changes in support of our Strategic Plan, expanding access to affordable early learning, advocating for culturally affirming services, and supporting strategic public investments. The department will coordinate closely with internal teams and external coalitions to align policy advocacy with data and community-driven insights.

Two of the largest investments overseen by this department include Improve and Maximize Programs so All Children Thrive (IMPACT) Legacy and Early Childhood Policy and Advocacy Fund. IMPACT Legacy, funded by First 5 California through a draw down, whose intent is to support quality improvement services in local counties, will support the continued implementation, stabilization, and sustainability of the Quality Start Los Angeles (QSLA) model through quality improvement services, coaching, technical assistance, professional development, quality improvement stipends for providers, and management of the database. The Early Childhood Policy Advocacy Fund (ECPAF) investment intends to promote more aligned and holistic advocacy through a Whole Child and Whole Family lens. It will also bring together diverse advocacy voices whose work occurs and operates at the intersection of systems; supports achievement of First 5 LA strategic and sustainability priorities; and reflects commitment to diversity, equity, and inclusion.

PP&ECE will play a critical role in aligning systems change strategies with the evolving policy landscape and advancing policy and advocacy initiatives aligned with First 5 LA's Strategic Plan.

For further information and detail on FY 2025-26 Public Policy & Early Care Education program budget amounts and activities please refer to Attachment E.

3) CENTER FOR STRATEGY & CULTURE

The Center of Strategy & Culture is responsible for overseeing the building-up of organizational culture and the capability to advance the strategic plan, embed diversity, equity and inclusion (DEI) in the day-to-day fabric of the organization, communicate the work of the organization effectively internally and externally, and is responsible for collaboratively developing strategic direction for the organization. More information is included below and in Attachment F.

Communications (\$1,463,500)

Despite the 46.2% reduction to the Communications budget, the Communications department will continue to communicate the impact of the organization's work to internal and external audiences and work collaboratively across the organization to develop and implement strategic communications, marketing and internal communications efforts that build First 5 LA's reputation as an advocate, systems change agent and trusted source of information. The reduced funding will result in scaled and limited efforts across various activities, such as brand refresh to reflect the 2024-2029 Strategic Plan and campaign development and scaled and limited advertising to specific regions instead of countywide.

For FY 2025-26, the department will support public education campaigns and narrative change efforts connected to key initiatives like AAIMM and Home Visiting. Communications will also play a critical role in advancing First 5 LA's Strategic Plan by developing storytelling strategies, supporting cross-departmental messaging, and reinforcing equity-driven narratives across platforms. Budgeted

activities span across initiatives and are designed to enhance visibility, advocacy, and strategic engagement.

For further information and detail on the FY 2025-26 Communications program budget amounts and activities please refer to Attachment F.

4) LEGACY INVESTMENTS

These investments are multi-year programs that represent ongoing work of the Commission from previous Strategic Plans. The final legacy investment fully exhausted its allocation in FY 2024-25.

5) STRATEGIC INITIATIVES DEVELOPMENT FUND

The Strategic Initiatives Development Fund is allocated to support expenditures related to the development of new initiatives, tactics, and projects that are in alignment with the goals outlined in our Strategic Plan. This fund is intended to be flexible and responsive to emerging needs and opportunities that contribute to the organization's long-term strategic objectives.

The total amount allocated to this fund has been carefully determined by analyzing the variance (or delta) between actual tactics budgeted and the budget limit set by management and aligned to the organization's long term financial plan.

This approach ensures that funds are used efficiently and that we remain aligned with our strategic priorities, while providing room for additional projects that may arise throughout the year.

The fund will be available for a variety of expenditures, that may include but is not limited to:

- Research and analysis for new initiatives (data).
- Pilot programs or prototypes related to strategic objectives.
- Staffing with expertise and/or specialized knowledge.
- External consultant fees or expertise for specialized knowledge.
- Strategic partnerships or collaborations to further organizational goals.
- Technology or tools that support new tactics.

6) *Support Costs (Combined Program Support and Administrative Support)*

The FY 2025-26 budget has been shaped by historical spending and anticipated needs for the year. It includes approximately \$20.4 million in First 5 LA's support costs, which encompass both program and administrative support expenses, formerly referred to as internal operations. Going forward, First 5 LA will shift from reporting total internal operation costs to separately reflecting program support and administrative costs. This change is intended to more accurately represent the true cost of the programs.

SUPPORT COST CATEGORY	FY 2024-25 Budget				Proposed	
	Original		Revised		FY 2025-26 Budget	
Program Support	\$ 7,149,176	33.2%	7,295,569	33.6%	\$ 7,733,819	37.9%
Administrative Support	14,387,291	66.8%	14,387,291	66.4%	12,652,748	62.1%
Total Internal Support Costs	\$ 21,536,467	100.0%	\$ 21,682,860	100.0%	\$ 20,386,567	100.0%

SUPPORT COST CATEGORY	FY 2024-25 Budget				Proposed	
	Original		Revised		FY 2025-26 Budget	
Personnel Services	\$ 17,110,630	79.4%	\$ 17,110,630	78.9%	\$ 16,372,126	80.3%
Operating Services	1,632,818	7.6%	1,612,693	7.4%	1,625,084	8.0%
Consultant Services	1,670,010	7.8%	1,840,278	8.5%	1,283,900	6.3%
Professional Services	469,150	2.2%	468,900	2.2%	458,250	2.2%
Travel Expenses	271,409	1.3%	267,409	1.2%	296,608	1.5%
Professional Development	382,450	1.8%	382,950	1.8%	350,600	1.7%
Total Internal Support Costs	\$ 21,536,467	100.0%	\$ 21,682,860	100.0%	\$ 20,386,567	100.0%

Note: Percentages have been rounded to the nearest tenth

The \$20.4 million represents a decrease of approximately \$1.3 million or 6.0% compared with the revised FY 2024-25 Budget, influenced primarily by downward spending in nearly all cost categories with upward spending anticipated in Operating Services and Travel Expenses.

Additional detail on the proposed internal support costs (combined program support and administrative support costs) can be found in Attachments B - G.

Highlights and Assumptions:

The approximately \$1.3 million net decrease is primarily driven by reduced spending as the organization ramps down costs to achieve a \$60 million annual budget over eight years, effective FY 2027-28, which is anticipated to provide much needed consistency for our work and our partners while aligning better with our new fiscal context and new Strategic Plan goals. As shown in the department budgets in Attachments C - G, the budget includes many decreases within individual team budgets as well as shifts in funding between line items, and the following are highlights of the major spending categories.

The following are highlights of the major spending categories:

Personnel Services

Out of the total proposed \$20.4 million in organization-wide operating support costs, which include Program Support and Administrative Support, approximately \$16.4 million, or 80.3%, is designated for Personnel Services. This amount covers salaries and employee benefits and represents a decrease of about \$738,500 or 4.3% compared to the revised FY 2024-25 personnel budget.

The decrease in personnel costs is primarily due to the elimination of ten vacant positions, which reduces the organization's overall full-time equivalent (FTE) count from 105 to 95 as we continue to assess and strategically deploy First 5 LA's human and fiscal resources in line with our evolving organization, fiscal realities, and desired outcomes for the children and families we serve in Los Angeles County.

For FY 2025-26, we are budgeting for eight priority hire positions and eight vacant positions. Priority hire positions are those identified as most critical and will be prioritized for hiring and onboarding. This includes: the Vice President of the Center for Strategy & Culture, an Administrative & Center Coordinator for the Center of Community Engagement & Policy, a Contract Compliance Officer, a Senior Data Strategist, a Program Development & Effectiveness Manager, a Financial Planning & Analysis Analyst, a Director of Communities, and a Director of Public Policy & Early Care Education. Of the eight priority hires, one has been budgeted for ten and a half months. Of the eight vacant positions, three are budgeted for six months. Additionally, another three of the nine vacant positions are included in the Human Resources department's budget as 'to be determined' until further discussions on Strategic Plan Implementation and staff capacity assessment are completed. After these discussions, the appropriate organizational assignments will be determined.

Despite the elimination of 10 FTEs, personnel costs did not decrease more significantly due to the removal of the 3% attrition factor included in FY 2024-25 personnel budget calculation, the rising cost of benefits, and the inclusion of a 2.5% salary adjustment.

These personnel costs have been carefully assessed and aligned to meet the staffing needs necessary to achieve the organization's strategic priorities. A complete schedule of authorized positions can be found in Attachment B.

Operating Expenses

For FY 2025-26, general operating expenses comprise \$1.63 million, or 7.9% of the total operating support costs. This is a net increase of \$12,391 or 0.8% when compared to the revised FY 2024-25 operating services. There were increases and decreases in budgets across the organization but for the most part, operating services stayed consistent with FY 2024-25. The most significant addition was made to Hardware and Software maintenance, primarily driven by the IT team, in the amount of \$30,000. This was due to changes in licensing costs and additional services for the cybersecurity needs of the organization. Other org-wide reductions include a \$17,000 savings in telephone and internet (land line) costs, due to a new contract with CalNet, as well as reductions in costs associated with cell phones and mobile devices org-wide. There is a slight increase to certain Facilities line items for FY 2025-26, particularly related to an increase in security and other building management costs.

Consultant Services

The budget includes approximately \$1.28 million for Consultant Services, representing about 6.3% of the total operating support costs and a decrease of approximately \$556,378, or 30.2% compared to the FY 2024-25 revised budget. A significant factor is the conclusion of several consultant contracts to support the implementation of the 2024-2029 Strategic Plan. This includes reductions in contracts within Strategy & Culture in FY 2025-26, namely Chrissie Castro & Associates and Nancy Strohl for consultation support, training, technical assistance and develop and implement the SP org tactics.

Additional decreases are centralized within the IT, HRTM, and Strategy and Culture teams. The consultant services for IT will decrease by \$90,000 in the FY 2025-26 budget, with the completion of several projects related to the IT Strategic/Work Plan as well as cybersecurity augmentation and implementation. In the HRTM team, there is a decrease of \$46,000 in consultant related expenses, largely due to a reduction in the need for Executive recruitment search firm services, now expected to be approximately \$100,000 in FY 2025-26. For FY 2025-26, Consultant Services costs for the various

departments have been centralized in the Senior Leadership Team member's department (support) budget.

Professional Services

The budget includes approximately \$458,250 to support Professional Services, representing 2.2% of total operating support costs and a \$10,650 decrease or approximately 2.3% in funding level compared to the revised FY 2024-25 budget. Resources will continue to fund staff recruitment, legal fees, web-based services, audit fees and miscellaneous bank charges.

Travel Expenses

Travel Expenses comprise 1.4% of the total operating support costs at approximately \$296,600, representing an increase of about \$29,200 or 10.9% compared to the revised funding for FY 2024-25. For FY 2025-26, there is an uptick in travel related costs that coincides with additional professional development opportunities that will be in-person and require associated travel expenses in airfare, lodging, and per diem. This has increased across several departments that are engaging in on-site trainings. Additionally, the organization's public policy and advocacy related travel will remain a priority and will require increased frequency of employee and Board travel to Sacramento, CA and Washington, DC.

Professional Development

Professional Development represents 1.7% of the total operating support budget, at \$350,600. This budget includes an \$32,350 decrease in spending compared to the revised resources proposed in FY 2024-25. The organization will continue to deliver Professional Development through leadership programs, such as coaching for Leadership team staff and costs associated with external staff professional development opportunities in programs such as CORO which is \$3,000 per staff member, coaching for Senior Leadership Team (\$15,000 per SLT member) and Leadership Team (\$5,000 per LT member) as well as other leadership programs. Reductions come in the form of completion of in-house training initiatives and other resources to support implementation of the strategic plan. Despite the gradual decline in revenue, First 5 LA continues to prioritize staff training to ensure that our staff are well equipped to perform the key job functions needed to advance the desired short and long-term outcomes. For FY 2025-26, Professional Development costs for the various departments have been centralized in the Senior Leadership Team member's department (support) budget.

II. REVENUE ASSUMPTIONS

First 5 LA's primary funding source, the Proposition 10 Tobacco Tax, has been in gradual decline since FY 2004–05. This trend accelerated following the passage of Proposition 31 in November 2022, which banned the sale of certain flavored tobacco products in California. In response, First 5 LA revisited and revised its Long-Term Financial Plan (LTFP) to adjust spending limits and avoid a fiscal cliff projected after FY 2027–28. The revised plan, extending through FY 2034–35, was approved by the Board in October 2024.

As Proposition 10 revenues continue to decrease, First 5 LA is not only maintaining but expanding its efforts to identify alternative revenue sources and sustainability strategies. The organization is actively

pursuing partnerships and funding opportunities to support its mission and serve the children of Los Angeles County. Recent examples include: IMPACT funding from First 5 California (F5CA), support from the Los Angeles County Department of Mental Health (LACDMH) for home visiting services in Service Planning Areas (SPAs) 1 and 2, and funding through a collaboration with a Medi-Cal managed care plan to advance Welcome Baby sustainability strategies. Together, these sources are expected to contribute approximately \$7.6 million in FY 2025–26.

Proposition 10 allocates 80% of tobacco tax revenue to county commissions, based on their share of statewide births. Los Angeles County consistently receives the largest share—about 22–23% of the total allocation. The Department of Finance (DOF) and the California Department of Tax and Fee Administration (CDTFA) develop revenue forecasts, which also account for administrative costs from the State Board of Equalization (BOE). As reflected in current and past LTFPs, Proposition 10 revenue has been steadily declining and is expected to continue this trajectory. Contributing factors include policy measures such as Proposition 31 and a general decline in smoking rates. For FY 2025–26, tobacco tax revenue is projected at approximately \$52.1 million—down \$1.4 million, or 2.6%, from estimates shared with the Board in June 2024. State revenue projections are inherently variable. Internally, First 5 LA continues to apply an annual rate of decline of 4.25%—based on the latest approved LTFP—for forecasting revenues from FY 2026–27 through FY 2034–35. These projections are updated as actual revenue data becomes available. Staff will also continue working with other county commissions and the First 5 Association to monitor and respond to developments that may impact funding.

The Commission currently invests in two pools: the County surplus pool and a dedicated investment portfolio. For FY 2025–26, interest income from these investments is projected at approximately \$7.0 million, based on a 2.5% estimated rate of return on expected cash balances.

In alignment with the 2024–2029 Strategic Plan and the LTFP, First 5 LA will continue exploring both public and private funding opportunities to support its fiscal sustainability and strategic goals. Any additional revenue secured during the fiscal year—whether restricted or unrestricted—will be presented to the Commission either through the FY 2025–26 Mid-Year Revised Budget or the next update to the LTFP, as appropriate.

III. IMPACT ON FUND BALANCE

It's important to understand how the annual budget affects First 5 LA's fund balance. As tobacco tax revenues—which have historically funded the organization's work—continue to decline, expenditures are expected to outpace incoming revenue. This will lead to a corresponding decrease in the fund balance.

To help manage this fund balance decline, a portion of the annual budget is set aside for the fund balance reserve, in accordance with Board policy approved in July 2020. This policy requires that the reserve be set at 50% of the projected annual budget. For FY 2025–26, this amounts to \$40.0 million, which is classified as *unassigned* for fund balance purposes.

Updates to the Long-Term Financial Plan (LTFP), approved in October 2024, have resulted in a projected increase in the available ending fund balance for FY 2034–35. This increase reflects several factors:

- Inclusion of interest earnings over the plan term (which were not accounted for in the LTFP presented to the Board in October 2024)
- Higher-than-expected interest earnings in FY 2023–24
- Lower-than-expected actual spending in FY 2023–24
- A cost-neutral mid-year adjustment to the FY 2024–25 budget, and
- Additional secured other/external funding

The FY 2034–35 ending fund balance is expected to continue fluctuating in future years, as revenue projections, external funding, interest earnings, and actual expenditures are updated. Revisions from mid-year adjustments and proposed budgets will also influence the projections.

First 5 LA's ongoing focus on sustainability and securing alternative revenue also impacts the fund balance. In FY 2025–26, the total budget is \$80.0 million, of which approximately \$7.6 million is expected to come from external funds. This results in a net draw on First 5 LA's internal resources—and thus the fund balance—of about \$72.4 million.

Per Board policy, the annual budget is formally adopted by the Commission through a resolution that commits funds to the initiatives outlined in the budget. Remaining allocation balances as of June 30, 2025, will be presented to the Board for reaffirmation on June 12, 2025, alongside the approval of the FY 2025–26 budget. For fund balance classification, only the annual appropriation approved for a given fiscal year is shown as *committed* for programmatic investments that do not have an approved multi-year allocation. Any unspent funds from the previous fiscal year return to the *assigned* fund balance, which reflects funds available for use under the board-approved Strategic Plan.

Final balances across all fund balance categories will be confirmed after the close of FY 2024–25 and the completion of the year-end audit and Comprehensive Annual Financial Report. Updated fund balance information will be shared with the Commission through the audit process and will also be reflected and shared in the updated LTFP alongside next year's draft budget.

IV. ADMINISTRATIVE COST LIMIT

Based on current policy and in compliance with the California Health and Safety Code governing the operations of First 5 LA, the Commission approves an annual administrative cost limit which is a percentage of the total budget. Though it does not set or mandate a limit, Proposition 10 does require all First 5 commissions to establish an administrative cost cap. As part of the approval of the annual fiscal year budget, First 5 LA approves an annual limit on the organization's administrative spending. While this administrative cost limit represents a percentage of the overall fiscal year budget, the Commission approves the limit at the dollar amount level. This is because administrative costs are generally not as fluid as other types of costs and cannot adapt quickly to respond to changes in actual spending levels. Through the LTFP, the annual administrative limit has been designated as representing no more than 15% of total annual costs, unless otherwise approved by the Board. As we work toward alignment to the \$60 million annual spending and greater stability for our work and our

partners, the administrative cost is expected to fluctuate above the 15% target. This year, the administrative cost for FY 2025-26 is a projected 15.82% of total spending for the year.

The administrative cost accounts for 100% of the following departments' costs: Board of Commissioners, Communications, Contract Administration & Purchasing, Executive, Facilities Management, Finance, Human Resources, Information Technology, and the Center for Operations & Sustainability. In addition to these costs, the existing definition includes salary and employee benefit (S&EB) costs for Vice Presidents, Directors and Administrative Assistants in the following programmatic departments: Communities, Family Supports, Health Systems, Impact & Accountability, Center for Community Engagement & Policy, Center for Strategy & Culture, Center for Family Systems & HR Support, and the Public Policy & ECE department. This year, the Administrative Cost for Vice Presidents, Directors and Administrative Assistants, previously calculated at 100%, was adjusted down to 65% of total Salary & Benefits for FY 2025-26, per the high-level Staff Time Allocation survey collected in August 2024. The 35% difference was captured as a program support cost.

Using the methodology noted above (further details are provided as part of Attachment B), the administrative cost to support First 5 LA functions is projected to be \$12.7 million, or 15.82% of the total budget. The decrease from the previous year's revised \$14.4 million or 15.69% is due to the cost reductions proposed across nearly all areas of the budget, with greater reductions proposed in programs for FY 2025-26, as we begin to shift toward alignment with the approved long-term financial plan.

V. CONCLUSION

In FY 2025-26, First 5 LA departments will deepen their systems change efforts through strategic investments, cross-sector collaboration, and data-informed practices. Each department's work aligns with the organization's 2024-2029 Strategic Plan and reflects a shared commitment to improving outcomes for children prenatal to age 5 and their families across Los Angeles County.

The approach to budgeting at First 5 LA has undergone significant evolution in recent years and will continue to do so, driven by experience, to achieve greater precision, clarity, and transparency. Annually, the Commission adopts a budget that reflects the staff's best estimate of the financial resources needed to advance work in alignment with the strategic direction. The format and approach for the FY 2025-26 Budget signify ongoing efforts to enhance financial accountability and transparency while maintaining flexibility within the evolving landscape of First 5 LA. We will persist in advancing Commission priorities with an emphasis on sustainability and leveraging, while considering the fiscal outlook presented in the most recent Long Term Financial Projection (LTFP).

We extend our gratitude to the Commission for their steadfast leadership and support of First 5 LA's mission to create a future where every child is born healthy and thrives in nurturing, safe, and loving communities.



ATTACHMENT B:

FY 2025-26 BUDGET

SUPPLEMENTAL DOCUMENTS

- Budget Summary
- Combined Program Support and Administrative Support Costs (Organization-wide operations costs)
- Administrative Limit Calculation
- Time Survey
- Schedule of Authorized Positions

CENTER/DEPARTMENT	PROJECT NAME	REVISED FY 2024-25 BUDGET	FY 2025-26 BUDGET		VARIANCE	
			PROPOSED	\$	CHANGE	
2024-2029 STRATEGIC PLAN						
Center for Family Systems & Human Resources						
FAMILY SUPPORTS	Welcome Baby Hospitals	\$ 19,924,000	\$ 16,990,000	\$ (2,934,000)	-14.7%	
	Select Home Visiting Programs	11,008,000	9,630,000	(1,378,000)	-12.5%	
	Family Strengthening Oversight Entity	3,939,000	3,415,113	(523,887)	-13.3%	
	F5CA Home Visiting Coordination Project	911,860	-	(911,860)	-100.0%	
	Stronger Families Database	664,300	664,300	-	0.0%	
	Welcome Baby Impact Study	150,000	-	(150,000)	-100.0%	
Sub-total Family Supports		\$ 36,597,160	\$ 30,699,413	\$ (5,897,747)	-16.1%	
HEALTH SYSTEMS	Help Me Grow	\$ 1,443,000	\$ 60,000	\$ (1,383,000)	-95.8%	
	Infrastructure Support for Sustainability and Health Planning	120,000	170,000	50,000	41.7%	
	AAIMM Birth Outcomes and Disparities – Policy and Systems Change	940,000	926,000	(14,000)	-1.5%	
Sub-total Health Systems		\$ 2,503,000	\$ 1,156,000	\$ (1,347,000)	-53.8%	
CENTER SUPPORT	Center for Strategic Partnerships	\$ 50,000	50,000	\$ -	0.0%	
	County Partnership Fund	75,000	125,000	50,000	66.7%	
Sub-total Center Support		\$ 125,000	\$ 175,000	\$ 50,000	-43.2%	
Sub-Total: Center for Family Systems & Human Resources		\$ 39,225,160	\$ 32,030,413	\$ (7,194,747)	-18.3%	
Center for Community Engagement & Policy						
COMMUNITIES	Region 1: Central-East Regional Network	\$ 3,003,000	\$ 2,582,580	\$ (420,420)	-14.0%	
	Region 2: SLA Regional Network	3,428,000	2,948,080	(479,920)	-14.0%	
	Region 3: SFV Regional Network	1,583,000	1,377,210	(205,790)	-13.0%	
	Region 4: Port Cities Regional Network	1,808,000	1,554,880	(253,120)	-14.0%	
	Region 5: AV Regional Network	1,490,000	1,296,300	(193,700)	-13.0%	
	Cross Regional Alignment	87,500	95,000	7,500	8.6%	
	Best Start Learning Agenda	430,000	-	(430,000)	-100.0%	
	Activating Network Partners	350,000	300,000	(50,000)	-14.3%	
	Expand Regional Influence and Impact with Data	287,500	-	(287,500)	-100.0%	
	Learning Dialogues	35,000	35,000	-	0.0%	
Sub-total Communities		\$ 12,502,000	\$ 10,189,050	\$ (2,312,950)	-18.5%	
IMPACT & ACCOUNTABILITY	Annual Reporting	\$ 63,000	\$ 41,000	\$ (22,000)	-34.9%	
	Data Requests	5,000	5,000	-	0.0%	
	Children's Data Network (CDN)	706,000	530,000	(176,000)	-24.9%	
	WIC Data Mining Research Partnership	323,000	266,000	(57,000)	-17.6%	
	Data Agenda	250,000	-	(250,000)	-100.0%	
	Impact Framework	153,000	272,000	119,000	77.8%	
Equity Index	-	300,000	300,000	N/A		
Sub-total impact & Accountability		\$ 1,500,000	\$ 1,414,000	\$ (86,000)	-5.7%	
Public Policy & Early Care Education	County ECE Infrastructure Support	\$ 200,000	\$ 200,000	\$ -	0.0%	
	Kindergarten Readiness Assessment	55,000	-	(55,000)	-100.0%	
	Provider Advisory Group	327,800	250,000	(77,800)	-23.7%	
	Universal Preschool	150,000	75,000	(75,000)	-50.0%	
	Dual Language Learner	400,000	400,000	-	0.0%	
	Home-Based Child Care Strategy	900,000	600,000	(300,000)	-33.3%	
	IMPACT Legacy	2,983,140	2,600,000	(383,140)	-12.8%	
	QSLA Facilitation and Communications	500,000	250,000	(250,000)	-50.0%	
	Early Childhood Policy and Advocacy Fund	3,610,000	3,610,000	-	0.0%	
	Policy Advocacy Fund Technical Assistance Provider	525,000	525,000	-	0.0%	
	Organization-Wide Sponsorships	275,000	240,000	(35,000)	-12.7%	
	Organizational Memberships	160,000	170,000	10,000	6.3%	
	Organization-Wide Partnerships	160,000	140,000	(20,000)	-12.5%	
	Policy & Advocacy Stakeholder Engagement	160,000	125,000	(35,000)	-21.9%	
	State Policy and Sustainability Advocate	278,000	205,000	(73,000)	-26.3%	
Strategic Plan Advocacy Strategies	526,000	375,000	(151,000)	-28.7%		
Sub-total Public Policy & Early Care Education		11,209,940	9,765,000	(1,444,940)	-12.9%	
Sub-Total: Center for Community Engagement & Policy		\$ 25,211,940	\$ 21,368,050	\$ (3,843,890)	-15.2%	

CENTER/DEPARTMENT	PROJECT NAME	REVISED FY 2024-25 BUDGET	FY 2025-26 BUDGET		VARIANCE	
			PROPOSED		\$	CHANGE
Center for Strategy & Culture						
Communications	Strategic Communications	\$ 1,417,825	\$ 557,500	\$ (860,325)	-60.7%	
	Strategic Communications Partnerships	200,000	150,000	(50,000)	-25.0%	
	Strategic Marketing	1,100,000	756,000	(344,000)	-31.3%	
Sub-total Communications		2,717,825	1,463,500	(1,254,325)	-46.2%	
Sub-Total: Strategy & Culture		\$ 2,717,825	\$ 1,463,500	\$ (1,254,325)	-46.2%	
TOTAL 2024-2029 STRATEGIC PLAN		\$ 67,154,925	\$ 54,861,963	\$ (12,292,962)	-18.3%	
LEGACY INVESTMENTS						
Little by Little	Little by Little/One Step Ahead Program	\$ 2,733,607	-	(2,733,607)	-100.0%	
TOTAL LEGACY INVESTMENTS		\$ 2,733,607	\$ -	\$ (2,733,607)	-100.0%	
	Strategic Initiatives Development Fund	\$ 150,000	\$ 4,621,880	4,471,880	2981.3%	
	Program Support	\$ 7,295,569	\$ 7,863,409	567,840	7.8%	
TOTAL FIRST 5 LA PROGRAM BUDGET		\$ 77,334,101	\$ 67,347,252	\$ (9,986,849)	-12.9%	
Administrative Cost						
	Administrative Support	\$ 14,387,291	\$ 12,652,748	\$ (1,734,543)	-12%	
TOTAL ADMINISTRATIVE Support		\$ 14,387,291	\$ 12,652,748	\$ (1,734,543)	-12.1%	
TOTAL FIRST 5 LA BUDGET		\$ 91,721,392	\$ 80,000,000	\$ (11,721,392)	-12.8%	
NON- F5LA PROPOSITION 10 REVENUES						
	F5CA Home Visiting Coordination Project	\$ 911,860	\$ -	(911,860)	-100%	
	F5CA IMPACT	2,983,140	3,375,531	392,391	13%	
	Medi-Cal Managed Care Plan	300,000	250,000	(50,000)	-17%	
	SHV: DMH Application for funding	4,580,000	4,016,581	(563,419)	-12%	
	F5CA QSLA Facilitation & Comms	500,000	-	(500,000)	-100%	
TOTAL NON-F5LA PROPOSITION 10 REVENUES		\$ 9,275,000	\$ 7,642,112	\$ (1,632,888)	-17.6%	
TOTAL DEMAND ON F5LA RESOURCES		\$ 82,446,392	\$ 72,357,888	\$ (10,088,504)	-12.2%	

OPERATING COSTS SUMMARY
 BUDGET FY25-26
 CENTER/OFFICE/TEAM: First 5 LA



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance
Total Operating Expenses	21,682,860	20,386,567	(6.0%)
Total Salaries & Wages	12,552,062	11,788,254	(6.1%)
6040 Social Security Tax	739,588	681,226	(7.9%)
6215 Utilities	185,000	185,000	0.0%
6225 Mileage, Parking and Other Transportation	22,263	22,965	3.2%
6230 Telephones	70,300	53,300	(24.2%)
6235 Cell Phone & Mobile Devices	114,000	108,300	(5.0%)
6240 Outside Printing & Publications	2,450	2,300	(6.1%)
6245 Other Supplies	6,000	3,000	(50.0%)
6250 Postage & Delivery	4,000	2,510	(37.3%)
6255 Educational Supplies	5,150	5,000	(2.9%)
6260 Office Supplies	46,785	34,790	(25.6%)
6265 Subscriptions & Publications	27,065	34,000	25.6%
6270 Capital Outlay	130,000	103,500	(20.4%)
6275 Equipment-Rents & Leases	16,000	21,000	31.3%
6280 Building Repair & Maintenance	172,580	170,000	(1.5%)
6285 Equipment Repairs & Maintenance	5,500	6,500	18.2%
6290 Offsite Storage	5,200	5,200	0.0%
6295 Hardware & Software Maintenance	374,000	404,000	8.0%
6300 Miscellaneous/Contingency	60,000	89,800	49.7%
6310 Internal Meetings	93,600	89,200	(4.7%)
6315 Divisional Capacity Building	20,000	19,000	(5.0%)
6410 Consultant Fees	1,540,018	972,000	(36.9%)
6420 Other Professional Fees	300,260	311,900	3.9%
6510 Audit	72,000	72,000	0.0%
6520 Legal Fees	200,000	200,000	0.0%
6540 Professional Dues	58,900	74,250	26.1%
6550 Staff Recruitment	12,000	10,000	(16.7%)
6560 Commissioners Stipends	20,000	20,000	0.0%
6570 Web-Based Services	93,000	70,000	(24.7%)
		79	
6580 Bank & Other Service Charges	13,000	12,000	(7.7%)

OPERATING COSTS SUMMARY
BUDGET FY25-26
CENTER/OFFICE/TEAM: First 5 LA



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance
6610 Airfare	104,700	117,125	11.9%
6620 Lodging	101,746	115,348	13.4%
6640 Per Diem	45,488	45,270	(0.5%)
6650 Other Travel Expense	15,475	18,865	21.9%
6810 Training Materials & Supplies	14,350	12,100	(15.7%)
6820 In-house Training	77,200	64,300	(16.7%)
6830 Leadership Programs	129,700	135,000	4.1%
6840 Conference/Training Registrations	100,100	89,700	(10.4%)
6850 Outside Education	61,600	49,500	(19.6%)

**First 5 LA
FY 2025-26 Budget
Administrative Limit Calculation**

Administrative Support Centers/Departments

Board of Commissioners	40,500
Communications	722,561
Contract Administration & Purchasing	1,342,475
Executive	1,240,295
Facilities Management	734,600
Finance	1,668,042
Human Resources	1,905,133
Information Technology	1,591,820
Center for Operations & Sustainability (COS)	1,290,627

Program Support Salary & Benefits¹:

Communities	377,296
Family Supports	245,503
Health Systems	261,628
Impact and Accountability	184,842
Center for Community Engagement & Policy	294,550
Center for Strategy and Culture	218,109
Center for Family Systems & HR Support	399,408
Public Policy & ECE	135,358

Total FY 2025-26 Administrative Support Budget **\$ 12,652,748**

Total FY 2025-26 Program Support Budget **\$ 7,863,409**

Total FY 2025-26 Admin Budget \$ 12,652,748

Total FY 2025-26 Program Budget 67,347,252

Total FY 2025-26 Budget **\$ 80,000,000**

Administrative Cost Percentage **15.82%**

1. Program Support Salary & Benefits represents the Program VPs, Program Directors and Program Administrative Assistants salary and benefits, where 65% of total salary & benefits is calculated as an Administrative cost per the high-level August 2024 Internal Time Allocation Survey findings, and 35% is program support.

Time Allocation Survey

Programmatic Activities 35%

Administrative Activities 65%



Directions: Type in your name. Next to your name, in the highlighted cells in the same row, add the estimated average hours spent on administrative tasks vs. programmatic tasks per 160-hour work month in the "Program Hrs/Mo" and "Admin Hrs/Mo" columns. Ensure that the combined hours total 160, and the "% Total" column equals 100%. The percentage distribution will automatically calculate.

Administrative Costs are costs incurred in support of the general management and administration of First 5 LA, for a common or joint purpose that benefits more than one cost objective and/or those costs not readily assignable to a specifically benefited cost objective. **Examples include:** Financial reporting, reporting activities, financial planning, commission/association meetings or travel, timecard review, performance evaluations and other HR designated tasks, strategic planning, procurement.

Program costs are costs incurred that are readily assignable to a program, grantee, contractor, or service provider and/or in the execution of direct services provision. **Examples include:** Direct Services, program outreach and education, program planning, program grants and contract management, program/provider technical assistance and support, program database management, and contract compliance.

	Name	Program Hrs/Mo	% Program	Admin Hrs/Mo	% Administrative	% Total
1	Kim Hall	96	60%	64	40%	100%
2	John Wagner	96	60%	64	40%	100%
3	Julie Miyagawa	-	0%	160	100%	100%
4	Joaquin Calderon	85	53%	75	47%	100%
5	Ruth Flamenco	29	18%	131	82%	100%
6	Diana Careaga	100	63%	60	38%	100%
7	Esther Siordia	10	6%	150	94%	100%
8	Marcy Banuelos	10	6%	150	94%	100%
9	Tara Ficek	82	51%	78	49%	100%
10						0%
Total Average			35%		65%	

**FIRST 5 LA
SCHEDULE OF AUTHORIZED POSITIONS**

Departments/Centers	FY 2024-25		FY 2025-26 ⁴	
	Authorized Positions ¹	Filled Positions as of March 2024	Baseline	Addition/Deletion
Executive	2	2	2	
Family Systems & Human Resources	4	3	4	
Human Resources ³	15	4	15	-7
Family Supports	10	10	10	
Health Systems	6	6	6	
Community Engagement & Policy	2	1	2	1
Communities	13	11	13	-1
Impact & Accountability	6	4	6	-1
Public Policy & ECE	12	9	12	-2
Operations & Sustainability	4	4	4	
Contract Administration & Purchasing	8	6	8	
Finance	8	7	8	
Information Technology	5	5	5	
Strategy & Culture	4	2	4	1
Communications	6	4	6	-1
	105	78	105	-10
				95

1) Temporary employees (varies) who work fewer than 30 days a year are not included in the FTE count

2) The FTE count is based on our best thinking to meet the needs of the organization at this time

3) Budgets for the three (3) vacant TBD positions are included in the HR budget, as well as a regular part-time and a temporary part-time HR staff, reflected as a total of one (1) FTE for the purpose of this exercise. Regular part-time staff receive limited benefits (pro-rated to hours working, including leave, retirement, no health). Temporary part-time staff receive no benefits (except mandated sick leave). An employee must work at least 30 days in a year for the same employer to be eligible for limited benefits as a part-time employee.

4) Eight (8) Priority Hire positions and five (5) Non-Priority Hire positions are budgeted in alignment with the new Strategic Plan



ATTACHMENT C:

FY 2025-26 BUDGET

CENTER FOR FAMILY SYSTEMS & HUMAN RESOURCES

- CENTER/DEPARTMENT COVER SHEET
- PROGRAM SUPPORT DETAIL
- PROGRAM DETAIL

Family Systems & HR Support

Center/Department Name: Center for Family Systems & Human Resources

Authorized Positions:

Position	#
Executive Vice President	1
Program Development & Effectiveness Manager	1
Executive Assistant and Center Coordinator	1
Project Manager	1
Total:	4

Overview:

The Center for Family Systems and Human Resources plans, develops, and oversees our portfolio of work including efforts focused on family strengthening (including Welcome Baby and Select Home Visiting, as well as other efforts to assist families in navigation and accessing resources from public systems), health systems (including efforts focused on birth equity and early identification and intervention for developmental delays), and program development (including efforts to enhance and sustain our programmatic work). In addition, the Center includes the development and oversight of the policies, procedures and processes that support our employees, ensuring First 5 LA is able to recruit and retain top talent. The Center includes the following: the Family Supports department, the Health Systems department, the Human Resources department, and the function of program development and effectiveness. This Center also houses our key partnerships with family serving public systems.

The Center is headed by the Executive Vice President and collaborates with the other Centers and the Executive Department to strategically plan and execute First 5 LA's organizational priorities.

OPERATING COSTS SUMMARY

BUDGET FY25-26

CENTER/OFFICE/TEAM: Fam Syst & HR Supp-CST-Op Costs-No Project



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance	Note(s)
Total Operating Expenses	1,020,895	1,080,495	5.8%	
Total Salaries & Wages	711,539	712,554	0.1%	
6040 Social Security Tax	30,598	30,962	1.2%	
6225 Mileage, Parking and Other Transportation	300	500	66.7%	Funds to cover mileage/parking for 4 staff to attend local meetings within LA County.
6235 Cell Phone & Mobile Devices	4,000	4,800	20.0%	Cell phone (\$50/month) and internet (\$50/month) reimbursement to staff for offsite work, included for 12 months. 4 FTEs at \$100/staff member for a total of \$400/month x 12 months = \$4,800.
6260 Office Supplies	750	1,250	66.7%	Funds for general office supplies to support staff with hybrid and onsite work (e.g., paper, pens, post it notes, folders, etc.).
6265 Subscriptions & Publications	100	100	0.0%	Funding to cover the purchase of subscriptions to publications to support FSHR's work.
6310 Internal Meetings	3,000	4,000	33.3%	Funds to cover expenses related to internal staff meetings including speakers and supplies.
6315 Divisional Capacity Building	10,000	10,000	0.0%	Funds to cover expenses related to capacity building for FSHR planning, contractor/partner meetings, and internal reflection and learning sessions. These sessions may include external partners such as Commissioners, consultants, and contractors. Meeting expenses may include facility rentals, catering, meeting materials, etc.
6410 Consultant Fees	86,000	96,750	12.5%	\$85,000 Funds to cover consulting fees to support FSHR for facilitation support, content and/or core capability-specific trainings and workshops such as consultants for team building/retreats, promotion of integration work for FSHR. \$1,800 Funds to cover potential consulting for staff development, internal integration efforts and advancement of Strategic Plan goals for FST \$9,950 Includes consultant support for capacity building tied community engagement and facilitation that supports consensus building, managing divergence, fostering resolution and navigating complex group and interpersonal dynamics within HST.
6540 Professional Dues	250	250	0.0%	Funds to cover dues that may arise to support FSHR

OPERATING COSTS SUMMARY

BUDGET FY25-26

CENTER/OFFICE/TEAM: Fam Syst & HR Supp-CST-Op Costs-No Project



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance	Note(s)
6610 Airfare	1,500	2,500	66.7%	Funds for 4 FTE to and from professional conferences, meetings, or business-related trainings outside of Los Angeles area. All expenses will adhere to the First 5 LA policy for Travel Approval and Reimbursement.
6620 Lodging	1,500	2,500	66.7%	Funds for 4 FTE for lodging at professional conferences, meetings, or other business-related travel held outside Los Angeles County and greater than 100 miles round trip from the employees' current commute to First 5 LA. All expenses will adhere to First 5 LA policy for Travel Approval and Reimbursement.
6640 Per Diem	750	1,250	66.7%	Funds to cover per diem costs for 4 FTE to provide for various daily expenses incurred while attending professional conferences, trainings or meetings outside of Los Angeles County greater than 100 miles round trip from employees' current commute to First 5 LA. Per diem expenses will adhere to First 5 LA's policy for Travel Approval and Reimbursement.
6650 Other Travel Expense	750	1,250	66.7%	Funds to support other travel expenses for 4 FTE for participation in conferences and/or events (e.g., taxi, rideshare, etc.)
6820 In-house Training	0	800	100.0%	FST: Funds to support internal training and staff development for 9 staff at a group level for total of \$800.
6840 Conference/Training Registrations	2,500	16,000	540.0%	*FSHR (\$3,000) - Funds to cover registration fees for 4 FTE professional conferences that maybe held virtually and in-person for FSHR. *FST (\$7,000) - Costs include National Home Visiting Summit with in-person registration for 6 FTE at \$600/person and 3 FTE at \$200/person for virtual participation; and training/registration opportunities for 9 FTEs at approximately \$300 per registration and one event per FTE. Total is rounded off to \$7,000. *HST (\$6,000) - \$1,000 per staff member in HST (reduced given low utilization)
6850 Outside Education	0	2,000	100.0%	Provides for content specific training to increases content knowledge and expertise in program implementation and sustainability related strategies. Training can be provided on a group or individual basis. Trainings anticipated for 9 FTE at \$220 per individual, rounded off to a total of \$2,000.

Family Supports

Center/Department Name: Family Supports

Authorized Positions:

Position	#
Director	1
Senior Program Officers	2
Program Officers	5
Program Associate	1
Administrative Coordinator	1
Total:	10

** Family Supports shares an Administrative Coordinator with the Public Policy & ECE department. All personnel costs related to the Admin Coordinator are included within the Family Supports department budget.*

Overview:

The Family Supports team works with others to lead and fund systems change activities related to family strengthening services, primarily home visiting. In the FY25-26 period we will continue to focus on enhancing and strengthening countywide infrastructure for home visiting services; integration of those services with family-serving systems; and supporting opportunities to leverage and sustain these efforts in light of F5LA’s declining revenues, given home visiting continues to be the single largest investment for our organization. In order to advance these priorities, the Family Supports team is responsible for the following:

- Serving as subject matter experts for family support services and informing the prioritization of organization-wide efforts related to home visiting including communications, research and data, learning, and public policy.
- Providing a leadership role in coordination efforts to support a highly integrated, comprehensive, family-centered, system of home visiting services across Los Angeles County in partnership with the Department of Public Health and other external partners.
- Building infrastructure and capacity to support home visiting sustainability strategies, including engagement with managed care plans; partnership with the Department of Mental Health to incorporate Prevention and Early Intervention funds for home visiting; and development and integration of home visiting referral pathways with complementary family-serving services and systems.

Center for Child and Family Impact Priorities for FY25-26:

Following is a brief summary of the critical work the Family Supports team will lead in FY 25-26 in support of the Strategic Plan Implementation:

- Home Visiting System Building - Strengthen Countywide Infrastructure: In partnership with the Department of Public Health, the Family Supports team helps lead home visiting system building coordination efforts to strengthen a system-wide approach and catalyze ongoing coordination in support of significant systems change and strengthened cross-sector collaboration. Examples include leading coordination efforts with key home visiting stakeholders and funders for an

established leadership structure (Collaborative Leadership Council); support for the Family Strengthening Oversight Entity, which standardizes implementation and coordination across funding streams and oversees the Los Angeles County Perinatal and Early Childhood Home Visitation Consortium; and supporting efforts to streamline the ability to share data across multiple funding streams to inform county-wide planning efforts. The latter includes efforts to support DPH's implementation of a Data Lake project, intended to compile home visiting data across multiple models, database platforms and funders to understand countywide successes and challenges in accessing services, and a Unified Central Billing System, which will be piloted in FY 25-26 and is intended to support maximization of funding streams.

- **Advancement of F5LA Strategic Plan via Home Visiting:** Utilization of data available via home visiting to inform and advance F5LA's Maternal and Child Well Being Initiative, including: maternal depression, early identification and intervention, housing and food security. The Family Supports team will also work in partnership with key stakeholders in optimization and integration efforts to improve home visiting services, coordination, and referral pathways. Additionally, coordination with DPH will continue to support efforts to maximize and advocate for full utilization of home visiting capacity under all funding streams.
- **Home Visiting Funding and Sustainability:** In collaboration with internal and external partners, the Family Support team is supporting efforts to explore and implement a variety of sustainability strategies. Efforts include work with managed care plans and building the necessary infrastructure and mechanisms to participate in data sharing, reporting and reimbursement processes. Additional efforts include the Families First Prevention Services Act and continued support of a Community Referral Pathway and multiple Pilots to establish new referral pathways into home visiting services. Finally, the Stronger Families Database represents a foundational component utilized across home visiting providers and funding streams to capture client level data, screenings and program participation information. The Family Supports team continues to oversee a complex, standardized portfolio of home visiting grants requiring cross-team collaboration and a continual focus on sustainability strategies, program implementation.

OPERATING COSTS SUMMARY

BUDGET FY25-26

CENTER/OFFICE/TEAM: Fam Supports-Op Costs-No Project



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance	Note(s)
Total Operating Expenses	1,637,998	1,722,850	5.2%	
Total Salaries & Wages	1,137,103	1,199,434	5.5%	
6040 Social Security Tax	71,539	75,552	5.6%	
6225 Mileage, Parking and Other Transportation	2,000	2,000	0.0%	Funds to cover mileage/parking for 9 FTE's to attend local meetings within LA County.
6235 Cell Phone & Mobile Devices	10,800	12,000	11.1%	Agency providing cell phone reimbursement to staff, including 12 months of Internet and Cellphone Reimbursement for offsite work. Funds for 10 FTEs at \$100/per staff member for a total of \$1,000/month for 12 months, for total of \$12,000
6260 Office Supplies	1,200	1,300	8.3%	Funds for general office supplies to support 10 FTE staff with hybrid and onsite work (e.g., paper, pens, post it notes, folders, etc.).
6265 Subscriptions & Publications	200	200	0.0%	Funding in the amount of \$200 to cover the purchase of resource books as well as journal articles related to the Family Supports portfolio, including early childhood books to expand team's knowledge and access to online periodicals.
6310 Internal Meetings	1,800	1,800	0.0%	Funds to cover expenses related to internal staff meetings, including speakers and supplies.
6410 Consultant Fees	1,800	0	(100.0%)	Funds have been centralized and are now part of the Center's budget.
6610 Airfare	5,500	5,500	0.0%	Funds to support 6 FTE for travel to the Home Visiting National Summit in Washington DC (estimated at \$450/roundtrip), and at least one statewide event for 6 FTE (at \$300/each), and attendance at key Home Visiting presentations/conferences during the year (\$1,000) for total of \$5,500.
6620 Lodging	8,100	6,600	(18.5%)	Funding for 6 FTE to attend National Home Visiting Summit in Washington DC (lodging estimated at \$300/night x 2 nights), and hotel stays for 6 FTE to attend one statewide event/conference each for estimate of \$250 for one night, and additional local/state conferences or presentations (~\$1,500), for total rounded to \$6,600.
6640 Per Diem	5,800	4,500	(22.4%)	Funds to cover per diem costs for 6 FTE that attend a national annual conference and statewide events/conferences, and attendance at key Home Visiting presentations/conferences for total of \$4,500.
6650 Other Travel Expense	500	500 ⁹²	0.0%	Funds to support other travel expenses for 9 FTE during participation in conferences and events.

OPERATING COSTS SUMMARY

BUDGET FY25-26

CENTER/OFFICE/TEAM: Fam Supports-Op Costs-No Project



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance	Note(s)
6820 In-house Training	800	0	(100.0%)	Funds have been centralized and are now part of the Center's budget.
6840 Conference/Training Registrations	8,400	0	(100.0%)	Funds have been centralized and are now part of the Center's budget.
6850 Outside Education	2,000	0	(100.0%)	Funds have been centralized and are now part of the Center's budget.

Budget Fiscal Year: 2025 - 2026	Status: Proposed
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Initiative	Investment Category
Home Visiting	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
Welcome Baby Hospitals	\$19,924,000	\$16,990,000	-14.7%

Program Summary

The Welcome Baby program is a voluntary, universally provided hospital and home-based intervention for pregnant and postpartum women. The primary objective of Welcome Baby is to work with families to maximize the health, safety and security of the baby and parent-child relationship and to facilitate access to support and services when needed. The program is intended to be offered universally to all families regardless of income status, potential challenges or risk. The Welcome Baby program includes prenatal and postpartum home-based visits, as well as a hospital visit at the time of the child’s birth.

Spending Plan and Funding Methodology

The program budget of \$16,990,000 reflects an analysis based on budget amounts from previous fiscal years relative to actual expenditures and an assessment of sustainability strategies. The Program Budget for FY 25-26 takes historical expenditure trends into account to provide a more accurate budget. Given First 5 LA’s declining revenue, additional analysis led to further refinements, including ending of two WB contracts and adjustment of Welcome Baby staffing to hospital birth rate census. As such, FY 25-26 program budget is anticipated to be less than the actual total contract amount but reflects the trend of anticipated expenditures.

The majority of contract expenses will be spent on personnel costs, with expenses for supplies, mileage, and client materials. The following were considered when developing the FY 25-26 estimate:

- Historical spending patterns
- Program related costs (mileage, supplies)
- Anticipated revenue from collaboration with managed care plans
- Grantee spending projections for FY 25-26.
- Analysis of expenditure trends from prior fiscal years to align the programmatic budget with anticipated expenditures rather than contract amount

Change from Prior Year (if >+-20%)

Budget Fiscal Year: 2025 - 2026

Status: Proposed

Initiative	Investment Category
Home Visiting	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
Select Home Visiting Programs	\$11,008,000	\$9,630,000	-12.5%

Program Summary

SHV programs are evidence-based, voluntary, home-based intervention programs for families identified as high risk and residing within a Best Start Community. The programs include home visits delivered weekly, every two weeks, or monthly, depending on the program model and family’s needs. Clients receive client-centered, strength-based information and support during visits with a focus on positive parenting behaviors and child development; information on key developmental topics such as attachment, discipline, health, safety, sleep, transition/routines; and family well-being.

Spending Plan and Funding Methodology

The program budget of \$9,630,000 reflects an analysis based on budget amounts from previous fiscal years relative to actual expenditures and an assessment of sustainability strategies. The Program Budget for FY 25-26 takes historical expenditure trends into account to provide a more accurate budget. Given First 5 LA’s declining revenue, additional analysis led to further refinements, including increased efficiencies with the reduction of administrative and overhead costs via consolidation of home visiting services.

The FY 25-26 program budget is anticipated to be less than the actual total contract amount but reflects the trend of anticipated expenditures.

Most contract expenses will be spent on personnel, ongoing operating expenses and on costs such as supplies and mileage associated with client enrollment. The following factors were considered when developing the FY 25-26 estimate:

- Historical spending patterns
- Program related costs (mileage, supplies)
- Grantee spending projections for FY 25-26
- Inclusion of Department of Mental Health funds for enhancement of clinical support in SPA 1 and 2 agencies
- Analysis of expenditure trends from prior fiscal years to align the programmatic budget with anticipated expenditures rather than contract amount

Change from Prior Year (if >+-20%)

Budget Fiscal Year: 2025 - 2026**Status: Proposed**

Initiative	Investment Category
Home Visiting	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
Family Strengthening Oversight Entity	\$3,939,000	\$3,415,113	-13.3%

Program Summary

The FSOE aims to ensure coordinated, high-quality services are offered across the system of participating providers. The FSOE oversees and supports the standardization of the Welcome Baby program to ensure adherence to program fidelity by the Welcome Baby providers across the county. The FSOE also provides programmatic technical assistance and support to the Select Home Visitation providers to support implementation and fidelity to the national models. Additional responsibilities include the provision of technical assistance to providers utilizing First 5 LA's Stronger Families Database System; participation and coordination in the development of the Stronger Families Database System; facilitation of cross-site peer learning exchanges; and coordination and support of communication and messaging efforts. The FSOE also coordinates the Los Angeles County Perinatal and Early Childhood Home Visitation Consortium and participates in county-wide efforts to coordinate, enhance, expand, and advocate for high quality home visiting programs. Additionally, the FSOE plays a critical oversight role across program models and sites receiving multiple funding sources and utilizing the Stronger Families Database.

Spending Plan and Funding Methodology

In FY 25-26 the Family Strengthening Oversight Entity (FSOE) will:

- Coordinate and implement 2 Family Strengthening Cohort Trainings for Welcome Baby/Select Home Visiting providers (over 150 hours of training)
- Coordinate monthly technical assistance meetings with Welcome Baby and Select Home Visiting providers
- Organize and conduct peer-to-peer learning opportunities
- Provide program materials to providers across 9 Welcome Baby sites (including home safety items, boppy nursing pillows, infant books and developmental toys)
- Provide on-going programmatic and database technical assistance to Welcome Baby and Select Home Visiting Providers
- Coordinate the Los Angeles County Perinatal and Early Childhood Home Visitation Consortium and participate in county efforts to coordinate across home visiting programs in LA County.
- Coordination and development of reports to support First 5 LA's pilot efforts with Managed Care Organization(s)

Requested resources are consistent with historical expenditures and anticipated need. The following were taken into account when developing the FY 25-26 estimate:

- Inclusion of virtual and in-person trainings and meeting costs; and
- Funding to provide training, materials and technical assistance to grantees to support high performance and enhanced service delivery

Change from Prior Year (if >+-20%)

Budget Fiscal Year: 2025 - 2026	Status: Proposed
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Initiative	Investment Category
Home Visiting	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
Stronger Families Database	\$664,300	\$664,300	0%

Program Summary

Welcome Baby and Select Home Visiting are critical components of the 2020-2028 Strategic Plan, and the Stronger Families Database is the administrative structure to track the clients served by these programs. This budget item will support and continue refinement of the Stronger Families Database. This data will include client-level information on services, screening, and assessments. The Database will also support sustainability efforts by coordination and sharing of data with the Home Visiting Data Lake, which will help provide countywide information on the successes and gaps facing families accessing services, and with the Unified Central Billing System, a project to support maximizing the use of home visiting funding streams. Both projects are led by the Department of Public Health.

Spending Plan and Funding Methodology

The Project Budget for the Stronger Families Database is \$664,300. Aside from the ongoing database hosting and maintenance, in FY 25-26 the system will continue to incorporate database changes due to the ongoing partnership with managed care plans, development of new referral pathways, and coordination with the Department of Public Health and Department of Social Services home visiting efforts. Funds will continue to support Tableau reporting and additional features requested by users. Finally, ongoing efforts to support evaluation and county-wide collaboration that require database modifications will also continue.

The breakdown of costs includes the following:

- Tableau Licenses
- Tableau & Database Hosting
- Contracted Services to support database modifications
- Database Technical Expertise and Engineers

Change from Prior Year (if >+-20%)

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Health Systems

Center/Department Name: Health Systems

Authorized Positions:

Position	#
Director	1
Senior Program Officers	1
Program Officers	3
Administrative Coordinator*	1
Total:	6

** Health Systems shares an Administrative Coordinator with the Impact & Accountability department. All personnel costs related to the Admin Coordinator are included within the Health Systems budget.*

Overview:

The Health Systems team works to improve the health care system, with a focus on those components of the system responsible for serving the prenatal to five population. Areas of focus include birth equity as well as early identification and intervention.

The team will serve as subject matter experts on health care tied to birth disparities as well as early identification and intervention. We are also cultivating a broader understanding of the pieces of the health care system impacting these areas of focus. The Health Systems team will collaborate with functional leads within First 5 LA to inform prioritization of organization-wide efforts related to Health Systems including sustainability, communications, research and data, learning, and public policy.

Priorities for FY 25-26:

African American Infant and Maternal Mortality Prevention

First 5 LA and LA County DPH (LACDPH) have joined efforts to lead the African American Infant and Maternal Mortality Prevention Initiative (AAIMM). The Initiative designs, supports and implements novel and evidence-based strategies and activities to improve pregnancy, birth and infant outcomes, improve family wellbeing, and decrease the high rates of Black infant and maternal deaths in LA County. Through a series of comprehensive and coordinated strategies centered around the LACDPH 2024-2029 Community Health Equity Improvement Plan, we are working to ensure all Black/African American babies and mothers/ birthing people in Los Angeles County enjoy healthy and joyous births and thrive well beyond baby's first birthday.

Early Identification and Intervention

The team will build on key learnings from past early identification and intervention efforts to strengthen current practices and referral pathways within our Home Visiting work. Home Visitors will continue to conduct early and timely developmental screening and referral and linkage to appropriate services and supports. Health Systems will work closely with Family Supports to bolster these efforts.

Medi-Cal Managed Care Plan Engagement

More broadly, the team also works to support First 5 LA's efforts to leverage relationships with health plans given their reach, resources, and responsibility in providing health care services and supports to the prenatal to five population and their families. Focused efforts this upcoming year include identifying partnership opportunities including sustainability and funding mechanisms given recent shifts in Medi-Cal prioritizing prevention and equitable care.

OPERATING COSTS SUMMARY

BUDGET FY25-26

CENTER/OFFICE/TEAM: Health Syst-Op Costs-No Project



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance	Note(s)
Total Operating Expenses	1,011,197	1,024,459	1.3%	
Total Salaries & Wages	672,740	695,864	3.4%	
6040 Social Security Tax	40,420	41,720	3.2%	
6225 Mileage, Parking and Other Transportation	825	300	(63.6%)	Funds to cover mileage/parking for 6 staff to attend local meetings within LA County. \$50/staff
6235 Cell Phone & Mobile Devices	6,600	7,200	9.1%	Cell phone (\$50/month) and internet (\$50/month) reimbursement to staff for off-site work. 6 FTEs at \$100/staff member for a total of \$600/month x 12 months = \$7,200
6260 Office Supplies	1,200	600	(50.0%)	Funds for general office supplies to support staff with hybrid and onsite work. \$100/staff member for 6 staff totals \$600
6265 Subscriptions & Publications	515	400	(22.3%)	Funding to cover the purchase of interactive presentation/polling software, approximately \$10-\$15/month. Other costs include journal articles for research to inform programmatic strategy.
6310 Internal Meetings	1,000	1,500	50.0%	Funds to cover expenses related to internal staff meetings including speakers and supplies.
6410 Consultant Fees	10,000	0	(100.0%)	Funds have been centralized and are now part of the Center's budget.
6540 Professional Dues	1,000	600	(40.0%)	Funds to cover dues for Infant Development Association of California (\$250/org; includes up to 4 staff), American Public Health Association, Collaborative Family Healthcare Association, for a total of \$600.
6610 Airfare	4,200	3,500	(16.7%)	Funds for 5 FTE (\$700/staff member) to attend 1-2 conferences, trainings, meetings and other learning forums outside of the Los Angeles area
6620 Lodging	6,996	6,000	(14.2%)	Funds for 5 FTE (\$1,200/staff member) for overnight accommodations to attend multi-day conferences, trainings, meetings and other learning forums outside of the Los Angeles area
6640 Per Diem	1,500	2,500	66.7%	Funds to cover per diem costs for 5 FTE (\$500/staff member) that attend conferences, trainings, meetings and other learning forums outside of the Los Angeles area.
6650 Other Travel Expense	1,300	750	(42.3%)	Funds to support other travel expenses for 5 FTE, \$150/staff member, for participation in conferences and/or events (e.g. taxi, rideshare, etc.).

OPERATING COSTS SUMMARY

BUDGET FY25-26

CENTER/OFFICE/TEAM: Health Syst-Op Costs-No Project



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance	Note(s)
6840 Conference/Training Registrations	14,500	0	(100.0%)	Funds have been centralized and are now part of the Center's budget.

Budget Fiscal Year: 2025 - 2026

Status: Proposed

Initiative	Investment Category
Early Identification and Intervention	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
Help Me Grow	\$1,443,000	\$60,000	-95.8%

Program Summary

First 5 LA’s primary workstream in support of strengthening early identification and intervention (EI) efforts in LA County since 2016 includes the implementation of Help Me Grow LA (HMG LA), a joint effort between First 5 LA and the LA County Department of Public Health. HMG LA coordinates existing systems that serve children with or at risk for delays and their families to ensure they receive appropriate intervention services and support. FY24-25 was the final year of direct funding for all HMG LA projects, except for the remaining months of evaluation support for HMG LA Pathways which will conclude by the Fall 2025.

Spending Plan and Funding Methodology

FY 25-26 expenditures were calculated based on analysis of expended and projected total annual costs and consider project end dates.

\$60,000 projected costs reflect the remaining months of evaluation support (\$50,000) for HMG LA Pathways to finalize end of project analysis and report as well as funds for translation and interpretation services (\$10,000). The second and final wave of HMG LA Pathways grants concluded in June 2025 and sought to strengthen referral pathways among cross-sector agencies that are a part of the early identification and intervention continuum through investment of infrastructure, technology, and practice changes. The final report is expected to highlight learnings and impact from HMG LA Pathways and recommendations for further systems improvement.

Change from Prior Year (if >+-20%)

The 96% decrease in the budget from \$1,443,000 for FY24-25 to \$60,000 for FY25-26 is resulting from the ending of First 5 LA’s direct funding of Help Me Grow LA (HMG LA) in FY24-25.

Budget Fiscal Year: 2025 - 2026

Status: Proposed

Initiative	Investment Category
Early Identification and Intervention	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
Infrastructure Support for Sustainability and Health Planning	\$120,000	\$170,000	41.7%

Program Summary

This funding is intended to support First 5 LA’s efforts to create sustainable financing mechanisms for its investment and priority areas. This budget line includes funding to engage expert consultation to inform our strategies and efforts, including but not limited to the healthcare field. It also includes funding to create or build upon existing infrastructure to support sustainable financing mechanisms.

Spending Plan and Funding Methodology

This funding will be available for allocation across three areas:

1. Continue our agreement with Health Management Associates, a national consulting group with expertise in health policy.
2. Engage in activities related to building the infrastructure for sustainability of home visiting. This may include, for example, funding to secure an outside vendor to file claims for home visits in order to secure reimbursement from health insurance plans.
3. Secure expert consultation in other fields to support sustainability of our programmatic areas and the successful implementation of the Strategic Plan.
4. Support the collaborative work of the SoCal Region of F5s in developing a common agenda for health care priorities for the region.

Change from Prior Year (if >+-20%)

Although this reflects an increase from our MY adjustment amount due to cost savings in FY24-25, this amount is level funded compared to the original FY24-25 budget.

Budget Fiscal Year: 2025 - 2026

Status: Proposed

Initiative	Investment Category
Birth Equity	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
AAIMM: African American Infant and Maternal Mortality Prevention	\$940,000	\$926,000	-1.5%

Program Summary

First 5 LA (F5LA) and the Los Angeles County Department of Public Health's (LACDPH) continue efforts to co-lead the African-American Infant and Maternal Mortality (AAIMM) Prevention Initiative. The Initiative's coalition also includes partnership with the LA County Department of Health Services, the LA County Department of Mental Health, community organizations, mental and health care providers, funders, and community members. Since the onset of the AAIMM Initiative in 2018, the coalition instituted a shared leadership and decision-making approach among members to build trust and prioritize and implement strategies to address the unacceptably high rates of Black infant and maternal deaths countywide; the coalition meets regularly to develop, implement, and review strategies and catalyze community action to ensure healthy and joyous births for all Black families in LA County

AAIMM acknowledges the root cause of disparities as racism related toxic stress and the impact that stress has on a Black woman's body, compounded by structures in society that perpetuate racism including lack of culturally competent care, and the presence of implicit and overt bias in the systems of support that impact Black families. AAIMM strategies are centered around the Community Health Equity Improvement Plan for Los Angeles County 2024-2029 (CHEIP)'s goal to reduce the gap by 50% in Infant Mortality Rates (IMR) between White and Black/African American babies by reducing the Black/African American IMR.

AAIMM's primary, community-designed, evidence-informed direct service interventions are implemented and funded by LACDPH and other partners. As LACDPH's co-lead on the AAIMM Initiative, First 5 LA's unique contribution and investment strategy promotes Black leadership and is grounded in policy and systems change primarily focused on infrastructure which includes 1) communications/public awareness campaign and 2) community engagement.

Spending Plan and Funding Methodology

FY 25-26 expenditures were calculated based on analysis of expended and projected FY24-25 costs.

Infrastructure (\$476,000) includes support for communications including a public awareness campaign and strategic plan implementation. Direct costs tied to Communications include consultant(s), website, event sponsorships, network newsletter, media relations effort, public education ads/media buys, collateral materials and communications trainings and advocacy materials for network partners.

Community Engagement (\$450,000) includes funds that directly support community-based projects (AAIMM Community Grantmaking) and backbone support for AAIMM Community Action Teams (CATs), regionally based collaborative partnerships that consult, inform, and engage the community on all AAIMM strategies locally.

Change from Prior Year (if >+-20%)

Center Support

Budget Fiscal Year: 2025 - 2026	Status: Proposed
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Initiative	Investment Category
Cross-Cutting Funder Partnerships	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
Center for Strategic Partnerships	\$50,000	\$50,000	0%

Program Summary
<p>An initiative of Southern California Grantmakers (SCG), the Center for Strategic Partnerships (CSP or Center) is a collaboration between government and philanthropy. SCG is the fiscal agent for CSP, although it is a permanent office under CEO within Los Angeles County government. CSP unites government, nonprofits, business, and philanthropy around common systems change goals.</p> <p>The Center has been an enormously valuable partner to First 5 LA and their work and impact continues to expand. Their unique fiscal relationships with Southern California Grantmakers allows the Center to quickly marshal public and private resources to support County initiatives that are aligned with First 5 LA priorities. First 5 LA’s support of the Center provides us a seat on the CSP Philanthropic Advisory Committee, advising on the Center’s budget, work and priorities.</p>

Spending Plan and Funding Methodology
<p>\$50,000 will be paid once per year in a lump sum to support core operations of the Center. Philanthropic contributions to the Center typically cover staffing and administrative support from Southern California Grantmakers to continue the unique fiscal relationship with LA County. Core operating support may also include Center evaluations, program administration, meeting facilitation and other expenses.</p>

Change from Prior Year (if >+-20%)

Budget Fiscal Year: 2025 - 2026

Status: Proposed

Initiative	Investment Category
County Partnerships	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
County Partnership Fund	\$75,000	\$125,000	66.7%

Program Summary

The County Partnership Fund will help support emerging opportunities with County Government that are aligned with First 5 LA's 2024-2029 Strategic Plan. These County partnership efforts are often supported by philanthropic partners and provide First 5 LA access to influence County systems and leverage public and private resources to advance outcomes for children and families. These resources may be used to hire outside consultants or contractors to help identify opportunities that might be aligned to the First 5 LA Strategic Plan (e.g., facilitating meetings or focus groups, conducting landscape analyses), as well as to support the work itself (e.g., providing support to write reports, convene meetings or conferences, etc.).

This budget supports broad initiative categories, such as prevention, and aims to maintain flexibility and respond to the changing environments. Given recent conversations, we expect these projects to materialize with significant alignment to First 5 LA's 2024-2029 Strategic Plan. The costs identified for these activities are subject to change based on actual need as more information is made available.

Spending Plan and Funding Methodology

These funds will continue to support emerging opportunities with County partners.

Change from Prior Year (if >+-20%)

Although this reflects an increase from our MY adjustment amount due to cost savings in FY24-25, this amount is a decrease of 26% from the original FY24-25 budgeted amount.

Human Resources

Center/ Department Name: Human Resources

Authorized Positions:

Position	#
Director, Human Resources	1
HR Business Partner	2
Administrative Coordinator	1
Part-time HR Staff (2)	1
Org-wide Vacant Positions (3)	
Total:	5

Overview:

The Human Resources (HR) department cultivates the employee – employer relationship by ensuring that all people-related structures, programs, policies, practices and procedures align with First 5 LA’s strategy and fiscal reality, support our desired culture, and comply with legal requirements. The HR team’s areas of work includes:

- Delivering a comprehensive and competitive compensation and benefits program that aligns with our fiscal reality.
- Ensuring policies, procedures, and practices are compliant with employment law and other legal requirements.
- Providing an organization-wide approach to the employee life cycle and guiding teams accordingly.
- Ensuring workplace policies, protocols, and emergency preparedness protect the health and safety of employees in partnership with Facilities.
- Advising the President & CEO and the Senior Leadership Team (SLT) on executive-level HR related decisions.

Priorities for FY 25-26:

- Updating the Performance Evaluation Process.
- Strengthening the communications between managers and employees.
- Improving the approach, processes, and tools to create consistency in the employee life cycle across the organization.
- Enhancing First 5 LA’s workplace policies, practices and procedures to better align with organizational goals.

OPERATING COSTS SUMMARY

BUDGET FY25-26

CENTER/OFFICE/TEAM: HR-Op Costs-No Project



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance	Note(s)
Total Operating Expenses	2,897,812	1,905,133	(34.3%)	
Total Salaries & Wages	1,661,728	975,907	(41.3%)	
6040 Social Security Tax	100,613	57,920	(42.4%)	
6225 Mileage, Parking and Other Transportation	250	200	(20.0%)	Mileage and Parking reimbursement for department staff that use their private vehicles and ride-share services in the course of conducting HR related business such as attending local meetings, hearings, trainings, and other HR related business. Monthly mileage and parking reimbursements fluctuate based on the distance driven. All expenses will adhere to First 5 LA's Policy for Travel Approval and Reimbursement.
6235 Cell Phone & Mobile Devices	6,000	4,800	(20.0%)	Per First 5 LA's Mobile Device Policy, eligible staff who are required to be accessible while working outside of the office or during after-hours, are provided a monthly reimbursement of \$50 for use of their personal mobile device. Cell phone reimbursement will be paid for up to four full-time staff (4 FTE x \$100 = \$400 x 12 months = \$4,800).
6260 Office Supplies	2,500	2,200	(12.0%)	Day-to-day office supplies for the department including printer cartridges and employee file folders. Also includes cost of binders and dividers for Employee Handbook. Costs associated with updating ID badges and providing ID badges to new staff (\$1500).
6265 Subscriptions & Publications	2,000	1,700	(15.0%)	HR related subscriptions and publications such as annual labor law posters and publications (\$450), HR California employee handbook creator (\$100), Survey Monkey (\$400), Harvard Business Review (\$150), MIT Management (\$50), Slido (\$300). Expenses such as books, videos, and other educational resources related to enhancing team core capabilities in human resources, and/or individual professional development. Costs assume \$50 per HR employee for the fiscal year (5 FTE x \$50 = \$250).
6310 Internal Meetings	25,000	21,000	(16.0%)	On-site and off-site staff planning sessions, contractor/partner meetings, and network-building sessions with external peers doing similar work. Meeting expenses may include facility rentals, catering, meeting materials, etc. Resources in this category also include organization-wide activities that support employee engagement and recognition.
6410 Consultant Fees	336,000	290,000	(13.7%)	Costs associated with current and anticipated consultant support in FY25-26: Executive Recruitment Search Firm (\$100,000)- Recruitment of director and above leadership talent, as needed. Interactive Process Coordination and Facilitation and Disability Policy Development (\$30,000)- Provides for costs associated with conducting disability/medical accommodation coordination and facilitation and developing any disability policies as needed. Ergonomic Assessments (\$20,000)- Ergonomic assessments in the First 5 LA building. Legal Costs (\$40,000)- Legal costs associated with accommodations, workplace investigations, etc. HR Specific Consultant Support (\$100,000)- HR-related consultant to improve HR policies, practices, and procedures in alignment with organizational values, and legal requirements.

OPERATING COSTS SUMMARY

BUDGET FY25-26

CENTER/OFFICE/TEAM: HR-Op Costs-No Project



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance	Note(s)
6540 Professional Dues	3,000	2,800	(6.7%)	Annual membership dues to HR related professional organizations including Cal Chamber of Commerce (\$1000); Society of Human Resources Management (SHRM) membership (\$400); Association for Talent Development (ATD) membership (\$400); World at Work membership (\$400); Professionals in Human Resources (PIHRA) memberships (\$600).
6550 Staff Recruitment	12,000	10,000	(16.7%)	Expenses related to the recruitment, sourcing, and posting of open positions. Also includes candidate background checks and candidate related travel expenses, as needed.
6570 Web-Based Services	93,000	70,000	(24.7%)	Costs associated with web-based services including Human Resources Information System (HRIS) (\$20,000); Performance Management System to conduct FY25-26 performance evaluations (\$8,000); IRS mandatory Affordable Care Act (ACA) reporting (\$10,000); Web-based Compliance Trainings (\$8,000); Emergency Notification System (\$8,000); FMLA Tracker (\$6,000); On-line Training Courses (\$10,000).
6610 Airfare	1,000	800	(20.0%)	Airfare to and from professional conferences or training courses outside of the Los Angeles area. Approval from the Director of HR will be obtained prior to incurring any airfare expenses. All expenses will adhere to First 5 LA's Policy for Travel Approval and Reimbursement.
6620 Lodging	2,000	1,500	(25.0%)	Lodging at professional conferences or trainings held outside Los Angeles County and greater than 100 miles round trip from the employees' current commute to First 5 LA. Approval from the Director of HR will be obtained prior to incurring lodging expenses and all expenses will adhere to First 5 LA's policy for Travel Approval and Reimbursement.
6640 Per Diem	800	700	(12.5%)	Various daily expenses incurred while attending professional conferences or trainings outside of Los Angeles County greater than 100 miles round trip from employees' current commute to First 5 LA. Per diem expenses will adhere to First 5 LA's policy for Travel Approval and Reimbursement.
6650 Other Travel Expense	200	200	0.0%	Various travel expenses (i.e., ride share, airport parking, taxi cabs, etc.) incurred while attending professional conferences or trainings outside of Los Angeles County greater than 100 miles round trip from employees' current commute to First 5 LA. Other travel expenses will adhere to First 5 LA's policy for Travel Approval and Reimbursement.
6810 Training Materials & Supplies	8,000	6,500	(18.7%)	Materials, supplies, and catering related to internal training through HR. Also includes materials and supplies related to employee onboarding and new hire orientation.
6820 In-house Training	60,000	50,000	(16.7%)	Resources to support early implementation of a robust learning and talent development strategy that supports strategic plan implementation. Work in this area includes training to reflect organization-wide learning priorities such as systems change, early childhood development, manager training, etc.
6830 Leadership Programs	120,000	120,000	0.0%	Costs associated with external staff professional development opportunities in programs such as CORO (\$3,000 per staff), and other leadership programs. Also, includes coaching for Senior Leadership Team (\$15,000 per SLT member) and Leadership Team (\$5,000 per LT member).
6840 Conference/Training Registrations	6,000	5,000	(16.7%)	Registration expenses for professional conferences and webinars to support HR staff learning including annual labor law updates, annual employee handbook updates, and webinars on ADA disability compliance and reasonable accommodation. Approval from the Director of HR will be obtained prior to incurring any expenses.
6850 Outside Education	8,000	6,800	(15.0%)	Resources for external training that support First 5 LA in building competencies in alignment with the strategic plan. Examples of external training includes manager-specific training such as Managing to Change the World offered through The Management Center. This line item includes resources for new employees and new/newly promoted managers to attend these external training courses. This line item also includes resources for HR staff to attend newly identified external training to evaluate applicability for the organization. Approval from the Director of HR will be obtained prior to incurring any expenses.



ATTACHMENT D:

FY 2025-26 BUDGET

CENTER FOR COMMUNITY
ENGAGEMENT & POLICY

- CENTER/DEPARTMENT COVER SHEET
- PROGRAM SUPPORT DETAIL
- PROGRAM DETAIL

Community Engagement & Policy Support

Center/Department Name: Community Engagement & Policy

Authorized Positions:

Position	#
Vice President of Community Engagement & Policy	1
Manager, Partnership Development	1
Administrative Coordinator & Center Coordinator	1
Total:	3

Overview:

The Center of Community Engagement & Policy is responsible for overseeing and integrating First 5 LA’s community engagement strategy, data agenda, public policy strategy and agenda (including early care and education), and leading First 5 LA’s strategic development of external partnership development. In addition, the Center works with other Centers and the Executive Department to develop strategic direction for the organization. The Center of Community Engagement & Policy consists of the following departments: Communities, Impact & Accountability, Public Policy & Early Care and Education, and the Partnership Development function.

The Center will be responsible for advocating for impactful federal, state, and local policy changes that align with and drive First 5 LA’s 2024-2029 Strategic Plan, vision, mission, goals, objectives, strategies, and tactics. It will oversee the organization’s work to build sustainable capacity and collaborative networks within five Los Angeles County regions, partnering with local communities and elevating their voice and engagement in the social movement for effective systems change to improve outcomes for children prenatal to five and their families. The Center will spearhead the development of new partnerships for First 5 LA at the local, regional, and state level in support of organizational goals, and collaborate internally to maintain new and existing relationships and close gaps. And it will oversee the development and implementation of collaborative, organization-wide processes for analyzing, integrating, and sharing demographic and community based quantitative and qualitative data collection and consistent evaluation to inform investments, partner engagements, and policy positions.

OPERATING COSTS SUMMARY

BUDGET FY25-26

CENTER/OFFICE/TEAM: CE&P Support-Op Costs-No Project



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance	Note(s)
Total Operating Expenses	393,580	700,297	77.9%	
Total Salaries & Wages	298,620	411,834	37.9%	
6040 Social Security Tax	18,514	18,803	1.6%	
6225 Mileage, Parking and Other Transportation	250	800	220.0%	Funds to cover mileage, parking and other transportation costs external meetings with public entities, philanthropic partners, RNGs and the Best Start Communities.
6235 Cell Phone & Mobile Devices	2,400	1,500	(37.5%)	Internet (\$50/month) reimbursement for VP's offsite work, included for 12 months. Cell phone issued by F5LA. Cell phone (\$50/month) and internet (\$50/month) reimbursement to Admin Coordinator (anticipated to be hired in FY25-26) for offsite work, included for 9 months.
6250 Postage & Delivery	0	10	100.0%	
6260 Office Supplies	750	500	(33.3%)	Office supplies including markers, post-it notes, newsprint paper, pens, paper, kleenex, etc.
6310 Internal Meetings	5,000	4,000	(20.0%)	Internal meeting costs include planning meetings and retreat with contract partners and staff from the Center for Community Engagement, and also with other First 5 LA staff.
6315 Divisional Capacity Building	5,000	4,000	(20.0%)	Divisional capacity building for the Center for Community Engagement will support costs related to planning and implementation of First 5 LA's Strategic Plan.
6410 Consultant Fees	0	76,750	100.0%	*Communities (\$13,000): Provides for consultant support for the Communities Team for facilitation support, content and/or core capability specific trainings and workshops not covered through anticipated programmatic consultant support. Examples include virtual and in-person facilitation training to increase participant engagement in virtual meetings and guest speakers for brown bags (e.g. digital access in communities). The team plans to use facilitation /consultant support to: support strengthening staff role and understanding in network development, community engagement, and building the Prenatal-age 5 social movement, and increasing reflective learning practices Optimize our role in the CEPIA integration process -- both internally and externally to advance current policy and systems opportunities and to understand our latitude to capitalize on future opportunities. *PPECE (\$48,750): As a new department, PPECE anticipates consultant support for to assist in the integration/merging of the Office of Government Affairs and Public Policy (OGAPP) and the Early Care and Education (ECE) department as the new Public Policy and Early Care and Education (PPECE) department within the Community Engagement and Policy Center. Additional funds for consultant fees will support implementation of the 2024-2029 Strategic Plan, 2025-2029 Policy Agenda, reflective practice, management training for the team. Calculation 325 hours at rate of \$150/hr. *I&A (\$15,000): Provides for support with RBA implementation, reflective practice and management up to 100 hrs. at \$150/hr.

OPERATING COSTS SUMMARY

BUDGET FY25-26

CENTER/OFFICE/TEAM: CE&P Support-Op Costs-No Project



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance	Note(s)
6540 Professional Dues	500	500	0.0%	Funds will cover dues for professional ECE or leadership affiliations.
6610 Airfare	1,200	4,100	241.7%	Airfare will cover the cost of approximately 5 trips to Sacramento and 2 national trips including Washington DC.
6620 Lodging	1,250	6,500	420.0%	Lodging includes the costs of up to 5 trips (at 1-3 nights per trip) to Sacramento and convenings with philanthropic, public, or CBO partners, and 2 national travel commitments (2-4 nights per trip) for policy or other First 5 related work.
6640 Per Diem	1,200	1,200	0.0%	Per diem will cover costs of 7-9 trips at 1-4 days per trip.
6650 Other Travel Expense	625	600	(4.0%)	Other travel expenses will cover train, car rental for First 5 LA required travel.
6810 Training Materials & Supplies	0	5,600	100.0%	*I&A (\$600): Provides for educational resources to enhance staff core capabilities up to \$100s for 6 FTEs. *PP&ECE (\$5,000): PPECE plans to hold a series of team development and learning retreats and trainings with facilitators. The budget amount assumes materials and supplies for four retreats through FY 25-26 at \$125 for 10 FTEs.
6820 In-house Training	0	9,500	100.0%	*I&A (\$5,000): Provides for resources for two trainings at \$2,500 per training. *PP&ECE (\$4,500): PPECE plans to hold a series of team development and learning retreats and trainings with facilitators. The budget assumes each retreat will require up to 15 hours of consultant time at a \$150 hourly rate for two retreats through FY 25-26. The budget assumes that 50% of internal trainings will support department related work and 50% will support professional development.
6840 Conference/Training Registrations	2,000	24,700	1135.0%	*CCE&P (\$1,600): Conference registration will include costs for policy, ECE, community engagement, First 5 Association or First 5 CA engagements. *I&A (\$6,000): Provides for registration for two conferences up to \$500 each for 6 FTEs. *PP&ECE (\$10,000): This budget assumes an average conference registration of \$500/person and up to two conferences per person (10 FTEs). All costs for conference/training registrations will be for work aligned to F5LA's 2024-2029 Strategic Plan and not professional development opportunities. *Communities (\$7,100): Provides for registration expenses for professional conferences. Examples include Grantmakers for Effective Organizations, First 5 CA and First 5 Association Summits, Southern California Grantmakers, Collective Impact Forum Convenings, the National Family and Community Engagement Conference, Alliance for Strong Families and Communities, National Forum on Place-Based Initiatives, Advancement Project Water Coolers, and Grants Managers Network. Approval from the Communities Director will be obtained prior to incurring any expenses.
6850 Outside Education	0	32,000	100.0%	PPECE: Outside Education \$15,000 PPECE plans to help staff develop certain skills associated with individual development goals, such as policy analysis, budget analysis, and content research for the workplace. Training costs vary by program. This budget assumes that 10 FTEs will participate in an external training program at up to \$1,500 per program. All of this budget is anticipated to be spent on professional development. Communities: Outside Education \$11,000.00 This category is needed to support individual professional/leadership development outside of attending conferences and HRTM approved leadership programs with an approximate \$1,000 per team member. Education would cover how to best convene partners in ways that bridge silos and leverage more resources from multiple systems, sequence and link different and multiple tactics, and communicate the focus of the regional work effectively to different audiences, partners and stakeholders. Impact and Accountability: Outside Education (\$6,000): Provides for registration for two trainings up to \$500 each for 6 FTEs.

Communities

Center/Department Name: Communities Department

Authorized Positions:

Position	#
Director	1
Deputy Director	1
Senior Program Officer	4
Program Officer	4
Administrative Coordinator	1
Program Associate	1
Total:	12

Overview:

The Communities Department focuses on partnering with community based organizations and public entities to lead and fund systems change activities which promote parent and community engagement that strengthen cross-sector partnerships to grow social movements, catalyze public policies, and promote systemic reforms that prioritize the needs of children prenatal to 5 and their families across the five Best Start Regions and 14 Best Start Geographies. The Communities Department is leading efforts to leverage our Best Start Networks as platforms for community-based and County level systems change. In addition, the Communities Department collaborates within First 5 LA to inform the alignment to First 5 LA Strategic Plan Objectives related to regional efforts within LA County including work within the Center for Community Engagement & Policy, Family Supports, Health Systems and Communications Departments. The team serves as subject matter experts for important issues which impact family well-being and community priorities identified in the 2024-2029 Strategic Plan Objectives including housing insecurity, poverty alleviation, healthy food access, and parks & open spaces.

Priorities for FY 2025-2026:

The Communities Department will engage in the following work in support of the current Strategic Plan:

Strengthening Regional Networks and Building the Prenatal-5 Movement

These priority areas support uplifting community voices and experiences to mobilize Best Start Networks around prenatal to age 5 priorities and connecting those priorities to First 5 LA Strategic Plan Objectives. This is done by primarily focusing on strengthening the Best Start Networks' infrastructure and integrating efforts between the Regional Network Grantees and their members, First 5 LA, and with our County system partners.

This includes:

- Regional Network Grantees (RNGs): building an infrastructure of networks within the Best Start geographies engaged in system change efforts within and across local, regional, and county-wide geographies, that: a) Center community

strengths to address root causes and keep families with young children thriving and b) Advances First 5 LA's Strategic Plan to support equity and racial justice for communities which experience significant inequities.

- **Cross Regional Alignment:** providing space for RNGs to work towards action-oriented collaboration around policy and systems change, emphasizing the implementation of solutions that are aligned with First 5 LA's Strategic Plan objectives, such as reducing housing insecurity or reducing child poverty. Conversations will be more intentional, enable RNGs to work collectively on advocacy efforts to seek comprehensive public policy change while strengthening their ability to engage communities and key stakeholders.
- **Activating Network Partners:** enabling Communities Department staff to identify and engage key and influential stakeholders who are not currently or meaningfully engaged in the Best Start Network within and across regions (Antelope Valley Resource Infusion, Southeast LA Collaborative and the Long Beach Mayor's Educational Fund as examples of models to replicate and expand in all the Best Start regions).
- **Learning Dialogues:** prioritizing learning through conversation and dialogue as strategic components to advance our work that seek to enhance our collective understanding of the issues impacting families with young children in LA County as it relates to First 5 LA's Strategic Plan work within the Best Start geographies and other areas throughout LA County.

OPERATING COSTS SUMMARY

BUDGET FY25-26

CENTER/OFFICE/TEAM: Communities-Op Costs-No Project



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance	Note(s)
Total Operating Expenses	2,129,388	2,030,174	(4.7%)	
Total Salaries & Wages	1,459,687	1,382,616	(5.3%)	
6040 Social Security Tax	90,618	87,249	(3.7%)	
6225 Mileage, Parking and Other Transportation	4,000	3,400	(15.0%)	Funds to cover mileage/parking for 11 staff to attend local meetings within LA County.
6235 Cell Phone & Mobile Devices	15,600	13,200	(15.4%)	Cell phone (\$50/month) and internet (\$50/month) reimbursement to staff for offside work, included for 12 months. 11 FTEs at \$100/staff member for a total of \$1,100 x 12 months = \$13,200
6255 Educational Supplies	1,000	1,000	0.0%	Funds to cover books, videos, and other educational resources related to enhancing core staff capabilities/knowledge for community driven efforts, network development, etc.
6260 Office Supplies	6,000	5,000	(16.7%)	Funds for general office supplies to support staff with hybrid and onsite work, to include RNG and community centered meetings (e.g., paper, pens, post it notes, folders, etc.).
6265 Subscriptions & Publications	2,500	2,500	0.0%	Funding to cover the purchase of subscription/publications that support deepening our understanding and application of community driven change, network development, etc. We currently subscribe to the Stanford Social Institutional Review (\$39.95/year), Asana (\$1400/year), Kumu (\$120/year) and Canva (\$150).
6285 Equipment Repairs & Maintenance	1,000	500	(50.0%)	Funds to cover expenses related to copier, printer, and/or interpretation equipment.
6310 Internal Meetings	10,000	13,600	36.0%	\$5,000 is being included in this line item that was once included in consultants to cover the costs of interpretation for internal meetings that may include commission meetings, learning dialogues, and partner meetings. crivas@first5la.org 2/27/2025 3:10:33 PM Provides for expenses related to internal meetings for Team planning, contractor/partner meetings, and internal reflection and learning sessions. These meetings may include external partners such as commissioners, consultants, and contractors. Meeting expenses may include catering, meeting materials, etc. Starting in 2025, the Communities Team intends to host internal and external meetings outside of First 5 LA in the regions.
6410 Consultant Fees	23,500	0	(100.0%)	Funds have been centralized and are now part of the Center's budget.
6540 Professional Dues	1,000	11,000	1000.0%	Provides for memberships to content-specific professional associations and learning communities such as American Planning Association. Memberships generally range from \$500-\$1,000 per year.

OPERATING COSTS SUMMARY

BUDGET FY25-26

CENTER/OFFICE/TEAM: Communities-Op Costs-No Project



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance	Note(s)
6610 Airfare	3,000	2,500	(16.7%)	Provides for airfare to and from professional conferences, meetings or business-related trainings outside of Los Angeles area. Examples of anticipated conferences include: Grantmakers for Effective Organizations, First 5 CA and First 5 Association Summits, Southern California Grantmakers, Collective Impact Forum Convenings, the National Family and Community Engagement Conference, Alliance for Strong Families and Communities, National Forum on Place-Based Initiatives, Advancement Project Water Coolers, and Grants Managers Network. Approval from the Communities Team Director approval will be obtained prior to incurring any airfare expenses. All expenses will adhere to First 5 LA's Policy for Travel Approval and Reimbursement.
6620 Lodging	4,000	3,118	(22.1%)	Provides for lodging at professional conferences, meetings, or other business-related travel held outside Los Angeles County and greater than 100 miles round trip from the employees' current commute to First 5 LA. Staff attending conferences, meetings, or other business-related activities, support the implementation of the Team's workplans and the FY 2025-2026 Strategic Plan. Examples of anticipated conferences include Grant Makers for Effective Organizations, First 5 CA and First 5 Association Summits, Southern California Grantmakers, Collective Impact Forum Convenings, the National Family and Community Engagement Conference, Alliance for Strong Families and Communities, National Forum on Place-Based Initiatives, and Grants Managers Network. Approval from the Communities Director will be obtained prior to incurring lodging expenses and all expenses will adhere to First 5 LA's policy for Travel Approval and Reimbursement.
6640 Per Diem	2,500	2,500	0.0%	Provides for various daily expenses incurred while attending professional conferences, trainings or meetings outside of Los Angeles County greater than 100 miles round trip from employees' current commute to First 5 LA. Per diem expenses will adhere to First 5 LA's policy for Travel Approval and Reimbursement.
6650 Other Travel Expense	1,000	1,000	0.0%	Provides for various travel expenses (i.e., ride share, airport parking, taxi cabs, etc.) incurred while attending professional conferences, trainings or meetings outside of Los Angeles County greater than 100 miles round trip from employees' current commute to First 5 LA. Other travel expenses will adhere to First 5 LA's policy for Travel Approval and Reimbursement.
6840 Conference/Training Registrations	8,200	0	(100.0%)	Funds have been centralized and are now part of the Center's budget.
6850 Outside Education	13,000	0	(100.0%)	Funds have been centralized and are now part of the Center's budget.

Budget Fiscal Year: 2025 - 2026

Status: Proposed

Initiative	Investment Category
Strengthening Regional Networks	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
Region 1: Central-East Regional Network	\$3,003,000	\$2,582,580	-14%

Program Summary

Para Los Niños (PLN) serves as the Regional Network Grantee (RNG) for Best Start Region 1 (BSR1) which includes Metro LA, Southeast LA, East LA and South El Monte/EI Monte.

In FY 25-26, the RNG will support the BSR1 Network in ongoing work to maintain an infrastructure with the ability to act on systems change priorities, influence decisions affecting children and families in the region, and mobilize resources. The BSR1 Network will also continue to analyze the ecosystem, cultivate alignment and, foster collective movements focused on issues identified in the 2024-2029 Strategic Plan that align with the communities’ priorities. In addition, the BSR1 Network will bring together parents, residents, and organizations around a shared vision to advance strategies by mobilizing resources, leveraging their networks, evaluating progress, and shifting policies and systems for young children and families disproportionately affected by inequities. The Regional Network Grantee(s) key roles and functions include: fostering the Best Start Network, capacity building, advancing policy and systems change, resource coordination, and fiscal intermediary. The BSR1 Network will also deepen their collaboration across the region with other Best Start Networks and other multi-stakeholder collaboratives to maximize their impact.

BSR1 Network will continue its work in each of the initiative areas with a focus on 1) poverty reduction and housing insecurity in Prevention First, 2) healthy foods and parks and open spaces in Vibrant Environments, and 3) early care and education and culturally affirming services and supports within the Whole Child, Bright Futures Initiative. The Best Start Networks rely heavily on the following tactics in their work to advance the objective areas: access, advocacy, capacity building, communications, coordination, data, engagement, and research.

Spending Plan and Funding Methodology

HOW FUNDS WILL BE SPENT IN FY 25-26

- Regional functions: contract administration, coordination and/or provision of capacity building, regional learning, multi-level coordination, collective advocacy, resource mobilization, communications outreach, resident/stakeholder engagement and advocacy, and an external independent audit specific to the First 5 LA contract funds.
- Local level functions: capacity building and leadership development, community change work and coordination and support costs.

Spending Plan and Funding Methodology

The Region 1 Central-East Regional Network funding level estimate of \$2,582,580 for FY 25-26 was determined based on a 14% reduction in funding due to First 5 LA’s fiscal imperative. The total grant amount to support regional and local level roles and functions reflects 12 months of implementation supporting Metro LA, East LA, SELA, and El Monte-South El Monte. The following are the major programmatic and administrative cost categories and estimated annual amounts for FY 25-26:

- Personnel- 10 staff positions will manage the various network components including capacity building, regional learning, multi-level coordination, collective advocacy, resource mobilization, and fiscal and contract management. Total estimated expenses for personnel: \$950,000.
- Contracted Services- subcontractors to support and develop Region 1 capacity building around multi-level coordination, resource mobilization, collective advocacy, data and evaluation. Total estimated expenses for subcontracts: \$360,000.
- Operating and Administrative Costs- A total of \$207,580 is estimated for space, postage, telephone, printing, travel, mileage, supplies, other related expenses.
- Indirect- 10% of total contract amount excluding subcontractors, equipment, and depreciation: \$115,000.
- Local Network Costs- A total of \$950,000 is estimated for capacity building and leadership development, community change work, coordination and support costs for the local organizations and networks of the Central-East geographies.

The final budget was rounded up to the nearest thousand, per internal practice.

Change from Prior Year (if >+-20%)

Budget Fiscal Year: 2025 - 2026

Status: Proposed

Initiative	Investment Category
Strengthening Regional Networks	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2024 – 2025 Budget	% Variance
Region 2: South LA Regional Network	\$3,428,000	\$2,948,080	-14%

Program Summary

Community Health Councils (CHC) serves as the Regional Network Grantee (RNG) for the Best Start Region 2 (South LA) which includes West Athens, Broadway-Manchester, Compton-East Compton, and Watts-Willowbrook.

In FY 25-26, the RNG will support the Best Start Region 2 (BSR2) Network in ongoing work to maintain an infrastructure with the ability to act on systems change priorities, influence decisions affecting children and families in the region, and mobilize resources. The BSR2 Network will also continue to analyze the ecosystem, cultivate alignment and foster collective movements focused on issues identified in the 2024-2029 Strategic Plan that align with the communities’ priorities. In addition, the BSR2 Network will bring together parents, residents, and organizations around a shared vision to advance strategies by mobilizing resources, leveraging their networks, evaluating progress, and shifting policies and systems for young children and families disproportionately affected by inequities. The Regional Network Grantees key roles and functions include fostering the Best Start Network, capacity strengthening, advancing policy and systems change, resource coordination, and fiscal intermediary. The BSR2 Network will also deepen their collaboration across the region with other Best Start Networks and other multi-stakeholder collaboratives to maximize their impact.

BSR2 Network will continue its work in each of the initiative areas with a focus on 1) poverty reduction and housing insecurity in Prevention First, 2) healthy foods and parks and open spaces in Vibrant Environments, and 3) early care and education and culturally affirming services and supports within the Whole Child, Bright Futures Initiative. The Best Start Networks rely heavily on the following tactics in their work to advance the objective areas: access, advocacy, capacity building, communications, coordination, data, engagement, and research.

Spending Plan and Funding Methodology

- Regional functions: contract administration, coordination and/or provision of organizational capacity building, regional learning, multi-level coordination, collective advocacy, resource mobilization, communications outreach, resident/stakeholder engagement and advocacy, and an external independent audit specific to the First 5 LA contract funds.
- Local level functions: capacity building and leadership development, sustainability hubs, community change work, and coordination and support costs.

MAJOR COST AREAS

Spending Plan and Funding Methodology

The Region 2 South LA Network funding level of \$2,948,080 for FY 25-26 was determined based on a 14% reduction from FY 24-25 funding level of \$3,428,000. The total grant amount to support regional and local level roles and functions reflects 12 months of implementation supporting West Athens, Broadway-Manchester, Compton-East Compton, and Watts-Willowbrook. The following are the major programmatic and administrative cost categories and estimated annual amounts for FY 25-26:

1. Personnel – 30 staff positions (3 staff positions at 100%) that will manage the various network components including capacity building, regional learning, multi-level coordination, project management, strategic direction, research and evaluation, collective advocacy and resource mobilization. Total estimated expenses for personnel: \$1,218,066.
2. Operating and Administrative Costs – A total of \$110,800 is estimated for equipment, space, printing & copying, telephone, postage, project supplies, travel, mileage, training expenses supplies, other related expenses.
3. Evaluation – A budget of \$52,111 is needed to continue evaluation efforts, including fees and data collection on performance measures and analysis activities.
4. Indirect Costs: 10% of total contract amount excluding subcontractors (contractor services), equipment and depreciation: \$237,617.
5. Local Network Costs – A total of \$1,021,475.46 is estimated for capacity building and leadership development, community change work, coordination and support costs for the organizations and networks of the South Los Angeles geographies as reflected in line item 12.
6. Contracted Services – various subcontractors to support and develop Region 2 capacity building, communications multi-level coordination, resource mobilization, collective advocacy, and financial auditing. Total estimated expenses for subcontracts: \$269,210.40.

Community Health Councils is implementing their sustainability strategy and incorporating changes into their model to evolve beyond the current level of First 5 LA funding. They have created 4 sustainability hubs across the region that are utilized as centralized resource points for community members. They have partnered with a number of organizations and churches to leverage and maximize the distribution of resources.

The FY25-26 budget allocation is based on a 14% reduction from the total FY24-25 budget line item. The final budget was rounded up to the nearest thousand, per internal practice.

Change from Prior Year (if >+-20%)

Budget Fiscal Year: 2025 - 2026

Status: Proposed

Initiative	Investment Category
Strengthening Regional Networks	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
Region 3: San Fernando Valley Regional Network	\$1,583,000	\$1,377,210	-13%

Program Summary

El Nido Family Centers (El Nido) serves as the Regional Network Grantee (RNG) for the Best Start Region 3 (San Fernando Valley) which includes Northeast Valley and Panorama City & Neighbors.

In FY 2025-2026, the RNG will continue to strengthen Region 3 San Fernando Valley Regional Network’s infrastructure to advance systems change, advocacy, capacity building, coordination, and community engagement – ensuring families and communities have a stronger voice in comprehensive public policy change. The Regional Network will collaborate to influence decisions affecting children and families, mobilize resources and advance solutions that address systemic inequities affecting children and families.

The Regional Network will continue to analyze the regional ecosystem, cultivate alignment across the region, foster collective movements focused on issues outlined in the 2024-2029 Strategic Plan that align with communities’ priorities. The Regional Network will also continue to convene parents, residents, and organizations around a shared vision by mobilizing resources, leveraging their networks, evaluating progress, and shifting policies and systems for young children and families disproportionately affected by inequities. As a Regional Network Grantee, El Nido key roles and functions include:

- Fostering and strengthening the Best Start Network
- Building and strengthening capacity among parents, residents and organizations
- Advancing policy and systems change
- Coordinating resources to maximize impact
- Serving as a fiscal intermediary.

Additionally, the Regional Network will also deepen its collaboration across the region with other Best Start Networks and other multi-stakeholder collaboratives to maximize their impact.

Furthermore, the Regional Network will continue to align its efforts with First 5 LA’s four key initiatives to advance the 2024-2029 Strategic Plan objectives. A key part of Region 3’s work that aligns with the First 5 LA’s Vibrant Environment initiative is their work with local partners to expand access to nutritious food options and advocate for policies that support long-term food security for families in the San Fernando Valley.

Spending Plan and Funding Methodology

HOW FUNDS WILL BE SPENT IN FY 25-26

- Regional functions: contract administration, coordination and/or provision of organizational capacity building, regional learning, multi-level coordination, collective advocacy, resource mobilization, communications outreach, resident/stakeholder engagement and advocacy, and an external independent audit specific to the First 5 LA contract funds.
- Local level functions: capacity building and leadership development, community change work, and coordination and support costs.

The Region 3 San Fernando Valley Regional Network funding level estimate of \$1,377,210 was determined based on a 13% reduction in funding due to First 5 LA’s fiscal imperative and on spending patterns. The total grant amount to support regional and local level roles and functions reflects 12 months of implementation supporting Northeast Valley and Panorama City & Neighbors. The following are the major programmatic and administrative cost categories and estimated annual amounts for FY 25-26:

1. Personnel- 11 staff positions will manage the various network components including capacity building, regional learning, multi-level coordination, project management, strategic direction, collective advocacy, resource mobilization and contract and fiscal management. Total estimated expenses for personnel: \$595,087.
2. Contracted Services- Financial Audit (Subcontractor Green Hasson & Janks) Certified Public Accountant to perform program audit required by First 5 LA: \$6,500.
3. Operating and Administrative Costs- Operating and administrative costs include equipment, printing/copying, space, telephone, postage, supplies, and mileage and travel for employees. Total estimated expenses for operating and administrative costs: \$42,344.
4. Regional Network Expenses- These include General Liability Insurance, Payroll Services, additional audit costs, translation, childcare, venue rentals, and food for meetings, and regional community change work. Total costs for this category: \$163,479.
5. Training Expenses- Training expenses include capacity building and training for Regional Network Grantee to help build skills and capabilities of the team supporting the work. Total training expenses: \$35,000.
6. Evaluation – Evaluation expenses are: \$25,000.
7. Indirect Costs- 10% of total contract amount excluding subcontractors (contractor services), equipment and depreciation: \$82,986.
8. Local Network Costs- A total of \$465,908 is estimated for capacity building and leadership development, community change work, coordination and support costs for organizations and networks of the Panorama City & Neighbors and Northeast Valley geographies.

The final budget was rounded up to the nearest thousand, per internal practice.

Change from Prior Year (if >+-20%)

Budget Fiscal Year: 2025 - 2026

Status: Proposed

Initiative	Investment Category
Strengthening Regional Networks	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
Region 4: Port Cities Regional Network	\$1,808,000	\$1,554,880	-14%

Program Summary

The Nonprofit Partnership (TNP) serves as the Regional Network Grantee (RNG) for Best Start Region 4 (BSR4) which includes Central Long Beach and Wilmington.

In FY 25-26, the RNG will support the BSR4 Network in ongoing work to maintain a community-led infrastructure with the ability to act on systems change priorities, influence decisions affecting children and families in the region, and mobilize resources. The BSR4 Network will also continue to analyze the ecosystem, cultivate alignment and foster collective movements focused on issues identified in the 2024-2029 Strategic Plan that align with the communities’ priorities. In addition, the BSR4 Network will bring together parents, residents, and organizations around a shared vision to advance strategies by mobilizing resources, leveraging their networks, evaluating progress, and shifting policies and systems for young children and families disproportionately affected by inequities. The Regional Network Grantees key roles and functions include fostering the Best Start Network, capacity strengthening, advancing policy and systems change, resource coordination, and fiscal intermediary. The BSR4 Network will also deepen their collaboration across the region with other Best Start Networks and other multi-stakeholder collaboratives to maximize their impact.

BSR4 Network will continue its work in each of the initiative areas with a focus on 1) poverty reduction and housing insecurity in Prevention First, 2) healthy foods and parks and open spaces in Vibrant Environments, and 3) early care and education and culturally affirming services and supports within the Whole Child, Bright Futures Initiative. The Best Start Networks rely heavily on the following tactics in their work to advance the objective areas: access, advocacy, capacity building, communications, coordination, data, engagement, and research.

Spending Plan and Funding Methodology

HOW FUNDS WILL BE SPENT IN FY 25-26

- Regional functions: contract administration, coordination and/or provision of organizational capacity building, regional learning, multi-level coordination, collective advocacy, resource mobilization, communications outreach, resident/stakeholder engagement and advocacy, and an external independent audit specific to the First 5 LA contract funds.
- Local level functions: capacity building and leadership development, community change work, and coordination and support costs.

Spending Plan and Funding Methodology

The Region 4 Port Cities Network funding level estimate of \$1,554,880 for FY 25-26 was determined based on spending patterns anticipated in FY 25-26 and negotiated contract estimates. The total grant amount to support regional and local level roles and functions reflects 12 months of implementation supporting Wilmington and Central Long Beach. The following are the major programmatic and administrative cost categories and estimated annual amounts for FY 25-26.

1. Personnel – 5 staff positions will manage the various network components including capacity building, regional learning, multi-level coordination, project management, strategic direction, research & evaluation, collective advocacy and resource mobilization. Total estimated expenses for personnel: \$245,972.
2. Contracted Services – an estimated 3 subcontractors to support and develop Region 4 sustainability plans, translation services, resource mobilization, and financial auditing. Total estimated expenses for subcontracts: \$60,000.
3. Operating and Administrative Costs – A total of \$22,280 is estimated for equipment, space, printing & copying, telephone, postage, project supplies, travel, mileage, supplies, other related expenses.
4. Evaluation – A budget of \$25,000 is needed to expand the role of evaluation efforts at the local and regional level, including fees and data collection and analysis activities.
5. Indirect Costs: 10% of total contract amount excluding subcontractors (contractor services), equipment and depreciation: \$55,445.
6. Local Network Costs- Divided between Central Long Beach and Wilmington. A total of \$1,100,183 is estimated for capacity building and leadership development, community change work, coordination and support costs for organizations and networks of Central Long Beach and Wilmington.
7. Regional Network Expenses- A budget of \$46,000 is needed for regional level network building, training expenses, systems change activities as well as organizational capacity building support.

The final budget was rounded up to the nearest thousand, per internal practice.

Change from Prior Year (if >+-20%)

Budget Fiscal Year: 2025 - 2026

Status: Proposed

Initiative	Investment Category
Strengthening Regional Networks	2024-2029 Strategic Plan

Program Name	2024 – 2025 Budget	2025 – 2026 Budget	% Variance
Region 5: Antelope Valley Regional Network	\$1,490,000	\$1,296,300	-13%

Program Summary

All For Kids serves as the Regional Network Grantee (RNG) for Best Start Region 5 which includes Palmdale, Lancaster, and unincorporated areas of Antelope Valley.

In FY 25-26, the RNG will support Best Start Region 5 to continue to strengthen the infrastructure of partners, strengthen the ability to understand the social ecosystem, and act on policy and systems change priorities, and influence decisions affecting children and families in the region. The RNG will continue fostering alignment and collective movements centered on the three goals of the 2024-2029 Strategic Plan, with a particular focus on Goals 3.1 (ECE Mixed System) and 3.3 (Culturally Affirming Services). These goals, focused on early childhood education, are part of their community change agenda and also align with First 5 LA’s Whole Child, Bright Futures initiative.

The RNG will help strengthen how parents, residents, and network partners collaborate around a shared vision and advance strategies by mobilizing resources, leveraging networks, and shifting policies and systems on prenatal to age 5 issues. The RNG will also expand their collaboration with existing and emerging multi-stakeholder collaboratives impacting conditions of wellbeing for children prenatal to age 5 in the region.

The Best Start Networks rely heavily on the following tactics in their work to advance the objective areas: access, advocacy, capacity building, communications, coordination, data, engagement, and research.

Spending Plan and Funding Methodology

HOW FUNDS WILL BE SPENT IN FY 25-26

Regional functions: contract administration, coordination and/or provision of organizational capacity building, regional learning, multi-level coordination, collective advocacy, resource mobilization, communications outreach, resident/stakeholder engagement and advocacy, and an external independent audit specific to the First 5 LA contract funds.

Local level functions: capacity building and leadership development, community change work, and coordination and support costs.

MAJOR COST AREAS

Region 5 Regional Network funding level estimate of \$1,296,300 for FY 25-26 reflects a total reduction of 13% from FY-24-25 budget. The total grant amount to support regional and local level roles and functions reflects 12 months of implementation support for Best Start Antelope Valley and is informed by community priorities and opportunities anticipated. The following are the major programmatic and administrative cost categories and estimated annual amounts for FY 25-26:

1. Personnel – 6 staff positions at 100% that will manage the various network components including capacity building, regional learning, multi-level coordination, project management, strategic direction, research and evaluation, collective advocacy, and resource mobilization. Total estimated expenses for personnel: \$561,150.
2. Operating and Administrative Costs – A total of \$103,800 is estimated for equipment, space, printing & copying, telephone, postage, project supplies, travel, mileage, training expenses supplies, and other related expenses.
3. Indirect Costs: 10% of total contract amount excluding subcontractors (contractor services), equipment, and depreciation: \$120,630
4. Regional Network Expenses: Expenses include training, capacity building, leadership development, technical assistance, and regional community change work. Total costs for this category: \$288,720.
5. Local Network Costs – A total of \$122,000 is estimated for community change work, coordination, and logistics for organizations and networks. This amount will cover childcare, food, transportation, and translation.
6. Contracted Services – an estimated 5 subcontractors to support and develop Region 5 capacity building, communications multi-level coordination, resource mobilization, collective advocacy, evaluation, and financial auditing. Total estimated expenses for subcontracts: \$100,000.

The final budget was rounded up to the nearest thousand, per internal practice.

Change from Prior Year (if >+-20%)

Budget Fiscal Year: 2025 - 2026

Status: Proposed

Initiative	Investment Category
Strengthening Regional Networks	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
Cross Regional Alignment	\$87,500	\$95,000	8.6%

Program Summary

Creating a peer learning and collaborative space among Regional Network Grantees (RNGs) is vital for fostering cross-regional coordination, driving collaborative action, and advancing policy and systems change in alignment with First 5 LA’s 2024-2029 Strategic Plan. This space, formerly known as the “Community of Practice” builds a sense of community and shared purpose while providing opportunities for grantees to align their efforts around common priorities and collaborate across regions. Aligned with First 5 LA’s advocacy and engagement tactics, this space supports the RNGs to amplify community-driven efforts and support building a movement to address systemic challenges affecting families with children prenatal to age 5.

Building on prior learnings, the space will shift from practice sharing to action-oriented collaboration around policy and systems change, emphasizing the implementation of solutions that are aligned with First 5 LA’s Strategic Plan objectives, such as reducing housing insecurity or reducing child poverty. Conversations will be more intentional which will enable RNGs to work collectively on advocacy efforts to seek comprehensive public policy change while strengthening their ability to engage communities and key stakeholders.

In fiscal year 2025-2026, RNGs will use the space to prioritize driving actionable outcomes by fostering collaboration on shared policy priorities, aligning RNGs efforts with First 5 LA’s Goals, and implementing sustainable, scalable solutions. This adaptive platform ensures discussions and activities remain relevant, impactful, and responsive to the evolving needs of the RNGs and the communities they serve, building momentum and delivering measurable progress between convenings.

Spending Plan and Funding Methodology

The total estimated expenditures of \$95,000 reflect 12 months of implementation for a revised, action-driven peer learning and collaborative space that prioritizes cross-regional collaboration, shared learning, and actionable outcomes to align with First 5 LA’s 2024-2028 Strategic Plan objectives. In FY 25-26, First 5 LA staff will take a more active hands-on role in co-designing sessions, ensuring alignment with First 5 LA’s strategic objectives, and leveraging a pool of contractors or subject matter experts to ensure grantees have the tools and support necessary to address systemic challenges and achieve meaningful, scalable solutions.

The funding is allocated across four key areas: planning and facilitation to ensure structured and action-oriented discussion. While F5LA staff will play an active role in guiding discussion, occasionally we may need external facilitation support (allocation of 25,000, 5 meetings at \$5000); Implementation support, and collaboration opportunities including coaching, technical assistance, and tailor resources to support RNGs in advancing their work on areas like housing, advocacy and sustainability planning (allocation

Spending Plan and Funding Methodology

\$50,000); development of learning tools and resources from convenings such as briefs and reports (allocation \$7,500); and participant engagement and logistical support for in-person and virtual sessions including venues, technology, food (allocation \$12,500). The number of convenings or meetings will be co-developed in partnership among the RNGs and First 5 LA to ensure they are responsive to the shared priorities, foster meaningful engagement and aligned with collective goals.

Change from Prior Year (if >+-20%)

The increase in the fiscal amount from \$87,500 to \$95,000 reflects an adjustment from the mid year revise which took \$87,500 from the original amount of \$150,000 to the project Expand Regional Influence and Impact with Data to support equity index development with Catalyst California. The reduction from the original \$150,000 allocated for this project also acknowledges a strategic shift in our approach for First 5 LA staff to facilitate and coordinate part of this work and reduce the reliance on external contractors.

Budget Fiscal Year: 2025 - 2026

Status: Proposed

Initiative	Investment Category
Building P-5 Movement	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
Activating Network Partners	\$350,000	\$300,000	-14.3%

Program Summary

This project enables Communities Department staff to complement the Best Start effort through the strategic activation and strengthening of networks focused on addressing critical issues impacting young children and their families within the Objective Areas detailed in the 2025-2029 Strategic Plan. Preference will be given to projects that focus on the priorities for 2025 outlined in the November Board Presentation. Staff can use funds to collaborate and leverage resources, knowledge and expertise with diverse partners in the Best Start geographies to advance prenatal to age 5 movements and create more impactful and sustainable systemic changes that positively impact the well-being of young children and their families. The purpose of these funds will be to:

- Build or strengthen the capacity of networks to advocate for young children;
- Add a prenatal to age 5 focus in existing movements or efforts;
- Increase or improve the First 5 LA presence in networks;
- Support work that emerges from the Learning Dialogues; and/or
- Incorporate community members into networks.
- Support the engagement of grassroots organizations who represent and/or support marginalized groups into the Network supporting young children and families

Given the unique needs in each community, Communities Department staff will identify and engage key stakeholders who are not currently or meaningfully engaged in the Best Start Network, preferably from two or more regions, that aligned with the goals and objectives of the new strategic plan. Some examples that guide this project include the SELA Collaborative, Antelope Valley Resource Infusion, and Long Beach Mayors Fund as potential examples of network leaders to partner with in Best Start geographies.

The type of work that may be funded includes activities related to the 10 tactics outlined in the strategic plan, but is not limited to, the following:

- Engagement: including convening, leverage relationships with local stakeholders and policy makers to facilitate discourse and network building; Collective learning (including tours and panels)
- Capacity Building/TA: strengthen organizational skills and infrastructure, as well as strengthen connections between organizations and across the networks
- Communications/Narrative Change: activities to support narrative change regarding movement building around policy and systems change.
- Data and Research: Generate accessible information to activate First 5 LA’s data agenda.

Spending Plan and Funding Methodology

HOW FUNDS WILL BE SPENT IN FY 25-26

The total estimated cost for FY 25-26 for the Network Alignment and Strengthening project is \$300,000 to accomplish the following (approximately \$60,000 for each region):

- Identify key networks and stakeholders currently or meaningfully engaged in the Best Start network to explore opportunities for partnerships with other networks that align with the 24-29 Strategic Plan Objectives and address inequities.
- Develop a plan for engagement of networks and stakeholders.
- Cultivate relationships with networks and stakeholders.
- Convene and support networks and stakeholders to understand, connect to and help to strengthen the Best Start Network approach.
- Continue to refine and develop network alignment and strengthening efforts.
- Strengthen the Best Start Regional Network and make progress toward the Region’s movement building strategy by aligning partners and efforts around community priorities elevated by the Best Start community.
- Organize events, workshops, or conferences that bring diverse groups together for thought partnership and relationship building.
- Apply the learnings from existing network such as SELA Collaborative, Antelope Valley Resource Infusion, and Long Beach Mayor’s Fund to enhance utilization, flexibility and impact of the program.

Change from Prior Year (if >+-20%)

Budget Fiscal Year: 2025 - 2026

Status: Proposed

Initiative	Investment Category
Building P-5 Social Movement	2024-2029 Strategic Plan

Program Name	2023 – 2024 Revised Budget	2024 – 2025 Budget	% Variance
Learning Dialogues	\$35,000	\$35,000	0%

Program Summary

The Learning Dialogues seek to enhance our collective understanding of the issues impacting families with young children in LA County as it relates to First 5 LA’s Strategic Plan work within the Best Start geographies and other areas throughout LA County. The Learning Dialogues budget will allow First 5 LA staff, across teams and centers, along with grantee partners and regional networks to engage and host generative conversations among stakeholders, including funders, policymakers, community members and leaders. Through these efforts, the Communities Department can work with First 5 LA colleagues to identify strategic opportunities, generate insights, and ideas to implement the Strategic Plan. The Learning Dialogues can support across all four Initiatives and nine objectives to increase knowledge, share insights, and identify opportunities. Learning Dialogues from a tactic perspective contribute strongly to communications, capacity building, and engagement. Less directly, depending on the dialogue focus, they can support coordination, access, advocacy, data, and research.

Learning Dialogues (LD) comes from a core value and practice in the Communities Team of prioritizing learning through conversation and dialogue as strategic components to advance our work. Learning dialogues can make data come to life, by bringing in population level data sets, evaluations and measurement products, as well as bringing expert and practitioner insights.

To activate this work, Communities Department will develop a curriculum or calendar for the year to identify and focus the learning opportunities. We will use the funds for meeting logistics, honorariums, speaker fees, or any related costs.

Some concepts for Learning Dialogues are below:

- 1) Equity and Best Start Geography Selection: Retrospective on how equity was used to select and focus Best Start Communities, to identify lessons for future equity work.
- 2) Reflections and Insights around focused engagement and inclusion of African American, Indigenous in systems change through Best Start and beyond.
- 3) Potential Impacts of Federal agency freeze and LA Early childhood Infrastructure.
- 4) Supporting Immigrant Families: Understanding LA County landscape, and how immigrant families with young children are affected with current administration.
- 5) 9 Objective themed:
 - a. Housing Dialogue Part 2: continue from previous conversation to help align efforts at the County level, maybe support the developed a common agenda with partners.
 - b. Poverty alleviation efforts and community change.
 - c. Building AIIM Infrastructure: Healthy Systems and Best Start and Partners

- d. ECE Infrastructure in Long Beach: Lessons from over 20 years of collaboration with early childhood leaders.
- e. Understanding HUB networks, FRCs, CRCs.

Spending Plan and Funding Methodology

Based on historical expenditures, and experience with similar activities, costs include resources to support local and regional level convenings with decision-makers, other funders, and cross-sector leaders = \$35,000. (Approximately 1 to 2 per region and up to 5 cross-regionally).

Change from Prior Year (if >+-20%)

Impact & Accountability

Center/Department Name: Impact & Accountability (I&A)

Authorized Positions:

Position	#
Director of Impact & Accountability	1
Senior Data Strategist	2
Data Strategy Specialist	2
Administrative Coordinator*	*
Total:	5

** Impact & Accountability shares an Administrative Coordinator with the Health Systems department. As First 5 LA does not maintain a practice of allocating staff time, all personnel costs related to the Admin Coordinator are included within the Health Systems budget.*

Overview:

The Impact & Accountability Department provides organization-wide leadership and expertise in measurement, evaluation, and data-related efforts. I+A is responsible for:

1. **Leading First 5 LA’s Data Agenda**, which defines organizational data priorities and the initiatives needed to address them.
2. **Leading the development and implementation of the Impact Framework** to track progress toward Strategic Plan outcomes. I+A regularly produces and disseminates reports to engage staff, commissioners, and stakeholders in understanding First 5 LA’s impact.
3. **Developing and maintaining** the Equity Index to provide a comprehensive measure of well-being, highlight disparities, and inform equitable resource allocation and policy advocacy. I+A oversees the Index’s development, refinement, stakeholder engagement, and integration into First 5 LA’s decision-making processes.
4. **Providing technical assistance** for research, evaluation, and data needs, including advising on methodology, assessing research quality, and ensuring compliance with data privacy, accessibility, and quality standards.
5. **Managing data and research investments** that support organization-wide initiatives.

FY25-26 Priorities:

The Impact & Accountability department will continue to strengthen First 5 LA’s capacity to use data for transparency, accountability, and decision-making. In FY25-26, we will focus on the following:

- **Impact Framework** – Measure progress on the 2024-2029 Strategic Plan by documenting baseline conditions, developing performance measures, and establishing reporting structures to track First 5 LA’s impact.

- **Equity Index** – Develop and implement a composite measure of well-being for young children and families in LA County, refine methodology, engage stakeholders, and launch a web-based platform to guide investments and advocacy.
- **Annual Reporting** – Ensure compliance with Proposition 10 by completing data collection for 100% of contracts, submitting accurate and timely reports to First 5 California, and updating reporting tools for the next cycle.
- **Children’s Data Network Partnership** – Expand First 5 LA’s access to administrative data, support public systems in leveraging linked data for systems change, and strengthen data use to inform LA County prevention efforts.
- **WIC Data Mining Research Partnership** – Conduct research on the lived experiences of low-income families to inform Strategic Plan implementation, integrate findings into decision-making, and expand First 5 LA’s data-driven insights.

Through these efforts, First 5 LA will strengthen its use of data to drive equitable investments, measure progress on strategic goals, and enhance transparency in public funding.

OPERATING COSTS SUMMARY

BUDGET FY25-26

CENTER/OFFICE/TEAM: Impact & Acct-Op Costs-No Project



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance	Note(s)
Total Operating Expenses	1,050,724	891,419	(15.2%)	
Total Salaries & Wages	743,603	654,275	(12.0%)	
6040 Social Security Tax	42,976	37,238	(13.4%)	
6225 Mileage, Parking and Other Transportation	750	300	(60.0%)	
6235 Cell Phone & Mobile Devices	7,200	7,200	0.0%	Assumes \$100/month for 12 months for 6 FTEs.
6260 Office Supplies	600	600	0.0%	Provides up to \$100 for 6 FTEs for office supplies for FY 25-26.
6310 Internal Meetings	5,000	2,000	(60.0%)	Allows I+A to host up to 20 working lunches at an average cost of \$100 per meeting.
6410 Consultant Fees	20,000	0	(100.0%)	Funds have been centralized and are now part of the Center's budget.
6540 Professional Dues	1,200	1,200	0.0%	Provides for two annual professional memberships up to \$100 each for 6 FTEs
6610 Airfare	6,000	6,000	0.0%	Provides for two round trip airfares up to \$500 each for 6 FTEs.
6620 Lodging	6,000	6,000	0.0%	Provides for two round trip airfares up to \$500 each for 6 FTEs.
6640 Per Diem	2,100	1,800	(14.3%)	Provides for two per diems up to \$150 each for 6 FTEs.
6650 Other Travel Expense	1,200	1,200	0.0%	Provides for the other travel expenses for two trips up to \$200 each for 6 FTEs.
6810 Training Materials & Supplies	600	0	(100.0%)	Funds have been centralized and are now part of the Center's budget.
6820 In-house Training	5,000	0	(100.0%)	Funds have been centralized and are now part of the Center's budget.
6840 Conference/Training Registrations	6,000	0	(100.0%)	Funds have been centralized and are now part of the Center's budget.
6850 Outside Education	6,000	0 ¹⁴³	(100.0%)	Funds have been centralized and are now part of the Center's budget.

Budget Fiscal Year: 2025 - 2026

Status: Proposed

Initiative	Investment Category
Data Development	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
Annual Reporting	\$63,000	\$41,000	34.9%

Program Summary

The purpose of the Annual Reporting Project is to ensure transparency in how First 5 LA expends public funds and to strengthen accountability for how those funds are utilized.

This work supports the following goals:

- Increase public awareness by providing transparency on First 5 LA’s investments in Los Angeles County.
- Enhance understanding of First 5 LA’s investments, grantees, and contractors through Annual Reporting data.

In FY 25-26, the project will focus on compliance with Proposition 10 requirements, ensuring that First 5 LA provides accurate and timely reporting to First 5 California.

Spending Plan and Funding Methodology

(1) How Funds Will Be Spent

Funds will support the following objectives:

- Complete data collection for 100% of contracts subject to Annual Reporting for FY 24-25.
- Ensure compliance with Proposition 10 by submitting FY 24-25 Annual Reporting data to First 5 California on time.
- Prepare for the next reporting cycle by updating FY 25-26 Annual Reporting data collection tools and supplemental materials.

(2) How the Funding Level Was Determined

The funding level was determined based on prior-year costs and includes:

- **Staffing:** \$41,000

Change from Prior Year (if >+-20%)

The FY 25-26 budget reflects a 32% decrease from the FY 24-25 programmatic budget. This reduction is due to:

1. FY 24-25 included preparation for launching surveys covering two fiscal years (FY 23-24 and FY 24-25), while FY 25-26 covers only one year (FY 25-26).
2. FY 25-26 does not include the cost of an L.A. County Data Brief, which was part of the previous year’s budget.

Budget Fiscal Year: 2025 - 2026	Status: Proposed
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Initiative	Investment Category
Data Development	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
Data Requests	\$5,000	\$5,000	0%

Program Summary
 The purpose of this budget item is to provide funds for First 5 LA to purchase data on an as-needed basis, including data from state agencies such as the California Department of Education or Geographic Information System (GIS) shape files. These data acquisitions will support Impact Framework indicator tracking and other measurement efforts.

Spending Plan and Funding Methodology
 In FY 25-26, funds will be spent on acquiring data sets as needed. Anticipated costs are based on prior expenditures for similar data purchases.

Change from Prior Year (if >+-20%)

Budget Fiscal Year: 2025 - 2026

Status: Proposed

Initiative	Investment Category
Data Partnerships	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
Children’s Data Network	\$706,000	\$530,000	-24.9%

Program Summary

The purpose of the Children’s Data Network Data Partnership is to (1) improve the data infrastructure within key public systems to generate high-quality, actionable data and (2) support linking administrative data within and across public systems to produce actionable research to support First 5 LA’s data efforts.

This work will ensure (1) First 5 LA has access to and utilizes high-quality administrative data to inform, advance, and measure the outcomes of its Strategic Plan, and (2) public systems have access to and use linked administrative data from local and state agencies drive systems change efforts.

In FY 25-26, the partnership will focus on:

1. **Leveraging administrative data**—ensuring First 5 LA secures access to data aligned with its Strategic Plan.
2. **Supporting public systems**—helping key agencies use administrative data to inform, advance, and measure systems change efforts.

Spending Plan and Funding Methodology

(1) How funds will be spent:

Funds will support the following goals and related objectives:

Goal 1: Leverage Access to Administrative Data

- CDN facilitates First 5 LA’s access to administrative data from state and local agencies.
- First 5 LA gains access to research leveraging administrative data aligned with its Strategic Plan.

Goal 2: Support Public Systems in Using Administrative Data

- CDN partners with state agencies and supports state-level data initiatives aligned with First 5 LA’s Strategic Plan.
- First 5 LA and key partners use administrative data to support LA County prevention efforts.
- DCFS uses data to improve alignment of supervision and resources and guide referrals.

(2) How the Funding Level Was Determined

The funding level was based on prior-year costs, including:

- **Staffing and Deliverables:** \$200,000
- **Direct Costs:** \$330,000

Change from Prior Year (if >+-20%)

The program budget reflects a **24.9% decrease (\$176,000)** from FY 24-25. This reduction is primarily due to decreased First 5 LA funding for:

1. CDN’s support of state-level data initiatives. 146
2. CDN’s support of DCFS’s use of administrative data for supervision alignment and referral guidance.

Budget Fiscal Year: 2025 - 2026

Status: Proposed

Initiative	Investment Category
Data Partnerships	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
WIC Data Mining Research Partnership	\$323,000	\$266,000	17.6%

Program Summary

The WIC Data Mining Research Partnership collects and utilizes data on low-income families to support, inform, and measure progress toward First 5 LA’s Strategic Plan outcomes.

This work will achieve the following overarching goals:

(a) First 5 LA staff gain insights into the lived experiences of low-income families and apply these findings to inform and measure Strategic Plan outcomes.

(b) First 5 LA staff access and utilize data on WIC families’ characteristics and demographics to inform and measure Strategic Plan efforts.

In FY 25-26, this project will prioritize providing First 5 LA staff with research on the lived experiences of low-income families to support Strategic Plan.

Spending Plan and Funding Methodology

(1) How funds will be spent:

The funds requested for the WIC Data Mining Research Partnership will support the following objectives:

- Develop a research plan on the lived experiences of low-income families aligned with First 5 LA’s Strategic Plan.
- Conduct new research on the lived experiences of low-income families.
- Integrate research findings into decision-making and program development.

(2) How the funding level was determined

The funding level was determined based on costs from previous years, including:

- **Staff:** \$251,000
- **Direct Costs** (incentives, translations): \$15,000

Change from Prior Year (if >+-20%)

The cost for the PHFE WIC Data Mining Project in FY25-26 is expected to decrease by 18% from the FY24-25 budget due to:

- Streamlined the research planning process and associated deliverables.
- Elimination of funding for website upkeep.

Budget Fiscal Year: 2025 - 2026

Status: Proposed

Initiative	Investment Category
Learning and Integration	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
Impact Framework	\$153,000	\$272,000	77.8%

Program Summary

The purpose of the Impact Framework is to measure progress on 2024-2029 Strategic Plan outcomes.

This initiative supports the following overarching goals:

1. **Assess Progress:** First 5 LA acquires and utilizes data to evaluate progress on outcomes aligned with the 2024-2029 Strategic Plan.
2. **Inform Strategic Efforts:** First 5 LA and partners use outcome data to refine Tactics and other strategic efforts as needed.
3. **Foster Learning & Accountability:** First 5 LA shares insights and progress on key outcomes to promote learning and accountability.

In **FY 25-26**, the project will focus on:

- Documenting conditions related to Objectives to measure progress toward Strategic Plan outcomes.
- Identifying measurement approaches for Objectives lacking existing or accessible data.
- Developing and piloting Performance Measures to assess First 5 LA's impact.

Spending Plan and Funding Methodology

(1) How Funds Will Be Spent

Funds will support the following goals and associated activities:

Goal 1: Document conditions related to Objectives to measure progress on Strategic Plan outcomes.

- Engage stakeholders to review and finalize indicators, data sources, and measurement approaches.
- Develop a Measurement Plan outlining how Objectives will be measured.
- Acquire data from existing sources to establish a baseline.
- Analyze data on pre-existing conditions for each Objective.
- Prepare summary reports for different stakeholders.

Goal 2: Identify approaches for measuring Objectives lacking existing or accessible data.

- Clarify specific conditions to be measured within each Objective.
- Identify potential measurement approaches.
- Recommend viable measurement strategies for Objectives without existing data sources.

Goal 3: Initiate processes for developing, acquiring data, and reporting on Performance Measures.

- Develop a process and structure for Performance Measure development.
- Establish a system for collecting and submitting Performance Measure data.
- Develop a process for reporting Performance Measures.
- Pilot the full process on at least one investment or initiative.

(2) How the Funding Level Was Determined

The funding level was determined based on costs from previous years and comparable projects with similar objectives and scope. These include:

- Staff = \$272,000

Change from Prior Year (if >+-20%)

The FY 25-26 budget reflects a 77.8% increase (\$119,000) from FY 24-25 due to:

1. Development of a Measurement Plan to assess progress on Strategic Plan Objectives.
2. Creation of structures and processes needed to generate and report on Performance Measures

Budget Fiscal Year: 2025 - 2026

Status: Proposed

Initiative	Investment Category
Data Development	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
Equity Index	<i>New program</i>	\$300,000	n/a

Program Summary

The purpose of the Equity Index is to (a) provide a comprehensive measure of well-being that incorporates multiple indicators, (b) highlight disparities in the well-being of young children and their families across communities, and (c) guide resource allocation and support advocacy efforts for First 5 LA. This work will ensure that First 5 LA advances equity by directing resources toward improving the well-being of young children and families, prioritizing communities experiencing the greatest disparities.

In the upcoming fiscal year, First 5 LA will focus on the development and initial implementation of the Equity Index. This work will be carried out in partnership with Catalyst California, leveraging their expertise in data analysis and policy advocacy. Together, we will refine the methodology, engage key stakeholders, and establish the foundation for using the index to drive decision-making and investments that promote equity across Los Angeles County.

Spending Plan and Funding Methodology

(1) How funds will be spent: The funds requested for the Equity Index will support the following key activities:

- **Index Scoring Development & Implementation** – Establish and validate the Index scoring approach, including overall and domain-level scores, ensuring alignment with First 5 LA’s vision and intended applications.
- **Production & Refinement of the Index** – Generate calculated scores, rankings, and visualizations while continuously updating and enhancing functionalities based on user feedback and emerging data.
- **Web-Based Platform Development** – Develop and launch a dynamic, publicly accessible online platform that houses the Index.
- **Training & Capacity Building** – Provide ongoing training for First 5 LA staff and key partners on using the Index for decision-making, planning, and advocacy, adapting to evolving organizational needs.
- **Stakeholder Engagement & Awareness** – Promote the Index among internal and external stakeholders, fostering engagement and broader use to advance equity goals in early childhood well-being.
- **Data Narratives & Equity Insights** – Develop and refine narratives that highlight disparities in early childhood well-being, supporting policy and funding decisions through data-driven storytelling.

(2) HOW THE FUNDING LEVEL WAS DETERMINED

The funding level was determined based on costs from comparable projects with similar objectives and scope.

Key cost components include:

- **Staffing and Deliverables:** \$250,000
- **Direct Costs (e.g., platform development):** \$50,000

This funding allocation ensures the successful development, launch, and initial implementation of the Equity Index in partnership with Catalyst California.

Change from Prior Year (if >+-20%)

This is a new program.

Public Policy & Early Care and Education

Center/Department Name: Public Policy & ECE

Authorized Positions:

Position	#
Director of Public Policy & ECE	1
Senior Policy Strategist	1
Senior Government Affairs Strategist	0
Local Policy Strategist	1
Policy Analyst	2
Government Affairs Strategist	1
Senior Program Officer (ECE)	1
Program Officer (ECE)	3
Administrative Coordinator*	*
Total:	10

** Public Policy & ECE shares Administrative Coordinators with the Family Supports and Communications departments. As First 5 LA does not maintain a practice of allocating staff time, all personnel costs related to the Admin Coordinators are included within the Family Supports and Communications department budgets, respectively.*

Overview:

The Public Policy & Early Care and Education (ECE) department oversees the functions related to public policy, government affairs, early care and education, and works with others to implement systems changes that builds a future where every child is born healthy and thrives in nurturing, safe and loving communities. Over the FY25-26 period PPECE will focus on core government affairs and public policy functions, including lobbying, lobbying compliance, articulating organization-wide public policy change priorities, and developing strong relationships with elected officials. PPECE will also lead the policy development and prioritization process in consultation with staff across the organization. At the same time, the PPECE team will continue to focus on ECE services and supports, especially in those areas of focused aligned to the 2024-2029 F5LA Strategic Plan. The PPECE team serve as subject matter experts for early learning and care at First 5 LA.

Priorities for FY25-26:

- PPECE will continue to lead the organization’s policy analysis efforts to advance the 2024-2029 Policy Agenda. This will include working closely with departments across F5LA and will enable the organization t to take timely positions on policies calling for investments as well as effective, equitable implementation of policies and programs.
- PPECE will continue to refine a strategy for organization-wide sponsorships and partnership-building efforts that will build First 5 LA’s reputation as an advocate and trusted source, engage and influence decision makers and stakeholders; and increase awareness and create urgency on issues affecting young children and their families to help create lasting, equitable change. In support of the 2024-2029 Strategic Plan and the 2025-2029 Policy Agenda, PPECE will employ a variety of stakeholder engagement strategies and activities to support First 5 LA's advocacy priorities: policy education and advocacy events, engagement efforts with sector groups (e.g., business and grantmaking). In addition, PPECE will support

grantmaking projects and organizational membership with potential partners in an effort to build partnerships that support First 5 LA's strategic plan as well as our programmatic and policy goals.

- The PPECE team will continue to oversee a number of projects to support the state and countywide system of early care and education. The work within ECE will continue to shift in FY 25-26 as we further respond to the historical and current context of the ECE system and align the work with the 2024-2029 Strategic Plan. Under Quality Start Los Angeles (QSLA), First 5 LA will continue to serve as a member of the governance structure and has authority along with LACOE over system-level model changes that have budget implications and engagement with our statewide partners. Finally, the ECE work will continue to implement strategies to support the children served by home based care providers thru the Home Based Child Care strategy and Provider Advisory Group.

OPERATING COSTS SUMMARY

BUDGET FY25-26

CENTER/OFFICE/TEAM: PP & ECE-Op Costs-No Project



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance	Note(s)
Total Operating Expenses	1,902,164	1,629,599	(14.3%)	
Total Salaries & Wages	1,229,372	1,041,184	(15.3%)	
6040 Social Security Tax	77,656	66,022	(15.0%)	
6225 Mileage, Parking and Other Transportation	7,373	6,335	(14.1%)	Using the 2025 mileage rate of 70 cents per mile, this budget would cover mileage for up to 185 trips at 30 miles per trip, plus \$10 for parking per trip. An additional \$600 is included for longer than average trips or higher than average parking rates. This budget allows for approximately \$34 per trip, which could cover cab fare and public transportation for trips not taken in personal cars. All travel funds are anticipated to be spent on policy and ECE related work.
6235 Cell Phone & Mobile Devices	13,800	12,000	(13.0%)	This budget assumes \$100/month for 12 months for 10 FTEs.
6240 Outside Printing & Publications	1,250	1,000	(20.0%)	PPECE will occasionally need to produce external facing documents and make copies while outside the office. This budget would allow the department to produce 4 large color posters (\$250 each) or 420 double sided color handouts (\$1.78 each). Prices based on historic spending and quotes from FedEx.
6255 Educational Supplies	1,150	1,000	(13.0%)	PPECE will occasionally purchase supplies to advance the team's knowledge of leading policy and content research, recommendations, and issues. This budget assumes \$100 per person for educational supplies (10 FTEs), 50% of which will be allocated for issue-related professional development (\$50) and 50% to advance policy work (\$50).
6260 Office Supplies	2,875	2,500	(13.0%)	This budget will provide up to \$250 for 10 FTEs for office supplies throughout FY 24-25.
6265 Subscriptions & Publications	17,250	15,000	(13.0%)	PPECE's primary expense in this category is a subscription to Politico Pro California, a California-specific political and policy news service. The department also subscribes to Capitol Track, a legislative monitoring service; the Capitol Morning Report; and other publications.
6310 Internal Meetings	7,500	5,000	(33.3%)	PPECE anticipates frequently hosted working lunches with internal and external partners and has historically spent the majority of its meeting expense budget. This budget will allow the department to host 20 meetings at an average cost of \$250 per meeting.
6410 Consultant Fees	50,250	0	(100.0%)	Funds have been centralized and are now part of the Center's budget.
6540 Professional Dues	2,500	2,500	0.0%	Budget assumes PPECE department specific membership for organizations such as NAEYC, philanthropy affiliated orgs, and others.

OPERATING COSTS SUMMARY

BUDGET FY25-26

CENTER/OFFICE/TEAM: PP & ECE-Op Costs-No Project



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance	Note(s)
6610 Airfare	56,000	62,000	10.7%	PPECE anticipates increased frequent travel for local, state and federal advocacy events, meetings, and conferences including: First 5 Advocacy Day, advocacy coalition and planning meetings, legislative hearings, partner advocacy events like ACCESS DC, meetings with other First 5 Commissions including the First 5 Association, and other key partners/coalitions like First 5 California, the ECE Coalition, and others. The most common destinations for PPECE staff travel are Sacramento, Washington DC, and the San Francisco Bay Area. Assuming an average cost of \$400 per roundtrip flight, this budget would allow 155 trips in FY 25-26. All travel funds are anticipated to be spent on department related work and not professional development.
6620 Lodging	37,500	42,000	12.0%	PPECE anticipates increased frequent travel for advocacy trips and department related meetings. The average hotel room for frequent destinations ranges from \$200 to \$400 per night, or an average of \$300 per night. At this average rate, the budget would cover nearly 140 hotel nights in FY 25-26. All travel funds are anticipated to be spent on policy and department related work, and not on professional development
6640 Per Diem	12,688	13,795	8.7%	PPECE anticipates frequent travel for meetings, conferences, and other events outside of LA County. The per diem rate for frequent destinations ranges from \$86 to \$92. Assuming an average per diem rate of \$89, this budget would allow for approximately 155 days of travel.
6650 Other Travel Expense	2,000	5,000	150.0%	PPECE anticipates travel outside of LA County and includes parking at airports, cab rides to meetings and hotels, and train trips. Assuming each cab or train ride or day of airport parking is an average of \$40, this budget would allow for 125 individual trips or parking days outside of LA County. All travel funds are anticipated to be spent on department related work and not on professional development.
6810 Training Materials & Supplies	5,750	0	(100.0%)	Funds have been centralized and are now part of the Center's budget.
6820 In-house Training	6,400	0	(100.0%)	Funds have been centralized and are now part of the Center's budget.
6840 Conference/Training Registrations	11,500	0	(100.0%)	Funds have been centralized and are now part of the Center's budget.
6850 Outside Education	17,250	0	(100.0%)	Funds have been centralized and are now part of the Center's budget.

Budget Fiscal Year: 2025 - 2026

Status: Proposed

Initiative	Investment Category
County Systems Building	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
County ECE Infrastructure Support	\$200,000	\$200,000	0%

Program Summary

This program supports building and aligning County infrastructure to better and more equitably deliver early care and education services for families and providers. Projects under this program include implementation of the cost models from the Comprehensive Fiscal Analysis of the Early Care and Education System, alignment of data collection and reporting efforts for assessing early learning supply and demand, and coordination of early care and education workforce development resources and strategies. Partners in these projects include the Office for the Advancement of Early Care and Education, the Los Angeles County Office of Education- Early Learning Division, the Partnership for Early Childhood Investment, the Child Care Alliance of Los Angeles, and the Resource and Referral Agencies.

Spending Plan and Funding Methodology

The funds will be expended in the following categories:

Los Angeles County System Visioning and Child Care Movement Building: \$125,000. These funds will be pooled to support County-wide visioning for a more integrated family-serving ECE system, cost-modeling for that system, as well as infrastructure to support a more inclusive child care advocacy movement for Los Angeles County. This amount is based on similar contributions to collaborations of this scale and will build on financial modelling done in 2023, the 2024 Infant/Toddler Blueprint, and a Child Care Power Building cohort organized in 2025. Partners such as the Partnership for Early Childhood Investment and the Office for the Advancement of Early Care & Education will secure additional funding for the project.

County Coordination Support: \$50,000. These funds will provide research or a consultant to support in alignment with F5LA’s 2024-2029 strategic plan implementation and other LA County efforts, such as those by the Office for the Advancement of Early Care and Education (OAECE). Funds will be used to provide strategic guidance, facilitate workgroups, and draft reports. This amount is based on 12 hours a month at a rate of \$150/hour with additional funds for direct costs such as meeting materials.

County Emergency Response: \$25,000. These funds will provide funding to support emergency response needs should the situation arise. This includes \$15,000 for interpretation and translation support for communications to child care providers and an additional \$10,000 for any unfunded infrastructure needs for the ECE Emergency Response Team.

Change from Prior Year (if >+-20%)

N/A

Budget Fiscal Year: 2025 - 2026

Status: Proposed

Initiative	Investment Category
County Systems Building	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
Provider Advisory Group	\$327,800	\$250,000	-23.7%

Program Summary

The Provider Advisory Group (PAG) is a body of home-based child care (HBCC) providers who serve as regular thought partners for the PPECE team in making sense of the HBCC Landscape Analysis data and in the programmatic strategy development for the HBCC initiative. The PAG also involves the use of a consultant that primarily serves to design, support, and facilitate the regular convening of this group, as well as provide guidance for the PPECE team in effectively incorporating provider feedback into its strategies to support capacity-building in the home-based child care system. PAG members are compensated for their time and expertise and also have opportunities to serve on workgroups, deliver presentations (ex: F5LA Board of Commissioners), and more. Given the language diversity in the Provider Advisory Group, translation and interpretation services are also required in English, Spanish, and Chinese to support the members' participation.

In FY23-24, the ECE team expanded the Provider Advisory Group to include both Family Child Care (FCC) owners and Family, Friend, and Neighbor caregivers (FFNs) to continue to capture the lived-experience of all those who are providing care in the home based child care system.

As a result of strategic planning efforts and the subsequent contract sorting recommendations during FY 24-25, the overall Provider Advisory Group's budget was reduced by approximately -24% for FY 25-26. The modifications to the programming are detailed below.

Spending Plan and Funding Methodology

Spending plan includes funds for the Provider Advisory Group consultant, live and written translation services based on the needs of members, and monthly honorariums for each of our Provider Advisory Group members.

\$40,000 – Laura Valles & Associates contract (meeting facilitation and consulting).

\$175,000 – Spanish and Chinese translation and interpretation services and honorariums for participation for all members.

\$35,000 – Emerging opportunities for new strategic plan alignment; emerging workgroups with need for PAG member participation, translation/interpretation for emerging event and materials, guest speakers, or any additional convening/opportunities as deemed appropriate by the PPECE team.

Change from Prior Year (if >+-20%)

Percent variance comes as a result of contract sorting decisions. This variance reflects the following:

- Decrease in consultant contract (Laura Valles and Associates) amount from \$75,000 for FY 24-25 to \$40,000 for FY 25-26.
- Reduction in number of members and number of meetings to more closely align with the work and the pacing of the HBCC Strategy. This also reduces Honorariums and Translation/Interpretation needs.

Budget Fiscal Year: 2025 - 2026	Status: Proposed
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Initiative	Investment Category
County Systems Building	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
Universal Preschool	\$150,000	\$75,000	-50%

Program Summary

California’s Universal Prekindergarten program is being rolled out in phases. The next few years present a time-sensitive opportunity for First 5 LA and partners to support planning and implementation of UPK and ensure the implementation of UPK in LA County is responsive to family needs. County partners have identified a need to develop and improve tools and processes to align different programs and ensure families have information about and access to a mixed delivery system. Funds will be used to support this work towards a more accessible mixed delivery system.

Spending Plan and Funding Methodology

Mayor’s Fund for Long Beach: \$50,000. These funds will support continued piloting of system coordination through the family-facing Long Beach Early Learning Hub, which streamlines childcare enrollment processes, alleviates administrative burdens put on childcare providers, connects families to tuition support, improves early education data tracking, and provides connectivity to holistic resources to uplift the whole family, as well as providing resources and technical assistance to County partners engaged in similar work.

Emerging Opportunities: \$25,000. The Whole Child, Bright Futures tactic description states that, “By continuing to work with partners to align California’s new universal transitional kindergarten grade into the broader mixed delivery system we aim to coordinate and create a seamless early care and learning support for children and families.” This funding will provide resources such as research or consultant support to identify further opportunities for First 5 LA to advance this tactic.

Change from Prior Year (if >+-20%)

This program budget is reduced by 50% due to the conclusion of the contract with Emmy Liss.

Budget Fiscal Year: 2025 - 2026

Status: Proposed

Initiative	Investment Category
Quality Improvement Systems	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
Dual Language Learner	\$400,000	\$400,000	0%

Program Summary

Quality Start Los Angeles (QSLA) partners - First 5 LA, LACOE, Child Care Alliance of LA (CCALA) and Child360 launched the Dual Language Learner (DLL) Pilot Study Expansion in March of 2021. QSLA is LA County’s Quality Improvement System (QRIS). The award from First 5 California facilitated the integration and alignment of resources under the QSLA umbrella. The intent of the DLL Initiative in LA County is to utilize, and adapt, existing resources and develop a comprehensive “menu” of learning opportunities and professional development for center-based, home-based providers, coaches, and families. The initiative includes the creation of a county-wide public awareness campaign to promote the importance of bilingualism and how to support young dual language learners. The campaign shares activities and resources that can be used by families and providers as they care for DLLs. Due to the success of that original campaign, in FY 2023-2024, the LA County Office of Education (LACOE) chose to invest \$2 million to expand the campaign, which was successfully executed. With a scaled back budget, in FY 2024 – 2025 it was determined to utilize \$400,000 of First 5 California IMPACT Legacy funding to continue the momentum of the successful campaign. As the DLL Communications campaign continues to experience more growth and accomplishments, it will be funded in FY 2025-2026 for \$400,000 with IMPACT Legacy dollars. The DLL Communications Campaign aligns with the 2024-2029 Strategic Plan, Goal 3 that Children prenatal to age 5 have a solid foundation for well-being, lifelong learning and success.

Objectives:

- Increase awareness of the value and benefits of fostering multilingualism at home and in diverse early learning settings.
- Build multilingual children’s confidence by celebrating it as a “superpower,” especially those whose home language is not English
- Dispel commonly held myths about multilingualism.
- Complement existing efforts built through the DLL initiative.

Spending Plan and Funding Methodology

Funds will continue to support the three strategies of the communications campaign:

- Trusted Sources – Continue to Increase the number of child care providers, home visitors and librarians who will share multilingual brochures with the families they serve to support a conversation about the importance of multilingualism and tips on how to reinforce dual language learning in the home. This will now also include messaging to pediatricians and other healthcare professionals who interface with families and caretakers.

- Paid Media– At a reduced scale, continue to use a mix of outdoor media (bus benches, bus wraps, metro wraps, convenience stores and billboards), paid ads in local print publications, radio and tv stations and their websites, and earned media messaging will be reinforced.
- Social Media – with shared social media toolkits, county partners will continue to share key messages and links to resources with their networks.

Change from Prior Year (if >+-20%)

Budget Fiscal Year: 2025 - 2026	Status: Proposed
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Initiative	Investment Category
Quality Improvement System	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
Home Based Child Care Strategy	\$900,000	\$600,000	-33.3%

Program Summary

In order to develop responsive programming to meet the needs of home-based child care (HBCC) providers not previously reached through LA County quality support efforts, First 5 LA has identified the following primary activities for FY 25-26 based on the 2023 findings of the landscape analysis report of Family, Friend, and Neighbor (FFN) and Family Child (FCC) care providers. Activities include continued dissemination of the landscape analysis findings and using them to guide the next stage of work, which includes continuing the work of the HBCC strategy workgroup comprised of F5LA partners and representatives of the provider advisory groups comprised of FCC and FFN early educators. The HBCC strategy workgroup will continue to be engaged in the implementation phase of the strategy in partnership with the Child Care Alliance of Los Angeles (CCALA).

Funding of \$200,000 for CCALA will be used to manage efforts leveraging existing partnerships with the resource and referral agencies and community-based organizations while identifying new partnerships to support both groups of home-based providers, FCCs and FFNs. Additionally, in partnership with Home Grown, Inc., funding will support the Thriving Providers Project, a guaranteed income pilot for home-based care providers in Los Angeles. The amount of \$400,000 will continue to fund the program’s first cohort of 25 FFNs and contribute towards a funding pool for a second cohort.

Spending Plan and Funding Methodology

The total budget amount of **\$600,000** for the overall Home-Based Child Care Strategy Includes:

HBCC Strategy Implementation - The line-item budget for HBCC strategy implementation is **\$200,000**. Systems-change strategies focused on strengthening the home-based child care (HBCC) provider sector will be led by the Child Care Alliance of Los Angeles (CCALA). Strategies for implementation will be developed in collaboration with an advisory workgroup. Emergent strategies that may be launched in FY 25 –26 include: 1) strengthening and sustaining the HBCC sector, particularly family child care home providers, as Universal PreKindergarten (UPK) launches throughout L.A. County through exploring financial/business models, supporting promotion of FCCs and mixed-delivery providers for true parental choice, and supporting advocacy and marketing strategies targeted at uplifting HBCCs; 2) ensuring streamlined, effective, and comprehensive models of support including a single “one-stop-shop” resource site for home-based providers; and 3) addressing food access issues by determining and addressing systemic barriers such as challenges with the Care Child and Adult Care Food Program (CACFP), and increasing connection to food justice/food access efforts.

Thriving Providers Project - The line-item budget for this is **\$400,000**. Of these funds, \$100,000 remains in the current contract with Home Grown for a cohort of 25 family, friend, and neighbor (FFN) providers.

These costs include monthly payments to providers. The remaining \$300,000 is available to contribute with other funders towards a second cohort.

Change from Prior Year (if >+-20%)

The -33.3% reduction is due to an overall decrease for HBCC Strategy Implementation, including the consultant services contract for Duane Dennis/ Home-Based Child Care Strategy ending on June 30, 2025.

Budget Fiscal Year: 2025 - 2026	Status: Proposed
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Initiative	Investment Category
Quality Improvement System	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
IMPACT Legacy	\$2,983,140	\$2,600,000	-12.8%

Program Summary

This initiative covers the funding drawn down from First 5 CA and subcontracted to the Los Angeles County Office of Education (LACOE) for Quality Start Los Angeles (QSLA). Improve and Maximize Programs so All Children Thrive (IMPACT) Legacy is funding from First 5 CA to support quality improvement services in local counties. First 5 agencies have right of first refusal for these funds, and First 5 LA draws down the funding. This funding supports the stabilization and sustainability of QSLA allowing us to serve a greater diversity of child care providers. This funding is administered by LACOE and is blended with funding from the California Department of Education and the California Department of Social Services to fund the broad array of QSLA’s quality improvement services, including coaching, technical assistance, professional development, quality improvement stipends for providers, and more.

Spending Plan and Funding Methodology

Improve and Maximize Programs so All Children Thrive (IMPACT) Legacy funds and First 5 CA Hub funds: First 5 LA anticipates receiving a total allocation of \$3,375,531 in FY25-26. Per communication from First 5 CA sent in January 2025, IMPACT Legacy funds will amount to 90% of the FY24-25 yearly allocation, subject to income availability. Additional information on award procedures and funding allocations are expected in early 2025. Decisions on the fourth and final year (FY 2026-27) of IMPACT Legacy will be subject to revenue availability.

The majority of the anticipated award amount of \$3,375,531 will be spent on Los Angeles County Office of Education (LACOE) staff to administer Quality Start Los Angeles, and contracted services to Child Care Alliance of Los Angeles (CCALA) to conduct quality improvement activities (i.e., coaching, technical assistance, stipends for Quality Start Los Angeles participating sites, etc.) per the application submitted to Quality Counts California (a joint effort of the California Department of Education and First 5 CA). This supports virtually all aspects of program delivery for IMPACT Legacy, including compliance with all state-defined requirements of program administration. Funds will also be spent by LACOE on the QSLA data system, and personnel to manage and oversee day-to-day operations of the data system. This data system houses all data related to the local quality ECE efforts. Costs were determined based on historical costs and spending patterns.

Change from Prior Year (if >+-20%)

Budget Fiscal Year: 2025 - 2026	Status: Proposed
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Initiative	Investment Category
Quality Improvement System	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
QSLA Facilitation	\$500,000	\$250,000	-50%

Program Summary

All Quality Start Los Angeles (QSLA)/Quality Improvement (QI) work funded by First 5 LA is closely coordinated, in particular with the Los Angeles County Office of Education (LACOE). A facilitator will continue to provide project management and facilitation support of the QSLA/QI consortium, which includes partners such as First 5 LA, LACOE, the Child Care Alliance of Los Angeles (CCALA), Partnerships for Education, Articulation, and Coordination through Higher Education (PEACH), and the Office for the Advancement of Early Education (OAECE), and the Child Care Local Planning Committee (LPC). Current priorities for QSLA’s work include continuing to identify and build opportunities for system integration and sustainability efforts, on which the QSLA facilitator will provide thought partnership and support.

Spending Plan and Funding Methodology

The FY 2025-2026 budget covers the facilitation of the quality improvement consortium. The budget was derived based on our shifting needs across QSLA. For example, the QSLA model redesign that was developed in FY 2024-2025 will be tested and implemented and will therefore require less thought partnership and facilitation from the consultant.

Funds will continue to be used for meeting facilitation, supporting and strengthening system integration, and other priorities as identified by F5LA and the QI consortium to advance QSLA's work.

Change from Prior Year (if >+-20%)

In FY24-25, this program included funding to complete the implementation of the ECE Team’s survey panel work, which used mobile-first technology to gather input from relevant communities to shape and enhance the ECE team’s work. This work, contracted to VIVA Social Impact Partners, ended September 30, 2024. In addition, there will be fewer meetings that will need the facilitator’s support due to the completion of the model redesign in FY 2024-2025.

Budget Fiscal Year: 2025 - 2026

Status: Proposed

Initiative	Investment Category
Integrated Policy and Advocacy Fund	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
Early Childhood Policy and Advocacy Fund	\$3,610,000	\$3,610,000	0%

Program Summary

The Early Childhood Policy and Advocacy Fund (EC PAF) brings the three PAF funds into alignment through a Whole Child/ Whole Family framework. Specifically, EC PAF intends to promote more aligned and holistic advocacy through a Whole Child and Whole Family lens and features differing strategies but shared outcomes across those strategies, especially around prioritizing children ages prenatal to 5-years old. It also brings together diverse advocacy voices whose work occurs and operates at the intersection of systems; supports achievement of First 5 LA strategic and sustainability priorities; and reflects commitment to diversity, equity and inclusion.

By providing grants to a diverse set of grantees across the advocacy spectrum, EC PAF seeks to achieve the following primary objectives: 1) Strengthen the capacity of organizations to both incorporate and advocate for a Whole Child Whole Family framework, as well as First 5 LA annual Policy Agenda and Strategic Plan priorities; 2) Catalyze policies that impact intersecting systems to the benefit of children and families, and also that advance greater integration of child- and family-serving systems; 3) Close disparities, and guide resources to communities that would most benefit; 4) Ensure participation of a diversity of organizations, including those that represent community priorities to collaboratively grow a social movement that elevates the needs of children prenatal to five and their families.; 5) Advance advocacy across multiple domains to strengthen public systems, services, and supports for children P-5 and their families.

First 5 LA advocacy strategies deeply connect with partnership and field building, with EC PAF serving as key example of this approach. EC PAF features two interconnected grant pools, focused on promoting equity, supporting public policy efforts at the local, state, and federal levels, advocating to strengthen public systems, services, and supports, and growing a social movement across the early childhood advocacy field:

- The Reimagining Systems Fund (RSF), centers around organizations aiming to change public systems most critical to children’s development prenatal-to-5 and their families. These grants were awarded to 501(c)(3)s and fiscally sponsored nonprofit organizations, with an emphasis on those led by community members with lived experience of inequity. RSF grants are renewable for up to three years; FY 2025-2026 is the final year of funding availability for the first cohort.
- The Community Opportunities Flexible Fund (COFF) provides opportunities for emerging groups, volunteer efforts, and/or smaller organization to receive funding to build community connections and voice of the people most impacted by changes to systems affecting children prenatal to 5 and their families. This pool aims to provide increased flexibility around funding, and will entail grants, stipends, contracts, honoraria, and related expenditures. Previously awarded on a rolling basis with no deadline for applying in FY 23-24, funding for the COFF in FY 24-25 has been awarded in two separate grant pools (one in late February and the subsequent one in early May).

Overall, EC PAF fosters progress towards the goals and objectives of the 2024-2029 Strategic Plan, ensuring children and families have their basic needs met, and that children prenatal through 5 have nurturing relationships and environments, and a solid foundation for well-being and lifelong learning and success. In 2024, the selection process for the COFF was also updated to more closely align with the 3 goals and 9 objectives of the Strategic Plan.

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Spending Plan and Funding Methodology

FY 25-26 includes costs for grant distribution, including the final year of renewal eligibility for the RSF cohort, and a COFF selection process in two-rounds.

In FY 24-25, organizations receiving RSF funding include:

- AAPI Equity Alliance/Asian Pacific Policy and Planning Council
- Black Women for Wellness
- California Coalition for Black Birth Justice (Public Health Institute)
- California Black Women's Health Project
- California Child Care Resource & Referral Network
- Catalyst California
- Child Care Alliance of Los Angeles
- Crystal Stairs, Inc.
- Community Coalition for Substance Abuse Prevention and Treatment
- InnerCity Struggle
- The Children's Partnership

In FY 24-25, organizations receiving COFF funding in the first round include:

- CACFP Roundtable
- Californians Together
- GRACE
- El Sereno Land Trust
- LA Neighborhood Land Trust
- Long Beach Forward
- Gente Organizada
- United Parents and Students

The second round of the COFF (to be awarded in May 2025) will support approximately 10 additional organizations.

Change from Prior Year (if >+-20%)

Budget Fiscal Year: 2025 - 2026

Status: Proposed

Initiative	Investment Category
Integrated Policy and Advocacy Fund	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
Policy Advocacy Fund Technical Assistance Provider	\$525,000	\$525,000	0%

Program Summary

First 5 LA will support Community Partners as the continued Early Childhood Policy and Advocacy Fund (EC PAF) intermediary funder to provide technical assistance, advice, support and guidance to continue to refine and implement integrated funding guidelines to support grantees in a number of key areas including: evaluation support, strategic planning, navigating complex policy systems and decisions, and reviewing data to develop recommendations. In addition, Community Partners will provide First 5 LA staff with technical assistance, coaching, produce status reports, presentations, and articles to capture learning from EC PAF which can be disseminated internally and externally.

First 5 LA previously invested in three separate Policy Advocacy Funds across three different teams – Built Environment in Communities, Early Learning in ECE, and Child Health in the Office of Government Affairs and Public Policy (OGAPP). These projects all concluded at the end of FY 21-22.

In FY 22-23, First 5 LA developed a plan to establish an integrated Policy Advocacy Fund housed within OGAPP. The integrated fund was co-developed in partnership with teams across First 5 LA and supports systems change activities aligned with First 5 LA’s Board-approved Policy Agenda and rules governing public agency advocacy activities. In FY 23-24, First 5 LA and Community Partners began implementing the first iteration of the Early Childhood Policy and Advocacy Fund (EC PAF), consisting of two separate funding pools, the Reimagining Systems Fund (RSF) and the Community Opportunities Flexible Fund (COFF). The RSF awarded grants of \$250,000 to \$350,000, renewable for three additional years, to nonprofit organizations active in LA County. The COFF provides a broad range of grants, stipends, contracts, and related expenditures of \$2,500–\$85,000 (in Year 1) and \$2,500-\$40,000 (in Year 2) to organizations and volunteer efforts, subject to available funding. These two funding pools aim to support more integrated systems policy development and advocacy work aligned with the more holistic child and family goals outlined in F5LA’s strategic plan.

Community Partners will continue to be responsible for supporting the continued implementation of the EC PAF, including the renewal process for RSF grantees; ensuring compliance with First 5 LA lobbying restrictions; administering and monitoring grants; coordinating with grantees and planning grantee convenings; and providing technical assistance, guidance and access to other necessary resources. In addition, they will be responsible for reviewing proposals for the COFF, disbursing grants, providing oversight and conducting evaluations. Community Partners plays a key role in ensuring achievement of key objectives and priorities related to EC PAF.

Spending Plan and Funding Methodology

Cost for intermediary support to Community Partners (\$525,000) to continue EC PAF implementation and grantmaking in FY 25-26. Among other things, funding to Community Partners includes personnel, contracted services and evaluation.

Change from Prior Year (if >+-20%)

Budget Fiscal Year: 2025 - 2026	Status: Proposed
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Initiative	Investment Category
Organization-wide Sponsorships & Engagements	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
Organization-Wide Sponsorships	\$275,000	\$240,000	-12.7%

Program Summary

The Public Policy and Early Care & Education (PPECE) department continues to revise the organization-wide sponsorships strategy to build First 5 LA’s reputation as an advocate and trusted source, engage and influence decision makers; and elevate awareness and create urgency on issues affecting young children and their families.

These efforts are intended to help advance F5LA’s 2024-29 Strategic Plan’s and support First 5 LA’s policy and systems change efforts. The proposed budget request funds for First 5 LA’s organization-wide sponsorships and events in alignment with First 5 LA’s 2024-2029 strategic plan.

Spending Plan and Funding Methodology

The FY 25-26 budget reflects the role of sponsorships as an organizational strategy critical to First 5 LA’s brand, building new relationships, and increasing the number of organizations, businesses and philanthropic partners engaged in early childhood systems change affecting prenatal to 5 young children and their families. The methodology used to develop this budget is based upon an analysis of the last three years of successful sponsorship engagement work associated with First 5 LA and the organization’s declining revenue. First 5 LA has historically supported events and activities hosted by key partners to advance its policy and system change goals. These events are opportunities to engage partners and other stakeholder audiences.

Based on event sponsorships from FY 24 -25 requests are steady and sponsorships range from \$2,500 to \$15,000 for table or gala sponsorships. This request of \$240,000 continues to represent a slight decrease from last year but still allows First 5 LA to support a high number of events in FY 25-26 to meet demand but at a possible lower level. PPECE will continue to work across F5LA to further refine an update F5LA’s sponsorship strategy to align sector engagement with sponsorships as a critical outreach and relationship cultivation strategy to advance First 5 LA early childhood priorities.

Change from Prior Year (if >+-20%)

Budget Fiscal Year: 2025 - 2026

Status: Proposed

Initiative	Investment Category
Organization-wide Sponsorships & Engagements	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
Organizational Memberships	\$160,000	\$170,000	6.3%

Program Summary

The First 5 LA 2024-2029 Strategic Plan and 2025-2029 F5LA Policy Agenda will employ a variety of stakeholder engagement strategies and activities to support First 5 LA's advocacy priorities: policy education and advocacy events), key stakeholder meetings and coalitions, state caucus policy activities, and policy speaker series which elevate First 5 LA priorities.

In addition, organizational memberships offer opportunities to learn and engage with various stakeholders to build and/or strengthen partnerships that support First 5 LA's strategic plan goals.

Spending Plan and Funding Methodology

In FY 25-26, First 5 LA will continue to build relationships with stakeholders, sector groups, and advocacy partners to elevate the importance of early childhood development. In addition, the Public Policy and Early Care & Education (PPECE) will work to engage untapped sectors that have agendas aligned with the 2024-2029 Strategic Plan but that we have not previously engaged with (e.g., housing, access to healthy food).

First 5 LA has historically engaged in a number of grantmaking and organizational memberships and supported several events and activities which highlight important early childhood policy issues, educate decision-makers on early childhood priorities, and influence policy and systems change. Grantmaking Memberships and annual organizational membership rates are determined by the membership organization rate structure, depending on an organization's asset and/or total budget. Estimate grantmaking and organizational memberships included as part of the total budget are as follows:

- Affinity Group Memberships – First 5 LA holds membership in a range of affinity and employee resource groups with a combined estimate budget of \$11,000.
- Central City Association (CCA) — CCA is an advocacy organization in the Los Angeles region and leading visionary on the future of Downtown Los Angeles (DTLA). CCA leads, convenes and collaborates with stakeholders to form strong partnerships and coalitions. CCA represents the interests of over 300 businesses, trade associations and nonprofits from a broad range of industries. The annual membership rate is \$3000.
- First 5 California Association— The increased annual membership rate is \$90,000.
- Grantmakers for Education (GFE) — GFE is a network of education grantmakers dedicated to improving educational outcomes and increasing opportunities for all learners. The annual membership fee is \$8,000.
- Grantmakers for Effective Organizations (GEO) — GEO is a diverse community of grantmakers working to reshape the way philanthropy operates, promoting strategies and practices that contribute to grantee success. The annual membership rate for a government grantmaker is \$1,030.
- LA Funders Collaborative - The LA Funders Collaborative is a multi-sector collaborative which aims to leverage opportunities being catalyzed by recent landmark transportation and environmental policies to create equitable, healthy, and sustainable communities in LA County. The annual membership rate is \$5,000.

Spending Plan and Funding Methodology

- Los Angeles Area Chamber of Commerce – A partnership with the Chamber provides First 5 LA staff opportunities to engage with business, higher education, and civic leaders, and to collaborate on policy and systems change efforts. The annual membership rate is \$3,275.
- Los Angeles Area Chamber of Commerce – board dues (Executive Director has held this position in the past), \$11,000.
- Los Angeles Business Federation (BizFed) — The annual membership rate is \$7,000.
- Southern California Grantmakers - First 5 LA's annual membership fee to Southern California Grantmakers is calculated based on a formula established by SCG that takes into account First 5 LA's prior year total competitive Grantmaking and the location of the organization. First 5 LA member rate has increased to \$16,500.
- Valley Industry & Commerce Association — The annual membership rate is \$1,850.

Change from Prior Year (if >+-20%)

Budget Fiscal Year: 2025 - 2026	Status: Proposed
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Initiative	Investment Category
Organization-wide Sponsorships & Engagements	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
Organization-Wide Partnerships	\$160,000	\$140,000	-12.5%

Program Summary
<p>First 5 LA will continue to employ a variety of partnership engagement strategies and activities to support the organization’ advocacy priorities: policy education and engagement efforts with various sector groups, key stakeholder meetings and coalitions, and policy speaker series which elevate First 5 LA strategic plan goals.</p>

Spending Plan and Funding Methodology
<p>In FY 25-26, First 5 LA will continue to build relationships with various stakeholders and advocacy partners to elevate the importance of early childhood development. In addition, the Public Policy and Early Care & Education (PPECE) department will work to engaged untapped sectors that have agendas and/or impact families and children aligned to the organization’s 2024-2029 Strategic Plan but that we have not partnered in the past with. These key partners allow First 5 LA to continue to influence policy and systems change through joint advocacy and pooled funding.</p> <p>The following partnerships are examples of opportunities to advance First 5 LA’s priorities for the FY 25-26:</p> <ul style="list-style-type: none"> • Southern California Grantmakers (\$50,000): First 5 LA contributes to the philanthropy sector and the opportunity to advance our key priorities through the contribution to SCG’s general operating fund. • LA Partnership for Early Childhood Investment/LA PECEI (\$30,000): The goals of the LA Partnership for Early are closely aligned with First 5 LA’s Strategic Plan. For example, in FY 23-24, the Partnership supported the Family Supports efforts, the African American Infant and Maternal Mortality initiative, and increasing Earned Income Tax Credit benefits for families with young children, although collaborative efforts cut across the First 5 LA Strategic Plan. • LA-N-Sync (\$25,000): First 5 LA will continue to support and participate in the LA-N-Sync collaborative, as goals of LA-N-Sync are broadly aligned with First 5 LA’s strategic plan. Specifically, LA-N-Sync will support efforts under the Communities food security objective area to increase access to CalFresh benefits in partnership with DPSS. PPECE anticipates the \$25,000 level of funding for FY 25-26. • LA Funders Collaborative (\$12,000) The LA Funders Collaborative is a multi-sector collaborative which aims to leverage opportunities being catalyzed by recent landmark transportation and environmental policies to create equitable, healthy, and sustainable communities in LA County. The Collaborative is committed to ensuring that these public investments benefit all Angelenos, particularly historically underserved people and communities through collaboration, investments, grantmaking, and convening.

Change from Prior Year (if >+-20%)

Budget Fiscal Year: 2025 - 2026

Status: Proposed

Initiative	Investment Category
Organization-wide Sponsorships & Engagements	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
Policy & Advocacy Stakeholder Engagement	\$160,000	\$125,000	-21.9%

Program Summary

The Public Policy and Early Care & Education (PPECE) department continues to employ a variety of stakeholder engagement strategies and activities to support First 5 LA's advocacy priorities: policy education and advocacy events, engagement effort, key stakeholder meetings and coalitions, caucus policy activities, and policy speaker series which elevate First 5 LA early childhood priorities.

Spending Plan and Funding Methodology

In FY 24-25, First 5 LA will continue to build relationships with stakeholders, sector groups and advocacy partners to elevate the importance of early childhood development. In addition, PPECE will work to engage untapped sectors that have agendas and/or impact families and children and are aligned with F5LA's 2024-20509 Strategic Plan.

First 5 LA has historically supported a number of events and activities which highlight important early childhood policy issues, educate decision-makers on early childhood priorities, and influence policy and systems change. These include advocacy days, California State Legislative caucus policy retreats, and policy conferences and speaker series which elevate First 5 LA priorities.

Funding will support engagements with advocacy partners to elevate the importance of early childhood development and family friendly policies. This will include Q1, Q2 and Q3 of FY25-26 Advocacy Days, California State Legislative caucus policy activities, and policy conferences and speaker series which elevate First 5 LA priorities.

Change from Prior Year (if >+-20%)

First 5 LA has historically sponsored annual caucus policy retreats and conferences in Sacramento. Due to declining revenue, it is anticipated PPECE will not sponsor at the same amount moving forward.

Budget Fiscal Year: 2025 - 2026

Status: Proposed

Initiative	Investment Category
Policy Agenda/Advocacy	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
State Policy and Sustainability Advocate	\$278,000	\$205,000	-26.3%

Program Summary

The State Policy and Sustainability Advocate develops and executes advocacy strategies to help advance First 5 LA state policy priorities aligned to the organization’s strategic plan and policy agenda. The consultant supports First 5 LA’s policy and advocacy strategies in the California policy arena. They also employ a variety of strategies and activities to support First 5 LA’s state policy and advocacy efforts to strengthen systems of support for children ages prenatal to 5-years old including but not limited to: policy analysis, development, and strategy formation; policymaker engagement; technical assistance and project management; lobbying; and special projects.

Spending Plan and Funding Methodology

Since 2013, First 5 LA has contracted with California Strategies Inc. (CalStrat), a Sacramento based firm, to serve as the State Policy and Sustainability Advocate. CalStrat was reprocured in 2017 and was re-selected in November 2022 after a public procurement process. The main cost component is personnel and pre-approved task order activities. Staff negotiates the contractor’s monthly retainer rate based on the amount of time the consultant team has spent working on average per month.

CalStrat implements First 5 LA’s policy agenda and annual advocacy priorities; monitors the state’s policy and political landscape; represents First 5 LA at legislative hearings and meetings with key government officials, and priority coalitions; supports in planning advocacy events like the First 5 LA annual advocacy day and coordinating legislative meetings throughout legislative session; and provides strategy advice and technical assistance to policy and program staff. In addition, through the contract with CalStrat, First 5 LA supports the engagement of a Title 19 (Medi-Cal) expert for work on sustainability issues for several major health investments, including developmental screening and home visiting; this subcontract is currently with Health Management Associates (HMA).

Change from Prior Year (if >+-20%)

Funds in FY 25-26 reduces the overall contract amount to \$205,000 for FY 25-26, for a reduction of \$78,000 from FY 24-25. Funding is envisioned to continue decreasing while the PPECE team develops its internal capacity to lead the majority of policy strategies currently supported by CalStrat.

Budget Fiscal Year: 2025 - 2026

Status: Proposed

Initiative	Investment Category
Policy Agenda/Advocacy	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
Strategic Plan Advocacy Strategies	\$526,000	\$375,000	-28.7%

Program Summary

First 5 LA invests in key activities to support its 2025-2029 strategic plan goals. Among other activities, work in this area includes coalition support, policy technical assistance, advocacy initiatives, statewide First 5 Association activities, research and briefings, and advocacy partnership development.

Spending Plan and Funding Methodology

The proposed FY 25-26 budget includes costs related to the following activities:

- 1) California Strategies (\$75,000) to coordinate and strengthen the Early Care and Education Coalition. In FY 25-26, California Strategies (CalStrat) will continue to grow and build up capacity of the coalition and further protect and/or expand the state investment in our ECE system. Total First 5 LA cost for facilitating and supporting the ECE Coalition was reduced by 22% in FY 23-24, 33% FY 24-25 and will see a decrease of 25% from \$100,000 to \$75,000.
- 2) Funds in FY 25-26 (\$50,000) will enable the Public Policy and Early Care & Education (PPECE) department to enter contract with a consultant to continue building staff knowledge and capacity of systems and policy change strategies aligned to F5LA's 2024-2029 Strategic Plan and 2025-2029 Policy Agenda.
- 3) Funds in FY 25-26 (\$100,000) will enable the PPECE department to enter contract with a federal consultant to support with federal policy expertise and strategic knowledge of federal programs and resources that impact Los Angeles County children and families.
- 4) First 5 Association (\$150,000) to ensure the development and execution of a coordinated, proactive statewide policy priorities informed by the network of First 5 organizations throughout California. Funding for FY 25-26 includes an overall reduction of 40% but continues to support the Association to build capacity and leverage new funding sources. Considering the fiscal reality across F5s, funding has decreased in the last years. FY 22-23 funding was \$630,000, FY 23-24 was \$576,000, and FY 24-25 was \$351,000.

Change from Prior Year (if >+-20%)

The change is due to a reduction across all activities. The State Early Care and Education Coalition has been working on governance and operations to solidify an overall funding strategy that's not dependent on F5LA. In addition, the contact with First 5 Association is also being decreased.



ATTACHMENT E:

FY 2025-26 BUDGET CENTER FOR STRATEGY & CULTURE

- CENTER/DEPARTMENT COVER SHEET
- PROGRAM SUPPORT DETAIL
- PROGRAM DETAIL

Strategy & Culture Support

Center/Department Name: Strategy & Culture

Authorized Positions:

Position	#
Vice President of Strategy & Culture	1
Manager, Culture & DEI or SP Implementation Support	1
Manager, Board Relations	1
Board Relations Associate	1
Administrative Coordinator & Center Coordinator	1
Total:	5

Overview:

The Center of Strategy & Culture is responsible for overseeing the building-up of organizational culture and capability to advance the strategic plan, embed diversity, equity and inclusion (DEI) in the day-to-day fabric of the organization, communicate the work of the organization effectively internally and externally, and responsible for collaboratively developing strategic direction for the organization. The Center of Strategy & Culture consists of the Communications (Internal & External) department and the following functions: Board Relations, Organizational Culture & DEI, Strategic Planning & Implementation, as well as outsourced Legal Services.

The center VP will bring together the multiple team cultures across First 5 LA to build an organization-wide culture that 1. embraces our values – impact, equity, partnership, and integrity and 2. fosters growth, innovation, continuous improvement and focus on results. It will ensure that the organization amplifies its commitment to DEI through review and on-going stewardship of our priorities and commitments. The VP will also serve as the point person for strategic planning and implementation.

OPERATING COSTS SUMMARY

BUDGET FY25-26

CENTER/OFFICE/TEAM: S&C-Op Costs-No Project



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance	Note(s)
Total Operating Expenses	978,973	649,350	(33.7%)	
Total Salaries & Wages	298,620	398,721	33.5%	
6040 Social Security Tax	18,514	20,199	9.1%	
6225 Mileage, Parking and Other Transportation	500	500	0.0%	Funds to cover mileage/parking for 4 staff to attend local meetings within LA County. Mileage and parking reimbursements fluctuate based on the distance driven. All expenses will adhere to First 5 LA's Policy for Travel Approval and Reimbursement.
6235 Cell Phone & Mobile Devices	4,800	4,800	0.0%	Cellphone (\$50/month) and internet (\$50/month) reimbursement to staff for offsite work, included for 12 months. 4 FTEs at \$100/staff member for a total of \$400/month x 12 months = \$4,800.
6260 Office Supplies	1,300	1,200	(7.7%)	Funds for general office supplies to support staff with hybrid and onsite work (e.g., paper, pens, post it notes, folders, etc.).
6310 Internal Meetings	5,000	5,000	0.0%	Funds to cover expenses related to internal staff meetings including speakers and supplies.
6315 Divisional Capacity Building	5,000	5,000	0.0%	Funds to cover expenses related to capacity building for CE&P support's planning, contractor/partner meetings, and internal reflection and learning sessions. Meeting expenses may include facility rentals, catering, meeting materials, etc.
6410 Consultant Fees	576,968	100,000	(82.7%)	Funds will be used for consultants who will support implementation of the 2024-2029 Strategic Plan. Chrissie Castro & Associates (\$50,000) will provide consultation support, training, technical assistance, and develop the SP org tactics. Nancy Strohl (\$50,000) will provide consultation support by facilitating F5LA Board involvement in the SP tactics and implementation plan development.
6540 Professional Dues	500	500	0.0%	Funds to cover dues that may arise to support S&C.
6610 Airfare	2,500	2,000	(20.0%)	Funds for 4 FTE to and from professional conferences, meetings, or business-related trainings outside of the Los Angeles area. All expenses will adhere to the First 5 LA policy for Travel Approval and Reimbursement.

OPERATING COSTS SUMMARY

BUDGET FY25-26

CENTER/OFFICE/TEAM: S&C-Op Costs-No Project



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance	Note(s)
6620 Lodging	2,500	2,000	(20.0%)	Funds for 4 FTE for lodging at professional conferences, meetings, or other business-related travel held outside Los Angeles County and greater than 100 miles round trip from the employees' current commute to First 5 LA. All expenses will adhere to First 5 LA policy for Travel Approval and Reimbursement.
6640 Per Diem	1,250	1,250	0.0%	Funds to cover per diem costs for 4 FTE to provide for various daily expenses incurred while attending professional conferences, trainings or meetings outside of Los Angeles County great than 100 miles round trip from employees' current commute to First 5 LA. Per diem expenses will adhere to First 5 LA's policy for Travel Approval and Reimbursement.
6650 Other Travel Expense	1,250	1,250	0.0%	Funds to support other travel expenses for 4 FTE for participation in conferences and/or events (e.g. taxi, rideshare, etc.)
6820 In-house Training	0	4,000	100.0%	Communications: Funds to support Communications Department internal training, staff development, and meeting facilitators for Communications Department (contract not needed if under the budget of \$4,999)
6830 Leadership Programs	0	6,000	100.0%	Communications: Funds for [#2] leadership staff in the Communications Department to attend trainings and webinars for professional development.
6840 Conference/Training Registrations	4,000	19,000	375.0%	Communications: (\$15,000) 4 FTE in the Communications Department to attend 1 - 2 conferences in the fiscal year. This includes annual attended conferences, such as the Communications Network annual summit (ComNet) S&C Support: (\$4,000) Funds to cover registration fees for 4 FTE professional conferences that maybe held virtually and in-person.
6850 Outside Education	0	3,200	100.0%	Communications: (\$3,200) Funds to cover Communications Department attendance of ticketed events and galas with partners. Estimated at 4 FTE at \$[800]/person.

Communications

Center/Department Name: Communications

Authorized Positions:

Position	#
Director of Communications (Vacant)	1
Manager, Strategic Initiatives	1
Manager, Internal Communications	1
Communications Specialist	1
Administrative Assistant*	1*
Total:	5

** Communications shares an Administrative Coordinator with the Public Policy & ECE department. All personnel costs related to the Admin Coordinator are included within the Communications department budget.*

Overview:

First 5 LA's 2024-2029 Strategic Plan Initiatives and Tactics acknowledges communications as a driving strategy to promote narrative change, amplify our advocacy efforts and build public will to support movement building in support of policy and systems change aimed at ensuring equitable futures for L.A. County's children aged 5 and younger and their families.

While all Center Teams are responsible for the oversight of communications components in programs as part of First 5 LA investments, the Communications Department is responsible for partnering across the organization to communicate the impact of the First 5 LA's work to internal and external audiences. Core business and programmatic functions of the Department include:

- Lead the organization's responses to Public Records Act (PRA) requests, field all news and media inquiries, develop and disseminate public statements, and continued oversight and maintenance of First 5 LA website.
- Uphold First 5 LA's brand and identity guidelines across authorized users, for business, communication, and marketing purposes, and develop and maintain content resource and writing style guide to facilitate language consistency and accuracy across all materials representing the organization.
- Ongoing integrated development and implementation of strategic communications, marketing and internal communications efforts that build First 5 LA's reputation as an advocate, convenor, connector and trusted thought partner on early childhood.

FY25-26 Priorities:

- Strengthen the focus and impact of core communications vehicles and channels developed and maintained by Communications Department, including new website redesign and procurements of new services to support the Communications Department's execution of work as outlined in the 2024-29 Strategic Plan Initiatives and Tactics, including strategic communications, social media and digital marketing and multimedia creatives services.
- Creating urgency to address issues and improve conditions impacting early childhood development, as aligned with the First 5 LA 2024-29 Strategic Plan goals and objectives,

by engaging and educating diverse internal and external audiences with an emphasis on influencing decision makers.

- Building target audience understanding, including policy and decision makers, and contribute to narrative shifts to strengthen First 5 LA's advocacy efforts across diverse audiences, with the goal to inform and influence decisions to prioritize young children and families.
- Aligning communications expertise, including but not limited to strategic planning, message development, branding, editorial storytelling, and media placement and advertising, working in partnership across Center Teams to plan and design strategies that achieve targeted outcomes to advance the goals and objectives in the 2024-29 strategic plan.

OPERATING COSTS SUMMARY

BUDGET FY25-26

CENTER/OFFICE/TEAM: Comms-Op Costs-No Project



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance	Note(s)
Total Operating Expenses	965,597	722,561	(25.2%)	
Total Salaries & Wages	650,305	493,268	(24.1%)	
6040 Social Security Tax	41,059	31,346	(23.7%)	
6225 Mileage, Parking and Other Transportation	2,000	1,500	(25.0%)	Funds to cover mileage/parking for 6 staff to attend local meetings within LA County.
6235 Cell Phone & Mobile Devices	8,000	7,200	(10.0%)	Cell phone (\$50/month) and internet (\$50/month) reimbursement to staff for offsite work, included for 12 months. [#6] FTEs at \$100/staff member for a total of \$[600]/month x 12 months = \$[7,200]
6260 Office Supplies	5,000	1,000	(80.0%)	Funds for general office supplies to support staff with hybrid and onsite work (e.g., paper, pens, post it notes, folders, etc.).
6265 Subscriptions & Publications	4,000	10,000	150.0%	Funds to cover subscriptions and publications costs for Communications Department and org-wide. Accounts include monthly and annual subscriptions to New York Times, The Atlantic, LA Times, Harvard Business Review, The Washington Post, LA Daily News, The Imprint, Mercury News, Sacramento bee, Wall Street Journal, Amazon, etc. Renewal of existing yearly subscription to vendor service Critical Mention to monitor and track news media outlets to support the Communications Department's earned media strategy and development of newsletters and resources, reaching partners and decision-makers.
6295 Hardware & Software Maintenance	4,000	4,000	0.0%	Funds to cover expenses to maintain First 5 LA's hardware and software in support of our technological resources, including MailChimp and website maintenance (licenses for fonts, etc.)
6310 Internal Meetings	7,000	800	(88.6%)	Funds to cover expenses related to internal staff meetings including speakers, internal and external lunch retreats, and supplies.
6540 Professional Dues	3,000	3,000	0.0%	Funds to cover dues for 4 FTE (to be confirmed) to attend trainings and webinars. Organizational membership to Communications Network (ComNet).
6610 Airfare	8,000	5,000	(37.5%)	4 FTE (to be confirmed) to attend 1 - 2 conferences in the fiscal year
6620 Lodging	13,000	10,000	(23.1%)	4 FTE (to be confirmed) to attend 1 - 2 conferences in the fiscal year.
6640 Per Diem	8,000	5,000	(37.5%)	4 FTE (to be confirmed) to attend 1 - 2 conferences in the fiscal year.

OPERATING COSTS SUMMARY

BUDGET FY25-26

CENTER/OFFICE/TEAM: Comms-Op Costs-No Project



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance	Note(s)
6650 Other Travel Expense	1,000	800	(20.0%)	Funds to support other travel expenses for 4 FTE (to be confirmed) for participation in conferences and/or events. Parking, transportation (ride share, trains, etc.) and mileage to travel outside of LA County.
6820 In-house Training	5,000	0	(100.0%)	Funds have been centralized and are now part of the Center's budget.
6830 Leadership Programs	1,000	0	(100.0%)	Funds have been centralized and are now part of the Center's budget.
6840 Conference/Training Registrations	20,000	0	(100.0%)	Funds have been centralized and are now part of the Center's budget.
6850 Outside Education	6,000	0	(100.0%)	Funds have been centralized and are now part of the Center's budget.

Budget Fiscal Year: 2025 - 2026

Status: Proposed

Initiative	Investment Category
Communications & Marketing	2024-2029 Strategic Plan

Program Name	2024– 2025 Revised Budget	2025 – 2026 Budget	% Variance
Strategic Communications	\$1,417,825	\$557,500	-60.7%

Program Summary

Communications is recognized as critical for driving change in family-serving systems and is essential to further advance and execute First 5 LA’s strategic priorities. To advance implementation of First 5 LA’s 2024-29 Strategic Plan, the Communications Department will work with teams and partners to collaborate on shared-objective communications and marketing strategies to develop and promote narrative change to support movement building around policy and systems change, uplift the voices of communities and families with children under age 5, and implement the First 5 LA brand refresh.

Strategic communications is used to strengthen First 5 LA’s advocacy efforts across racially, ethnically, geographically, and economically diverse audiences to inform and influence decisions that drive action to prioritize young children. The Communications Department works in partnership with Center teams and departments to plan, design and implement communications and marketing strategies that ground the organization’s identity and achieve targeted goals. In the coming year, Implementation Teams will identify work to advance the Strategic Plan and four initiative areas, including communications strategies and include Communications Department as a partner in converting tactics to results-based messaging for internal and external audiences. We recognize budget as a statement of priorities: 1) implementation of our 2024-29 Strategic Plan and four initiative areas of focus; 2) embedding diversity, equity and inclusion throughout the work outlined in this FY25-26 budget. This budget will support continued development and implementation of strategic communications, marketing and internal communications efforts that build First 5 LA’s reputation internally and externally as an advocate, convenor, connector, and trusted thought-partner on early childhood.

This Strategic Communications budget category includes line items for three contracts, including proposed procurements for a new strategic communications and social media agency partner to provide strategic thought-partnership, capacity building, knowledge sharing, internal and external best practices on messaging development and narrative change and advance strategy and content development for First 5 LA’s social media channels , a contracted vendor to provide content writing, copyediting and proofreading services, as well as a Qualified Vendor List for translation and interpretation services. These contracted resources complement and work in alignment with the efforts outlined under the Strategic Marketing Program budget category.

Spending Plan and Funding Methodology

- 1) Strategic Communications and Social Media Services (Procurement)
The procurement for new strategic communications and social media services will focus on providing integrated strategic support in the development of key messaging frameworks, to reach and engage target audiences, develop communications strategies to support the implementation of First 5 LA’s 2024-29 Strategic Plan and four initiatives and provide trainings on best practices and technical support to continue to strengthen the capacity of the internal First 5 LA Communications Department.
Additionally, the agency partner would also provide thought-partnership, capacity building, knowledge sharing, internal and external best practices on effectively developing and communicating the values of diversity, racial justice and equity as part of messaging development and narrative change strategies to effectively uplift the diverse needs of populations First 5 LA serves throughout L.A. County and as aligned

Spending Plan and Funding Methodology

with the 2024-29 Strategic Plan. Areas of focus include prevention, poverty, housing, environments, maternal/child health, whole child. Consultants will also support internal employee message training and a potential brand refresh that will reflect the direction of the 2024-29 Strategic Plan and the four Initiative areas.

The new agency partner must also provide expertise in social media strategy, with a focus on strengthening First 5 LA's brand across multiple social media platforms (Facebook, Instagram, X (formerly Twitter), YouTube, LinkedIn) as well as complementing the brand refresh that will be evident in other digital (website, e-newsletters) and fundamental communications channels. The agency partner will support amplifying First 5 LA's work among key audiences to advance the objectives of the Strategic Plan's four initiative areas, strengthen First 5 LA's position as a thought-leader in early childhood development and target narratives that motivate prioritization of young children and families in L.A. County.

The agency partner will lead the development of strategic concepts to maximize reach and engagement of target audiences and provide benchmarks to measure results and impact. The scope of work will include the development of digital based concepts and placement, copywriting and editing for social media platforms and paid media strategy. The agency partner will collaborate with First 5 LA's multimedia creative services agency partner, responsible for developing and providing foundational brand guidance, for development of all creative assets used across social media platforms and digital properties, including the First 5 LA website. The agency partner will also be responsible for identifying current events, best practices and trending topics that align with First 5 LA's mission and content/storytelling strategy. The team is responsible for monitoring online community management and development of monthly content calendars in alignment with First 5 LA's Communications priorities. In addition, the agency will be responsible for delivering monthly analytics and measurement reporting on the impact of executed strategies and tactics. In consultation with First 5 LA's IT team, the agency partner may also serve on the Internal Communications digital community production team to provide expertise in web-based user experience and content structure in development of a SharePoint content dissemination and repository hub for all employees.

This budget line item does not include the hard costs for paid media components of campaigns, including paid, boosted posts and digital advertising campaigns. Costs will be covered under the Strategic Marketing Program budget.

Under this procurement, the new strategic communications and social media agency partner will work in partnership with the multimedia creative services agency on the potential development of communications and marketing campaigns to be determined by the Communications Department as part of 2024-29 Strategic Plan implementation planning. The scope of work will include examples under each Initiative area including building public will and awareness to promote the benefits of multilingualism, promoting access to maternal mental health services, and utilization of healthy food programs.

Based on identified communications strategies, additional funds and scope of work amendments may be required at mid-year budget adjustments to allow for additional resources to execute identified strategies. For example, consultants specializing in diversity, equity and inclusion communications and other consultant expertise on brand strategy for development of a brand refresh to reflect our 2024-29 Strategic Plan.

This approach reflects a strategic shift for Communications, combining strategic communications and social media expertise under a single procurement, instead of individual procurements focused on specialized knowledge and agency expertise. In order to attract comparable quality of knowledge and experienced agency partner applicants, combining the two focus areas maximizes the determined budget.

Spending Plan and Funding Methodology

The contract with a new Strategic Communications and Social Media agency partner is not to exceed \$400,000 in FY25-26 as part of a four-year agreement through the duration of the 2024-29 strategic plan.

2) Editorial – Writing/Editing/Proofing Services (Procurement)

The procurement of new content writing, editing and proofreading services will provide support to the Communications Department's capacity to cover calendared and as-needed organizational and program priorities and activities. Through timely, meaningful, brand and strategy consistent content, reporting and storytelling, the new writing/editing/proofreading firm will persuasively leverage, align and contribute to the Communications Department's editorial plans and content needs of other organizational entities and departments to reach and inform internal audiences as well as diverse and targeted external audiences across multiple First 5 LA channels.

The firm will adhere to voice, brand, writing style and quality standards, through services that include, but are not limited to, content writing, copyediting, editorial planning, meeting and event attendance, interviews, and proofreading services for articles, blogs, broadcast emails, electronic newsletters, and research based content aligned to intended audiences in support of the Communications Department's goal of demonstrating the 2024-29 Strategic Plan and First 5 LA's knowledge and expertise on issues that affect early childhood development.

The new writing/editing/proofing reading firm will be procured under a four-year task order contract not to exceed \$50,000 in FY25-26 through the duration of the 2024-29 Strategic Plan. The procurement continues to reflect the budget reduction introduced in FY22-23 when Communications consolidated two separate contracts into a \$150,000 single contract that reduced the FY21-22 budget for writer/editor services by \$84,000.

3) Translation and Interpretation Services

The purpose of this line item reflects First 5 LA commitment to equity and inclusion and the Communications Department's contribution to the pooled fund for translation, cultural-nuanced and simultaneous interpretation and American Sign Language (ASL) vendor services to be used for First 5 LA produced content and events, including but not limited to First 5 LA commission meetings, and translation of target audience documents and correspondence, website copy, printed materials, signage, etc., in the effort to reach and engage a diversity of deaf, hard of hearing, and non-proficient English speaking audiences in L.A. and Sacramento counties.

The QVL was established in FY22-23 following a FY21-22 Communications business need assessment. At that time, the department engaged CCFI teams and Offices to determine how current vendors were being utilized and to obtain line of sight into emerging work planned for the year ahead. From the assessment, Communications learned that multiple teams have a need for these services and that Communities, ECE and Health Systems hold separate contracts with various vendors to support their investments. Based on these findings, the recommendation was made to procure these services under contracts to comprise the QVL for First 5 LA. The QVL and process systems have been in place for two years, undergo regular refinements, with services available to teams across the agency with related budget allocation.

The purpose of this line item in the amount of \$107,500 for FY25-26 reflects the Communications Department contribution to the pooled fund for translation vendor services to be used for First 5 LA produced content.

The total FY25-26 budget for the qualified vendor list will be \$212,300 with five teams budgeting for their forecasted translation and interpretation needs. Should additional teams determine translation needs in the first half of the fiscal year, mid-year budget adjustments will be made to reflect this additional need.

Change from Prior Year (if >+-20%)

This revised FY25-26 Budget represents a 59.2% decrease from FY24-25 budget. Overall reduction of \$528,200.

Previously included budget line item for an annual subscription to Critical Mention Service for Media Monitoring and Media Outreach Efforts was moved under Communications FY25-26 Operations budget.

Although First 5 LA brand refresh and campaign development will be included in the procurement language for the new Strategic Communications and Social Media agency partner, based on reduced budgets, these activities will need to be scaled and limited. Also, procurement of an additional agency partner specializing in diversity, equity and inclusion communications and other consultant expertise on brand strategy for development of a brand refresh to reflect our 2024-29 Strategic Plan, may be necessary given the current budget does not allow for these services. However, inclusion of these activities in the original procurement of a new Strategic Communications and Social Media agency partner will allow for amendments to be made should there be additional funds allocated based on Implementation Team plans.

Also, costs for paid media (boosted posts and digital advertising campaigns) to support social media strategies that were once included in a single budget and contract for social media services, will now need to be covered separately under the Strategic Marketing Program/Advertising hard cost budget.

Budget Fiscal Year: 2025 - 2026

Status: Proposed

Initiative	Investment Category
Communications & Marketing	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
Strategic Communications Partnerships	\$200,000	\$150,000	-25%

Program Summary

The Communications Department values the goal of building the capacity of news organizations to deliver in-depth reporting on critical topics emphasized in our four initiatives, including early care and education, equity in maternal care, and basic needs, which are affecting young children under the age of 5 and their families in L.A. County and statewide. To advance the priorities of First 5 LA’s 2024-29 strategy of building a social movement that elevates the needs of children prenatal to age 5 and their families, OOC has identified expanded reporting and coverage of early childhood development as essential to help create narrative change, build public awareness and create urgency to drive systems and policy change to better address the needs of L.A. County families.

In FY 22-23, the Board approved \$250,000 to support potential contributions to pooled funds increasing coverage of early childhood development issues. Potential investments were put on hold, however, as the organization assessed partnership priorities. First 5 LA remains committed to strategically investing in communications partnerships, however, and proposed maintaining budget authority for potential partnerships over the past two fiscal years at the reduced level of \$200,000. Potential strategic partnerships were once again put on hold as the organization adopted the new 2024-29 Strategic Plan and began implementation.

In FY25-26, Communications will continue to explore pooled funder investments to maximize our potential contribution of \$150,000 to advance the goal of expanding reporting and coverage of early child development topics. Additionally, Communications will explore philanthropic funding for media investments across the state to identify additional pooled partnership opportunities.

Spending Plan and Funding Methodology

- 1) \$150,000 Strategic Partnership to build the capacity of news organizations to expand the reporting and coverage of topics emphasized in our four initiatives including early care and education, equity in maternal care, and basic needs, which are affecting young children throughout the critical years of prenatal to age 5 and their families in L.A. County and statewide. The recommendation is a 3-year Strategic Partnership to allow for the implementation of new activities, or to build upon the success of current investments.

This funding will be utilized to create a strategic partnership for First 5 LA to be part of a pooled fund with other early childhood systems change grantmakers. First 5 LA has previously invested in a partnership with Southern California Public Radio (LAist formerly KPCC) to support the media outlet’s engaged journalism project at \$300,000. Our experience in partnership at this level has shown that a minimum of \$50,000 and up to \$300,000 is required to meaningfully contribute, shape and influence partnership priorities and intended outcomes.

Potential partners include funders with common missions to invest, promote innovations and amplify the voices of families to advance the lifelong health and well-being for L.A. County’s children, prenatal to age 5, including but are not limited to: The LA Partnership of Early Childhood Investment (LAPECI), a public-private

Spending Plan and Funding Methodology

collaboration of the country's largest private family foundations, including the Atlas Family Foundation, the Ballmer Group, and the Hilton Foundation. Potential investments, through pooled funds, include Southern California Public Radio's (LAist formerly KPCC) Engaged Journalism effort, which aims to narrow the gap between newsrooms and the communities they serve by working in concert with community members to ensure that the news being delivered is relevant and useful. The practice is proven to build trust with community members, while helping to expand and diversify audiences. The Los Angeles Times also employs the model of Engagement Journalism in their early childhood reporting and are potential recipients of pooled funds.

Change from Prior Year (if >+-20%)

Reduction of 25% to align costs with overall programmatic reductions.
Given reduced the budget, First 5 LA's contribution to a funders pool to advance narrative change of issues related to early childhood, a consideration is a multiyear investment to match other philanthropic organization's commitments to new and/or existing efforts.

Budget Fiscal Year: 2025 - 2026

Status: Proposed

Initiative	Investment Category
Communications & Marketing	2024-2029 Strategic Plan

Program Name	2024 – 2025 Revised Budget	2025 – 2026 Budget	% Variance
Strategic Marketing	\$1,100,000	\$756,000	-31.3%

Program Summary

Marketing Strategies are used to influence perception, build trust and awareness with diverse audiences, amplify First 5 LA’s advocacy efforts, and strengthen the knowledge and reputation of the organization as a policy and systems change leader. To advance implementation of First 5 LA’s 2024-29 Strategic Plan and four initiative areas, communications and marketing strategies will be utilized to develop and promote narrative change to support movement building around policy and systems change and uplift the voices of communities and families with children under age 5.

Informed by the Strategic Communications Program as the driver, Strategic Marketing develops and executes creative solutions that drive measurable outcomes. The Strategic Marketing budget category includes line items for three proposed procurements for new vendors to provide multimedia creative services, production of materials and assets to reach and engage target audiences externally and internally, as well as the redesign of the current First 5 LA website (First5LA.org). Additionally, dedicated funds for paid advertising are listed under this budget to be used to support communications campaigns under each initiative area in the 2024-29 Strategic Plan, which will potentially include: building public will and awareness to promote the benefits of multilingualism, promoting access to maternal mental health services, and utilization of healthy food programs.

This budget reflects the opportunities to strengthen First 5 LA’s brand and advance the goals and objectives as we move toward implementation of First 5 LA’s 2024-29 Strategic Plan and four initiative areas.

Spending Plan and Funding Methodology

- 1) **Multimedia Creative Services (Procurement)**
The scope of work for the procurement of new multimedia creative services will include providing a full range of creative and production services (brand creation and maintenance, video, photography, collateral, digital and website and webpage design, graphic design, advertising creative, etc.) to provide foundational brand guidance for integrated communications and marketing, and social media media projects.

The new multimedia creative services agency or consultant will work in partnership with the strategic communications and social media agency partner in the development of communications materials and marketing campaigns across key platforms. Examples of potential communications campaigns under each initiative area include: building public will and awareness to promote the benefits of multilingualism, promoting access to maternal mental health services, and utilization of healthy food programs.

The procured agency or consultant's work will include, but not be limited to, communication and internal and external environmental expansion of the brand refresh that was launched with the 2024-29 Strategic Plan design, update to the brand standards guide, and graphic design for print, digital, social media and presentations, infographics, photography, photo cataloging, video production and related services, and coordination with other entities and agency partners as projects require. Such projects include a video series reflecting Strategic Plan direction, our role as policy and systems change agents and our Vision. The

Spending Plan and Funding Methodology

multimedia creative services agency will potentially provide expertise in First 5 LA brand and design in development of a SharePoint content dissemination and repository hub for all employees.

The contract with a new multimedia creative services agency is not to exceed \$301,000 in FY25-26 as part of a four-year agreement through the duration of the 2024-29 strategic plan.

2) First 5 LA Website Redesign (Procurement)

As the organization's most influential marketing tool, the goal of this project is to redesign the current First5LA.org website to reflect the brand refresh that was launched with the 2024-29 Strategic Plan design, and to ensure a well-functioning, user-friendly, and visually appealing website. A custom website design includes a new site layout/navigation, sitemap, visual elements, like icons, fonts, styling, and graphics. This project will also include external and internal stakeholder interviews and user journey testing. The aim is to launch a redesigned First5LA.org website within FY25-26. The Communications Department will be working in partnership with Operations/IT, Leadership and Senior Leadership and departments across the organization to ensure the newly designed website fulfills multiple audience needs.

This budget line item of \$20,000 includes the cost to redesign the First 5 LA website. The ongoing cost for the website hosting service, content management system and security will be included under Operations/IT budget.

3) Print Production, Mailing Fulfillment Vendor Services (Procurement)

The scope of work for the procurement of a vendor to produce printed materials for First 5 LA, includes but is not limited to: Posters and other print materials used at external events and meetings; building and in-office signage and other printed materials to support Internal Communications needs; stationary, business cards, and other printed business material needs; press kits, premium items (branded pens, shirts, mugs, notepads, etc.). In FY25-26, there will be a continuation of the "trusted sources" component of the multilingual Dual Language Learners countywide marketing campaign, under the Whole Child Initiative area that will require a print/mail piece for the more than 400 locations as part of campaign efforts. The procurement of this vendor will support this activity, but the cost will be covered separately under the Public Policy & Early Care and Education Department FY25-26 budget line item, supported by the receipt of external state IMPACT funding.

The task order contract with the new vendor is not to exceed \$35,000 in FY25-26. This is a continued reduction from \$50,000 in FY24-25, \$150,000 in FY23-24, and \$200,000 in FY22-23, primarily due to ending the printing and distribution of the quarterly parenting guide and to an overall decrease in need to produce tangible branded items. However, this budget will focus on anticipated org-wide printing needs, supporting strategic business materials, and campaign support ranging from printing to direct mail.

4) Advertising Costs

The Communications Department will use paid media advertising to target and reach diverse audiences in the development and execution of communications campaigns to support the implementation of First 5 LA's 2024-29 Strategic Plan and four initiative areas. Examples of potential communications campaigns under each Initiative area include: building public will and awareness to promote the benefits of multilingualism, promoting access to maternal mental health services, and utilization of healthy food programs.

This budget line item includes the cost to procure the services of a media buyer to develop a media plan and to place advertising, as well as for the hard-costs of the advertising placements (social media, digital platforms, broadcast TV, radio, out-of-home, billboard, etc.) that are paid directly by First 5 LA and in compliance with procurement exceptions.

Spending Plan and Funding Methodology

This budget line item now includes the hard costs for social media paid media components including paid, boosted posts and digital advertising campaigns. The new Strategic Communications and Social Media agency partner will be responsible for the strategy and planning of these activities.

Los Angeles County is one of the largest, most desirable, and 2nd most expensive media markets in the nation because of its diverse population where brands can effectively reach a variety of ethnic groups.

Because the population of Los Angeles County makes it a key market for local and national advertisers, we must compete for placement availability. Our goal is to achieve reach and frequency levels that make an impact, which means determining an adequate budget and utilizing the right mix of traditional and non-traditional media.

- Los Angeles County is a premium ad-buy market, and this budget would cover the cost of at least one targeted audience campaign with limited county-wide reach or can be utilized to create two mini campaigns, targeting specific audiences, with limited county reach. For reference, past countywide campaigns focused on the importance of the U.S. Census count in communities, cost approximately \$325,000. Ad buys related to this campaign resulted in more than 50 million impressions within targeted, hard-to-reach communities and families with children under the age of 5.

The budget for advertising costs is not to exceed \$350,000 in FY25-26. This is a 15% reduction from FY24-25.

- 5) General Support Services: This budget line item, not to exceed \$50,000 in FY25-26, includes unplanned expenses not otherwise covered by existing contractors and scopes of work including but not limited to:
- Costs associated with First 5 LA hosted events, such as venue/location fee, audio/video rentals, fee for event coordinator, staffing, photographers, catering, décor/centerpiece, etc.
 - Requests from other Offices/Teams for printing and creative services that are beyond allocated contract amounts.

These funds provide the ability to solicit bids to purchase goods and services directly, outside of existing contracts and in compliance with our procurement threshold amounts.

Change from Prior Year (if >+-20%)

This revised FY25-26 Budget represents a 31.2% decrease from FY24-25 budget. Overall reduction of \$344,000.

Due to reductions in budgets, advertising spend to support communications and marketing campaigns will need to be scaled and limited to specific regions; no longer countywide. Additionally, although First 5 LA brand refresh and campaign development will be included in the procurement language for the Multimedia Creative Services agency, based on reduced budgets, these activities will also need to be scaled and limited. However, inclusion of these activities in the original procurement will allow for amendments to be made should there be additional funds allocated based on Implementation Team plans.

Board

OPERATING COSTS SUMMARY

BUDGET FY25-26

CENTER/OFFICE/TEAM: BOC-Op Costs-No Project



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance	Note(s)
Total Operating Expenses	47,500	40,500	(14.7%)	
6225 Mileage, Parking and Other Transportation	1,500	1,500	0.0%	Mileage for commission meetings - 8 Commissioners x an average of 10 meetings.
6260 Office Supplies	2,000	1,000	(50.0%)	Office supplies specifically used for F5LA Board Meetings, i.e. binders, dividers, colored printer paper, etc. for Commissioner use and public materials.
6310 Internal Meetings	5,000	5,000	0.0%	Funds are used for purchasing food and snacks for Commission meetings, closed sessions and Board receptions. On average, 4-5 closed session lunch meetings and receptions are held annually, with a buffer for unforeseen additions to the Board calendar.
6410 Consultant Fees	16,000	10,000	(37.5%)	Funds for consultant fees, as needed, to support the work of and engagement with the Board of Directors.
6560 Commissioners Stipends	20,000	20,000	0.0%	Some Commissioners receive a \$150 stipend per meeting (8-10 Commissioners) with 12-14 meetings per year (including closed sessions and a buffer for additional unforeseen meetings).
6610 Airfare	1,000	1,000	0.0%	Funds for use if Commissioners travel on F5LA business.
6620 Lodging	1,000	1,000	0.0%	Funds for use if Commissioners travel on F5LA business.
6640 Per Diem	750	750	0.0%	Funds for use if Commissioners travel on F5LA business.
6650 Other Travel Expense	250	250	0.0%	Funds for use if Commissioners travel on F5LA business.



ATTACHMENT F:

FY 2025-26 BUDGET CENTER FOR OPERATIONS & SUSTAINABILITY

- CENTER/DEPARTMENT COVER SHEET
- ADMINISTRATIVE SUPPORT DETAIL

Operations & Sustainability Support

Center/Department Name: Center for Operations & Sustainability (COS)

Authorized Positions:

Position	#
VP, Operations & Sustainability	1
Administrative Coordinator*	1
Operations Manager	1
Facilities Business Partner	1
Total:	4

** COS shares an Administrative Coordinator with the IT department. As First 5 LA does not maintain a practice of allocating staff time, all personnel costs related to the Admin Coordinator are included within the COS Team budget.*

Overview:

The Center for Operations & Sustainability works as a trusted and collaborative partner to develop effective, efficient, and impactful organizational policies, processes, and practices to fulfill First 5 LA's vision and mission and to be a responsible steward of public funds. The Center operates under an Operations Framework of people, process, technology, and space through the Contract Administration and Purchasing department, the Finance department, the Information Technology department, and the function of operations management including facilities management. The Center also strives to ensure First 5 LA can achieve long-lasting impact, stability, and flexibility toward our mission under a Sustainability Framework aimed at maximizing First 5 LA assets and partnering internally and externally to develop alternative revenue strategies. The Center's functions span procurement, contracting, and oversight of the contract management functions; financial management, budget development, auditing, accounting, financial analysis, and payroll; technology and network infrastructure support, cyber security monitoring, records and data management; business process improvement and facilities management.

The Center for Operations & Sustainability is led by the VP of Operations & Sustainability and collaborates with the other centers to support achievement of the strategic plan.

OPERATING COSTS SUMMARY

BUDGET FY25-26

CENTER/OFFICE/TEAM: Ops & Sustain Support-Op Costs-No Project



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance	Note(s)
Total Operating Expenses	837,400	1,290,627	54.1%	
Total Salaries & Wages	597,633	622,308	4.1%	
6040 Social Security Tax	31,862	33,590	5.4%	
6225 Mileage, Parking and Other Transportation	515	300	(41.7%)	Funds to cover mileage/parking for three staff to attend local meetings within LA County.
6230 Telephones	300	300	0.0%	Funds to cover AT&T internet and long-distance calling at F5LA building and Verizon company-issued cell phones
6235 Cell Phone & Mobile Devices	4,800	4,800	0.0%	Cell phone (\$50/month) and internet (\$50/month) reimbursement to staff for offsite work, included for 12 months. 4 FTEs at \$100/staff member for a total of \$400/month x 12 months = \$4800.
6260 Office Supplies	750	500	(33.3%)	Funds for general office supplies to support staff with hybrid and onsite work (e.g., paper, pens, post it notes, folders, etc.).
6310 Internal Meetings	1,500	1,000	(33.3%)	Funds to cover expenses related to internal staff meetings including speakers and supplies.
6410 Consultant Fees	10,000	373,500	3635.0%	Funds for various consulting services: Finance - \$3,500 for funds to cover consulting for budget system training and resources on an as-needed basis CAP - \$20,000 for insurance compliance services and due diligence software (Lexus Nexus) IT - \$300,000 for IT staff augmentation; \$40,000 for cybersecurity, PEN testing, website, and other potential assessments requiring consultants Operations - \$10,000 for any tenant-related consultation needed
6540 Professional Dues	1,150	500	(56.5%)	Funds to cover annual dues to First 5 California and other professional orgs and/or subscriptions
6610 Airfare	1,200	1,200	0.0%	Funds for four FTE to attend potential professional conferences outside of the Los Angeles area
6620 Lodging	2,000	2,000	0.0%	Funds for four FTE to attend potential multi-day professional conferences outside of the Los Angeles area such as the First 5 Summit
6640 Per Diem	1,200	1,200	0.0%	Funds to cover per diem costs for four FTE that attend professional conferences outside of the Los Angeles area
6650 Other Travel Expense	700	500	(28.6%)	Funds to support other travel expenses for four FTE for participation in conferences and/or events (e.g., taxi, rideshare, etc.)

OPERATING COSTS SUMMARY

BUDGET FY25-26

CENTER/OFFICE/TEAM: Ops & Sustain Support-Op Costs-No Project



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance	Note(s)
6830 Leadership Programs	0	9,000	100.0%	Funds to cover leadership courses for 3 CAP staff to support their professional development
6840 Conference/Training Registrations	2,500	14,000	460.0%	Funds to cover fees for conference registrations: Finance - \$2,000 to cover any potential professional conferences CAP - \$4,000 for three conference registrations to NIGP and NCMAIT - \$6,000 for 3 IT staff Operations - \$2,000 to cover any professional conferences related to operations, security, process improvement
6850 Outside Education	3,850	5,500	42.9%	CAP - \$2,500 for two contract courses for one staff member; \$1,000 for webinars IT - \$2,000 for IT technical training, i.e., Cisco

Facilities

OPERATING COSTS SUMMARY

BUDGET FY25-26

CENTER/OFFICE/TEAM: Facilities-Op Costs-No Project



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance	Note(s)
Total Operating Expenses	737,800	734,600	(0.4%)	
6215 Utilities	185,000	185,000	0.0%	Estimated utilities cost to support the operations of the building.
6245 Other Supplies	6,000	3,000	(50.0%)	Funds for ergonomic equipment and furniture for staff.
6250 Postage & Delivery	4,000	2,500	(37.5%)	Funds for USPS mailings, courier services and FedEx delivery services
6260 Office Supplies	16,360	8,500	(48.0%)	Funds for general office supplies to support staff with hybrid and onsite work (e.g., paper, pens, post it notes, folders, etc.), including general supplies for the kitchens.
6275 Equipment-Rents & Leases	1,000	1,000	0.0%	Funds to cover annual lease agreements for equipment.
6280 Building Repair & Maintenance	172,580	170,000	(1.5%)	Funds for general repairs and maintenance of the building including janitorial services, air conditioning, plumbing, painting, carpet cleaning, electric systems maintenance and building security system. Also includes funds for HVAC filters, restroom repairs, janitorial supplies (e.g. toilet paper and seat covers, cleaning solutions, air fresheners, hand soap, paper towels, etc.), lamp fixtures, electrical ballasts and paint supplies.
6285 Equipment Repairs & Maintenance	3,000	4,500	50.0%	Funds to cover expenses related to access card equipment, cubicle changes, blinds, file cabinets, etc.
6290 Offsite Storage	1,200	1,200	0.0%	Funds to cover expenses for offsite storage and Iron Mountain shredding.
6300 Miscellaneous/Contingency	10,000	7,000	(30.0%)	Funds for unforeseen expenses, emerging opportunities, and contingencies.
6420 Other Professional Fees	300,260	311,900	3.9%	Funds to cover contracted services for the building management company and security.
6540 Professional Dues	38,400	40,000	4.2%	Funds to cover dues for payment of CC&Rs yearly assessment for common area expenses shared by the Union Station tenants and payment of Los Angeles City Lighting Bureau.

Contract Administration & Purchasing

Center/Department Name: Contract Administration & Purchasing (CAP)

Authorized Positions:

Position	#
Director	1
Contract Compliance Manager	1
Contract Operations and Purchasing Manager	1
Contract Compliance Officer	3
Contract Operations and Compliance Officer	1
Administrative Coordinator*	1
Total:	8

** CAP shares an Administrative Coordinator with the Finance department. As First 5 LA does not maintain a practice of allocating staff time, all personnel costs related to the Admin Coordinator are included within the CAP budget.*

Overview:

The Contract Administration and Purchasing Team (CAP) supports procurement, contracting, and oversight of the contract management functions necessary for grantmaking and purchasing for the organization. The team executes agreements with contractors and grantees to support the organization's operations and implementation of the Strategic Plan.

Priorities for FY 25-26:

Below is a brief summary of the critical work the Contract Administration and Purchasing Team will be leading in FY 25-26.

The CAP department will continue to support the organization's procurement and contracting needs. CAP will continue to support monthly board approval of contracts and contract monitoring activities, review CAP related records for annual disposition, provide annual contracting and procurement trainings to staff, manage insurance requirements of contractors, seek out cost savings in collaboration with staff, and perform internal annual audits of procurement and contracting documents.

In addition to the usual administrative and operational support described above, CAP will partner with the Information Technology Department to conduct an ERP assessment focused on finance and contract functions. This will include exploration of process automation, cost reduction and efficiency during this assessment. CAP will continue to support the Capital Improvement Project - Phase 2 which is expected to wrap up by the first quarter of the fiscal year. Another priority for the team is to streamline and centralize the purchasing of office supplies organization wide.

OPERATING COSTS SUMMARY

BUDGET FY25-26

CENTER/OFFICE/TEAM: CAP-Op Costs-No Project



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance	Note(s)
Total Operating Expenses	1,348,124	1,342,475	(0.4%)	
Total Salaries & Wages	912,672	938,750	2.9%	
6040 Social Security Tax	56,354	57,665	2.3%	
6235 Cell Phone & Mobile Devices	9,600	0	(100.0%)	
6255 Educational Supplies	1,000	1,000	0.0%	Costs for professional textbooks including those required for contract courses and leadership programs.
6260 Office Supplies	2,000	1,200	(40.0%)	Allocated for office supplies for 6 department staff.
6310 Internal Meetings	2,000	2,000	0.0%	Funds are included to support meals for internal working meetings, department retreats, travel and parking fees.
6410 Consultant Fees	14,500	0	(100.0%)	Funds have been centralized and are now part of the Center's budget.
6540 Professional Dues	3,500	4,500	28.6%	Annual fees for department staff to support professional development and access to articles, webinars, networking/discussion boards, and discounts on conference registrations. This includes NIGP, NCMA, CAPPO and Grammarly.
6610 Airfare	4,000	2,400	(40.0%)	This is budgeted at \$800 for 3 staff for round trip airfare travel for conferences.
6620 Lodging	7,000	4,200	(40.0%)	This is for lodging for 3 staff to attend conferences at \$1,400 per staff.
6640 Per Diem	3,000	1,200	(60.0%)	This includes per diem for 3 staff for \$400 each for conference attendance.
6650 Other Travel Expense	2,000	1,800	(10.0%)	Travel expenses include rides to and from the airport and hotel or car rental fees and parking. This is estimated to be \$600 for 3 staff to attend conferences.
6830 Leadership Programs	8,700	0	(100.0%)	Funds have been centralized and are now part of the Center's budget.
6840 Conference/Training Registrations	5,000	0	(100.0%)	Funds have been centralized and are now part of the Center's budget.
6850 Outside Education	5,500	0 ²⁰⁵	(100.0%)	Funds have been centralized and are now part of the Center's budget.

Finance

Center/Department Name: Finance

Authorized Positions:

Position	#
Director	1
Manager, Finance Planning & Analysis	1
Manager, Accounting	1
Financial Planning & Analysis Analyst	1
Staff Accountant	2
Payroll & Accounts Payable Coordinator	1
Payroll & Accounts Payable Assistant	1
Administrative Coordinator	*
Total:	8

** Finance shares an Administrative Coordinator with the Contract Administration & Purchasing (CAP) department. As First 5 LA does not maintain a practice of allocating staff time, all personnel costs related to the Admin Coordinator are included within the CAP department budget.*

Overview:

The Finance Team (Finance) is led by the Director (Raoul Ortega). The Finance team supports and oversees financial management and budget development for the organization, as well as the auditing process, accounting, financial analysis, and payroll. As First 5 LA continues to adapt to promote efficiencies, foster integration, and recognize the organization's evolving fiscal environment, the Finance team will provide essential leadership for re-envisioning the organization's business processes to support organizational effectiveness, including the development of responsive and nimble financial management systems.

Priorities for FY 25-26:

- Payroll – responsible for all related payroll activities including bi-weekly payroll processing, retirement and quarterly earnings reporting and annual W-2 preparation, filing and mailing.
- Accounts Payable – responsible for reviewing, verifying, and processing invoices for payment and uploading issued checks and Automated Clearing House (ACH) deposits to the Bank of the West portal.
- General Accounting – Day-to-day recordkeeping and preparation of the monthly financial statements submitted to the Board for their review and approval.
- Annual Financial Audit – The Finance Team is the lead in our required annual audit and collaborates with the whole organization and our auditors to complete and produce an Annual Comprehensive Financial Report due to the State Controller's Office and First 5 California by November 1st.
- Annual Budget and Mid-Year Budget Adjustment – The Finance Team is responsible for developing First 5 LA's annual budget in collaboration with the whole organization. The budget is presented to the Board for approval each June and a mid-year budget adjustment is prepared each spring for Board approval.

- Long Term Financial Plan (LTFP) – The Finance Team is responsible for developing and creating a five-year forecast to aid in the Commission’s financial stewardship role by showing the long-term implications of funding decisions. The forecast includes revenue, Fund Balance, program commitments and estimated expenditure and estimated operating expenses.
- Work towards identifying options for a new budget system.

OPERATING COSTS SUMMARY

BUDGET FY25-26

CENTER/OFFICE/TEAM: Finance-Op Costs-No Project



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance	Note(s)
Total Operating Expenses	1,644,290	1,668,042	1.4%	
Total Salaries & Wages	893,413	923,516	3.4%	
6040 Social Security Tax	53,721	55,278	2.9%	
6225 Mileage, Parking and Other Transportation	200	200	0.0%	Funds to cover mileage and parking for Finance staff members.
6235 Cell Phone & Mobile Devices	10,800	9,600	(11.1%)	Internet and Mobile Devices costs for Finance staff (8x100x12).
6240 Outside Printing & Publications	200	300	50.0%	Funds to cover printing and publications for Finance staff.
6260 Office Supplies	2,000	1,500	(25.0%)	tluu@first5la.org 2/27/2025 10:59:38 PM Funds for general office supplies to support staff with hybrid and onsite work reduced by \$500.
6310 Internal Meetings	200	200	0.0%	Funds to cover staff with expenses related to internal meetings.
6410 Consultant Fees	5,000	0	(100.0%)	Funds have been centralized and are now part of the Center's budget.
6510 Audit	72,000	72,000	0.0%	Funds to cover expenses related to annual comprehensive financial audit (ACFR) and other audits as needed. There is no change.
6540 Professional Dues	400	400	0.0%	Funds to cover annual professional dues.
6580 Bank & Other Service Charges	13,000	12,000	(7.7%)	tluu@first5la.org 2/27/2025 11:03:42 PM collapse;width:482pt"> Funds to cover expenses related to bank and other service bank related charges decreased by \$1K.
6610 Airfare	1,500	1,500	0.0%	Funds to cover finance staff for airfare related to any potential conferences coming up for the FY 2025-26.
6620 Lodging	2,000	2,000	0.0%	collapse;width:482pt"> Funds to cover finance staff for lodging related to any potential conferences coming up for the FY 2025-26.

OPERATING COSTS SUMMARY

BUDGET FY25-26

CENTER/OFFICE/TEAM: Finance-Op Costs-No Project



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance	Note(s)
6640 Per Diem	750	750	0.0%	Funds to cover per diem costs to any potential professional conferences coming up for the FY 2025-26.
6650 Other Travel Expense	300	150	(50.0%)	Funds to cover Other travel costs to any potential professional conferences coming up for the FY 2025-26.
6840 Conference/Training Registrations	2,000	0	(100.0%)	Funds have been centralized and are now part of the Center's budget.

Information Technology

Center/Department Name: Information Technology (IT)

Authorized Positions:

Position	#
IT Director	1
IT Business Application Support	1
Network Administrator and Service Desk Support	1
Enterprise Content Management Specialist (ECM)	1
IT Helpdesk Specialist	1
Admin Coordinator*	*
Total:	5

** IT shares an Administrative Coordinator with the Center for Operations & Sustainability (COS) Support department. As First 5 LA does not maintain a practice of allocating staff time, all personnel costs related to the Admin Coordinator are included within the COS budget.*

Overview:

The IT Department led by Jasmine Frost is crucial to First 5 LA's ability to achieve its strategic goals. By providing essential technology infrastructure and innovative solutions, the IT Team empowers the organization to be accessible, high-impact, and innovative. The FY25-26 budget request provides the necessary resources for the IT Department to maintain and enhance critical services that directly support First 5 LA's mission and impact on young children and families. These services encompass network infrastructure, cybersecurity monitoring, helpdesk operations, hardware/software management, technology replacement, records retention and data management, and audio/visual support for public meetings.

Priorities for FY 25-26:

Beyond standard operational support, the FY25-26 IT budget will prioritize the following critical projects, directly supporting First 5 LA's strategic goals:

Enhancing Organizational Resilience: Disaster Recovery and Business Continuity (DR/BC) -Phase 2:

- This budget supports the engagement of a consultant to refine and implement our DR/BC plan. This includes critical staff training and practical exercises to ensure readiness for potential disruptions, safeguarding essential operations.

Facilitating Seamless Office Relocation: CIP Phase 2:

- Funding will ensure a smooth technological transition during the office relocation. This includes integrating essential infrastructure (electrical, network, Wi-Fi) into the new 3rd-floor workspaces and the efficient decommissioning of 2nd-floor systems.

Modernizing Digital Presence: Website Redesign:

- The IT Department is working in partnership with the Communications Department to provide crucial technical guidance and vendor selection for a secure, user-friendly website redesign, enhancing First 5 LA's online accessibility and impact.

Optimizing Operational Efficiency: ERP Assessment:

- Resources are allocated to collaborate with Finance, CAP, and HR departments to conduct a comprehensive operational and systems assessment. This will identify opportunities for process automation, cost reduction, and improved efficiency.

Strengthening Cybersecurity and Staff Proficiency: Tech-Savvy Workforce and Cyber Awareness Initiatives:

- The budget supports ongoing investment in cybersecurity training and the provision of essential technology tools. This will empower staff to maximize technology utilization and maintain a robust security posture.

Ensuring Compliance and Data Integrity: Annual Org-wide Records Disposition:

- Funding will enable the IT Department to conduct annual records reviews, ensuring compliance with legal and regulatory obligations and maintaining effective data management.

Equity Index Platform:

- The IT Department working as a thought partner to the Impact & Accountability (I&A) Department will provide technical guidance to support the development and launch of a web-based equity index.

OPERATING COSTS SUMMARY

BUDGET FY25-26

CENTER/OFFICE/TEAM: IT-Op Costs-No Project



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance	Note(s)
Total Operating Expenses	1,889,721	1,591,820	(15.8%)	
Total Salaries & Wages	617,368	634,025	2.7%	
6040 Social Security Tax	36,297	37,939	4.5%	
6225 Mileage, Parking and Other Transportation	300	500	66.7%	Funds to cover mileage/parking for 5 staff to attend local meetings within LA County.
6230 Telephones	70,000	53,000	(24.3%)	Funds to cover internet and long-distance calling at F5LA building and company-issued cell phones, fax lines, wireless peripherals. Funds include cost of implementation of a new redundant, backup internet connection at First5LA building. Cost saving realized from moving to Calnet contract.
6235 Cell Phone & Mobile Devices	7,200	6,000	(16.7%)	Cell phone (\$50/month) and internet (\$50/month) reimbursement to staff for offsite work, included for 12 months. 5 FTEs at \$100/staff member for a total of \$500/month x 12 months = \$6000.
6260 Office Supplies	500	1,000	100.0%	Funds for general office supplies to support I.T. staff with hybrid and onsite work (e.g., paper, pens, post it notes, folders, etc.) including power cords, chargers, batteries, labelers, network cables, etc.
6270 Capital Outlay	130,000	103,500	(20.4%)	Funds to cover the purchase of new fixed assets. Items can include but not limited to Technology Replacement for end-user Laptops, monitors, computer peripherals, servers, switches, desk phones, desktop printers, audio-video equipment, etc.
6275 Equipment-Rents & Leases	15,000	20,000	33.3%	Funds to cover 2 - Multi-functional Printers (MFP) Annual Cost
6285 Equipment Repairs & Maintenance	1,500	1,500	0.0%	General maintenance and repairs of technology equipment that are not scheduled to be replaced in the upcoming fiscal year. Examples include cost of repairs for damaged / broken laptops, agency issued phones, etc.
6290 Offsite Storage	4,000	4,000	0.0%	Provides funding for offsite storage of physical data, including access and management of records. IT is responsible for costs associated with Records Retention and management of physical and digital data.
6295 Hardware & Software Maintenance	370,000	400,000	8.1%	Funds to cover expenses to maintain First 5 LA's hardware and software in support of our technological resources, including departmental and enterprise-wide applications: PDF license - \$5000; Cloud storage - \$14000; Grantmaking - \$62000; Financials -\$63,000; Agenda management - \$4,000; F/w- \$13,094; Wireless AP - \$3,000; Website backend security; Cybersecurity - \$13,000; Remote Desktop app \$600; website hosting service - \$6,000; Digital Signatures-\$28,000; ECM - \$11000; Visitor/Employee Management System - \$7000; helpdesk-\$10,000; GIS - \$1,400; Security manager \$1,000; cyber security training \$3,500; LinkedIn - \$360; Office license - \$20,000; Office Archive \$15,000; Non-IT Computer peripherals - ergo keyboards, mice, cameras, etc. -\$6500; Email fraud protection - \$5,000; Data Survey app \$2,000; Budget Application - \$16,000; Public Records -\$5500; Project Management Tool- \$10,000; web security - \$500; Survey app - \$900; Server Backup Support - \$5,000; Virtual network maintenance - \$3,500; Phones - \$36,000; eMail authentication and validation -\$5,000; Website SSL \$500; Website annual maintenance \$5000; Player app for 1st floor lobby \$200; Conference calling/Meeting app - \$20,000
6310 Internal Meetings	600	600	0.0%	Funds to cover expenses related to internal staff meetings including speakers and supplies.
6410 Consultant Fees	390,000	0 ²¹⁴	(100.0%)	Funds have been centralized and are now part of the Center's budget.

OPERATING COSTS SUMMARY

BUDGET FY25-26

CENTER/OFFICE/TEAM: IT-Op Costs-No Project



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance	Note(s)
6540 Professional Dues	2,500	2,500	0.0%	Items included but not limited to subscriptions for professional development & memberships, such as LinkedIn Learnings, MISAC (Municipal Information Systems Association of California), TAG (Technology Association of Grantmakers), etc.
6610 Airfare	600	600	0.0%	Airfare to attend prospective conference.
6620 Lodging	1,900	5,000	163.2%	Provides lodging at multi-day professional conference outside of Los Angeles area.
6640 Per Diem	800	810	1.2%	Provides travel airfare costs at multi-day professional conference outside of Los Angeles area.
6840 Conference/Training Registrations	3,000	0	(100.0%)	Funds have been centralized and are now part of the Center's budget.



ATTACHMENT G:

FY 2025-26 BUDGET

EXECUTIVE

- CENTER/DEPARTMENT COVER SHEET
- ADMINISTRATIVE SUPPORT DETAIL

Executive

Center/Department Name: Executive

Authorized Positions:

Position	#
President & Chief Executive Officer	1
Executive Assistant to the President & Chief Executive Officer	1
Total:	2

Overview:

The President & Chief Executive Officer, leads the entire organization with the support of members of the Executive Director’s Office, including an Executive Assistant. The President & Chief Executive Officer is responsible for the implementation of First 5 LA’s 2024-2029 Strategic Plan, vision, mission, goals, objectives, strategies, and tactics and lead the advocacy for federal, state, and local policy changes that align to the Strategic Plan. The President will work to build sustainable capacity and collaborative networks within five Los Angeles County regions, partnering with local communities and elevating their voice and engagement in the social movement for effective systems change to improve outcomes for children prenatal to five and their families.

OPERATING COSTS SUMMARY

BUDGET FY25-26

CENTER/OFFICE/TEAM: Exec Support-Op Costs-No Project



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance	Note(s)
Total Operating Expenses	1,189,696	1,240,295	4.3%	
Total Salaries & Wages	667,661	703,998	5.4%	
6040 Social Security Tax	28,847	29,745	3.1%	
6225 Mileage, Parking and Other Transportation	1,500	1,500	0.0%	For transportation related expenses to meetings and other required activities are necessary to maintain and ensure program efficiency and participation in key activities in alignment with organizational goals.
6235 Cell Phone & Mobile Devices	2,400	2,400	0.0%	To maintaining program effectiveness, timely conversations and overall operational efficiency.
6240 Outside Printing & Publications	1,000	1,000	0.0%	To ensure high quality materials to effectively communicate organizational objectives, engage target audiences and enhance overall impact.
6255 Educational Supplies	2,000	2,000	0.0%	Ensure facilitation of staff learning to support organizational objectives and success.
6260 Office Supplies	1,000	1,000	0.0%	Essential supplies for daily administrative functions, documentation, and overall organizational management.
6265 Subscriptions & Publications	500	500	0.0%	Ensures access to relevant professional resources to maintain up to date knowledge and improve effectiveness.
6300 Miscellaneous/Contingency	50,000	50,000	0.0%	Contingency fund is necessary to cover unforeseen expenses that arise and is a safeguard to ensure goals are met without interruption.
6310 Internal Meetings	14,000	14,000	0.0%	Will support effective planning, coordination and execution of internal meetings.
6520 Legal Fees	200,000	200,000	0.0%	Ensures the organization has access to professional legal services to protect the organizations interests and ensure compliance.
6540 Professional Dues	0	1,000	100.0%	Ensures staff remains connected and equipped with tools to enhance organizational success.
6610 Airfare	7,500	7,500	0.0%	Ensures efficient travel to attend conferences, trainings, and strategic meetings to support organizational goals.
6620 Lodging	5,000	5,000	0.0%	Ensures staff can attend conferences, trainings and meetings that require overnight stays.
6640 Per Diem	2,400	2,400	0.0%	Ensures daily expenses are covered for staff so they are properly supported during travel for business.
6650 Other Travel Expense	2,400	2,400 ²¹⁹	0.0%	Ensures that all travel related costs are accounted for during business related travel.

OPERATING COSTS SUMMARY

BUDGET FY25-26

CENTER/OFFICE/TEAM: Exec Support-Op Costs-No Project



Description	FY2025 MID-YEAR	FY2026 BUDGET	% Variance	Note(s)
6840 Conference/Training Registrations	4,500	4,000	(11.1%)	Ensures staff can attend relevant events and bring back valuable knowledge and connections to further success of the organization.

First 5 LA
Long Term Financial Plan - Multi-Year Detail

Unrestricted Net Position of July 1 \$ 278,834,441 \$ 274,450,549 \$ 254,948,995 \$ 241,201,894 \$ 225,856,643 \$ 216,113,735 \$ 204,231,942 \$ 190,271,530 \$ 174,289,836 \$ 156,341,392 \$ 136,478,031 \$ 114,749,005

Annual Projected Revenue	Audited Statement of Activities FY 2023-24	Approved MY Budget FY 2024-25	Proposed FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35
Proposition 10 Tax Allocations	\$ 55,614,253	\$ 54,413,962	\$ 52,101,369	\$ 49,887,060	\$ 47,766,860	\$ 45,736,769	\$ 43,792,956	\$ 41,931,756	\$ 40,149,656	\$ 38,443,296	\$ 36,809,455	\$ 35,245,054
Adjustment in Response to Proposition 56 Trend	-	(544,140)	(521,014)	(498,871)	(477,669)	(457,368)	(437,930)	(419,318)	(401,497)	(384,433)	(368,095)	(352,451)
Secured Revenue	10,031,655	9,275,000	7,642,112	-	-	-	-	-	-	-	-	-
Unsecured Revenue	-	-	-	-	-	-	-	-	-	-	-	-
Interest Earnings%	16,770,425	9,075,016	7,030,432	5,266,558	2,967,901	2,838,805	2,684,561	2,505,869	2,303,396	2,077,776	1,829,613	1,559,478
Total Projected Revenue	\$ 82,416,333	\$ 72,219,838	\$ 66,252,899	\$ 54,654,748	\$ 50,257,093	\$ 48,118,207	\$ 46,039,588	\$ 44,018,307	\$ 42,051,555	\$ 40,136,639	\$ 38,270,974	\$ 36,452,081

Annual Program Demands	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35
2020-2028 Strategic Plan	\$ 69,291,109	\$ 67,154,925										221
New Strategic Plan 2024-29	-	-	54,861,963	53,900,000	46,200,000	46,200,000	46,200,000	46,200,000	46,200,000	46,200,000	46,200,000	46,200,000
TOTAL 2024-2028 STRATEGIC PLAN	\$ 69,291,109	\$ 67,154,925	\$ 54,861,963	\$ 53,900,000	\$ 46,200,000	\$ 46,200,000	\$ 46,200,000	\$ 46,200,000	\$ 46,200,000	\$ 46,200,000	\$ 46,200,000	\$ 46,200,000

LEGACY INVESTMENTS	\$ -	\$ 2,733,607	\$ -									
Strategic Initiatives Development Fund	\$ -	\$ 150,000	\$ 4,751,470	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Program Support	\$ 6,128,191	\$ 7,589,001	\$ 7,733,819	\$ 5,635,000	\$ 4,830,000	\$ 4,830,000	\$ 4,830,000	\$ 4,830,000	\$ 4,830,000	\$ 4,830,000	\$ 4,830,000	\$ 4,830,000
TOTAL ESTIMATED PROGRAM DEMANDS	\$ 75,419,300	\$ 77,627,533	\$ 67,347,252	\$ 59,535,000	\$ 51,030,000	\$ 51,030,000	\$ 51,030,000	\$ 51,030,000	\$ 51,030,000	\$ 51,030,000	\$ 51,030,000	\$ 51,030,000

Admin Support	\$ 11,380,925	\$ 14,093,859	\$ 12,652,748	\$ 10,465,000	\$ 8,970,000	\$ 8,970,000	\$ 8,970,000	\$ 8,970,000	\$ 8,970,000	\$ 8,970,000	\$ 8,970,000	\$ 8,970,000
PROJECTED ANNUAL BUDGET (Includes Other & Unsecured Revenue)	\$ 86,800,225	\$ 91,721,392	\$ 80,000,000	\$ 70,000,000	\$ 60,000,000	\$ 60,000,000	\$ 60,000,000	\$ 60,000,000	\$ 60,000,000	\$ 60,000,000	\$ 60,000,000	\$ 60,000,000

TOTAL ESTIMATED SPENDING IN EXCESS OF REVENUES	\$ 4,383,892	\$ 19,501,554	\$ 13,747,101	\$ 15,345,252	\$ 9,742,907	\$ 11,881,793	\$ 13,960,412	\$ 15,981,693	\$ 17,948,445	\$ 19,863,361	\$ 21,729,026	\$ 23,547,919
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PROJECTED ENDING FUND BALANCE	\$ 274,450,549	\$ 254,948,995	\$ 241,201,894	\$ 225,856,643	\$ 216,113,735	\$ 204,231,942	\$ 190,271,530	\$ 174,289,836	\$ 156,341,392	\$ 136,478,031	\$ 114,749,005	\$ 91,201,086
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Reserve - Organizations Approved Budget	\$ 43,400,113	\$ 45,860,696	\$ 40,000,000	\$ 35,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000
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PROJECTED AVAILABLE ENDING FUND BALANCE	\$ 231,050,437	\$ 209,088,299	\$ 201,201,894	\$ 190,856,643	\$ 186,113,735	\$ 174,231,942	\$ 160,271,530	\$ 144,289,836	\$ 126,341,392	\$ 106,478,031	\$ 84,749,005	\$ 61,201,086
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First 5 LA

FY 2024 – 2035 Long Term Financial Plan
(July 1, 2023 – June 30, 2035)

FIRST 5 LA

SUBJECT:

The updated Long-Term Financial Plan (Plan) is presented to the Budget and Finance Committee and Executive Committee as an information update to the Plan approved in October 2024, which will be presented to the Board of Commissioners on May 8 for information and future action in June 2025.

LONG TERM FINANCIAL PLAN

On October 10, 2024, the Commission voted to adopt a twelve-year long-term financial plan (LTFP) to align with the Strategic Plan for 2024-2029. This LTFP established spending limits for future years through FY 2034-35. The spending limits were developed and established based on First 5 LA's resources and projected fund balance and does not account for non-First 5 LA Proposition 10 funds that have yet to be secured. The LTFP moves the organization away from a ten-year annual plan to a twelve-year plan with specific spending limits leading toward a stable budget of \$60 million over eight years, effective FY 2027-28. This revised LTFP will provide much needed consistency for our work and our partners while aligning better with our new fiscal context and new Strategic Plan goals. Reductions over the next two years will facilitate alignment with the established target for FY 2027-28. The future spending limits, distinguished between programmatic (including program support) and administrative costs, demand that we bring an organization-wide perspective to and be disciplined in the allocation of resources to their most strategic use and impact.

The long-term financial plan represents a tool for focusing resources on strategic plan priorities, deepening our sustainability work, and leveraging non-First 5 LA resources. As we transition toward implementation of our strategic plan, we will revisit the long-term plan to expand on and provide further clarity around the specific resources that will be used to support the goals centered on improving the lives of children and families in L.A. County.

More information about these Plan adjustments is included in this memo. Annual budgets that exceed the approved annual limits will require Board review and approval.

I. Introduction: Purpose of the Long-Term Financial Plan

This update to the FY 2024-2035 Long-Term Financial Plan (Plan) is the first update to the Plan since its approval in October 2024. The intent of the process continues to be the support the financial stewardship role of the Los Angeles County Children and Families First Proposition 10 Commission ("Commission"), i.e. First 5 LA, by projecting the long-term implications of fiscal actions taken by the Board of Commissioners ("Board"). This 12-year plan includes a multi-year outlook of current anticipated revenues, as well as established annual administrative and programmatic limits against forecasted revenue and fund balance.

Each year the Plan is presented to the Board to provide context for budget funding decisions. The July 1, 2023 – June 30, 2035 plan period includes one year of actual expenditure data with additional

details provided for the mid-year revised FY 2024-25 budget year as well as the upcoming proposed FY 2025-26 budget year. Resources for years 4 through 12 are reflected at a higher annual level reflecting the future funding direction and spending distribution between programmatic (including program support) and administrative work. The long-term financial plan will be used to strategically plan and manage future year's expenses and Fund Balance drawdowns. The next update to this Plan can be expected in FY 2026-27.

Specifically, the Long-Term Financial Plan utilizes the following overarching approach:

- Uses the most recent audited fund balance as a starting point (July 1, 2023 - June 30, 2024) to update actual revenues and expenditures;
- Includes one year of updated revenue forecasts, for FY 2024-25, based on the most current available data from the Department of Finance (DOF) and California Department of Tax and Fee Administration (CDTFA), which reflects the impact due to Proposition 31;
- Includes actual and forecasted spending in support of Strategic Plan goals; and
- Forecasts ending fund balance for each fiscal year through June 30, 2035.

The LTFP has formally assigned future funds through the end of the term (June 30, 2035). Outside of the LTFP process, funds must be reviewed, amended, and formally committed as part of the annual budget process approved by the Board or through a Resolution that specifically commits funds for an initiative or program in a manner consistent with Strategic Plan objectives and First 5 LA's Governance Guidelines.

II. Methodology/Approach

Staff used the FY 2023-24 actuals, FY 2024-25 mid-year revised budget, FY 2025-26 draft budget and nine years of spending limits through FY 2034-35, as approved in October 2024 by the Board.

The LTFP was developed using the following more specific approach and methods:

- The baseline year for this Long-Term Financial Plan is the FY 2023-24 audited actual expenditures, as reflected in section A of this memo.
- Updating the FY 2024-25 mid-year revised budget estimates of \$91,721,392, with a cost neutral adjustment between program and operating costs, which moving forward operating costs will be captured as Administrative Support and Program Support to more accurately capture total program costs.
- The proposed FY 2025-26 draft budget was developed based on an analysis of historical spending, projected expenditures, multi-year contracted funding, anticipated need, and adherence to the FY 2025-26 approved spending limit. The proposed budget of \$80.0 million complies with the spending limit for FY 2025-26 approved in October 2024. Additional anticipated external funding will offset budget costs and reduce the total demand on F5LA resources. Any adjustments to the draft FY 2025-26 budget will be updated in the LTFP.

- As part of the action taken to approve the FY 2024-25 Budget in June 2024, multi-year commitments and allocations were reauthorized. This schedule of commitments and allocations, known as the GASB 54 schedule, was approved by formal Resolution and designates funds for those specific purposes as directed by the Board. Final year-end balances for these commitments are available in First 5 LA's annual official audit, the Comprehensive Annual Financial Report (Annual Report), for the fiscal year ending June 30, 2024.
- Total future year budget expenditures are split – between programmatic needs (including programmatic support) in an effort to prioritize our program investment, and administrative needs. The LTFP is presented at a high-level cost distribution which reflects annual totals based on the recommendations.

Updates to the LTFP's methodology and overarching approach, as noted in sections I and II above, have resulted in an overall increase to the projected available ending fund balance at fiscal year-end 2034-35 from \$34.0 million as reflected in the revised LTFP approved in October 2024 to \$61.2 million reflected in this updated LTFP, an increase of \$27.2 million or 80%. The increase to the fund balance is the result of capturing interest earnings for the plan term, not included in the LTFP presented to the board in October 2024, higher than anticipated interest earnings in FY 2023-24, lower than anticipated actual spending in FY 2023-24, a cost-neutral adjustment to the FY 2024-25 budget at mid-year, and the inclusion of additional external funding (secured revenue). We anticipate that the FY 2034-35 ending fund balance will continue to fluctuate over the years as we update revenue projections, secured revenue, interest earnings, estimated spending with actual expenditures, mid-year revised budgets, and proposed detailed budgets. These updates will be brought to the Board for review and approval on an annual basis, as applicable.

III. Assumptions

This long-term plan includes the following assumptions:

1. Resources are distributed, summarized and categorized in the budget between program costs and administrative costs.
2. The Plan spans a twelve-year period of annual estimates.
3. For long-term projection and planning purposes, the Plan assumes that spending for FY 2025-26 through FY 2027-28 will decrease by approximately 13% each year, with stabilized spending of approximately \$60 million achieved in FY 2027-28 through FY 2034-35.
4. Reserve: Effective FY 2020-21, the reserve represents 50% of the total annual budget.

A. Beginning Fund Balance

The LTFP's FY 2024-25 beginning fund balance of \$274,450,549 reflects the most recent audited ending fund balance per the Comprehensive Annual Financial Report (Annual Report) for the fiscal year ending June 30, 2024. The beginning fund balance in future years, beyond FY 2024-25, is calculated based on projected revenue and expenditures for the prior year.

B. Revenue

The Commission is funded through the Proposition 10 Tobacco Tax, 80% of which is distributed to the County Commissions based on their proportion of statewide births. Los Angeles County receives the greatest share, representing approximately 22-23% of the total County allocations. **Tobacco tax revenue**, projected to be roughly \$54.4 million in FY 2024-25 and \$52.1 million in FY 2025-26, is anticipated to continue declining in future years. The projected 4.25% annual decline in revenues for the outer years FY 2026-27 through FY 2034-35 is based on a combination of historical trends, external market factors, and the latest projections from the California Department of Tax and Fee Administration (CDTFA) dated September 2024.

1. **Historical Trends (FY 2022-23 to Present):** Over the past several years, revenue performance has demonstrated significant year-to-year variability. Specifically, we have experienced declines as steep as 12.49% in FY 2022-23, primarily driven by Proposition 31.
2. **External Factors:** Several key external factors have influenced the overall revenue decline and our approach to our forecast:
 - **Proposition 31:** The passing of Proposition 31, which enforces stricter regulations on tobacco and flavored tobacco products, has contributed to a sustained reduction in tobacco consumption.
 - **Declining Tobacco Consumption:** There has been a clear trend in reduced tobacco use, particularly among younger demographics, due to increased health awareness and changes in social behavior.
 - **Declining Birth Rates:** National and regional trends indicate a decline in birth rates, which impacts the long-term consumption of products traditionally tied to demographic growth, such as tobacco and related products.
3. **CDTFA Projections (Sept 2024):** According to the most recent projections from the CDTFA (September 2024), a consistent decline in revenue is expected, with an average annual decrease of 3.37% over the forecast period. These projections show a range of declines, from a high of 4.95% to a low of 2.21%. Given the historical decline and the ongoing external pressures, we have opted to apply a slightly conservative figure of 4.25% annually. This rate strikes a balance between the higher-end projections and the actual declines seen in previous years.
4. **Rationale for 4.25% Rate:** The choice of a 4.25% annual decline is supported by:
 - **Moderate Adjustment to Current Projections:** While the CDTFA's current projection is slightly lower (3.37%), the persistence of key factors such as Proposition 31 and the general decline in tobacco consumption justify a slightly more conservative estimate, especially given the historical variability in our revenue figures.
 - **Conservative Approach to Uncertainty:** The volatility in year-to-year revenue performance and projections from CDTFA, compounded by the unpredictability of factors such as changes in legislation and consumer behavior, warrants a cautious

approach. By selecting 4.25%, we are aligning our forecast with both historical trends and the expected long-term downward pressure.

The 4.25% annual decline rate represents a reasonable and balanced estimate, informed by both historical performance and the current economic and regulatory environment. By selecting this rate, we are accounting for past declines, future projections, and known external factors, ensuring a realistic and prudent outlook for revenue forecasting. In response to the volatility, and an effort to adequately manage our public funds, First 5 LA is applying an internal 1% downward adjustment to the projected Proposition 10 revenue for the purpose of this analysis.

Interest earnings are projected based off the average rate of return on anticipated cash balances. Based on the latest assessment and fluctuations, First 5 LA is calculating 3.0% in interest earnings for FY 2024-25, 2.5% for FY 2025-26, 2.0% for FY 2026-27, and 1.2% in interest earnings from FY 2027-28 through FY 2034-35 based on the latest analysis of market conditions. Interest earnings for FY 2024-25 are projected at approximately \$9.1 million. Interest earnings for FY 2025-26 are projected at approximately \$7.0 million. In addition, the **Other Revenue** category includes funding from First 5 California, the Los Angeles County Department of Mental Health (DMH), and a Medi-Cal Managed Care Plan for a combined total of \$9.3 million anticipated for FY 2024-25 and approximately \$7.6 million for FY 2025-26.

Staff will continue to monitor and make the appropriate adjustments as new information is received and engage with key partners to obtain more information regarding the projected downward revenue trajectory. Additionally, staff will continue to monitor actual revenue relative to the projections to analyze the impact these declining resources may have on the organization's fiscal position.

Administrative cost for the purpose of the LTFP is projected to be 15%. However, as we work toward alignment to the \$60 million annual spending and greater stability for our work and our partners, the administrative cost is anticipated to fluctuate above the 15% target. As part of the annual budget development process the Finance Department, with approval of the President/Chief Executive Officer, will recommend to the Commission a maximum percentage rate to be spent on the administrative function based on the Administrative Cost Methodology and policy.

VI. Summary

This revised Long Term Financial Plan helps First 5 LA transition to a more sustainable spending plan with greater alignment to the 2024-2029 Strategic Plan and evolving fiscal realities and promotes a future period of stability for the organization and our partners, even as our Proposition 10 Tobacco Tax revenues continue to decline.

Any updates to the LTFP actual or proposed spending will be presented to the Board for approval.