



**AGENDA
PUBLIC NOTICE**

Regular Meeting of the Finance Sub Committee
Wednesday, October 23, 2024
2:00 PM
First 5 Riverside County
585 Technology Ct
Riverside, California 92507

This notice shall confirm the Regular Meeting of the Finance Sub Committee of the Riverside County Children and Families Commission.

Note: If special accommodations are needed to participate in this meeting, please contact Lynn Stephens, Executive Assistant IV, at (951) 955-0200 during regular business hours of the Riverside County Children and Families Commission (Monday-Friday 8:00 a.m. – 5:00 p.m.).

Note: Public Comments will be taken on agenda items at various times during the meeting. Please submit a Request to Speak form to the Executive Assistant IV at any time before or during the meeting indicating the item you wish to address.

Note: Please place all cellular phones on vibrate or off mode during the meeting.

- A. Call to Order – Zachary Ginder, Commission Chair**
 - A.1. Pledge of Allegiance
 - A.2. Roll Call – Lynn Stephens, Executive Assistant IV
- B. Public Comments (for items not listed on the agenda) – Zachary Ginder, Chair**
- C. Commission and Advisory Committee Business – Zachary Ginder, Chair**
 - C.1. Advisory Committee Comments - Malinda Margiotta, Advisory Committee Chair
 - C.2. Public Information Updates - Sean Pravica, Senior Public Information Specialist and Michelle Rodriguez, Public Information Specialist
 - C.3. Commissioner Comments
- D. Consent Items – Zachary Ginder, Chair** (a copy of all action items and attachments can be viewed at www.rccfc.org and at the Commission Business Office)
 - D.1. Approve First 5 Riverside County Draft Commission Meeting Minutes -

Wednesday, October 23, 2024 Regular Meeting of the Finance Sub Committee Page 1 of 33

September 11, 2024 Session

Wednesday, October 23, 2024 Regular Meeting of the Finance Sub Committee Page 2 of 33

RIVERSIDE COUNTY CHILDREN & FAMILIES COMMISSION
www.First5Riverside.org

MINUTES
FIRST 5 RIVERSIDE COUNTY
Commission Regular Meeting
Wednesday, September 11, 2024
2:00 PM

Commissioners Present: Zachary Ginder, Jose Campos, Edwin Gomez, Stephanie Yost, and Elizabeth Romero

Commissioners Absent: Supervisor V. Manuel Perez, Kimberly Saruwatari, and Charity Douglas

Commissioners Vacancy: District V

Administrative Staff Present: Tammi Graham, Executive Director; Yvonne Suarez, Assistant Director; Charna Widby, Deputy Director; Michael Knight, Deputy Director; Lynn Stephens, Executive Assistant IV; Carol Abella, Regional Manager; Larissa Wills, Regional Manager; Patricia Perez, Administrative Services Manager II; Rens Van Eenennaam, Administrative Services Manager I; Martina Guevara, Commission Coordinator; Sean Pravica, Senior Public Information Specialist; Michelle Rodriguez, Public Information Specialist; Victor Lopez, Administrative Services; Analyst II; Jimmy Gutierrez; Support Services Technician

Legal Counsel: Kristine Bell-Valdez, Supervising Deputy County Counsel

A. Call to Order – Zachary Ginder, Commission Chair

1. Pledge of Allegiance
2. Roll Call - Lynn Stephens, Executive Assistant IV

B. Public Comments (for items not listed on the agenda) – Zachary Ginder, Commission Chair

None.

C. Commission and Advisory Committee Business – Zachary Ginder, Commission Chair

1. Advisory Committee Comments - Malinda Margiotta, Advisory Committee Chair
Chair noted that today's Advisory Committee was cancelled due to lack of quorum.
2. Director's Report - Tammi Graham, Executive Director, Yvonne Suarez, Assistant Director, Charna Widby, Deputy Director, Michael Knight, Deputy Director

Ms. Graham paid respect to September 11th in remembrance of those affected. The Commission observed a moment of silence. Ms. Graham presented department updates. She congratulated Ms. Suarez on her graduation from CSAC Credentialed California County Senior Executive, Ms. Widby on her Executive Leader Learning Journey, Ms. Campos, Ms. Delany, Mr. Van Eenennaam, Mr. Lopez, and Ms. Wang on their Supervising Leadership Journey, and Ms. Klopka on her Professional Assistants Academy Graduations.

Ms. Graham was appointed to the Local Planning Council by the Board of Supervisors and she was nominated as Co-Chair. Over 7,038 Swim Lessons have been provided to children since the start of funding in 2015. Ms. Graham stated First 5 is seeking a swim lesson vendor in District 5.

Ms. Suarez provided an update on the American Rescue Plan Act allocations for the Early Care and Education Recovery Fund wage enhancements for eligible child care providers. She also provided a summary and timeline for the wage enhancement project, which spanned over three years. Over 50% of the applicants who received the first wage enhancement payment in 2021 remained in the workforce and were eligible to receive the fourth and final wage enhancement payment of \$2,400. Ms. Widby also recognized several staff members for their commitment to this work and ensuring that the workforce received their payments timely.

On September 5th, Ms. Wills participated as a panelist with staff from First 5 San Bernardino and IEHP at the IE Vibrant Health Forum.

3. Public Information Report - Sean Pravica, Senior Public Information Specialist and Michelle Rodriguez, Public Information Specialist

Ms. Rodriguez highlighted First 5 events including DPSS Facilities updates that were made possible by the support of the 2023 Pinwheels for Prevention Campaign. Ms. Graham accepted recognition on behalf of the Commission for First 5's contribution of a \$20,000 sponsorship to the campaign and First 5's Investment in the HeRCARe Program. On July 18, First 5 held a media advisory in Mecca. Channel 3 interviewed Ms. Graham and produced a story to encourage families in the desert to enroll their children in swim lessons. Water Safety in District 3 included an event with First 5 and the Department of Child Support Services (DCSS) at Aquatic Lifesavers in Murrieta. Family Resource Center (FRC) events included Critter Camp and a family engagement activity with ice cream social. Both events were well attended by families. In August, Temecula FRC team participated in a Breastfeeding celebration. First 5 invested in purchasing Heat Advisory billboards in all five Supervisorial districts.

4. Commissioner Comments

Commissioner Yost asked if local families are affected by the fires and how First 5 is providing support. Ms. Rodriguez addressed the question stating that we have provided information to the community about shelters available for people and animals. Commissioner Gomez noted that six school districts have currently closed. Vice Chair Campos and Chair Ginder thanked First 5 staff for their presentations and expressed their gratitude for all the hard work happening. Ms. Graham thanked Commissioner Romero for the heat related campaign recommendation during our July Commission meeting which led to the purchase of billboards ads to prevent heat related death and accidents. Chair Ginder asked about the increase in Drowning Prevention. Ms. Wills noted that the increase was in part due to YMCA's increased lessons year-round. First 5 funding matches the season of all providers. Ms. Graham added that Desert Recreation District initially had some challenges but has increased their numbers.

D. Presentation/Information - Zachary Ginder, Commission Chair

1. Maternal Fetal Medicine (MFM) and HeRCARe Presentation - Dr. Bryan T. Oshiro, M.D., Maternal Fetal Medicine, and Dr. Ronald Johnson, M.D., Assistant Professor, Loma Linda University School of Medicine - Riverside University Health System (RUHS) - Medical

Center (a copy of the presentation may be obtained at www.first5riverside.org and can be viewed at the Commission Business Office)

Dr. Oshiro presented an update on the High-Risk Access and Resources (HeRCARe) services including telehealth expansion sites. First 5 invested \$6 million since 2020, which has allowed them to achieve many awards, and accreditations, and hire two more maternal-fetal medicine doctors as well as greatly expand access to integrated comprehensive high-risk maternity care through seven 7 health centers and two telehealth sites. Dr. Oshiro thanked the Commission for their investment and research grant extension through 2028.

A brief discussion ensued. Ms. Graham noted that she sits on the RUHS Advisory Committee and asked Commissioners to provide her with any input or information they would like passed on to Dr. Oshiro. Dr. Oshiro will present updates to the Commission in the future.

2. **Information Only** - Early Identification and Intervention Landscape Report: A Study of Early Childhood Services for Children 0-5 with Special Needs - **Receive and File**

E. Consent – Zachary Ginder, Commission Chair

1. Approve First 5 Riverside County Draft Commission Meeting Minutes - July 10, 2024 Session
2. **24-26:** Approve Contract with American Academy of Pediatrics, District IX, Chapter 2 to Implement Reach Out and Read Initiative in Riverside County from October 1, 2024 – June 30, 2026 (**CONTRACT NO. CF25103**) [**\$403,945 - PROP 10 FUNDS**]
3. **24-27:** Approve Revised Fiscal Year 2024/2025 Annual Budget and Vendor List of First 5 Riverside County Children and Families Commission
4. **24-28:** Approve Amendment with Inland SoCal United Way for the Guaranteed Income Program Pilot (**Contract NO. CF24136**) [**NOT TO EXCEED \$2,208,600 - PROP 10 FUNDS**]
5. **24-29** Approve Prop 10 Funds for Lakeland Village Infrastructure Project and Receive and File Final Allocations for ARPA Funded Infrastructure Projects [**\$1,500,000 - PROP 10 FUNDS**]

*Commissioner Gomez moved to approve consent items 1-5 as presented. Commissioner Romero seconded the motion. **Absent:** Commissioners Perez, Saruwatari, and Douglas. **Motion Carried unanimously.***

F. Future Agenda Items:

1. First 5 Riverside County Annual Audit and Public Hearing
2. First 5 Riverside County Annual Report and Public Hearing
3. Riverside County Office of Education (RCOE) Presentation

G. **Adjournment:** Adjournment at 2:45 p.m. to the next Regular Meeting of the Riverside County Children and Families Commission to be held on October 23, 2024, beginning at 2:00 p.m.

at:

First 5 Riverside County Children and Families Commission Office
585 Technology Court - Conference Room A
Riverside, CA 92507

Meeting Minutes Recorded by Lynn M. Stephens, Executive Assistant IV.

D.2. Approve First 5 Riverside County Commission 2025 Meeting Schedule



| Commission Members | Advisory Committee Members | Commission Administrative Staff |
|--|---|---|
| Zachary Ginder, PsyD, MSW, Dist. I | Malinda Margiotta, Dist. III | Tammi Graham, Executive Director |
| Jose Campos, Dist. II | Kari Middleton-Hendrix, Dist. IV | Yvonne Suarez, Assistant Director |
| V. Manuel Perez County Supervisor Dist. IV Chuck Washington Supervisor Alternate, Dist. III | Jiles Smith, Dist. I | Charna Widby, Deputy Director |
| Edwin Gomez, Ed.D. Ord. 784.11 | Antonia Eli Mast, Dist. II | Michael Knight, Deputy Director |
| Kimberly Saruwatari, Ord.784.11 | Takashi Wada, Dist. III | Lynn Stephens, Executive Assistant IV |
| Charity Douglas, Ord. 784.11 | Agam Patel, Dist. IV | Martina Guevara, Commission Coordinator |
| Stephanie Yost, Dist. III | Saovaros Diehl-Hope, Dist. V | Kristine Bell-Valdez, Supervising Deputy County Counsel |
| Elizabeth Romero, Dist. IV | VACANCIES: I, II, V | |
| VACANT, Dist. V | | |

The CFC meets regularly on the 2nd Wednesday as scheduled below except for January and October meetings which are held on the 4th Wednesday of the month. The open session of the Board meeting shall begin at 2:00 p.m. unless changed by consent of a quorum of the Commission Members. Meetings are held at First 5 Riverside County Children & Families Commission located at 585 Technology Court in Riverside. Any "Special" meetings of the CFC are noticed in advance in accordance with the Brown Act. Closed Sessions will be scheduled as needed. Meeting dates may be modified as needed.

Schedule of Commission Meetings 2025

-
- Wednesday, **Jan 22, 2025 (4th Wednesday)**First 5 Riverside County
 - Wednesday, **March 12, 2025** First 5 Riverside County
 - Wednesday, **May 14, 2025** First 5 Riverside County
 - Wednesday, **July 9, 2025** First 5 Riverside County
 - Wednesday, **September 10, 2025** First 5 Riverside County
 - Wednesday, **October 22, 2025 (4th Wednesday)** First 5 Riverside County

- D.3. **24-30:** Approve Salesforce Additional Licenses using Salesforce Reseller Contract with Tabora Solutions, Inc. From November 1, 2024 – June 30, 2025
(Contract NO. SLP-22-70-0063V) [\$10,119.06 - PROP 10 FUNDS]



AGENDA ITEM: 24-30
DATE OF MEETING: October 23, 2024
ACTION:
INFORMATION:

**APPROVE SALESFORCE ADDITIONAL LICENSES
USING SALESFORCE RESELLER CONTRACT WITH
TABORDA SOLUTIONS, INC.
FROM NOVEMBER 1, 2024 – JUNE 30, 2025
(CONTRACT NO. SLP-22-70-0063V)
[\$10,119.06 – PROP 10 FUNDS]**

SUMMARY OF REQUEST

Approve procurement for additional licenses through Taborda Solutions, Inc. d.b.a. Optm for an additional amount not to exceed \$10,119.06 for the period November 1, 2024, through June 30, 2025. This request adds to the previous allocation of licenses of \$98,611.82, increasing the total allocation for licenses to a maximum of \$108,730.90 for the same period.

BACKGROUND

The request is for the acquisition of additional Salesforce, Conga, and Tableau licenses to operate the Salesforce Relationship Management (CRM) database as the platform for First 5 Riverside County's cloud-based contract management and data storage solution. Approval supports the incorporation of four (4) additional administrator licenses, 10 additional licenses for the Document Generation solution Conga, and 14 additional Tableau Reporting software licenses.

On May 8, 2024 (Action Item 24-14): the Commission approved subsequent renewal and acquisition of additional Salesforce, Conga, and Tableau licenses through Taborda Solutions, Inc. for a total contract amount not to exceed \$98,611.82 for the period July 1, 2024, through June 30, 2025.

On September 14, 2022 (Action Item 22-28): the Commission approved the acquisition and subsequent renewal of licenses through Outreach Solutions as a Service, LLC (OSAAS, LLC) for a total contract amount not to exceed \$185,815 for the period October 1, 2022, through June 30, 2025.

RECOMMENDED ACTION

That the Commission:

1. Approve Proposition 10 funds for the purchase of additional Salesforce licenses through Taborda Solutions, Inc. for an additional amount not to exceed \$10,119.06 effective

November 1, 2024 – June 30, 2025, to continue implementation and operations of the contract management and data storage solution for First 5 Riverside County.

2. Authorize the Executive Director or Designee to execute the necessary documents for an additional amount not to exceed \$10,119.06 under the State of California's State Leveraged Procurement to procure the licenses on behalf of the Commission, as approved by County Counsel, IT Department, and County Purchasing.
3. Authorize the Executive Director or Designee, based on the availability of approved fiscal funding to open additional purchase orders that exercise the options on behalf of the Commission, including modifications of the statement of work, that stay within the intent of said contract without requiring further action from the Commission.

BUDGET IMPACT

Adequate appropriation is included in the FY24/25 budget (938001-25800-92980-521640).

STRATEGIC PLAN RELEVANCE

Goal Area 4 - Countywide (92980)

POTENTIAL CONFLICTS OF INTEREST

None Known

ATTACHMENTS

1. Taborda Solutions, Inc. Quote 19376 for First 5 Riverside County
2. Taborda Solutions, Inc. Executed Reseller Agreement SLP-22-70-0063V



TO First 5 Riverside County, Children & Families Commission
 Attn: Rens Van Eenenann
mveenenn@rivco.org
 951-955-1297

Quote #: 19376-Salesforce Add-On
Quote Date: October 2, 2024
Expiration Date: November 1, 2024
Prepared by: Peggy Larson | (916) 300-9004
peggy.larson@tabordaens.com
Account Executive: Peggy Larson | (916) 300-9004
peggy.larson@tabordaens.com
CONTRACT: SLP-22-70-0063V
FEIN: 76-0805711
SELLER'S PERMIT #: 101-192732
PAYMENT TERMS: Net 45

TERM DATE: 11/1/24-6/30/25

| LINE | PART # | DESCRIPTION | QTY | UNIT PRICE | EXTENDED PRICE | TAX |
|------|------------|---|-----|------------|-----------------|------------------|
| 1 | 200012830 | Lightning Platform Plus - Enterprise Edition | 4 | \$586.98 | \$2,347.92 | \$0.00 |
| 2 | 8200001427 | Premier Success Plan - Fee | 1 | \$704.37 | \$704.37 | \$0.00 |
| 3 | 8200005696 | Salesforce Shield - Fee | 1 | \$704.37 | \$704.37 | \$0.00 |
| 4 | 205-0144.5 | Conga Composer Business | 10 | \$176.00 | \$1,760.00 | \$0.00 |
| 5 | 205-0144.5 | Conga Composer Conga Composer - Addon: Batch / Trigger Service Events | 125 | \$8.80 | \$1,100.00 | \$0.00 |
| 6 | 205-0144 | AppExchange Products 1% List Price / \$100 Conga Customer Learning Pass - Fee | 1 | \$57.20 | \$57.20 | \$0.00 |
| 7 | 200001770 | Tableau Cloud - Creator | 4 | \$594.00 | \$2,376.00 | \$0.00 |
| 8 | 200001772 | Tableau Cloud - Viewer | 9 | \$118.80 | \$1,069.20 | \$0.00 |
| | | | | | SUBTOTAL | 10,119.06 |
| | | | | | TAX @ 0% | 0.00 |
| | | | | | TOTAL | 10,119.06 |

11

Pricing subject to a 3% fee if purchased via credit card.

FORM APPROVED COUNTY COUNSEL
 BY Kristine Bell-Valdez
 KRISTINE BELL-VALDEZ DATE

- Net 45 Terms

- ESD (electronic delivery)

- Quote #19376

- Contract Vehicle # (if applicable)

****This is an SLP procurement** Final pricing to be determined by SLP Reseller. *SLP Contract supersedes below Standard Terms***

SALESFORCE Quote Special Terms

Unless otherwise provided in the applicable Agreement, any increase in subscription pricing for the first renewal term will not exceed 0% over the then-current subscription pricing, provided that (a) Customer renews its entire then-current subscription volume under this Order Form combined with any associated add-on Order Forms, and (b) the first renewal term is the same duration as the Order Term of this Order Form or one year (whichever is longer). Thereafter, any increase in subscription and support pricing will be in accordance with SFDC's pricing and policies in effect at the time of the renewal or as otherwise agreed to by the parties. Notwithstanding the foregoing, any consumption-based Services which are subject to a rate card as set forth in the product terms for the applicable Services and any support or resource-based Services are not subject to any price increase limitations.

SALESFORCE Product Special Terms

Salesforce Shield

In order to use the Data Detect features, Customer's system administrator must first install the managed package available at: <https://sfdc.co/install-datadetect>.

Conga Terms and Conditions:

This Order is between AppExtremes, LLC dba Conga ("Conga") and Carahsoft Technology Corp ("Reseller"). All subscriptions are subject to the terms and conditions of Conga's

End User License Agreement, available at <https://legal.conga.com/#end-user-license-agreement>. The licenses above are for current Carahsoft Technology Corp client County of

Riverside, California, authorized as per the terms and conditions of the Partner Agreement or other similar reseller agreement dated 01-Jul-24 between Reseller and Conga.

Additional Terms:

1. Customer's technical support (version 4.8) is further described at:

<https://legal.conga.com/#technical-support>.

2. Customer's purchase of Conga Composer - Add-on: Batch / Trigger Service Events, Conga Composer - Business subscriptions is subject to the Product Specific Terms, located

at: <http://legal.conga.com/#product-specific-terms>.

3. Customer's subscription to the Conga Customer Learning Pass may be used by all of Customer's Users and is subject to the Training Terms and Conditions, located at:

<https://legal.conga.com/#conga-training-terms-and-conditions>

Tableau Quote Special Terms

Unless otherwise provided in the applicable Agreement, any increase in subscription pricing for the first renewal term will not exceed 0% over the then-current subscription

pricing, provided that (a) Customer renews its entire then-current subscription volume under this Order Form combined with any associated add-on Order Forms, and (b) the

first renewal term is the same duration as the Order Term of this Order Form or one year (whichever is longer). Thereafter, any increase in subscription and support pricing will

be in accordance with SFDC's pricing and policies in effect at the time of the renewal or as otherwise agreed to by the parties. Notwithstanding the foregoing, any

consumption-based Services which are subject to a rate card as set forth in the product terms for the applicable Services and any support or resource-based Services are not

subject to any price increase limitations.

Product Special Terms

Tableau Services

Tableau Software and/or Tableau Services are subject to the Order Form Supplement for Tableau Products available at www.tableau.com/ofs which is hereby made part of this

Order Form.

Customer must reference Quote number and Contract # on Purchase Order.

Should Customer purchase via Reseller all terms of Carahsoft Quote must be incorporated in Reseller quote and Customer Purchase Order to Reseller.

Any increase in subscription pricing (excluding support and resource-based Services) for the first renewal term will be in accordance with SFDC's pricing and policies in effect at the time of the renewal or as otherwise agreed to by the parties or noted in these quote terms or contract

Licensee agrees that any order for Salesforce Services will be governed by the terms and conditions of the Carahsoft Salesforce Service Terms, copies of which are found at

<https://carah.io/SFDC-TOU> and all Schedules and Documentation referenced by the Terms are made a part hereof. The parties agree that any term or condition stated in a

Customer purchase order or in any other Customer order documentation (excluding Quotes) is void. In the event of any conflict or inconsistency among the following

documents, the order of precedence shall be: (1) the applicable Quotes (and their Contract Vehicle), (2) the SFDC Terms of Use, and (3) the Documentation. Licensee

acknowledges it has had the opportunity to review the Terms, prior to executing an order.

Product Terms Directory: <http://carah.io/Product-Terms-Directory>

Help & Training: <http://carah.io/Help>

Government Cloud Plus: <http://www.carahsoft.com/government-cloud-terms>

A list of currently available FedRAMP/IL4 Authorized Salesforce products can be found here: https://help.salesforce.com/articleView?id=000270080&language=en_US&type=1

State of California SOFTWARE LICENSING PROGRAM (SLP) AGREEMENT



Contractor: Taborda Solutions.
Contract Number: SLP-22-70-0063V
SLP Contract Term: 05/10/2022 through 05/10/2025
Contract Base: Salesforce Offer Number Salesforce-SLP-2022

This contract is available for use by State of California departments and any city, county, special district, educational agency, local government body or corporation empowered to expend public funds. While the state makes this contract available, each local agency should make its own determination whether the SLP is consistent with their procurement policies and regulations.

The SLP Contractor is required to provide all SLP contract terms and conditions with the list of products, services and prices.

Terms and conditions listed below are hereby incorporated by reference and made a part of this SLP Agreement as if attached herein and shall apply to the purchase of goods or services made under this Participating Agreement. Contractor non-compliance with the requirements of this contract may result in contract termination.

By signing below, Contractor agrees to the General Provisions dated November 19, 2021, SaaS Cloud Computing Services Special Provisions dated March 15, 2018 and all other provisions included herein.

- 1) [General Provisions – Information Technology \(GSPD-401IT\) effective 11/19/2021](#)
- 2) [Cloud Computing Services Special Provisions \(Software as a Service\) effective 3/15/2018](#)
- 3) [General Provisions – Information Technology Cloud Computing Software as a Service \(SaaS\) effective 11/19/2021](#)

For State of CA:

For Patrick Mullen
Manager
Multiple Award Programs Section
Procurement Division
Department of General Services

04/29/2022

Date

For Contractor:

Signature

Contracts and Agreement Specialist

Printed Title

Vanessa Facio

Printed Name

Taborda Solutions

Company Name

04/26/2022

Date

SOFTWARE LICENSING PROGRAM (SLP)

Taborda Solutions

SLP-22-70-0063V

CONTRACTOR PROVIDES COPY OF THE CONTRACT AND SUPPLEMENTS

The SLP Contractors are required to provide the entire contract that consists of the following:

- SLP Cover sheet with signatures from the DGS Procurement Division Deputy Director or designee and Contractor.
- Ordering instructions.
- Std. 204 Payee Data Record.
- SLP Contract terms and conditions (General provisions).
- Software License Agreement pricing.
- Supplements, if applicable

CONTRACTOR QUARTERLY REPORTS

Contractors are required to submit a detailed report quarterly to the DGS Procurement Division, Software Licensing Program. A separate report is required for each contract, as differentiated by alpha suffix (if applicable). Contractors with resellers are responsible for reporting reseller ordering activity. Any report that does not follow the required format or that excludes information will be deemed incomplete and returned to the contractor.

All SLP contractors, including certified Small Businesses and Disabled Veteran Business Enterprises, will be required to pay DGS-PD a 1.25% incentive fee for all orders placed by local government agencies via a SLP contract. This policy however, does not affect orders placed by State government offices. State agencies will continue to be billed the applicable administrative use fee by the DGS-PD.

The SLP Quarterly Business Activity Report form separates sales to State and local government agencies.

SLP Quarterly Business Activity Reports are due in the SLP Unit within two weeks after the end of each quarter as shown below:

| | | |
|-----------|-----------------|------------|
| Quarter 1 | Jan 1 to Mar 31 | Due Apr 15 |
| Quarter 2 | Apr 1 to Jun 30 | Due Jul 15 |
| Quarter 3 | Jul 1 to Sep 30 | Due Oct 15 |
| Quarter 4 | Oct 1 to Dec 31 | Due Jan 15 |

Each contractor is required to remit to the DGS-PD an incentive fee equal to 1.25% of the total of all local government agency orders (excluding sales tax and freight) placed against their SLP contract(s) for the applicable quarter.

The check covering this fee shall be made payable to the Department of General Services, Software Licensing Program, and be attached to the supporting SLP Quarterly Report.

Mail report and check to:

Department of General Services
Procurement Division, SLP Unit
Quarterly Report Processing
PO Box 989052, MS 2-202
Attn: Software Licensing Program
West Sacramento, CA 95798-9052

SLP Quarterly Reports which include a check made payable to the DGS-SLP Unit must be mailed via hard-copy, and cannot be accepted via facsimile or e-mail.

New contracts for contractors with existing contracts, and extensions or renewals of existing contracts, will be approved ONLY if the contractor has submitted to the SLP Unit all quarterly reports, due. Each quarterly report is required within two weeks of the end of March, June, September, and December of each calendar year. A report is required even when there is no activity.

SOFTWARE LICENSING PROGRAM (SLP)

Taborda Solutions

SLP-22-70-0063V

The report must include the agency name, purchase order number, purchase order date, state agency billing code, pre-tax total order cost, agency contact name, address and phone number, and total dollars for the quarter. Tax must NOT be included in the quarterly report, even if the agency includes tax on the purchase order.

A sample quarterly report indicating required format and information is attached for your reference (Attachment A).

CONTRACTOR INVOICES

Unless otherwise stipulated, the contractor must send their invoices to the department address set forth in the purchase order. Invoices shall be submitted in triplicate and shall include the following:

- Contract number
- Agency purchase order number
- State Agency Bill Code
- Line item number
- Unit price
- Extended line item price
- Invoice total

State sales tax and/or use tax shall be itemized separately and added to each invoice as applicable. The company name on the SLP contract, purchase order and invoice must match or the State Controller's Office will not approve payment.

CONTRACTOR OWNERSHIP INFORMATION

Taborda Solutions is a large business enterprise.

AGENCY NON-COMPLIANCE

Agency non-compliance with the requirements of this contract may result in

the loss of delegated purchasing authority to use the SLP.

PLEASE REQUEST A COPY OF ALL CONTRACT TERMS AND CONDITIONS FROM THE CONTRACTOR, IF NOT PROVIDED INITIALLY.

AVAILABLE PRODUCTS AND/OR SERVICES

This contract provides for the purchase and warranty of software, software maintenance, technical support, SaaS, training, and implementation services.

Only products from the manufacturer listed below are available within the scope of this contract:

- **SalesForce**

UNAVAILABLE PRODUCTS AND/OR SERVICES

The following products and/or services are not available under this contract:

- **STANDALONE HARDWARE**
- **CONSULTING**
- **STANDALONE INSTALLATION SERVICES**

Notice to State Agencies: Software appliances/hardware products offered under the Software Publisher's pricelist are NOT available under the Software Licensing Program (SLP) if the same type of software appliance/hardware products are currently available under any mandatory Statewide Contract. State agencies who want to purchase a software appliance/hardware product type, other than what is available through a mandatory Statewide Contract must submit an exemption request to the mandatory Statewide Contract Administrator. For

SOFTWARE LICENSING PROGRAM (SLP)

Taborda Solutions

SLP-22-70-0063V

more information and the required justification forms regarding the exemption process, please refer to the following website:

<https://www.dgs.ca.gov/PD/Services/Page-Content/Procurement-Division-Services-List-Folder/Request-an-IT-Hardware-Contract-Exemption>. This restriction does

not apply to local governmental agencies.

IMPLEMENTATION SERVICES

Before procuring Implementation Services, state departments should conduct an analysis and use their own due diligence to determine if these services are the most cost effective solution that meets their business needs and security requirements.

Requirements

- State departments must complete a Statement of Work (SOW) for all Implementation services.
- Job titles/categories are limited to those identified in the SLP price list.
- Hourly rates must not exceed those identified in the SLP price list.
- Implementation services can only be purchased when they are in support of software purchased under the SLP.
- Time and Material pricing must not exceed the job Title hourly rate times the number of hours to complete the job.

NOTE: Implementation Services under this contract must be paid in arrears.

SOFTWARE MAINTENANCE, SUBSCRIPTION AND SAAS RENEWALS

Software Maintenance, Subscription and SaaS renewals shall be fixed at the

agencies prior applicable rates (or lower), with a 0% uplift (no up-lift) and no additional increases, fees or charges added, for the duration of this SLP contract.

ISSUE PURCHASE ORDER TO

Agency purchase orders must be mailed to the following address or Fax no. (916) 200-0353:

**Taborda Solutions
9580 Oak Ave Pkwy, Ste 7-180
Folsom, CA 95630
Attn: Bear Williams**

Agencies with questions regarding products and/or services may contact the contractor as follows:

Phone: (916) 717-8711

E-mail:

bear.williams@tabordasolutions.com

SHIPPING INSTRUCTIONS

F.O.B. (Free On Board) Destination

DELIVERY

30 days after receipt of order, or as negotiated between agency and Contractor and included in the purchase order.

AGENCY RESPONSIBILITY

Agencies must contact contractors to obtain copies of the contracts and compare them for a best value purchasing decision.

Each agency is responsible for its own contracting program and purchasing decisions, including use of the SLP program and associated outcomes.

This responsibility includes, but is not necessarily limited to, ensuring the

SOFTWARE LICENSING PROGRAM (SLP)

Taborda Solutions

SLP-22-70-0063V

necessity of the services, securing appropriate funding, complying with laws and policies, preparing the purchase order in a manner that safeguards the State's interests, obtaining required approvals, and documenting compliance with Government Code 19130.b (3) for outsourcing services.

It is the responsibility of each agency to consult as applicable with their legal staff and contracting offices for advice depending upon the scope or complexity of the purchase order.

If you do not have legal services available to you within your agency, the DGS Office of Legal Services is available to provide services on a contractual basis.

ORDER REQUIREMENTS AND MAXIMUM ORDER LIMIT

- Unless otherwise determined by an individual ordering agency purchasing authority, no SLP order may be executed by a State agency that exceeds that agency's purchasing authority threshold. State agencies with approved purchasing authority, along with their dollar thresholds can be obtained at the [List of State Departments with Approved Purchasing Authority](#).
- Agencies must adhere to the detailed requirements in the State Contracting Manual (SCM) when using SLP contracts. The requirements for the following bullets are in the SCM, Volume 3, (for IT): If soliciting offers from a certified DVBE, include the Disabled Veteran Business Enterprise Declarations form (Std. 843) in the Request for Offer. This declaration must be completed and returned by the DVBE prime contractor and/or any DVBE subcontractors. (See the SCM Volume 3, Chapter 3)

- This is not a bid transaction, so the small business preference, DVBE participation goals, protest language, intents to award, evaluation criteria, advertising, etc., are not applicable.
- If less than 3 offers are received, State agencies must document their file with the reasons why the other suppliers solicited did not respond with an offer.
- Assess the offers received using best value methodology, with cost as one of the criteria.
- Issue a Purchase Order to the selected contractor.
- For SLP transactions under \$10,000, only one offer is required if the State agency can establish and document that the price is fair and reasonable. The fair and reasonable method can only be used for non-customizable purchases.

Local governments set their own order limits, and are not bound by the order limits on the cover page of this contract.

SPLITTING ORDERS

Splitting orders to avoid any monetary limitations is prohibited.

Do not circumvent normal procurement methods by splitting purchases into a series of delegated purchase orders (SAM 3572).

Splitting a project into small projects to avoid either fiscal or procedural controls is prohibited (SAM 4819.34).

MINIMUM ORDER LIMITATION

There is no minimum dollar value limitation on orders placed under this contract.

SOFTWARE LICENSING PROGRAM (SLP)

Taborda Solutions

SLP-22-70-0063V

ORDERING PROCEDURES

1. Order Form

State departments shall use a Contract/Delegation Purchase Order (Std. 65) for purchases and services.

Local governments shall, in lieu of the State's Purchase Order (Std. 65), use their own purchase order document.

Electronic copies of the State Standard Forms can be found at the Office of State Publishing web site:

<http://www.dgs.ca.gov/osp> (select Standard Forms). The site provides information on the various forms and use with the Adobe Acrobat Reader. Beyond the Reader capabilities, Adobe Acrobat advanced features may be utilized if you have Adobe Business Tools or Adobe Acrobat 4.0 installed on your computer. Direct link to the [Standard Form 65](#): (<http://www.osp.dgs.ca.gov/pdf/std065.pdf>)

2. Purchase Orders

All Ordering Agency purchase order documents executed under this SLP must contain the applicable SLP contract number as show on page 1.

1. State Departments:

Std. 65 Purchase Documents – State departments not transacting in FI\$Cal must use the Purchasing Authority Purchase Order (Std. 65) for purchase execution. An electronic version of the Std. 65 is available at the DGS-PD website at <http://www.dgs.ca.gov/>

[pd/Forms.aspx](#) (select Standard STD Forms).

FI\$Cal Purchase Documents – State departments transacting in FI\$Cal will follow the FI\$Cal procurement and contracting procedures.

2. Local Governmental Departments:

Local governmental agencies may use their own purchase document for purchase execution.

The agency is required to complete and distribute the order form. For services, the agency shall modify the information contained on the order to include the service period (start and end date), and the monthly cost (or other intermittent cost), and any other information pertinent to the services being provided. The cost for each line item should be included in the order, not just system totals.

The contractor must immediately reject orders that are not accurate. Discrepancies are to be negotiated and incorporated into the order prior to the products and services being delivered.

3. Service and Delivery after Contract Expiration

Purchase orders must be issued before the SLP contract end term expires.

Also, purchase order amendments cannot be issued to add product and software maintenance if the SLP contract end term has expired.

CONTRACT PRICES

Contract prices for products and/or services are maximums. The ordering

SOFTWARE LICENSING PROGRAM (SLP)

Taborda Solutions

SLP-22-70-0063V

department is encouraged to negotiate lower prices.

PRODUCT AND PRICING CHANGES AND/OR UPDATES ARE NOT AUTHORIZED UNTIL REVIEWED AND APPROVED BY DGS PROCUREMENT DIVISION SOFTWARE LICENSING PROGRAM.

Said documents are to be sent to the Department of General Services (DGS) Procurement Division, Software Licensing Program, 707 Third Street, 2nd Floor, West Sacramento, CA 95605-2811, Attention SLP Unit.

CONTRACT EXTENSIONS

The initial term of this SLP contract is **3 years** and may be extended for an additional 2-years, however an amendment must be issued prior to contract end date.

NOTE: Extensions are optional and are at the discretion of the state.

SMALL BUSINESS MUST BE CONSIDERED

Prior to placing orders under the SLP, state departments shall, whenever practicable, first consider offers from small businesses that have established SLP contracts [GC Section 14846(b)]. NOTE: The Department of General Services auditors will request substantiation of compliance with this requirement when department files are reviewed.

SMALL BUSINESS/DVBE – TRACKING

State departments are able to claim subcontracting dollars towards their small business or DVBE goals whenever the Contractor subcontracts a commercially useful function to a certified small business or DVBE. The Contractor will provide the

ordering department with the name of the small business or DVBE used and the dollar amount the ordering department can apply towards its small business or DVBE goal.

SMALL BUSINESS/DVBE - SUBCONTRACTING

1. The amount an ordering department can claim towards achieving its small business or DVBE goals is the dollar amount of the subcontract award made by the Contractor to each small business or DVBE.
2. The Contractor will provide an ordering department with the following information at the time the order is quoted:
 - a. The Contractor will state that, as the prime Contractor, it shall be responsible for the overall execution of the fulfillment of the order.
 - b. The Contractor will indicate to the ordering department how the order meets the small business or DVBE goal, as follows:
 - List the name of each company that is certified by the Office of Small Business and DVBE Certification that it intends to subcontract a commercially useful function to; and
 - Include the small business or DVBE certification number of each company listed, and attach a copy of each certification; and
 - Indicate the dollar amount of each subcontract with a small business or DVBE that may be claimed by the ordering department towards the small business or DVBE goal; and

SOFTWARE LICENSING PROGRAM (SLP)

Taborda Solutions

SLP-22-70-0063V

- Indicate what commercially useful function the small business or DVBE subcontractor will be providing towards fulfillment of the order.

3. The ordering department’s purchase order must be addressed to the prime Contractor, and the purchase order must reference the information provided by the prime Contractor as outlined above.

PRODUCTIVE USE REQUIREMENTS

The customer in-use requirement applies to all procurements of information technology equipment and software, per the SCM, Volume 3, Chapter 2, Section 2.B6.2 and SCM, Volume FI\$CaI, Chapter 2, Section 2.E3.2.

Each equipment or software component must be in current operation for a paying customer and the paying customer must be external to the contractor’s organization (not owned by the contractor and not owning the contractor).

To substantiate compliance with the Productive Use Requirements, the SLP contractor must provide upon request the name and address of a customer installation and the name and telephone number of a contact person.

The elapsed time such equipment or software must have been in operation is based upon the importance of the equipment or software for system operation and its cost. The following designates product categories and the required period of time for equipment or software operation prior to approval of the replacement item on SLP.

Category 1 - Critical Software: Critical software is software that is required to control the overall operation of a computer system or peripheral equipment. Included in this category are operating systems, data base management systems, language interpreters, assemblers and compilers, communications software, and other essential system software.

| <u>Cost</u> | <u>Installation</u> | <u>Final Bid Submission</u> |
|--------------------------|---------------------|-----------------------------|
| More than \$100,000 | 8 months | 6 months |
| \$10,000 up to \$100,000 | 4 months | 3 months |
| Less than \$10,000 | 1 month | 1 month |

Category 2 - All Information Technology Equipment and Non-Critical Software: Information technology equipment is defined in State Administrative Manual (SAM) § 4819.2.

| <u>Cost</u> | <u>Installation</u> | <u>Final Bid Submission</u> |
|--------------------------|---------------------|-----------------------------|
| More than \$100,000 | 6 months | 4 months |
| \$10,000 up to \$100,000 | 4 months | 3 months |
| Less than \$10,000 | 1 month | 1 month |

STATE AND LOCAL GOVERNMENTS CAN USE THE SLP

State and local government use of the SLP contracts is optional. A local government is any city, county, special district or other local governmental body or corporation, including UC, K-12 schools and community colleges,

SOFTWARE LICENSING PROGRAM (SLP)

Taborda Solutions

SLP-22-70-0063V

that is empowered to expend public funds. While the state makes this contract available, each local government agency should make its own

determination whether the SLP is consistent with their procurement policies and regulations.

APPLICABLE CODES, POLICIES AND GUIDELINES

All California codes, policies and guidelines are applicable. THE USE OF THE SLP DOES NOT REDUCE OR RELIEVE STATE DEPARTMENTS OF THEIR RESPONSIBILITY TO MEET STATEWIDE REQUIREMENTS REGARDING CONTRACTING OR THE PROCUREMENT OF GOODS OR SERVICES. Most procurement and contract codes, policies, and guidelines are incorporated into The SLP contracts. Notwithstanding this, there is no guarantee that "every" possible requirement that pertains to all the different and unique state processes has been included.

TERMINATION OF SLP CONTRACT

1. The State or Contractor may terminate this SLP Contract at any time upon 30 days prior notice.
2. Upon termination or other expiration of this Contract, each party will assist the other party in orderly termination of the Contract and the transfer of all assets, tangible and intangible, as may facilitate the orderly, nondisrupted business continuation of each party.
3. This provision shall not relieve the Contractor of the obligation to perform under any purchase order or other similar ordering document executed prior to the termination becoming effective.

STATEWIDE PROCUREMENT REQUIREMENTS

Departments must carefully review and adhere to the following Procurement Requirements, such as:

- SAM Section 4819.41 and 4832 certifications for information technology procurements and compliance with policies.
- Services may not be paid for in advance.
- Departments are required to file with the Department of Fair Employment and Housing (DFEH) a Contract Award Report Std. 16 for each order over \$5,000 within 10 days of award, including supplements that exceed \$5,000.
- Pursuant to Unemployment Insurance Code Section 1088.8, state and local government agencies must report to the Employment Development Department (EDD) all payments for services that equal \$600 or more to independent sole proprietor contractors. See the contractor's Std. Form 204, Payee Data Record, in the SLP contract to determine sole proprietorship. All inquiries regarding this subject should be forwarded to EDD: Technical questions: 916/651-6945 or Information and forms: 916/657-0529.
- Annual small business and disabled veteran reports.

ETHNICITY/RACE/GENDER REPORTING REQUIREMENT

Effective July 1, 2002, in accordance with Public Contract Code 10116, state departments are to capture information on ethnicity, race, and gender of business owners (not subcontractors) for all

SOFTWARE LICENSING PROGRAM (SLP)

Taborda Solutions

SLP-22-70-0063V

awarded contracts, including CAL-Card transactions. Each department is required to independently report this information to the Governor and the Legislature on an annual basis.

Departments are responsible for developing their own guidelines and forms for collecting and reporting this information.

Contractor participation is voluntary.

PAYMENTS AND INVOICES

1. Payment Terms

Payment will be made in accordance with the provisions of the California Prompt Payment Act, Government Code Section 927 et. seq. Unless expressly exempted by statute, the Act requires State agencies to pay properly submitted, undisputed invoices not more than 45 days after (i) the date of acceptance of goods or performance of services; or (ii) receipt of an undisputed invoice, whichever is later.

2. Advance Payments

Advance payment is allowed for services only under limited, narrowly defined circumstances, e.g. between specific departments and certain types of non-profit organizations, or when paying another government agency (Government Code (GC) § 11256 – 11263 and 11019).

It is NOT acceptable to pay in advance, except software maintenance and license fees, which are considered a subscription and may be paid in advance if a provision addressing payment in advance is included in the purchase order.

Software warranty upgrades and extensions may also be paid for in advance, one time.

3. Payee Data Record (Std. 204)

State Agencies not transacting in FI\$Cal, must obtain a copy of the Payee Data Record (Std. 204) in order to process payments. State Ordering Agencies forward a copy of the Std. 204 to their accounting office(s). Without the Std. 204, payment may be unnecessarily delayed. State Agencies should contact the Contractor for copies of the Payee Data Record

4. DGS Administrative and Incentive Fees

Orders from State Agencies:

The Department of General Services (DGS) will bill each State agency directly an administrative fee for use of SLP contracts. The administrative fee should NOT be included in the order total, nor remitted before an invoice is received from DGS.

5. Credit Card

Taborda Solutions accepts the State of California credit card (CAL-Card).

A Purchasing Authority Purchase Order (Std. 65) is required even when the ordering department chooses to pay the contractor via the CAL-Card. Also, the DGS administrative fee is applicable for all SLP orders to suppliers not California certified as a small business.

**SOFTWARE LICENSING PROGRAM (SLP)
Taborda Solutions
SLP-22-70-0063V**

FEDERAL DEBARMENT

When federal funds are being expended, the department is required to obtain (retain in file) a signed "Federal Debarment" certification from the contractor before the purchase order is issued. This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 29 CFR Part 98, Section 98.510, Participants; responsibilities. The regulations were published as Part VII of the May 26, 1988 Federal Register (pages 19160-19211).

**AMERICANS WITH DISABILITY ACT
(ADA)**

(See attachment B)

**DGS PROCUREMENT DIVISION
CONTACT AND PHONE NUMBER**

Department of General Services
Procurement Division, SLP Unit
707 Third Street, 2nd Floor
West Sacramento, CA 95605-2811

Phone no.: 916/375-4365
Faxination no.: 916/376-6371

ATTACHMENT A

SLP QUARTERLY BUSINESS ACTIVITY REPORT

Company Name: _____

Reporting Calendar Year: _____

Software Publisher: _____

Reporting Quarter: Q1 (January to March)

Contract Number: _____

Q2 (April to June)

For Questions Regarding this Report: _____

Q3 (July to September)

E-mail: _____

Q4 (October to December)

Check Here if No New Orders for This Quarter

| STATE GOVERNMENT AGENCY PURCHASES | | | | | | | |
|-----------------------------------|-----------------------|---------------------|---------------------|----------------------------------|----------------|----------------|--------------|
| State Agency Name | Purchase Order Number | Purchase Order Date | Agency Billing Code | Total Dollars Per Purchase Order | Agency Contact | Agency Address | Phone Number |
| | | | | | | | 26 |
| | | | | | | | |
| | | | | | | | |

Total State Agency Dollars Reported for Quarter: \$ _____

| LOCAL GOVERNMENT AGENCY PURCHASES | | | | | | | |
|-----------------------------------|-----------------------|---------------------|----------------------------------|----------------|----------------|--------------|--|
| Local Government Agency Name | Purchase Order Number | Purchase Order Date | Total Dollars Per Purchase Order | Agency Contact | Agency Address | Phone Number | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |

Total Local Government Agency Dollars for Quarter: \$ _____

1.25% Remitted to DGS (does not apply to CA certified Small Businesses): \$ _____

Total of State and Local Government Agency Dollars Reported for this Quarter: \$ _____

ATTACHMENT A

SLP QUARTERLY BUSINESS ACTIVITY REPORT

Instructions for completing the SLP Quarterly Business Activity Report.

1. Complete the top of the form with the appropriate information for your company.
2. **Agency Name** - Identify the State agency or Local Government agency that issued the order.
3. **Purchase Order Number** - Identify the purchase order number (and amendment number if applicable) on the order form. This is not your invoice number. This is the number the State agency or Local Government agency assigns to the order.
4. **Purchase Order Date** - Identify the date the purchase order was issued, as shown on the order. This is not the date you received, accepted, or invoiced the order.
5. **Agency Billing Code** - Identify the State agency billing code. This is a five-digit number identified on the upper right hand corner of the Std. 65 purchase order form. You must identify this number on all purchases made by State of California agencies. Billing codes are not applicable to Local Government agencies.
6. **Total Dollars Per PO** - Identify the total dollars of the order excluding tax and freight. Tax must NOT be included in the quarterly report, even if the agency includes tax on the purchase order. The total dollars per order should indicate the entire purchase order amount (less tax and freight) regardless of when you invoice order, perform services, deliver product, or receive payment.
7. **Agency Contact** - Identify the ordering agency's contact person on the purchase order.
8. **Agency Address** - Identify the ordering agency's address on the purchase order.
9. **Phone Number** - Identify the phone number for the ordering agency's contact person.
10. **Total State Sales & Total Local Sales** - Separately identify the total State dollars and/or Local Government agency dollars (pre-tax) for all orders placed in quarter.
11. **1.25% Remitted to DGS** - Identify 1.25% of the total Local Government agency dollars reported for the quarter.
12. **Grand Total** - Identify the total of all State and Local Government agency dollars reported for the quarter.

Notes:

- A report is required for each SLP contract each quarter even when there are no new orders for the quarter.
- Quarterly reports are due two weeks after the end of the quarter.

ATTACHMENT B

ADA NOTICE

Procurement Division (State Department of General Services)
AMERICANS WITH DISABILITIES ACT (ADA) COMPLIANCE
POLICY OF NONDISCRIMINATION ON THE BASIS OF DISABILITY

To meet and carry out compliance with the nondiscrimination requirements of the Americans With Disabilities Act (ADA), it is the policy of the Procurement Division (within the State Department of General Services) to make every effort to ensure that its programs, activities, and services are available to all persons, including persons with disabilities.

For persons with a disability needing a reasonable accommodation to participate in the Procurement process, or for persons having questions regarding reasonable accommodations for the Procurement process, please contact the Procurement Division at (916) 375-4400 (main office); the Procurement Division TTY/TDD (telephone device for the deaf) or California Relay Service numbers which are listed below. You may also contact directly the Procurement Division contact person who is handling this procurement.

IMPORTANT: TO ENSURE THAT WE CAN MEET YOUR NEED, IT IS BEST THAT WE RECEIVE YOUR REQUEST AT LEAST 10 WORKING DAYS BEFORE THE SCHEDULED EVENT (i.e., MEETING, CONFERENCE, WORKSHOP, etc.) OR DEADLINE DUE-DATE FOR PROCUREMENT DOCUMENTS.

The Procurement Division TTY telephone numbers are:

Sacramento Office: (916) 376-1891
Fullerton Office: (714) 773-2093

The California Relay Service Telephone Numbers are:

Voice: 1-800-735-2922 or 1-888-877-5379
TTY: 1-800-735-2929 or 1-888-877-5378
Speech-to-Speech: 1-800-854-7784

- D.4. **24-31:** Approve Contract with Reach Out West End for Community Health Worker Training from October 23, 2024 – June 30, 2025 (**Contract NO. CF25106**)
[\$47,500 - PROP 10 FUNDS]



AGENDA ITEM: 24-31
DATE OF MEETING: October 23, 2024
ACTION:
INFORMATION:

**APPROVE CONTRACT WITH
REACH OUT WEST END
FOR COMMUNITY HEALTH WORKER TRAINING
FROM OCTOBER 23, 2024 – JUNE 30, 2025
(CONTRACT NO. CF25106)
[\$47,500 – PROP 10 FUNDS]**

SUMMARY OF REQUEST

Approve contract with Reach Out West End (CF25106) for an amount not to exceed \$47,500, effective October 23, 2024 – June 30, 2025, for Community Health Worker (CHW) Training.

BACKGROUND

Reach Out West End will provide comprehensive CHW training for First 5 Riverside County's (F5RC) Family Resource Center staff (FRC) and partner agency staff. This training will allow attendees to master the competencies necessary to bridge the health and human services systems to address health disparities and social determinants of health, which collectively influence the health outcomes of the population.

Trained staff will support families by providing linkages to prevention services and direct support to families. The FRCs are embedded in communities and operate at the neighborhood level to support families where they live and gather. By leveraging existing relationships and partnerships, FRCs and community-based organizations will serve families and connect them to a wide range of services and supports.

RECOMMENDED ACTION

That the Commission:

1. Approve Contract No. CF25106 with Reach Out West End for an amount not to exceed \$47,500, effective October 23, 2024 – June 30, 2025, and authorize the Executive Director to sign the Contract on behalf of the Commission, subject to County Counsel approval as to form, and
2. Authorize the Executive Director, based on the availability of fiscal funding and as approved by County Counsel to sign amendments that exercise the options of Contract No. CF25106, on behalf of the Commission including modifications of the statement of

work that stay within the intent of said contract without requiring further action from the Commission.

BUDGET IMPACT

Adequate appropriation has been included in the approved FY 24/25 budget to support funding for this initiative (938001-25800-92975-525440-FRCMATCH).

STRATEGIC PLAN RELEVANCE

Goal Area 3 - Resilient Families (92975)

POTENTIAL CONFLICTS OF INTEREST

None known.

ATTACHMENTS

1. 24-31 CF25106-REACH OUT-CHW TRAINING

CONTRACT FOR PROFESSIONAL SERVICES
Contract No. CF25106
Riverside County Children and Families Commission
and
Reach Out West End

This Contract for Professional Services is made and entered into by and between the Riverside County Children and Families Commission (“RCCFC”) aka First 5 Riverside County (hereinafter the “COMMISSION” or “COUNTY”) and Reach Out West End (“CONTRACTOR”). The parties hereto mutually agree as provided herein, including Attachments attached hereto and incorporated herein by reference.

1. **PROJECT**: CONTRACTOR shall perform services for the COMMISSION as stated in Attachments A and B and incorporated into this contract. CONTRACTOR shall perform these services in a complete, skillful and professional manner. CONTRACTOR shall not provide any services which shall cause COMMISSION to incur additional costs beyond those stated in this Contract without the proper advance written consent of COMMISSION.
2. **TIME FOR PERFORMANCE**: The project shall begin on 10/23/2024 and shall be completed on or before 06/30/2025, or at such other time as is mutually agreed upon in writing by COMMISSION and CONTRACTOR as provided herein.
3. **COMPENSATION**: The total amount of compensation to be paid to CONTRACTOR for the services to be provided pursuant to this contract (including any and all costs incurred by CONTRACTOR) shall not exceed FORTY-SEVEN THOUSAND FIVE HUNDRED (\$47,500) dollars for this contract.
4. **TERMINATION**: This contract may be terminated by CONTRACTOR or COMMISSION, for no cause, with a thirty (30) days written notice to the other party, as provided herein. In addition, it is mutually agreed and understood that the obligation of COMMISSION is limited and contingent upon the availability of Proposition 10 funds for payment to CONTRACTOR; and that this contract may be immediately terminated by COMMISSION if funds are no longer available. In the event COMMISSION abandons or postpones the project, or terminates the project for lack of funds, then COMMISSION shall make payment for all services provided by CONTRACTOR to the date of written notice of termination.
5. **LICENSES: COMPLIANCE WITH LAWS**: CONTRACTOR, including its employees and agents, shall maintain all licenses required by law or regulation while performing services under this contract. CONTRACTOR shall at all times comply with all laws and regulations applicable to the services provided pursuant to this contract.
6. **CONFIDENTIALITY**: CONTRACTOR shall maintain the confidentiality of information, including protection of names and other identifying information from unauthorized disclosure, except for statistical information which shall not identify any individual person and which shall be used only for carrying out the obligation of CONTRACTOR under this contract. CONTRACTOR shall not disclose any information, except as specifically permitted by this contract. CONTRACTOR shall observe all Federal, State, County and COMMISSION regulations concerning confidentiality of records.
7. **CONFLICT OF INTEREST**: The parties hereto and their respective employees or agents shall have no interest, and shall not acquire any interest, direct or indirect, which will conflict in any manner or degree with the performance of services required under this contract.
8. **WORK PRODUCT**: All reports, preliminary findings or data assembled or compiled by CONTRACTOR under this Contract shall become the property of COMMISSION. COMMISSION reserves the right to authorize others to use or reproduce such materials.

Therefore, such materials may not be circulated in whole or in part, nor released to the public, without prior, written authorization from the COMMISSION.

9. **ADMINISTRATION**: The Executive Director of COMMISSION (or designee) shall administer this contract on behalf of COMMISSION.
10. **RECORDS AND REPORTS**: CONTRACTOR shall maintain accurate and complete financial and performance records for a minimum of two (2) years from the date of final payment under this contract, or until any relative County, State, and/or Federal audits of which Contractor is made aware of are completed, whichever is later, and shall maintain such records locally, to be made available for inspection by Contractor upon reasonable request.
11. **INSURANCE**: Without limiting or diminishing the CONTRACTOR'S obligation to indemnify or hold the COUNTY harmless, CONTRACTOR shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage during the term of this Contract. As respects to the insurance section only, the COUNTY herein refers to the COUNTY, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives.

A. Workers' Compensation:

If the CONTRACTOR has employees as defined by the State of California, the CONTRACTOR shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of The County of Riverside.

B. Commercial General Liability:

Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of CONTRACTOR'S performance of its obligations hereunder. Policy shall name the COUNTY as Additional Insured. Policy's limit of liability shall not be less than \$2,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Contract or be no less than two (2) times the occurrence limit.

C. Vehicle Liability:

If vehicles or mobile equipment are used in the performance of the obligations under this Contract, then CONTRACTOR shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Contract or be no less than two (2) times the occurrence limit. Policy shall name the COUNTY as an Additional Insured.

D. General Insurance Provisions - All lines:

- 1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.

- 2) The CONTRACTOR must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds \$500,000 per occurrence each such retention shall have the prior written consent of the County Risk Manager before the commencement of operations under this Contract. Upon notification of self-insured retention unacceptable to the COUNTY, and at the election of the County's Risk Manager, CONTRACTOR'S carriers shall either 1) reduce or eliminate such self-insured retention as respects this Contract with the COUNTY, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.
 - 3) CONTRACTOR shall furnish the COUNTY with 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the County Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the COUNTY prior to any material modification, cancellation, expiration, or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Contract shall terminate forthwith, unless the COUNTY receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverages set forth herein and the insurance required herein is in full force and effect. *CONTRACTOR shall not commence operations until the COUNTY has been furnished original Certificate (s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.*
 - 4) It is understood and agreed to by the parties hereto that the CONTRACTOR'S insurance shall be construed as primary insurance, and the COUNTY'S insurance and/or deductibles and/or self-insured retentions or self-insured programs shall not be construed as contributory.
 - 5) If, during the term of this Contract or any extension thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of work; or, the term of this Contract, including any extensions thereof, exceeds five (5) years; the COUNTY reserves the right to adjust the types of insurance and the monetary limits of liability required under this Contract, if in the County Risk Manager's reasonable judgment, the amount or type of insurance carried by the CONTRACTOR has become inadequate.
 - 6) CONTRACTOR shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Contract.
 - 7) The insurance requirements contained in this Contract may be met with a program(s) of self-insurance acceptable to the COUNTY.
 - 8) CONTRACTOR agrees to notify COUNTY of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Contract.
12. **INDEPENDENT CONTRACTOR:** CONTRACTOR and its employees and agents shall act at all times in an independent capacity with regard to performance of services rendered

pursuant to this contract; and CONTRACTOR shall not act as, shall not be, and shall not in any manner be construed to be, agents, officers or employees of COMMISSION and/or of the COUNTY. There shall be no employer-employee relationship between COMMISSION and CONTRACTOR, or between the COUNTY and CONTRACTOR; and CONTRACTOR and its employees and agents shall not be entitled to any benefits payable to the COMMISSION employees. CONTRACTOR is responsible for payment and deduction of all employment-related taxes on CONTRACTOR's behalf and for CONTRACTOR's employees, including but not limited to all federal and state income taxes and withholdings. COMMISSION shall not be required to make any deductions from compensation payable to CONTRACTOR for these purposes. CONTRACTOR shall indemnify COMMISSION, and/or COUNTY against any and all claims that may be made against COMMISSION, and/or COUNTY based upon any contention by a third party that an employer-employee relationship exists by reason of this contract; and CONTRACTOR shall indemnify COMMISSION for any and all federal or state withholding or retirement payments which COMMISSION may be required to make pursuant to federal or state law.

13. **INDEMNIFICATION AND HOLD HARMLESS:** CONTRACTOR shall indemnify and hold harmless COMMISSION, the COUNTY, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as "Indemnitees" or "COUNTY") from any liability whatsoever, based or asserted upon any services of CONTRACTOR, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Contract, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever arising from the performance of CONTRACTOR, its officers, employees, subcontractors, agents or representatives Indemnitors from this Contract. CONTRACTOR shall defend, at its sole expense, all costs and fees including, but not limited, to attorney fees, cost of investigation, defense and settlements or awards, the Indemnitees in any claim or action based upon such alleged acts or omissions.

With respect to any action or claim subject to indemnification herein by CONTRACTOR, CONTRACTOR shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of COUNTY; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes CONTRACTOR'S indemnification to Indemnitees as set forth herein.

CONTRACTOR'S obligation hereunder shall be satisfied when CONTRACTOR has provided to COUNTY the appropriate form of dismissal relieving COUNTY from any liability for the action or claim involved.

The specified insurance limits required in this Contract shall in no way limit or circumscribe CONTRACTOR'S obligations to indemnify and hold harmless the Indemnitees herein from third party claims.

In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve the CONTRACTOR from indemnifying the Indemnitees to the fullest extent allowed by law.

- A. Where CONTRACTOR is a public entity, as defined by applicable law, the COMMISSION and CONTRACTOR, to the extent that liability may be imposed on the COMMISSION by the provisions of Government Code Section 895.2, shall be liable for their own acts or omissions, including all claims, liabilities, injuries, suits, and demands and expenses of all kinds which may result or arise out of any alleged malfeasance or neglect, caused or

alleged to have been caused by either the COMMISSION or CONTRACTOR, their employees or representatives, performance or omission of any act or responsibility of either party under this Contract. In the event that a claim is made against both the COMMISSION and CONTRACTOR, both parties shall cooperate in the defense of said claim and to cause their insurers to do likewise.

- B. CONTRACTOR agrees to indemnify the COMMISSION for all federal/state withholding or state retirement payments, which the COMMISSION may be required to make by the federal or state government as a result of this Contract. If for any reason, CONTRACTOR is determined not to be an independent contractor to the COMMISSION in carrying out the terms of the Contract, such indemnification shall be paid in full to the COMMISSION upon sixty (60) calendar days written notice to CONTRACTOR if a federal and/or state determination is made that such payment is required.
14. **NONDISCRIMINATION:** The CONTRACTOR shall not discriminate in the provision of its services, recruiting, hiring, promotion, demotion or termination practices on the basis of ethnic group identification, race, religious creed, color, ancestry, national origin, sexual preference, sex, marital status, medical condition, or physical or mental handicap, and shall comply with all other requirements of law regarding nondiscrimination and affirmative action.
15. **NOTICES:** All correspondence and notices required or produced by this contract shall be delivered to the respective parties at the addresses set forth below, and are deemed submitted one (1) day after their deposit in the United States mail, postage prepaid:

COMMISSION:

Tammi Graham
Executive Director
First 5 Riverside County
585 Technology Court
Riverside, CA 92507

CONTRACTOR:

Diana Fox
Executive Director
1126 West Foothill Boulevard Suite 250
Upland, CA 91786

or to such other address as may be designated by the respective parties.

16. **GOVERNING LAW AND VENUE:** This contract is to be construed under the laws of the State of California. The parties agree to the jurisdiction and venue of the appropriate courts in the COUNTY, State of California. Should action be brought to enforce or interpret the provisions of this contract, the prevailing party shall be entitled to attorney's fees in addition to whatever other relief is granted. The provisions of the Government Claims Act (Government Code section 900, et seq.) must be followed first for any disputes under this contract.
17. **ASSIGNMENT:** Neither this contract nor any part thereof shall be assigned by CONTRACTOR without the prior written consent of COMMISSION.
18. **WAIVER:** Any waiver by COMMISSION of any one or more of the terms of this contract shall not be construed to be a waiver of any subsequent breach of the same or of any other term of this contract.
19. **ALTERATION AND/OR AMENDMENT:** No alteration or variation in the terms of this contract shall be valid unless made in writing and signed by both parties; and no oral understanding or Contract not incorporated herein by specific reference shall be binding on the parties. The terms contained in this contract shall represent the entire contract between the parties with respect to the services to be provided by CONTRACTOR.
20. **SEVERABILITY:** In the event any provision in this contract is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force and effect without being impaired or invalidated in any way.

21. **DISALLOWANCE**: In the event CONTRACTOR receives payment for services under this contract which are later disallowed for nonconformance with the terms and conditions herein, CONTRACTOR shall promptly refund the disallowed amount to COMMISSION upon written request. COMMISSION retains the option to offset the amount disallowed from any payment due to CONTRACTOR under this contract, or under any other contract or agreement between CONTRACTOR and COMMISSION.
22. **CERTIFICATION OF AUTHORITY TO EXECUTE CONTRACT**: CONTRACTOR certifies that the individual signing below has authority to execute this contract on behalf of CONTRACTOR, and may legally bind CONTRACTOR to the terms and conditions of this contract, including Attachments A and B.
23. **COUNTERPARTS**: This Contract may be executed in any number of counterparts, each of which will be an original, but all of which together will constitute one instrument. Each party of this Contract agrees to the use of electronic signatures, such as digital signatures that meet the requirements of the California Uniform Electronic Transactions Act ("CUETA") Cal. Civ. Code §§ 1633.1 to 1633.17), for executing this Contract. The parties further agree that the electronic signatures of the parties included in this Contract are intended to authenticate this writing and to have the same force and effect as manual signatures. Electronic signature means an electronic sound, symbol, or process attached to or logically associated with an electronic record and executed or adopted by a person with the intent to sign the electronic record pursuant to the CUETA as amended from time to time. The CUETA authorizes use of an electronic signature for transactions and contracts among parties in California, including a government agency. Digital signature means an electronic identifier, created by computer, intended by the party using it to have the same force and effect as the use of a manual signature, and shall be reasonably relied upon by the parties. For purposes of this section, a digital signature is a type of "electronic signature" as defined in subdivision (i) of Section 1633.2 of the Civil Code.

Signature Page Follows

IN WITNESS, WHEREOF, the parties hereto have caused their duly authorized representative to execute this contract.

| Authorized Signature for COMMISSION: | Authorized Signature for CONTRACTOR: |
|---|--|
| | |
| Tammi Graham, Executive Director | Diana Fox, Executive Director and Authorized Signatory |
| Date Signed: | Date Signed: |
| 585 Technology Court Riverside, CA 92507-2423 | 1126 West Foothill Boulevard Suite 250 Upland, CA 91786 |
| APPROVED AS TO FORM SIGNATURE:  | |
| Kristine Bell-Valdez Supervising Deputy County Counsel | |
| Date Signed: 10/8/24 | |
| ATTEST SIGNATURE: | |
| Lynn M. Stephens Executive Assistant IV | |
| Date Signed: | |

ATTACHMENT A: SCOPE OF SERVICE

Contractor: Reach Out West End
Program: Community Health Worker Training
Contract #: CF25106
Term: 10/23/2024 – 06/30/2025

CONTRACTOR shall, under the direction of the Executive Director of the Riverside County Children and Families Commission, or designee, provide services in accordance with, but not limited to, the specifications and scope of work identified in this Attachment A, incorporated herein by reference.

Training Overview:

CONTRACTOR will provide the comprehensive Community Health Worker (CHW) training for First 5 Riverside County's (F5RC) staff and, may include attendees from F5RC partner agencies. This training will allow attendees to master the competencies necessary to bridge between the healthcare system and the community, in an effort to address health disparities and social determinants of health, which collectively influence the health outcomes of the population.

Staff who complete CHW training have the ability to support families from broader population groups by increasing and expanding resources, and by providing linkages to prevention services and direct support to F5RC families. The FRCs and Community Hubs are embedded in communities and operate at the neighborhood level to support families where they live and gather. By leveraging existing relationships and partnerships, FRCs and Community-Based Organizations will serve families and connect them to a wide range of services and supports.

Scope of Work Details:

CONTRACTOR shall conduct trainings that address these competencies

Students who successfully complete this training will have the following skillsets:

Communication

- Ability to use language confidently and in ways that engage and motivate
- Ability to communicate using plain and clear language
- Ability to communicate with empathy and to listen actively
- Ability to prepare written communication including electronic communication (e.g. email, telecommunication devices for the deaf)
- Ability to document work
- Ability to communicate with the community served (may not be fluent in language of all community members)

Interpersonal and Relationship-Building Skills

- Ability to provide coaching and social support and to conduct self-management coaching
- Ability to use interviewing techniques (e.g. motivational interviewing)
- Ability to work as a team member and to manage conflict
- Ability to practice cultural humility

Service Coordination and Navigation Skills

- Ability to coordinate care (including identifying and accessing resources and overcoming barriers)
- Ability to make appropriate referrals

- Ability to facilitate development of an individual and/or group action plan and goal development
- Ability to coordinate CHW activities with clinical and other community services
- Ability to follow-up and track care and referral outcome

Capacity Building Skills

- Ability to help others identify goals and develop to their fullest potential
- Ability to work in ways that increase individual and community empowerment
- Ability to network, build community connections, and build coalitions
- Ability to teach self-advocacy skills and to conduct community organizing.

Advocacy Skills

- Ability to contribute to policy development and to advocate for policy change
- Ability to speak up for individuals and communities

Education and Facilitation Skills

- Ability to use empowering and learner-centered teaching strategies
- Ability to use a range of appropriate and effective educational techniques
- Ability to Facilitate group discussions, and decision-making
- Ability to plan and conduct classes and presentations for a variety of groups
- Ability to seek out appropriate information and respond to questions about pertinent topics
- Ability to find and share requested information
- Ability to collaborate with other educators
- Ability to collect and use information from and with community members

Individual and Community Assessment Skills

- Ability to participate in individual and community assessment through observation and active inquiry.

Outreach Skills

- Ability to conduct case-finding, recruitment and follow-up
- Ability to prepare and disseminate materials and maintain a current resource inventory

Evaluation and Research Skills

- Ability to identify important concerns and conduct evaluation and research to better understand root cause
- Ability to apply the evidence-based practice of Community Based Participatory Research (CBPR) and Participatory Action Research (PAR)
- Ability to participate in evaluation and research processes, including:
 - Identifying priority issues and evaluation/ research questions, developing evaluation/ research design and methods, data collection and interpretation, sharing results and findings
 - Engaging stakeholders to take action on findings

Professional Skills and Conduct

- Ability to set goals and to develop and follow a work plan
- Ability to balance priorities and to manage time

- Ability to apply critical thinking techniques, and problem solving
- Ability to use pertinent technology
- Ability to maximize personal safety while working in a community and /or clinical setting
- Ability to observe ethical and legal standards (e.g., CHW Code of Ethics, Americans with Disabilities Act [ADA], Health Insurance Portability and Accountability Act [HIPAA])
- Ability to identify situations calling for mandatory reporting and carry out mandatory reporting requirements
- Ability to participate in professional development of peer CHWs and in networking among CHW groups
- Ability to set boundaries and practice self-care

Health Knowledge Base/Foundation

- Understand and identify Public Health Principles
- Understand and describe Health Behavior Theories
- Define and identify SDOH in society and health settings and related disparities
- Understand Pertinent Health Issues, specifically COVID & Trauma
- Understand and identify Healthy Lifestyle and Self Care
- Knowledge of mental health, impacts, and challenges and connection to physical health

CONTRACTOR shall meet the following milestones:

- 80 hours of instructional time, in-person, virtual, or a hybrid option as determined by the COMMISSION, in a CHW training program that meets all requirements as set forth by the State of California to be able to bill staff time to Medi-Cal.
- As determined by the COMMISSION the CONTRACTOR will either integrate COMMISSION staff into scheduled cohorts, or will open a separate cohort to meet the needs of the COMMISSION.
- Provide a comprehensive textbook to each participant.
- Coordinate and verify 40 hours of field experience is met through the course of the trainee's normal work duties at the Family Resource Center to be fully compliant with all requirements as set forth by the State of California to be able to bill staff time to Medi-Cal.
- For all trainee's compliant with the requirements above, provide CHW Certification from Pacific Empire College (California State Bureau for Private and Post-Secondary Education – BPPE Institution Code 18431375)

ATTACHMENT B: PAYMENT PROVISIONS

CONTRACTOR shall be compensated for services rendered pursuant to this contract as follows. Total payments shall not exceed FORTY-SEVEN THOUSAND FIVE HUNDRED (\$47,500) dollars for this contract.

- A. **Fee:** COMMISSION shall reimburse CONTRACTOR, upon submission by CONTRACTOR, of an acceptable invoice for actual expenses incurred under the terms of this contract. Payment shall be due to CONTRACTOR within thirty (30) days of COMMISSION’s receipt of the invoice.
 - 1. Payment shall be made in accordance with satisfactory completion of the Milestones above and upon receipt of an acceptable invoice to include:
 - a. CONTRACTOR’s name,
 - b. CONTRACTOR’s address,
 - c. Contract number,
 - d. Assigned invoice number,
 - e. Supporting documents (if applicable), and
 - f. Payment amount due.

| FISCAL YEAR 2024-2025 | | | | |
|-----------------------|------------------------|---------------|-----------|-----------------|
| Category | Description | Unit Quantity | Unit Cost | Amount |
| Operational Expenses | Training/certification | 19 | \$2,500 | \$47,500 |
| TOTAL: | | | | \$47,500 |

E. Presentations/Action - Zachary Ginder, Commission Chair

- E.1.24-32:** Ratify and Approve First Amendment to Memorandum of Understanding (MOU) with Riverside University Health Systems - Public Health for Shared Space from April 18, 2022 – June 30, 2026 **(MOU NO. 23-069) [\$500,000 - DPSS FUNDS]**



AGENDA ITEM: 24-32
DATE OF MEETING: October 23, 2024
ACTION:
INFORMATION:

**RATIFY AND APPROVE FIRST AMENDMENT TO
MEMORANDUM OF UNDERSTANDING (MOU) WITH
RIVERSIDE UNIVERSITY HEALTH SYSTEMS – PUBLIC HEALTH
FOR SHARED SPACE
FROM APRIL 18, 2022 – JUNE 30, 2026
(MOU NO. 23-069)
[\$500,000 - DPSS FUNDS]**

SUMMARY OF REQUEST

Ratify and approve the First Amendment to the Memorandum of Understanding (MOU) with Riverside University Health Systems – Public Health (RUHS-PH) for shared space, site modifications, and operational costs for an amount not to exceed \$500,000, effective April 18, 2022 – June 30, 2026 (MOU 23-069). Approval of this amendment includes shared space and operating costs for three (3) Family Resource Centers co-located within Women Infant & Children (WIC) sites in the Desert Hot Springs, Temecula, and Jurupa Valley.

BACKGROUND

In April 2022, the Desert Hot Springs Family Resource Center was relocated from a private lease location to shared space within the WIC building in Desert Hot Springs. MOU 23-069 was entered into for First 5 Riverside County (F5RC) to share in the operational costs at the site by reimbursing RUHS-PH.

On April 19, 2023, an Integrated Service Delivery pilot was launched in Jurupa Valley to include a Family Resource Center co-locating multiple county departments, within WIC, adjacent to the Jurupa Valley Community Health Center.

On April 27, 2024, a second ISD pilot was launched in Temecula inclusive of multiple county departments and First 5, each department sharing space with WIC to support community needs.

RECOMMENDED ACTION

That the Commission:

1. Ratify and Approve Amendment No. 1 to the Memorandum of Understanding (MOU) No. 23-069 with RUHS-PH for an amount not to exceed \$500,000 for the period of April 18, 2022 through June 30, 2026, and authorize the Executive Director to sign the Amendment on behalf of the Commission, subject to County Counsel as to form, and
2. Authorize the Executive Director, based on the availability of fiscal funding and as approved by County Counsel to sign amendments that exercise the options of the executed MOU, including modifications of the statement of work that stay within the intent of said MOU without requiring further action from the Commission.

BUDGET IMPACT

Adequate appropriation has been included in the FY 24/25 budget (938001-25800-92975-526720 – DPSS funds) and additional appropriation will be included in subsequent budget reports.

STRATEGIC PLAN RELEVANCE

Goal Area 3 - Resilient Families (92960)

POTENTIAL CONFLICTS OF INTEREST

1. Commissioner Kimberly Saruwatari, RUHS-PH Executive Director
2. Commissioner Charity Douglas, Riverside County DPSS Executive Director

ATTACHMENTS

1. 23-069 RUHS-PH-MOU SPACE AGREEMENT FRC

RIVERSIDE COUNTY CHILDREN AND FAMILIES COMMISSION,
A.K.A FIRST 5 RIVERSIDE COUNTY
AMENDMENT No. 1 TO MEMORANDUM OF UNDERSTANDING 23-069 WITH
RIVERSIDE UNIVERSITY HEALTH SYSTEM-PUBLIC HEALTH

AGREEMENT: 23-069
PERIOD OF PERFORMANCE: April 18, 2022 through June 30, 2026
EFFECTIVE DATE OF AMENDMENT: July 1, 2023
AMENDED ANNUAL MAXIMUM REIMBURSABLE AMOUNT: \$ 172,828
MAXIMUM AGGREGATE REIMBURSABLE AMOUNT: \$ 500,000

This Amendment No. 1 to the Memorandum of Understanding 23-069 is made by and between the Riverside County Children and Families Commission (Hereinafter RCCFC, F5RC or Contractor), and Riverside University Health System-Public Health (hereinafter RUHS-PH).

WHEREAS, the County of Riverside (“County”) for RUHS-PH entered into that certain lease (“Original Lease”) with F5RC for premises located at 14-320 Palm Drive, Desert Hot Springs, CA 92240, effective as of April 18, 2022 (“Original MOU”).

WHEREAS, the Original MOU expired on June 30, 2024 (“Prior Expiration”) and the parties have continued to perform and abide by their respective obligations under the Original MOU terms and conditions; and

WHEREAS, the parties mutually agree to continue performing under the terms of the MOU as set forth herein; and

WHEREAS, F5RC and RUHS-PH desire to ratify, amend certain terms, increase the maximum reimbursable amount, add additional premises, extend the period of performance, update Attachment A and Attachment B, and add mandated reporting and electronic signatures language.

NOW THEREFORE, in consideration of their mutual covenants, F5RC and RUHS-PH agree to amend the MOU according to the terms and in the manner set forth herein:

- 1. Recitals.** The recitals set forth above are true and correct and incorporated herein by this reference.
- 2. Ratification.** The Parties hereby acknowledge and agree that this Amendment No. 1 shall be effective as of July 1, 2023 and all terms and conditions of the Original MOU herein are ratified and confirmed as of such date. The parties further agree that any actions taken pursuant to this Amendment No. 1 between the Effective Date and the date of Prior Expiration shall be deemed to have been taken pursuant to the terms and conditions of the Original MOU as amended herein.

3. Section 1.0, "PURPOSE", to read as follows:

"This Memorandum of Understanding ("MOU") is made and entered into by and between RUHS-PH and F5RC both agencies of COUNTY OF RIVERSIDE, a political subdivision of the State of California, enter into this Memorandum of Understanding (MOU) to provide the mechanism and define the roles and responsibilities for F5RC to occupy space at the locations identified in Attachment A (Premises). RUHS-PH and F5RC are collectively referred to as the "Parties" and individually as the "Party".

RUHS-PH and F5RC agree to the roles, responsibilities, and accompanying terms and conditions as outlined in this MOU."

4. Amend Section 2.0, "SCOPE", delete in its entirety and replace with the following to read as:

- 2.1 F5RC shall share space and costs with RUHS-PH the following dedicated square footage of the RUHS-PH's premises in accordance with **Attachment A**.
 - 2.1.1 Up to 806.53 dedicated square footage (sq ft) at the Desert Hot Springs WIC location, 14320 Palm Drive, Desert Hot Springs, CA 92240
 - 2.1.2 Up to 397.09 dedicated sq ft at the Jurupa WIC location, 8876 Mission Blvd, Jurupa Valley, CA 92509
 - 2.1.2 Up to 237.47 dedicated sq ft at the Temecula WIC location, 41002 County center, Bldg. B, Temecula, CA 92591

5. Amend Section 3.0, "TERM", delete in its entirety and replace with the following to read as:

- 3.1 This Amendment shall be retroactively effective beginning July 1, 2023 and continuing through June 30, 2026, unless earlier terminated in accordance with Section 5.0.
- 3.2 Any holding over by First 5 after the expiration of said term shall be deemed a month-to-month tenancy upon the same terms and conditions of this MOU.

6. Amend Section 8.0, "COMPENSATION", delete in its entirety and replace with the following to read as:

- 8.1 F5RC shall pay to RUHS-PH a percentage allocation of operating expenses based on total square footage occupied in accordance with Attachment A, and Attachment B for operating costs. Operating expenses include utilities, janitorial and maintenance, and security guard services.
- 8.2 RUHS-PH will be reimbursed monthly by F5RC via Journal Entry. RUHS-PH shall provide F5RC with a specification and backup documentation detailing the reimbursable amount on a monthly basis.
- 8.3 F5RC shall reimburse RUHS-PH for certain small improvement costs as necessary from time to time and included in the Maximum Reimbursable amount.
- 8.4 Beyond the stated costs, no Party to this MOU shall be obligated to pay any monetary compensation to the other to lease the facility.
- 8.5 The operating costs based on actuals for each County Fiscal Year and are approximately \$172,828 a year.

7. Replace ATTACHMENT A, Floor Space Allocation.

Attachment A, Floor Space Allocation is deleted in its entirety and replaced with Attachment A, Space Plan and Square footage Breakdown, attached hereto and incorporated herein by this reference.

8. Amend ATTACHMENT B, Operating Costs.

Attachment B, operating costs, is hereby updated to add a budget table, attached hereto and incorporated by this reference.

9. Section 9.0 “NOTICES”, is added to read as follows and renumber subsequent sections accordingly:

All notices, statistical reports, correspondence, and/or statements authorized or required by this MOU shall be addressed as follows:

| | |
|----------------|--|
| RUHS-PH | Riverside University Health System – Public Health Procurement and Logistics - Contracts Unit 4065 County Circle Drive, Suite 403 Riverside, CA 92503 |
|----------------|--|

| | |
|---------------------------------|---|
| First 5 Riverside County | Riverside County Children & Families Commission (a.k.a. First 5 Riverside County) 585 Technology Ct. Riverside, CA 92507 |
|---------------------------------|---|

All notices shall be deemed effective when they are in writing and deposited in the United States mail, postage prepaid, and addressed as indicated above. Any notices, correspondence, reports, and/or statements authorized or required by this MOU addressed in any other fashion will not be acceptable, except invoices and other financial documents, which must be addressed to:

| | |
|----------------|---|
| RUHS-PH | Riverside University Health System – Public Health Fiscal Services P.O. Box 7849 Riverside, CA 92513 or rivcoph-ap@ruhealth.org |
|----------------|---|

10. Section 10.0 “GENERAL”, Subsection 10.0.1 “MANDATED REPORTING”, is added to read as follows and renumber subsequent sections accordingly:

“California law requires certain persons to report known or suspected domestic violence, child abuse or neglect, and dependent adult/elder abuse or fraud. These individuals are known under the law as “mandated reporters.” If F5RC is a “mandated reporter” in the state of California, F5RC understands and acknowledges his/her responsibility to report known or suspected domestic violence, child abuse or neglect, and dependent adult/elder abuse or fraud in compliance with the applicable requirements under Penal Code Sections 11160-11164; 11165 -11174.3 or Welfare & Institutions Code Sections 15600 et seq, respectively.

Also, as a “mandated reporter”, F5RC shall establish a procedure to ensure that all employees, volunteers, consultants, subF5RCs or agents performing services under this Agreement receive training in the identification and reporting of domestic violence, child

abuse or neglect, and/or dependent adult/elder abuse or fraud. The training must comply with the applicable Penal Code & Welfare Institutions Code sections”.

- 11. Section 11.0 “GENERAL”, Subsection 11.0.1 “SIGNED IN COUNTERPARTS”** is added to read as follows and renumber subsequent sections accordingly:

“This MOU may be executed in any number of counterparts, each of which when executed shall constitute a duplicate original, but all counterparts together shall constitute a single MOU”.

- 12. Section 12.0 “GENERAL”, Subsection 12.0.1 “ELECTRONIC SIGNATURES”** is added to read as follows and renumber subsequent sections accordingly:

“Each party of this MOU agrees to the use of electronic signatures, such as digital signatures that meet the requirements of the California Uniform Electronic Transactions Act (“CUETA”) Cal. Civ. Code §§ 1633.1 to 1633.17), for executing this MOU. The parties further agree that the electronic signature(s) included herein are intended to authenticate this writing and to have the same force and effect as manual signatures. Electronic signature means an electronic sound, symbol, or process attached to or logically associated with an electronic record and executed or adopted by a person with the intent to sign the electronic record pursuant to the CUETA as amended from time to time. Digital signature means an electronic identifier, created by computer, intended by the party using it to have the same force and effect as the use of a manual signature, and shall be reasonably relied upon by the parties. For purposes of this section, a digital signature is a type of "electronic signature" as defined in subdivision (i) of Section 1633.2 of the Civil Code”

- 13. Miscellaneous.** All other terms and conditions of the MOU not modified herein shall remain unchanged and in full force and effect.

- 14. Effective Date.** This Amendment No. 1 to the Original MOU 23-069, is effective as of July 1, 2023.


Signature page follows

IN WITNESS WHEREOF, the undersigned authorized representatives of the parties have executed this Amendment No. 1 to the Original MOU 23-069.

| | |
|---|--|
| Authorized Signature for Riverside County Children and Families Commission (a.k.a. First 5 Riverside County) | Authorized Signature for Riverside University Health System-Public Health (RUHS-PH) |
| Printed Name of Person Signing: Tammi Graham | Printed Name of Person Signing: Kimberly Saruwatari |
| Title: Executive Director | Title: Director, RUHS-PH |
| Address: 585 Technology Ct. Riverside, CA 92507 | Address: 4065 County Circle Drive Riverside, CA 92503 |
| Date Signed: | Date Signed: |

Approval as to Form

Kristine Bell-Valdez
 County Counsel

By: 

 Kristine Bell-Valdez
 Supervising Deputy County Counsel

Date: 10/8/24

Approval as to Form

Katherine Wilkins
 County Counsel

By: _____
 Katherine Wilkins
 Supervising Deputy County Counsel

Date: _____

**ATTACHMENT A
 SPACE PLAN & SQUARE FOOTAGE BREAKDOWN**

1. Desert Hot Springs (DH1705) Effective July 1, 2024

| | Dedicated SF | % Dedicated SF | Common SF Allocation | Dept. Grand Total SF |
|----------------|---------------|----------------|----------------------|----------------------|
| WIC | 590.42 | 32.99% | 895.58 | 1486.00 |
| CAP | 392.59 | 21.94% | 595.50 | 988.09 |
| First 5 | 806.53 | 45.07% | 1223.38 | 2029.91 |
| Total | 1789.54 | 100.00% | 2714.46 | 4504.00 |
| Common | 2714.46 | | | |

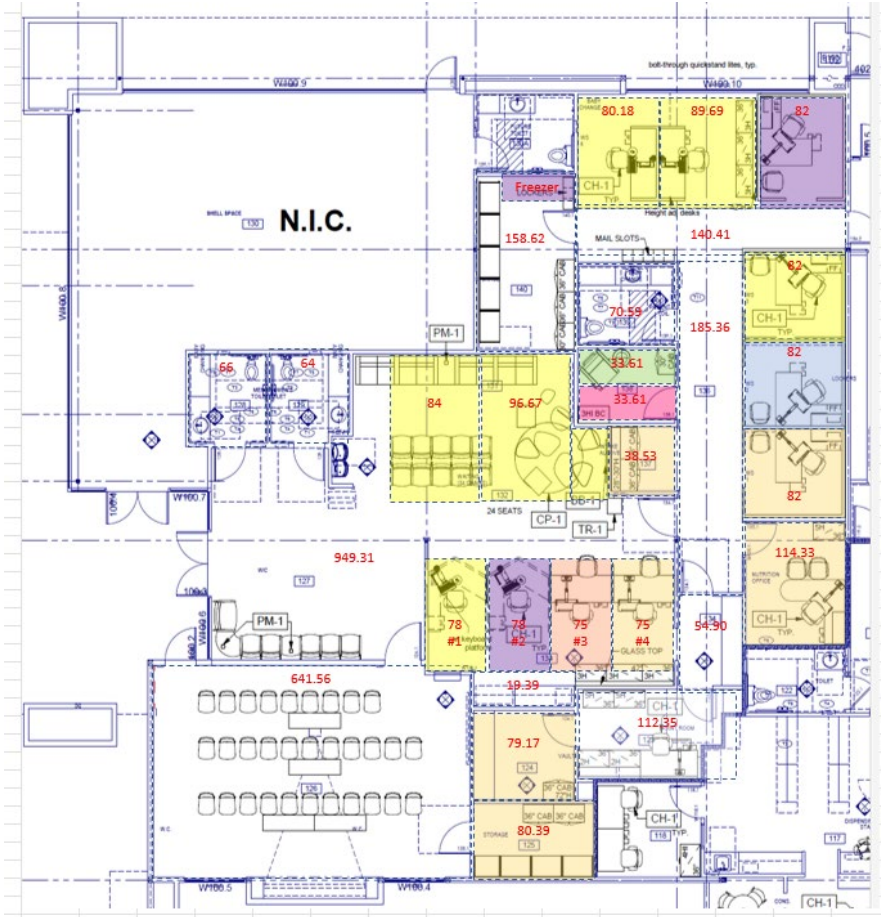
| WIC | CAP | F5 | Common |
|--------|--------|--------|---------|
| 590.42 | 392.59 | 806.53 | 2714.46 |



3. Jurupa (RV084) Effective October 1, 2024

| | Dedicated SF | % Dedicated SF | Common SF Allocation | Dept. Grand Total SF |
|------------------------------|----------------|----------------|----------------------|----------------------|
| WIC | 469.42 | 34.04% | 1095.22 | 1564.64 |
| OOA | 175 | 12.69% | 408.30 | 583.30 |
| First 5 | 510.54 | 37.02% | 1191.16 | 1701.70 |
| CSS | 33.61 | 2.44% | 78.42 | 112.03 |
| CAP | 82 | 5.95% | 191.32 | 273.32 |
| CHW | 75 | 5.44% | 174.99 | 249.99 |
| WFD | 33.61 | 2.44% | 78.42 | 112.03 |
| Total | 1379.18 | 100.00% | 3217.82 | 4597.00 |
| Common Dedicated + Bldg Core | 3217.82 | | | |

| | | | | | | | |
|-------|-----|-----|--------|-----|--------|-------|---------|
| WFD | CHW | CAP | WIC | OOA | F5 | CSS | Common |
| 33.61 | 75 | 82 | 469.42 | 175 | 510.54 | 33.61 | 2266.82 |



4. Temecula (TM1502) Retro effective January 1, 2024

| WIC | OOA | F5 | IMMS | CAP | BH | CSS | Common |
|---------|--------|--------|--------|--------|--------|--------|---------|
| 1629.64 | 246.92 | 237.47 | 438.73 | 195.88 | 117.65 | 100.38 | 3718.33 |

| | Dedicated SF | % Dedicated SF | Common SF Allocation | Dept. Grand Total SF |
|--------------|----------------|----------------|----------------------|----------------------|
| WIC | 1629.64 | 54.93% | 2042.54 | 3672.18 |
| OOA | 246.92 | 8.32% | 309.48 | 556.40 |
| F5 | 237.47 | 8.00% | 297.64 | 535.11 |
| IMMS | 438.73 | 14.79% | 549.89 | 988.62 |
| CAP | 195.88 | 6.60% | 245.51 | 441.39 |
| BH | 117.65 | 3.97% | 147.46 | 265.11 |
| CSS | 100.38 | 3.38% | 125.81 | 226.19 |
| | | | | |
| Total | 2966.67 | 100.00% | 3718.33 | 6685.00 |
| | | | | |
| Common | 3718.33 | | | |



ATTACHMENT B
OPERATING COSTS

COST BREAKDOWN FOR FY23/24

| RIVERSIDE COUNTY CHILDREN & FAMILIES COMMISSION PROJECTED COST BREAKDOWN | | | | | |
|---|-------------------------|--------------------------------|------------------------------|------------------------------|--------------------------|
| Clinic | Yearly Rent Cost | Yearly Maintenance Cost | Yearly Custodial Cost | Yearly Utilities Cost | Total Yearly Cost |
| DHS – JUL - DEC | \$- | \$2,113 | \$1,649 | \$1,238 | \$5,000 |
| DHS – JAN - JUNE | \$- | \$12,561 | \$9,799 | \$7,357 | \$29,717 |
| Jurupa | \$90,035 | \$ - | \$ - | \$1,765 | \$91,800 |
| Temecula – APR - JUNE | \$- | \$2,520 | \$706 | \$- | \$3,226 |
| Total | \$90,035 | \$17,194 | \$12,154 | \$10,360 | \$129,743 |

*Total is rounded to the nearest dollar.

COST BREAKDOWN FOR FY24/25

| RIVERSIDE COUNTY CHILDREN & FAMILIES COMMISSION PROJECTED COST BREAKDOWN | | | | | |
|---|-------------------------|--------------------------------|------------------------------|------------------------------|--------------------------|
| Clinic | Yearly Rent Cost | Yearly Maintenance Cost | Yearly Custodial Cost | Yearly Utilities Cost | Total Yearly Cost |
| DHS | \$- | \$25,122 | \$19,597 | \$14,714 | \$59,433 |
| Jurupa - JULY | \$7,503 | \$- | \$- | \$147 | \$7,650 |
| Jurupa – AUG -SEPT | \$15,306 | \$- | \$- | \$294 | \$15,600 |
| Jurupa – OCT - JUNE | \$71,703 | \$ - | \$ - | \$1,378 | \$73,081 |
| Temecula | \$- | \$10,586 | \$2,967 | \$- | \$13,553 |
| Total | \$94,512 | \$35,708 | \$22,564 | \$16,533 | \$169,317 |

*Total is rounded to the nearest dollar.

COST BREAKDOWN FOR FY25/26

| RIVERSIDE COUNTY CHILDREN & FAMILIES COMMISSION PROJECTED COST BREAKDOWN | | | | | |
|---|-------------------------|--------------------------------|------------------------------|------------------------------|--------------------------|
| Clinic | Yearly Rent Cost | Yearly Maintenance Cost | Yearly Custodial Cost | Yearly Utilities Cost | Total Yearly Cost |
| DHS | \$- | \$25,122 | \$19,597 | \$14,714 | \$59,433 |
| Jurupa - JULY | \$7,967 | \$- | \$- | \$153 | \$8,120 |
| Jurupa - AUG - JUNE | \$89,390 | \$ - | \$ - | \$1,685 | \$91,075 |
| Temecula | \$- | \$11,115 | \$3,115 | \$- | \$14,230 |
| Total | \$97,357 | \$36,237 | \$22,712 | \$16,552 | \$172,858 |

*Total is rounded to the nearest dollar.

E.2.24-33: Approve Home Visitation Investment Request for Qualifications (RFQu) with Community Providers [\$1,562,931 - California Department of Social Services CalWORKs FUNDS]



AGENDA ITEM: 24-33
DATE OF MEETING: October 23, 2024
ACTION:
INFORMATION:

**APPROVE HOME VISITATION INVESTMENT
REQUEST FOR QUALIFICATIONS (RFQu)
WITH COMMUNITY PROVIDERS
[\$1,562,931 – CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
CALWORKS FUNDS]**

SUMMARY OF REQUEST

Approve the development and release of Request for Qualifications (RFQu) for a community home visiting multi-model investment. This investment seeks to expand existing evidence-based home visitation models currently being administered by various service provider organizations in Riverside County utilizing allocated California Department Social Services CalWORKs funding. The RFQu project period will include fiscal years 2024-2025 and 2025-2026, for an investment not to exceed \$1,562,931.

BACKGROUND

On December 13, 2017, the Commission authorized the development and release of RFQu for a community home visitation multi-model investment, ultimately resulting in Prop 10 funded contracts with 6 service provider agencies delivering evidence-based home visiting programs throughout Riverside County. On December 12, 2018, the Commission authorized the integration of CalWORKs funding to expand access to home visiting and create an integrated funding model in Riverside County.

The Maximum Reimbursable Amount CalWORKs allocation from the California Department of Social CalWORKs Home Visiting Program administered by First 5 Riverside County on behalf of the Department of Public Social Services is not fully allocated to contracted provider agencies. This procurement will expand the number of partner agencies in currently underserved high-need communities, and F5RC will be able to allocate and distribute the remaining available CalWORKs dollars, increasing the number of families served with home visiting.

Priority will be given to home visiting programs located within high-need communities to address infant mortality, including infant death due to neglect; premature birth and low birth weight infants or other risks to prenatal, maternal, newborn, or child health; poverty; and child maltreatment.

Home visiting programs will be expected to collaborate at the local, regional, and state levels to support the establishment of a comprehensive and aligned quality early care, education, and family support system that is available to all children and their families in Riverside County.

Home Visiting Models

CalWORKs Home Visiting Program eligible evidence-based home visiting models, including Healthy Families America (HFA), Nurse-Family Partnership (NFP), and Parents as Teachers (PAT) have been shown to have long-term positive impact for participant children and their caregivers. Evidence-based models have found improvements in child development and school performance among children up to age five. Home visiting services are delivered in the home or community setting of participating families. This focus offers the potential for a better assessment and understanding of a family's day-to-day realities. This understanding is critical for home visitors to build relationships, establish goals, and support wellness across multiple domains (e.g. physical health, developmental competence, social and emotional well-being) for infants, young children, and their primary caregivers and families.

Home visiting programs provide a continuum of services to families based on family preferences, needs, strengths, and risk factors. Services provided through home visiting program levels are:

- Flexible and designed to meet the needs of families.
- Inclusive of and responsive to the ethnic, cultural, racial, linguistic, and socioeconomic diversity of families served.

Home visitors partner with families to promote child development and confident parenting by supporting the relationship among the family, home visitor, and the community. Home visiting is a program that holds promise for high-risk families with young children. Initiating this program prenatally and increasing the number of visits improves developmental and health outcomes for children.

Home Visiting Results/Outcomes

Early childhood home visiting empowers parents and caregivers to meet their family's needs and to engage fully in their children's care and growth. The programs produce positive returns on investment for adults and children alike. Key results include the following:

- Evidence-based home visiting has improved outcomes for parents and children across a wide range of child ages, outcome areas, and national models.
- Research has demonstrated that evidence-based home visiting programs, such as PAT, NFP, and HFA have a significant impact on family economic self-sufficiency proving to be cost-effective in the long term.
- The fiscal benefits from evidence-based home visiting come from reduced government program spending and increased individual earnings.

As a two-generation strategy, home visiting has the potential to improve outcomes across a range of domains, such as child health, school readiness, parent economic self-sufficiency, and parenting practices.

RECOMMENDED ACTION

That the Commission:

1. Authorize the Executive Director or designee to issue a Request for Qualifications (RFQu) for additional CalWORKs eligible Home Visiting providers; and
2. Authorize the Executive Director or designee to establish agreements with partner agencies to provide home visiting services to CalWORKs-eligible families.
3. Authorize the Executive Director to execute the necessary contracts, documents, budget adjustments, amendments, and other actions required to implement the procurement on behalf of the Commission after successful selection and negotiations, subject to approval by County Counsel as to form.

BUDGET IMPACT

If necessary, adequate appropriation will be included in future budget adjustments.

STRATEGIC PLAN RELEVANCE

Goal Area 2 - Comprehensive Health & Development (92945)

POTENTIAL CONFLICTS OF INTEREST

1. Vice Chair, Jose Campos, Jurupa Unified School District Director
2. Commissioner Kimberly Saruwatari, Riverside University Health System – Public Health
3. Commissioner Charity Douglas, Department of Public Social Services

E.3.**24-34**: Approve the Third Amendment with Parents as Teachers National Center, Inc. for Home Visiting Agency Training and Certification from September 1, 2023 – June 30, 2026 (**Contract NO. CF24135**) [**\$100,000 - PROP 10 FUNDS**]



AGENDA ITEM: 24-34
DATE OF MEETING: October 23, 2024
ACTION:
INFORMATION:

**APPROVE THE THIRD AMENDMENT WITH
PARENTS AS TEACHERS NATIONAL CENTER, INC.
FOR HOME VISITING AGENCY TRAINING AND CERTIFICATION
FROM SEPTEMBER 1, 2023 – JUNE 30, 2026
(CONTRACT NO. CF24135)
[\$100,000 – PROP 10 FUNDS]**

SUMMARY OF REQUEST

Approve the Third Amendment to Contract No. CF24135 with Parents As Teachers National Center, Inc. for an amount not to exceed \$100,000, effective September 1, 2023 – June 30, 2026. Approval of this amendment increases the project budget from \$50,000 to \$100,000 and extends the project period an additional 18 months from December 30, 2024, through June 30, 2026.

BACKGROUND

First 5 Riverside County (F5RC) contracted home visiting agencies have transitioned to evidence-based home visiting models that are eligible for the CalWORKs Home Visiting Program. Five of the six agencies are implementing programs utilizing the Parents as Teachers (PAT) model. To support this transition F5RC has coordinated and funded the affiliation fees for the implementation of PAT. Additional funding is required for the Affiliate and certification fees to support the PAT program and certification of service providers.

RECOMMENDED ACTION

That the Commission:

1. Approve third amendment to Contract No. CF24135 with Parents as Teachers National Center, Inc. for an amount not to exceed \$100,000 for the project period September 1, 2023 – June 30, 2026 and authorize the Executive Director to sign the contract on behalf of the Commission, subject to County Counsel approval as to form; and
2. Authorize the Executive Director, based on the availability of fiscal funding and as approved by County Counsel to sign amendments that exercise the options of Contract No. CF24135, on behalf of the Commission including modifications of the statement of work that stay within the intent of said contract without requiring further action from the Commission.

BUDGET IMPACT

Adequate appropriation has been included in the approved FY24/25 budget (938001-25800-92945-525440). Adequate appropriation will be included in the FY25/26 proposed budget.

STRATEGIC PLAN RELEVANCE

Goal Area 2 - Comprehensive Health & Development (92945)

POTENTIAL CONFLICTS OF INTEREST

1. Commissioner Kimberly Saruwatari, RUHS-PH Executive Director
2. Vice Chair, Jose Campos, Jurupa Unified School District Director

ATTACHMENTS

1. 24-34 CF24135 A3-PATNC-HVP24 TRAINING-ATTACHMENT

**RIVERSIDE COUNTY CHILDREN AND FAMILIES COMMISSION
CONTRACT FOR INVESTMENT OF FUNDS
THIRD AMENDMENT**

Contractor: Parents As Teachers National Center, Inc.

Contract No.: CF24135

Address: 6 City Place Suite 100
St. Louis, MO 63141

WHEREAS, the Riverside County Children and Families Commission (“Commission”) has entered into a Contract for Investment of Funds (“Contract”) with Parents As Teachers National Center, Inc. (“Contractor”) for the provision of services, and the parties now wish to amend the Contract, to be effective as of **October 23, 2024**.

Now, therefore, the parties agree to amend the Contract as follows:

- A. All references to the Contract term, shall be amended to: **September 01, 2023 - June 30, 2026**.
- B. All references to the maximum reimbursable amount shall be amended from **\$50,000** to: **\$100,000**.
- C. Attachment B, The previous version of the budget has been deleted in its entirety and replaced as outlined in Exhibit B-3. .

All other terms and conditions of the Contract, including prior amendments, shall remain in full force and effect.

Signature Page Follows

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized representative to execute this third Amendment.


| Authorized Signature for COMMISSION: | Authorized Signature for CONTRACTOR: |
|---|---|
| | |
| Tammi Graham Executive Director | Adriann Adams-Gulley Vice President and CFO and Authorized Signatory |
| Date Signed: | Date Signed: |
| 585 Technology Court Riverside, CA 92507-2423 | 6 City Place Suite 100 St. Louis, MO 63141 |
| APPROVED AS TO FORM SIGNATURE:  | |
| Kristine Bell-Valdez Supervising Deputy County Counsel | |
| Date Signed: 10/8/24 | |
| ATTEST SIGNATURE: | |
| Lynn M. Stephens Executive Assistant IV | |
| Date Signed: | |

EXHIBIT B-3: PAYMENT PROVISIONS

CONTRACTOR shall be compensated for services rendered pursuant to this contract as follows. Total payments shall not exceed ONE HUNDRED THOUSAND (\$100,000) dollars for the term of this contract including all expenses.

A. **Fee:** RCCFC shall reimburse CONTRACTOR, upon submission by CONTRACTOR of an acceptable invoice for actual expenses incurred under the terms of this contract. Payment shall be due to CONTRACTOR within thirty (30) days of RCCFC’s receipt of invoice.

1. Payment shall be made in accordance with satisfactory completion of the Milestones below and upon receipt of an acceptable invoice to include: a. Contractor’s name, address, contract number, an assigned invoice number, supporting documentation (if applicable), and payment amount due.

2. CONTRACTOR shall submit invoices to the Riverside County Children and Families Commission, Accounts Payable, 585 Technology Court, Riverside, CA 92507 or via email to RCCFC-accounts payable@RIVCO.ORG.

| Category | FY 23/24 | FY 24/25 | FY 25/26 | Total |
|---------------------|-----------------|-----------------|-----------------|------------------|
| Training | \$20,625 | \$15,825 | \$15,755 | \$52,205 |
| Affiliate Fees | \$880 | \$24,400 | \$22,515 | \$47,795 |
| Total Budget | \$21,505 | \$40,225 | \$38,270 | \$100,000 |

Training fees available for foundational training, foundational certification, model implementation training as well as training options aimed to improve and enhance quality of practice are available to provider agencies based on affiliate plan approval, model certification, staffing forecasting and availability of total budget. Trainings and fees available in the F5RC campaign code menu include the following:

| Description | Unit Cost |
|--|------------|
| Autism within Families | \$70.00 |
| Diversity COP | \$170.00 |
| Family Centered Assessment Community of Practice | \$170.00 |
| Foundation Training & Tech | \$1,225.00 |
| Foundational 2 Training Tech | \$700.00 |
| Foundational & Model Implementation | \$1,250.00 |
| Foundations of Center based Family Engagement | \$1,125.00 |
| Interactions Across Abilities-curriculum only | \$255.00 |
| New Supervisor Institute | \$375.00 |
| Partnering with Parents Through Screening and Assessment | \$95.00 |
| Partnering With Teen Parents – curriculum only | \$267.75 |
| PAT Penelope Institute | \$375.00 |
| PAT Penelope Institute Supervisor | \$200.00 |
| Reflective Supervision Collaborative | \$550.00 |
| Reflective Supervision Community of Practice | \$170.00 |
| Supporting Care Providers Through Personal Visits | \$150.00 |
| Initial Affiliate Fee | \$4,775.00 |
| Affiliate Fee Renewal | \$2,200.00 |
| Model Implementation | \$400.00 |
| Foundational 2 | \$500.00 |
| Virtual Training (FMI) Tech Fee | \$75.00 |
| Virtual All Other Training - Tech Fee | \$50.00 |
| Born to Learn | \$345.00 |

- F. **Presentations/Action Items/Public Hearings – Zachary Ginder, Commission Chair**
F.1. Presentation of First 5 Riverside County Annual Audit Report for Fiscal Year 2023/2024 (a copy of the report may be obtained at www.first5riverside.org and can be viewed at the Commission Business Office) - David Showalter, CPA Partner, Eide Bailly, LLP



AGENDA ITEM: 24-35
DATE OF MEETING: October 23, 2024
ACTION:
INFORMATION:

**ADOPT FIRST 5 RIVERSIDE COUNTY CHILDREN & FAMILIES COMMISSION
ANNUAL INDEPENDENT AUDIT REPORT FOR FISCAL YEAR 2023/2024**

SUMMARY OF REQUEST

Adopt First 5 Riverside County Children & Families Commission Annual Independent Audit Report for Fiscal Year 2023-2024 after conducting the legislatively required public hearing.

A representative from Eide Bailly, LLP will present highlights and respond to questions regarding the report.

BACKGROUND

In compliance with Commission approved Financial Reporting Policy, fourth quarter financial data reporting percentages for actual year-end expenditures (\$26,409,666) as compared to the total operating budget (\$41,443,389) are noted as follows: Administrative – \$3,104,908 (7%); Evaluation – \$632,725 (2%); and Program expenditures – \$22,672,033 (55%).

Health and Safety Code Section 130140 requires that any county receiving funding and implementing the Children and Families Act (Proposition 10) prepare and adopt an annual audit and report and conduct at least one public hearing prior to adoption. The annual audit and report are due to the State Commission by October 31, 2023 (per Health & Safety Code section 130150).

A copy of the financial statements and auditor's report were included in Commission packets for review prior to the Commission meeting. A draft copy of the audit report is available at the Commission webpage at www.first5riverside.org and at the Commission's business office for public review.

RECOMMENDED ACTION

That the Commission:

1. Adopt the Riverside County Children and Families Commission Annual Audit Report as presented for Fiscal Year 2023-2024, after conducting a public hearing; and
2. Authorize the Executive Director or designee to execute the necessary documents to effectuate the foregoing action without requiring further action of the Commission.

BUDGET IMPACT

Not Applicable

STRATEGIC PLAN RELEVANCE

Not Applicable

POTENTIAL CONFLICTS OF INTEREST

None known

ATTACHMENTS

Independent Audit Report – inclusive of Management’s Discussion and Analysis, Financial Statements, Notes to the Financial Statements, Supplementary Information, Other Supplementary Information, and Compliance Section – For Fiscal Year Ending June 30, 2024.

Financial Statements
June 30, 2024

First 5 Riverside

Riverside County

Children and Families Commission

(A Component Unit of the County of Riverside, California)



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First 5 Riverside County Children and Families Commission

Table of Contents

June 30, 2024

| | |
|---|----|
| Independent Auditor’s Report | 1 |
| Management’s Discussion and Analysis..... | 5 |
| Government Wide Financial Statements | |
| Statement of Net Position | 13 |
| Statement of Activities | 14 |
| Governmental Fund Financial Statements | |
| Balance Sheet – Governmental Funds..... | 15 |
| Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position..... | 16 |
| Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds..... | 17 |
| Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities..... | 18 |
| Notes to Financial Statements | 19 |
| Required Supplementary Information | |
| Schedule of the Commission’s Proportionate Share of the Net Pension Liability (Miscellaneous Plan) | 35 |
| Schedule of Contributions | 36 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual – General Fund | 37 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual – ARPA Fund | 38 |
| Other Supplementary Information | |
| Schedule of First 5 California Funding | 39 |
| Compliance Section | |
| Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> | 40 |
| Independent Auditor’s Report on State Compliance | 42 |
| Schedule of Findings and Responses..... | 45 |
| Schedule of Prior Year Findings and Responses..... | 48 |

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Financial Section



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Independent Auditor's Report

To the Board of Commissioners
First 5 Riverside County Children and Families Commission
Riverside, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of the First 5 Riverside County Children and Families Commission (Commission), a component unit of the County of Riverside, California, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Commission, as of June 30, 2024, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of Commission's proportionate share of net pension liability and contributions and budgetary comparison information as listed on the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for

consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission’s basic financial statements. The Schedule of First 5 California Funding (Schedule) is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the Schedule is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our October 16, 2024, on our consideration of the Commission’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission’s internal control over financial reporting and compliance.



Rancho Cucamonga, California
October 16, 2024

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**First 5 Riverside County Children and Families Commission
Management's Discussion and Analysis
(Unaudited)
For Year Ended June 30, 2024**

On November 3, 1998, California voters approved Proposition 10, known as the California Children and Families Act. This landmark legislation raised tobacco taxes to generate essential funding for early childhood development programs, benefiting children from the prenatal stage through age five, along with their families.

As management of the Riverside County Children and Families Commission (Commission), we offer readers of the Commission's financial statements this overview and analysis of the financial activities for the fiscal year ended June 30, 2024. Please read in conjunction with the Commission's basic financial statements and accompanying notes.

Financial Highlights

- The Commission reported approximately \$16.3 million in revenues from First 5 California, representing a decrease of about \$1 million, or 5.5%, compared to FY 2022-23. In FY 2023-24, total revenues reached approximately \$27.8 million, encompassing income from Tobacco Taxes, First 5 California initiatives (including IMPACT and Home Visiting), the American Rescue Plan Act (ARPA), family resource center reimbursements, investments, and various other programs. This represents an overall decrease of 10.6% compared to the previous fiscal year.
- Commission expenses totaled approximately \$26.9 million in FY 2023-24, representing a 17.3% decrease or \$5.6 million from FY 2022-23. The decrease is largely attributed to ARPA fund wage enhancement payments distributed in the prior fiscal year. A fourth round of wage enhancement payments commenced late in FY 2023-24, with most disbursements posted in FY 2024-25.
- The Commission's assets rose from \$49.8 million in FY 2022-23 to \$50.1 million in FY 2023-24, reflecting a 0.5% increase. This growth was primarily driven by an increase in amounts due from other governments.
- In FY 2023-24, the Commission's liabilities totaled approximately \$20.6 million, reflecting a 6.1% decrease of \$1.3 million from FY 2022-23. This decline is mainly attributed to unearned revenue that was recorded in the new fiscal year and is accrued back to the previous year. Additionally, net pension liability has risen due to an increase in staffing levels.
- The Commission's general fund balance decreased from \$33.6 million in FY 2022-23 to \$34.6 million in FY 2023-24, an increase of 3.1%.
- The Commission's Net Position increased by 2.9% from \$30.8 million in FY 2022-23 to \$31.7 million in FY 2023-24.

Overview of the Financial Statements

The Commission's financial statements consist of three parts:

- The government-wide financial statements
- Fund financial statements
- The notes to the financial statements

**First 5 Riverside County Children and Families Commission
Management's Discussion and Analysis
(Unaudited)
For Year Ended June 30, 2024**

The Commission's financial statements offer essential high-level financial information about its activities. This report also includes supplemental information to provide additional detail to support the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the Commission's finances like a private-sector business. These statements offer long-term and short-term information about the Commission's financial status.

The Statement of Net Position includes information on the Commission's assets, deferred outflows of resources, and liabilities, with the difference between assets, deferred outflows of resources, and liabilities reported as net position. Changes in net position may serve as a valuable indicator of the Commission's financial position.

The Statement of Activities presents information showing how the Commission's net position changed during the fiscal year.

The governmental-wide financial statements are on pages 13-14 of this report.

Fund Financial Statements

Fund accounting ensures and demonstrates compliance with finance-related legal requirements. Governmental fund financial statements focus on near-term inflows and outflows of spendable resources and balances of spendable resources available at the end of the year.

The Commission maintains two governmental funds, the General Fund and the ARPA special revenue fund. The Commission adopts an annual budget for its General Fund and ARPA fund. A budgetary comparison schedule has been provided for the General Fund and the ARPA special revenue fund to demonstrate compliance with the budget.

The governmental fund financial statements are on pages 15-18 of this report.

Notes to the Financial Statements

The notes provide additional information that is integral to acquiring a complete understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are on pages 19-34 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report contains required supplementary information related to pension and budget, found on pages 35-38 of this report.

**First 5 Riverside County Children and Families Commission
Management's Discussion and Analysis
(Unaudited)
For Year Ended June 30, 2024**

Government-Wide Overall Statements Analysis

The following is a summary of the Commission's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position comparing FY 2022-2023 to FY 2023-2024:

| | June 30, 2024 | June 30, 2023 | Dollar Increase / (Decrease) | Percent Increase / (Decrease) |
|--|----------------------|----------------------|---|--|
| Assets: | | | | |
| Cash and investments | \$ 41,231,989 | \$ 44,190,041 | \$ (2,958,052) | -6.7% |
| Interest receivable | 341,726 | 393,567 | (51,841) | -13.2% |
| Due from other governments | 6,739,542 | 3,452,966 | 3,286,576 | 95.2% |
| Capital assets | <u>1,760,728</u> | <u>1,839,911</u> | <u>(79,183)</u> | <u>-4.3%</u> |
| Total assets | <u>\$ 50,073,985</u> | <u>\$ 49,876,485</u> | <u>\$ 197,500</u> | <u>0.4%</u> |
| Deferred Outflows of Resources | | | | |
| Deferred outflows related to pensions | <u>3,508,884</u> | <u>3,812,285</u> | <u>\$ (303,401)</u> | <u>-8.0%</u> |
| Liabilities: | | | | |
| Accounts payable | \$ 4,239,467 | \$4,153,692 | \$ 85,775 | 2.1% |
| Accrued wages and benefits | 315,582 | 297,745 | 17,837 | 6.0% |
| Use tax payable | 87 | 87 | - | 0.0% |
| Due to other Governments | 759,280 | - | 759,280 | 100.0% |
| Unearned revenue | 8,086,108 | 10,053,060 | (1,966,952) | 100.0% |
| Compensated absences | 585,417 | 494,114 | 91,303 | 18.5% |
| Net pension liability | <u>7,333,106</u> | <u>6,901,560</u> | <u>431,546</u> | <u>6.3%</u> |
| Total liabilities | <u>21,319,047</u> | <u>\$ 21,900,258</u> | <u>\$ (581,211)</u> | <u>-2.7%</u> |
| Deferred Inflows of Resources | | | | |
| Deferred inflows related to pensions | <u>610,424</u> | <u>977,160</u> | <u>(366,736)</u> | <u>-37.5%</u> |
| Net Position | | | | |
| Investment in capital assets | \$ 1,760,728 | \$ 1,782,417 | \$ (21,689) | -1.2% |
| Restricted for Early Care & Education Recovery | 311,400 | - | 311,400 | 100.0% |
| Unrestricted | <u>29,581,270</u> | <u>28,971,441</u> | <u>609,829</u> | <u>2.1%</u> |
| Total net position | <u>\$ 31,653,398</u> | <u>\$ 30,753,858</u> | <u>\$ 899,540</u> | <u>2.9%</u> |

The Commission's total assets reached \$50.1 million, marking an increase of \$197,500, or 0.4%, compared to the previous year. Within this total, cash and investments decreased by approximately \$3 million, or 6.7%, primarily due to a delay in receiving Proposition 10 funds for the period from March to June. As a result, there was a corresponding increase of \$3.3 million in amounts due from other governments. The Commission's total liabilities decreased from \$21.9 million in FY 22-23 to \$21.3 million in FY 23-24 mainly because of unearned revenue. The Commission transferred to the County of Riverside \$2,000,000 of ARPA funds to the Office of Economic Development for the Design-Build Contract for the French Valley Childcare Infrastructure Project. The 4.3% decrease in capital assets resulted from the continued depreciation of the Commission's capital assets. Additional information on capital assets is in Note 4 of this report. The increase in Net Position from FY 22-23 to FY 23-24 was approximately \$0.9 million or 2.9%.

**First 5 Riverside County Children and Families Commission
Management's Discussion and Analysis
(Unaudited)
For Year Ended June 30, 2024**

Governmental Activities

The following is a detailed summary of the Commission's revenue, expenses, and change in net position comparing FY 2022-23 with FY 2023-24:

| | <u>June 30, 2024</u> | <u>June 30, 2023</u> | <u>Dollar Increase / (Decrease)</u> | <u>Percent Increase / (Decrease)</u> |
|--|----------------------|----------------------|---|--|
| Revenues | | | | |
| Program revenues | | | | |
| Tobacco taxes | \$ 16,256,575 | \$ 17,210,826 | \$ (954,251) | -5.5% |
| Impact | 3,808,592 | 1,997,354 | 1,811,238 | 90.7% |
| Other programs | 5,523,988 | 10,848,194 | (5,324,206) | -49.1% |
| Total Program Revenue | \$ 25,589,155 | \$ 30,056,374 | \$ (4,467,219) | -14.9% |
| General Revenues | | | | |
| Investment income | 2,102,774 | 1,045,880 | 1,056,894 | 101.1% |
| Contributions from County | 98,480 | - | 98,480 | 100% |
| Total Revenues | \$ 27,790,409 | \$ 31,102,254 | \$ (3,311,845) | -10.6% |
| Expenses | | | | |
| Child development | | | | |
| Salaries and benefits | 7,390,809 | 6,578,893 | 811,916 | 12.3% |
| Professional and specialized services | 17,706,290 | 24,258,728 | (6,552,438) | -27.0% |
| Services and supplies | 1,772,081 | 1,601,463 | 170,618 | 10.7% |
| Capital related | 21,689 | 57,494 | (35,805) | -62.3% |
| Total Expenses | \$ 26,890,869 | \$ 32,496,578 | \$ (5,605,709) | -17.3% |
| Net Change in Net Position | 899,540 | (1,394,324) | 2,293,864 | -164.5% |
| Net Position, Beginning of the Year | 30,753,858 | 32,148,182 | (1,394,324) | -4.3% |
| Net Position, End of the Year | <u>\$ 31,653,398</u> | <u>\$ 30,753,858</u> | <u>\$ 899,540</u> | <u>2.9%</u> |

The Commission received approximately \$27.8 million in revenues reflecting a decrease of \$3.3 million or 10.6% from the prior year. Tobacco tax revenue decreased by \$1.0 million, a 5.5% decrease, compared to the previous year.

Total expenses for FY 2023-24 decreased by \$5.6 million, or 17.3%, compared to the previous year. Salaries and benefits rose by \$0.8 million, driven by increased staffing and reclassifications. Professional and Specialized Services saw a decline of \$6.6 million, or 27%, largely due to ARPA fund wage enhancement payments distributed in the prior fiscal year. A fourth round of wage enhancement payments commenced late in FY 2023-24, with most disbursements posted in FY 2024-25. Additionally, Services and Supplies experienced a slight increase of \$170,618, or 10.7%.

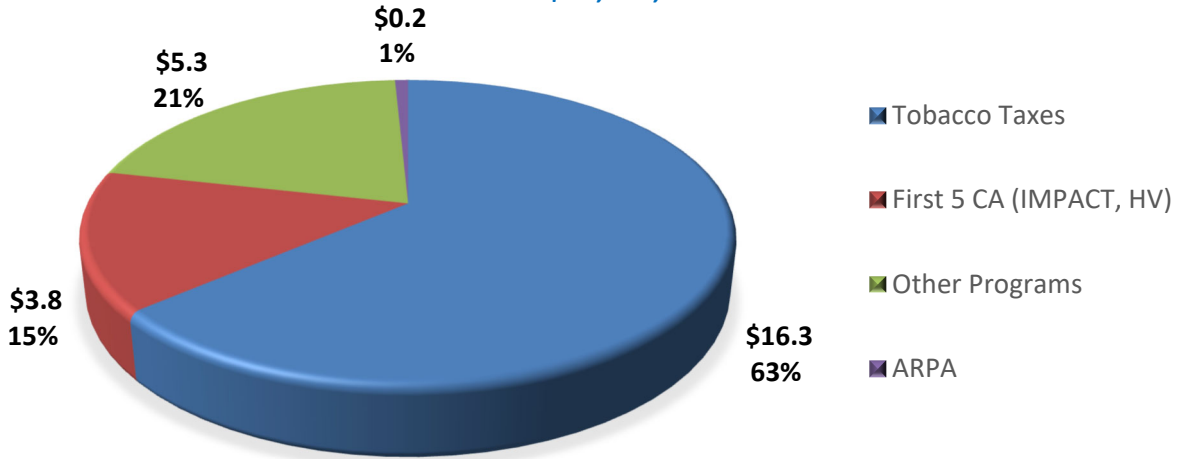
Capital-related expenses decreased by \$35,805 from FY 2022-23 to FY 2023-24, largely due to the recent upgrade of audio equipment utilized for Commission meetings.

**First 5 Riverside County Children and Families Commission
Management's Discussion and Analysis
(Unaudited)
For Year Ended June 30, 2024**

Below are revenue and expenses for FY 23-24, depicting each category in millions:

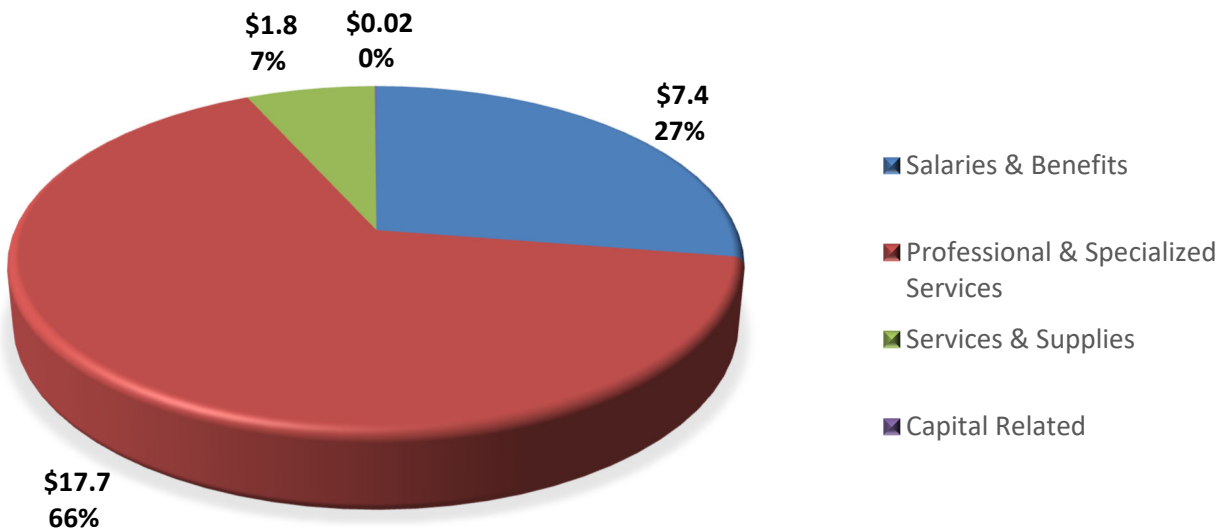
FY 23-24 PROGRAM REVENUE (IN MILLIONS)

TOTAL: \$25,589,155



FY 23-24 EXPENDITURES (IN MILLIONS)

TOTAL: \$26,890,869



**First 5 Riverside County Children and Families Commission
Management’s Discussion and Analysis
(Unaudited)
For Year Ended June 30, 2024**

Financial Analysis of Governmental Funds

As previously stated, the Commission uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Commission’s general fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Fund balance is a valuable measure of the Commission’s committed and available net resources for future operations.

| <u>Fund Balances</u> | <u>June 30, 2024</u> | <u>June 30, 2023</u> | <u>Dollar Increase/ (Decrease)</u> | <u>Percent Increase/ (Decrease)</u> |
|-----------------------------------|-----------------------------|-----------------------------|---|--|
| Committed | \$ 15,516,430 | \$ 17,584,988 | \$ (2,068,558) | -11.8% |
| Unassigned | 19,084,903 | 15,974,384 | 3,110,519 | 19.5% |
| Total Fund Balance - General Fund | <u>\$ 34,601,333</u> | <u>\$ 33,559,372</u> | <u>\$ 1,041,961</u> | <u>3.1%</u> |

The general fund is the chief operating fund of the Commission. At the end of FY 23-24, the general fund balance increased by 3.1% or approximately \$1.0 million from FY 22-23. To measure the general fund’s liquidity, comparing total fund balance to total general fund expenditures is useful. Total general fund expenditures of \$26.2 million represent approximately 75.6% of the general fund balance of \$34.6 million. The ARPA fund balance totaled \$311,400 and is restricted for Early Care & Education Recovery.

General Fund Budgetary Highlights

The Commission FY 2023-2024 amended budget was compared to the actual revenues and the differences between estimated revenues and actual revenues were as follows:

| <u>Revenues</u> | <u>Final Budget</u> | <u>Actual Revenue</u> | <u>Over/(Under) Estimate</u> | <u>Percent change</u> |
|------------------------|----------------------------|------------------------------|---|----------------------------------|
| Tobacco Taxes | \$ 16,574,768 | \$ 16,256,575 | \$ (318,193) | -1.9% |
| IMPACT | 3,966,793 | 3,808,592 | (158,201) | -4.0% |
| Other programs | 8,067,007 | 5,273,496 | (2,793,511) | -34.6% |
| Investment income | 350,000 | 1,762,793 | 1,412,793 | 403.7% |
| Total Revenue | <u>\$ 28,958,568</u> | <u>\$ 27,101,456</u> | <u>\$ (1,857,112)</u> | <u>-6.4%</u> |

Tobacco Tax revenue totaled \$318,193 below projections, primarily due to declining sales of tobacco products in California. This revenue includes the California Electronic Cigarette Excise Tax (CECET), which is set at 12.5% of the retail selling price of electronic cigarettes.

First 5 CA initiatives include IMPACT and home visiting. Other program revenue was 34.6% less than projected since CalWORKs home visitation services were lower than projected.

Investment income was budgeted based on historical data and actual investment income was 403.7% higher than projected resulting in investment income.

**First 5 Riverside County Children and Families Commission
Management's Discussion and Analysis
(Unaudited)
For Year Ended June 30, 2024**

The differences between estimated and actual expenditures were as follows:

| <u>Expenditures</u> | <u>Final Budgeted Expenditures</u> | <u>Actual Expenditures</u> | <u>Over/(Under) Estimate</u> | <u>Percent change</u> |
|---------------------------------------|--|--------------------------------|----------------------------------|---------------------------|
| Salaries and Benefits | \$ 8,285,045 | \$ 6,931,295 | \$ (1,353,750) | -16.3% |
| Professional and Specialized Services | 19,600,000 | 17,454,599 | (2,145,401) | -10.9% |
| Services and Supplies | 3,558,344 | 1,772,081 | (1,786,263) | -50.2% |
| Total Expenditures | <u>\$ 31,443,389</u> | <u>\$ 26,157,975</u> | <u>\$ (5,285,414)</u> | <u>-22.8%</u> |

Actual salary and benefits totaled \$6.9 million, which is below the budgeted \$8.3 million. This difference is primarily attributable to ongoing staff vacancies and recruitment challenges.

Professional and Specialized Services were 10.9% less than budgeted since program revenues were lower than projected.

ARPA Fund Budgetary Highlights

| <u>Revenues</u> | <u>Final Budget</u> | <u>Actual Revenue</u> | <u>Over/(Under) Estimate</u> | <u>Percent change</u> |
|-------------------|----------------------|-----------------------|----------------------------------|---------------------------|
| Other programs | \$ 10,000,000 | \$ 250,492 | \$ (9,749,508) | -97.5% |
| Investment income | - | 339,981 | 339,981 | 100% |
| Total Revenue | <u>\$ 10,000,000</u> | <u>\$ 590,473</u> | <u>\$ (9,409,527)</u> | <u>-94.1%</u> |

| <u>Expenditures</u> | <u>Final Budgeted Expenditures</u> | <u>Actual Expenditures</u> | <u>Over/(Under) Estimate</u> | <u>Percent change</u> |
|---------------------------------------|--|--------------------------------|----------------------------------|---------------------------|
| Salaries and Benefits | \$ - | \$ - | \$ - | 100% |
| Professional and Specialized Services | 10,000,000 | 251,691 | (9,748,309) | -97.5% |
| Services and Supplies | - | - | - | 100% |
| Total Expenses | <u>\$ 10,000,000</u> | <u>\$ 251,691</u> | <u>\$ (9,748,309)</u> | <u>-22.8%</u> |

Compensated Absences

During the fiscal year, the Commission experienced a net increase of \$91,303 in compensated absences, primarily due to new employees joining with significant leave balances.

Please refer to Note 5 in the Notes to the Financial Statements for more information on compensated absences.

**First 5 Riverside County Children and Families Commission
Management's Discussion and Analysis
(Unaudited)
For Year Ended June 30, 2024**

Capital Assets

During FY 2023-2024, the Commission's Net Capital Assets decreased \$79,183 due to accumulated depreciation. Please refer to Note 4 in the Financial Statements for more information on capital assets.

Economic Factors and Next Year's Budget

Over the past ten years, Proposition 10 has seen an average annual decline of 6%, while Proposition 56 continues to rise. As a result, total tobacco tax revenue decreased by 5.5% from FY 22-23 to FY 23-24. With the flavor ban implemented last year, tobacco tax revenue is anticipated to decline at an even faster rate.

Additionally, the Commission oversaw and managed approximately \$10 million from the American Rescue Plan Act (ARPA) in FY24, dedicated to the Early Care & Education (ECE) Recovery Fund. This funding aims to stabilize and expand access to early care and education, facilitating the return of working parents to the workforce and supporting the expansion of ECE facilities.

Request for Information

This financial report aims to offer a comprehensive overview of the Commission's financial status. For any questions regarding the information presented or for requests for further details, please reach out to Yvonne Suarez, Assistant Director of the Riverside County Children and Families Commission (First 5 Riverside), at 585 Technology Court, Riverside, California 92507.

Basic Financial Statements



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First 5 Riverside County Children and Families Commission

Statement of Net Position

June 30, 2024

| | Governmental Activities |
|---|----------------------------|
| Assets | |
| Cash and investments in County Treasury | \$ 41,231,989 |
| Interest receivable | 341,726 |
| Due from other governments | 6,739,542 |
| Capital assets not being depreciated | 373,380 |
| Capital assets, net of accumulated depreciation | 1,387,348 |
| Total assets | 50,073,985 |
| Deferred Outflows of Resources | |
| Deferred outflows related to pensions | 3,508,884 |
| Liabilities | |
| Accounts payable | 4,239,467 |
| Accrued wages and benefits | 315,582 |
| Use tax payable | 87 |
| Due to other governments | 759,280 |
| Unearned revenue | 8,086,108 |
| Compensated absences | |
| Payable within one year | 351,061 |
| Payable after one year | 234,356 |
| Net pension liability | 7,333,106 |
| Total liabilities | 21,319,047 |
| Deferred Inflows of Resources | |
| Deferred inflows related to pensions | 610,424 |
| Net Position | |
| Investment in capital assets | 1,760,728 |
| Restricted for Early Care & Education Recovery | 311,400 |
| Unrestricted | 29,581,270 |
| Total net position | \$ 31,653,398 |

First 5 Riverside County Children and Families Commission

Statement of Activities
Year Ended June 30, 2024

| Functions/Programs | Expenses | Program Revenues Operating Grants and Contributions | Net (Expense) Revenue and Change in Net Position |
|-------------------------------|--|--|---|
| Governmental Activities | | | |
| Child development | \$ 26,890,869 | \$ 25,589,155 | \$ (1,301,714) |
| Total governmental activities | <u>\$ 26,890,869</u> | <u>\$ 25,589,155</u> | <u>(1,301,714)</u> |
| | General Revenues | | |
| | Investment income | | <u>2,102,774</u> |
| | Total general revenues | | <u>2,102,774</u> |
| | Change in net position before County contributions | | 801,060 |
| | Contributions from County | | <u>98,480</u> |
| | Change in Net Position | | 899,540 |
| | Total Net Position - Beginning | | <u>30,753,858</u> |
| | Total Net Position - Ending | | <u>\$ 31,653,398</u> |

First 5 Riverside County Children and Families Commission

Balance Sheet – Governmental Funds

June 30, 2024

| | General Fund | ARPA Fund | Total |
|---|---------------|--------------|---------------|
| Assets | | | |
| Cash and investments in County Treasury | \$ 33,041,660 | \$ 8,190,329 | \$ 41,231,989 |
| Interest receivable | 341,726 | - | 341,726 |
| Due from other governments | 6,739,542 | - | 6,739,542 |
| Total assets | \$ 40,122,928 | \$ 8,190,329 | \$ 48,313,257 |
| Liabilities and Fund Balance | | | |
| Liabilities | | | |
| Accounts payable | \$ 4,235,126 | \$ 4,341 | \$ 4,239,467 |
| Accrued wages and benefits | 315,582 | - | 315,582 |
| Use tax payable | 87 | - | 87 |
| Unearned revenue | 211,520 | 7,874,588 | 8,086,108 |
| Due to other governments | 759,280 | - | 759,280 |
| Total liabilities | 5,521,595 | 7,878,929 | 13,400,524 |
| Fund Balances | | | |
| Fund Balance | | | |
| Committed | 15,516,430 | - | 15,516,430 |
| Restricted | | 311,400 | 311,400 |
| Unassigned | 19,084,903 | - | 19,084,903 |
| Total fund balance | 34,601,333 | 311,400 | 34,912,733 |
| Total liabilities and fund balance | \$ 40,122,928 | \$ 8,190,329 | \$ 48,313,257 |

First 5 Riverside County Children and Families Commission
 Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
 June 30, 2024

Amounts reported for governmental activities in the Statement of Net Position are different because

| | |
|--|---------------|
| Fund Balance of Governmental Funds | \$ 34,912,733 |
| Capital assets used for governmental activities in the amount of \$2,412,342 net of \$651,614 in accumulated depreciation, are not financial resources and therefore, are not reported in the funds. | 1,760,728 |
| <p>Governmental funds report pension contributions to the plan as expenditures, however in the statement of net position contributions are recorded as deferred outflows of resources to reduce the net pension liability at a future date. Additionally, the net pension liability is recorded in the statement of net position as a long-term liability. The following reconciles adjustments related to the net pension liability</p> | |
| Net pension liability | (7,333,106) |
| Deferred outflows of resources | 3,508,884 |
| Deferred inflows of resources | (610,424) |
| Compensated absences liability is not reported in the fund financial statements. | (585,417) |
| Net Position of Governmental Activities | \$ 31,653,398 |

First 5 Riverside County Children and Families Commission
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds
Year Ended June 30, 2024

| | General Fund | ARPA Fund | Total |
|---|-----------------|--------------|---------------|
| Revenues | | | |
| Tobacco taxes | \$ 16,256,575 | \$ - | \$ 16,256,575 |
| IMPACT | 3,808,592 | - | 3,808,592 |
| Other programs | 5,273,496 | 250,492 | 5,523,988 |
| Investment income | 1,762,793 | 339,981 | 2,102,774 |
| Total revenues | 27,101,456 | 590,473 | 27,691,929 |
| Expenditures | | | |
| Current | | | |
| Child development | | | |
| Salaries and benefits | 6,931,295 | - | 6,931,295 |
| Professional and specialized services | 17,454,599 | 251,691 | 17,706,290 |
| Services and supplies | 1,772,081 | - | 1,772,081 |
| Total expenditures | 26,157,975 | 251,691 | 26,409,666 |
| Excess of Revenues over Expenditures | 943,481 | 338,782 | 1,282,263 |
| Other Financing Sources (Uses) | | | |
| Contributions from County | 98,480 | - | 98,480 |
| Total other financing sources (uses) | 98,480 | - | 98,480 |
| Net Change in Fund Balance | 1,041,961 | 338,782 | 1,380,743 |
| Fund Balance (Deficit), Beginning of Year | 33,559,372 | (27,382) | 33,531,990 |
| Fund Balance, End of Year | \$ 34,601,333 | \$ 311,400 | \$ 34,912,733 |

First 5 Riverside County Children and Families Commission
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of
 Governmental Funds to the Statement of Activities
 Year Ended June 30, 2024

Amounts reported for Governmental Activities in the Statement of Activities are different because

| | |
|---|-------------------|
| Net Change in Fund Balance - Total Governmental Funds | \$ 1,380,743 |
| Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period. | (21,689) |
| Governmental funds report pension contributions as expenditures. However, in the statement of activities, pension expense is measured as the change in net pension liability and the amortization of deferred outflows and inflows related to pensions. This amount represents the net change in pension related amounts. | (368,211) |
| Compensated absences expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. This amount represents the net change in the compensated absences liability. | <u>(91,303)</u> |
| Change in Net Position of Governmental Activities | <u>\$ 899,540</u> |

Notes to Financial Statements



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Note 1 - Summary of Significant Accounting Policies

A. Reporting Entity

The Riverside County Board of Supervisors established First 5 Riverside, also known as Riverside County Children and Families Commission (“the Commission”) in 1999 under the provisions of the California Children and Families Act of 1998 (Act). The Commission provides support for all children, prenatal through five years, and their families to improve early childhood development. The Commission is funded through cigarette tax revenue generated as a result of the California voter approval of the Proposition 10 Act (“Prop 10”) in November 1998. A governing board of nine members, which are appointed by the County Board of Supervisors, administers the Commission. The composition of the Commission is consistent with the requirements set forth in the Proposition 10 legislation and the local Riverside County Ordinance No. 784.

The Commission is a component unit of the County of Riverside, California. The Commission implements comprehensive and integrated systems for children to thrive in supportive, nurturing and loving environments; enter school healthy and ready to learn and become productive and well-adjusted as members of society. The Commission developed a strategic plan to guide activities and funding for the period of June 2023 through June 2026. The Commission’s primary goals are: 1) to foster a healthy community and provide access to affordable, comprehensive and preventive mental and physical health services 2) to expand the availability of quality, accessible and affordable Child Care services and 3) to educate Riverside County residents about the lifelong implication of optimal development through age 5.

Upon termination of the Commission, all assets of the Commission shall be returned to the State of California. The liabilities of the Commission shall not become liabilities of the County upon either termination of the Commission or the liquidation or disposition of the Commission’s remaining assets.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (e.g., the statement of net position and the statement of activities) report information on all of the activities of the reporting entity. Governmental activities are supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported instead as general revenues.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) on pages 13 and 14 are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Contributions to local grantee organizations are recognized as expense when criteria for grant payments are met by the grantee organization. The *Statement of Net Position* presents the Commission's overall financial position. The *Statement of Activities* reports the change in net position in a net program cost format to demonstrate the degree to which the expenses of the Commission are offset by its program revenues. The Commission's principal activity is child development.

Governmental fund financial statements, presented after the government-wide financial statements, are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Revenues are generally considered to be available when they are collected within 90 days of the end of the current fiscal period. Expenditures generally are recognized in the accounting period in which the liability is incurred, if measurable. However, expenditures related to compensated absences are recorded only when payment is due. Revenues collected in advance are recorded as advances (Unearned Revenue) and recognized in the period earned.

The government reports the following major governmental funds:

The *general fund* is the government's primary operating fund. It accounts for all financial resources of the Commission.

The Coronavirus State and Local Fiscal Recovery Funds (*ARPA fund*) is a special revenue fund. This fund supports the resilience of the overall economy by allowing more parents to access early care and education (childcare) so that they are able to return to work after experiencing the negative impacts of COVID-19 within Riverside County.

D. Accounting and Reporting Policies

The accounting policies of the Commission conform to accounting principles generally accepted in the United States of America as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for governmental accounting and financial reporting principles.

E. Cash and Investments

The Commission categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

F. Capital Assets

Capital assets are recorded at historical cost. The capitalization threshold for equipment is \$5,000; buildings, land and land improvements is \$150,000. Betterments result in a more productive, efficient or long-lived asset. Significant betterments are considered capital assets when they result in an improvement of \$2,500 or more. Capital assets used in operations are depreciated using the straight-line method over their estimated useful lives in the government-wide statements. The estimated useful lives are as follows: Buildings 25-60 years, Improvements 10-20 years, Equipment 3-20 years. Maintenance and repairs are charged to operations when incurred. Betterments and major improvements, which significantly increase values, change capacities, or extend useful lives, are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the changes in financial position.

G. Deferred Outflow/Inflows of Resources

In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The Commission has one item that qualifies for reporting in this category: Deferred outflows related to pensions.

In addition to liabilities, the statement of financial position includes a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The Commission has one item that qualifies for reporting in this category: Deferred inflows related to pensions.

H. Unearned Revenue

Revenues collected in advance of incurring eligible expenses are recorded as advances (Unearned Revenue) and recognized in the period to which they apply. As of June 30, 2024, the Commission has unearned revenues of \$8,086,108.

I. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

J. Restricted Resources

When both restricted and unrestricted resources are available for use, it is the Commission's policy to use restricted resources first, and then unrestricted resources as they are needed.

K. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the County of Riverside’s Miscellaneous Pension Plan and additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis as they are reported by California Public Employees Retirement System (CalPERS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

L. Net Position and Fund Balance

Net Position

In the government-wide financial statements, net position represents the difference between assets, liabilities and deferred outflows (inflows) of resources, and may be classified into three components:

- Investment in Capital Assets – This balance reflects the net position of the Commission that are invested in capital assets. This amount is generally not accessible for other purposes.
- Restricted Net Position – This balance represents net position that is not accessible for general use because their use is subject to restrictions enforceable by third parties. At June 30, 2024, no amounts are reported under this category.
- Unrestricted Net Position – This balance represents the net position that is available for general use.

Fund Balance

The following classifications describe the relative strength of the constraints placed on the purposes for which resources can be used:

- Nonspendable Fund Balance – Amounts that cannot be spent either because they are in nonspendable form or are required to be maintained intact.
- Restricted Fund Balance – Amounts that are constrained to specific purposes by state or federal laws, or externally imposed conditions by grantors or creditors.
- Committed Fund Balance – Amounts with self-imposed limitations and require both the approval of the highest level of decision-making authority (Commissioners) and the same formal action to remove or modify limitations. The formal action required by the Commissioners for funds to be committed is action by the way of a formal action item allocating funding for a specific purpose, program or initiative.
- Assigned Fund Balance – Amounts that are constrained by the Commission’s intent to be used for specific purposes, but are neither restricted nor committed. The Commission is the only authority allowed to assign amounts to be used for specific purposes.
- Unassigned Fund Balances – These are residual resources of the General Fund in excess of what can properly be classified in one of the other four categories, or negative fund balance of special revenue funds.

When both restricted and unrestricted resources are available for use, it is the Commission’s policy to use restricted resources first and then unrestricted resources, as they are needed. For unrestricted resources, decreases in fund balance first reduce committed fund balance, in the event that committed fund balance becomes zero, then assigned and unassigned fund balances are used in that order.

M. Effect of New Governmental Accounting Standards Board (GASB) Pronouncements

Effective in Current Fiscal Year

GASB Statement No. 99 – Omnibus 2022 – In April 2022, GASB issued Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in account and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB statements and (2) accounting and financial reporting for financial guarantees. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023. The Commission has determined that there was no material impact on the Commission’s financial statements.

GASB Statement No. 100 – Accounting Changes and Error Correction – In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Correction*. The objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The Commission has determined this Statement did not have an impact on the financial statements.

Effective in Future Fiscal Years

The GASB has issued the following pronouncements that have effective dates which may impact future financial statement presentation. The Commission has not determined the effect of the following Statements:

GASB Statement No. 101 - *Compensated Absences*

GASB Statement No. 102 – *Certain Risk Disclosures*

GASB Statement No. 103 – *Financial Reporting Model Improvements*

First 5 Riverside County Children and Families Commission

Notes to Financial Statements

June 30, 2024

Note 2 - Cash and Investments

Cash and Investments are classified in the accompanying financial statements as follows:

| | |
|---|---------------|
| Cash and Investments in County Treasury | \$ 41,231,989 |
| Total cash and investments | \$ 41,231,989 |

Investments Authorized by the California Government Code

The Commission is authorized under the California Government Code to make direct investments and has adopted the Riverside County Statement of Investment Policy and any amendments, therein. The Commission maintains policies for exposure to interest rate risk, credit risk, and concentration of credit risk, as stated in the policy. The following are investments authorized under the Riverside County Statement of investment Policy, which is more limited than those authorized under the California Government Code:

| Authorized Investment Type | Maximum Maturity | Maximum Percentage of Portfolio |
|--|------------------|--|
| Municipal Bonds (Muni) | 5 years | 15% |
| U.S. Treasury | 5 years | 100% |
| Local Agency Obligations (LAO) | 3 years | 2.5% |
| Federal Agencies | 5 years | 100% |
| Commercial Paper | 270 days | 40% |
| Certificate & Time Deposits (NCD & TCD) | 2 years | 20% |
| International Bank for Reconstruction and Development and International Finance Corporation | 5 years | 20% |
| Repurchase Agreements (REPO) | 45 days | 40% max/25% in term repo over 7 days |
| Reverse Repurchase Agreements | 60 days | 10% |
| Medium Term Notes (MTNO) | 4 years | 20% |
| CalTRUST Short Term Fund | Daily Liquidity | 1% |
| Money Market Mutual Funds (MMF) | Daily Liquidity | 20% |
| Local Agency Investment Funds (LAIF) | Daily Liquidity | Max \$50 million |
| Cash/Deposit Account | NA | NA |

Investment in Riverside County Treasurer's Pooled Investment Fund

The Commission maintains all of its funds with the Riverside County Treasurer. For information regarding interest rate risk, credit risk, concentration of credit risk, and custodial credit risk of the Riverside County Treasurer's Pool refer to the County of Riverside Annual Comprehensive Financial Report.

The Riverside County Treasurer maintains a cash and investment pool for all funds of the County and other agencies for which the County treasury is the depository. Interest earned on the pooled funds is allocated and credited to these funds quarterly. Interest is apportioned to the Commission based on the average daily balances on deposit with the Riverside County Treasurer.

First 5 Riverside County Children and Families Commission

Notes to Financial Statements

June 30, 2024

The Commission is an involuntary participant in the pool regulated by the California Government Code, under the oversight of the Treasurer of the County of Riverside and Treasury Oversight Committee. The fair value of the Commission's investment in this pool is reported in the accompanying financial statements at amounts based upon the Commission's pro-rata share of the fair value provided by the County of Riverside for the entire pool portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the pool, which are recorded on an amortized cost basis. The weighted average maturity of the pool was 1.15 years at June 30, 2024. The County pool investment fund is rated AAA-bf by Moody's Investor Service and AAA/V1 by Fitch Ratings.

Fair Value Measurements

The Commission categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. As of June 30, 2024, the Commission held no individual investments. All funds are invested in the Riverside County Investment Pool.

Deposits and withdrawals are made on the basis of \$1 and not fair value. Accordingly, the Commission's investment in the Riverside County Investment Pool at June 30, 2024 is uncategorized and not defined as a Level 1, Level 2, or Level 3 input.

Note 3 - Due from Other Governments

Due from other governments represents amounts due to the Commission from the California Children and Families Commission ("State Commission") for Prop 10 related revenues. The amounts due at June 30, 2024, were as follows:

| | |
|--|----------------------------|
| Prop 10 Revenue For March - June 2024 | \$ 3,560,355 |
| IMPACT | 2,483,098 |
| SMIF (interest) | 110,707 |
| Other | <u>585,382</u> |
| Total due from other governments | <u><u>\$ 6,739,542</u></u> |

First 5 Riverside County Children and Families Commission

Notes to Financial Statements

June 30, 2024

Note 4 - Capital Assets

Capital assets activity for the year ended June 30, 2024, is shown below:

| | Beginning | Increases | Decreases | Ending |
|---------------------------------------|--------------|-------------|-----------|--------------|
| Capital Assets Not Depreciated | | | | |
| Land | \$ 373,380 | \$ - | \$ - | \$ 373,380 |
| Capital Assets Depreciated | | | | |
| Building and improvements | 1,897,938 | - | - | 1,897,938 |
| Machinery and equipment | 91,044 | 49,980 | - | 141,024 |
| Total depreciable assets | 1,988,982 | 49,980 | - | 2,038,962 |
| Less - Accumulated Depreciation For | | | | |
| Building and improvements | (490,084) | (53,827) | - | (543,911) |
| Machinery and equipment | (89,861) | (17,842) | - | (107,703) |
| Total accumulated depreciation | (579,945) | (71,669) | - | (651,614) |
| Total capital assets depreciated, net | 1,409,037 | (21,689) | - | 1,387,348 |
| Total capital assets, net | \$ 1,782,417 | \$ (21,689) | \$ - | \$ 1,760,728 |

Depreciation expense for the year ended June 30, 2024 totaled \$71,669 and is included in child development in the statement of activities.

Note 5 - Compensated Absences

County policy permits employees in some bargaining units to accumulate earned, but unused vacation, holiday, and sick pay benefits. Vacation and holiday pay are accrued when incurred. For other bargaining units, annual leave is earned and accrued, but not vacation or sick leave. Governmental funds record amounts that are due and payable at year-end as a liability of the fund and amounts due in the future as a liability in the government-wide financial statements. At June 30, 2024, the amount of accrued vacation, holiday pay, and sick leave reported in the government-wide statement of net position was \$585,417.

First 5 Riverside County Children and Families Commission

Notes to Financial Statements

June 30, 2024

The County allows unlimited accumulation of sick leave. Upon service retirement, disability retirement, or death of an employee or officer, and subject to the provisions of any applicable agreement between the employing agency and the Public Employee’s Retirement System, unused accumulated sick leave for most employees with at least five (5) but less than 15 years of service shall be credited at the rate of 50% of current salary value thereof provided, however, that the total payment shall not exceed a sum equal to 960 hours of full pay. Unused accumulated sick leave for employees with more than fifteen or more years of service shall be credited at the rate of the current salary value provided, however, that the total payment shall not exceed a sum equal to 960 hours of full pay. In addition, the employee may also elect to place the payable amount of sick leave into a VEBA (Voluntary Employee Beneficiary Association) account which may be used for future health care costs.

| | Beginning Balance | Increases | Decreases | Ending Balance | Amount Due in one year |
|----------------------|----------------------|------------|------------|-------------------|---------------------------|
| Compensated Absences | \$ 494,114 | \$ 274,652 | \$ 183,349 | \$ 585,417 | \$ 351,061 |

Note 6 - Net Position and Fund Balance

The details of the fund balances as of June 30, 2024, are presented below:

| | General Fund | ARPA Fund | Total |
|---------------------------------------|---------------|------------|---------------|
| Fund Balance | | | |
| Restricted to | | | |
| Early Care & Education Recovery | - | \$ 311,400 | \$ 311,400 |
| Committed to | | | |
| Budgetary Stabilization Reserve | \$ 6,000,000 | - | 6,000,000 |
| RUHS-MC MFM Capacity Building | 3,349,751 | - | 3,349,751 |
| Inland Southern California United Way | 1,533,600 | - | 1,533,600 |
| ECE Facility Projects | 4,633,079 | - | 4,633,079 |
| Total committed | 15,516,430 | - | 15,516,430 |
| Unassigned | | | |
| Unassigned Fund Balance | 19,084,903 | - | 19,084,903 |
| Total fund balance | \$ 34,601,333 | \$ 311,400 | \$ 34,912,733 |

Stabilization Arrangement

In May 2018, the Commission approved Action Item #18-12. Under the formal action, a portion of the fund balance of the General Fund is committed for budget stabilization arrangement, such as might be needed when revenue shortages or budgetary imbalances occur. The Policy states that, at fiscal year-end, an amount equal \$6,000,000 of the General Fund is to be committed for use to maintain services at the same level as was contracted in the event of revenue budgetary shortfall (revenue fall 10% below budget). At June 30, 2024, \$6,000,000 was committed for the budgetary stabilization reserve.

Minimum Fund Balance Policy

In May 2018, the Commission approved Action Item #18-12, which created a minimum fund balance reserve policy. The minimum fund balance reserve is set at an amount equal \$4,000,000. The reserve is to be replenished as soon as economic conditions allow. As of June 30, 2024, the Commission had \$4,000,000 of the targeted reserve amount of \$4,000,000 in unassigned fund balance, pursuant to the policy.

Note 7 - Special Funding – Other Programs

The Riverside IMPACT (Improve and Maximize Programs so All Children Thrive) Legacy program is dedicated to enhancing the quality of early learning environments across a diverse range of voluntary settings. This includes licensed centers, family child-care homes (FCCH), legally exempt centers, family, friend, and neighbor (FFN) care, as well as alternative settings for children aged 0 to 5. First 5 California has awarded the Commission \$7,698,631 to support the IMPACT initiative over a two-year period starting in FY 23-24. As the fiscal lead for the region, this amount includes pass-through funds for First 5 San Bernardino, Orange County, and Imperial. By June 30, 2024, a total of \$3,674,448 has been claimed. The First 5 IMPACT program requires matching contributions from program partners at a ratio of two to one—meaning for every dollar of local funding, there are two dollars of First 5 California funding. Additionally, the Home Visitation program, funded through First 5 California, has received \$134,144, bringing the total funding for all initiatives to \$3,808,592. The Commission has also secured \$76,356 in IMPACT-related funding from the Riverside County Office of Education.

The Riverside County Department of Public Social Services has provided an additional \$2,556,503 to support five family resource centers across the county. On September 14, 2021, and January 24, 2023, the Riverside County Board of Supervisors approved the allocation of \$15,000,000 and \$8,000,000, respectively, in federal funding through the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) as part of the American Rescue Plan Act of 2021 (ARPA). These funds are designated for the Commission for Early Care & Education Recovery, aimed at bolstering COVID-19 response efforts and fostering economic recovery in Riverside County. As of June 30, 2024, the Commission has incurred a total of \$13,289,316 in eligible expenditures under the ARPA program, distributed as follows: \$5,781,770 in FY 2022, \$7,255,855 in FY 2023, and \$251,691 in FY 2024. During the year ending June 30, 2024, the Commission transferred \$2,000,000 of ARPA funds to the County of Riverside for two childcare centers. Of this amount, \$1 million was allocated to the Office of Economic Development for the Design-Build contract for the French Valley Childcare Center, and another \$1 million was designated for the Housing and Workforce Solutions department to support the Desert Rose Childcare Infrastructure Project. Under the ARPA program, funds must be obligated by December 31, 2024, and expended by December 31, 2026. As of June 30, 2024, approximately \$8 million in ARPA funds remains unspent, including accrued interest.

Note 8 - Related Party Transactions

The required composition of the Board of Commissioners is consistent with the Children and Families Act of 1998 and Riverside County Ordinance 784. Some of the programs funded by First 5 Riverside are operated by organizations associated with the Commissioners. Commissioners must abstain from discussion and voting on issues directly related to their respective organizations. The Commission also utilizes the County Counsel for its legal services.

First 5 Riverside County Children and Families Commission

Notes to Financial Statements

June 30, 2024

The following is a summary of expenditures and payables at June 30, 2024 for each related party:

| Organization | Expenditure Amount |
|--|-----------------------|
| Department of Public Health Riverside County | \$ 174,923 |
| Jurupa Unified School District | 857,231 |
| Riverside County Office of Education | 3,637,986 |
| County Counsel | 29,341 |
| Total | \$ 4,699,481 |

The expenditure amounts are included in Professional and Specialized Services.

During the year ended June 30, 2024, the Commission transferred to the County of Riverside \$2,000,000 of ARPA funds to the Office of Economic Development for the Design-Build Contract for the French Valley Childcare Infrastructure Project.

Note 9 - Program Evaluation

In accordance with the *Standards and Procedures for Audits of California Counties Participating in the California Children and Families Program*, issued by the California State Controller, the Commission is required to disclose the amounts expended during the fiscal year on program evaluation. Program evaluation costs pertain to those activities undertaken to support the collection, production, analysis and presentation of evaluation information for Commission management, Commissioners and other interested parties.

For the year ended June 30, 2024, the Commission expended \$632,725 on program evaluation.

Note 10 - Retirement Plan

A. General Information about the Pension Plan

Plan Descriptions – The County contracts with CalPERS to provide retirement benefits to its employees. CalPERS is a common investment and administrative agent for participating public entities with the State of California. All qualified permanent and probationary employees are eligible to participate in the County’s Miscellaneous (all other) Employee Pension Plans, an agent multiple employer defined benefit pension plan administered by the California Public Employees Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and County resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information may be obtained from: California Public Employee’s Retirement System, 400 Q Street, P.O. Box 942701, Sacramento, California 94229-2701 or can be found on the CalPERS website at: <http://www.calpers.ca.gov>.

First 5 Riverside County Children and Families Commission

Notes to Financial Statements

June 30, 2024

The employees of the Commission are employees of the County. The Commission reimburses the County for all pension plan costs and participates in the County’s agent employer plan. For financial reporting purposes, the Commission reports a proportionate share of the County’s collective net pension liability, pension expense, and deferred outflows and inflows of resources. Accordingly, the disclosures and required supplementary information have been reported for the Commission as a cost-sharing participant. For additional details of the County’s pension plan, refer to the County of Riverside Annual Comprehensive Financial Report.

Benefits Provided – CalPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

The Plan’s provisions and benefits in effect at June 30, 2024, are summarized as follows:

| | Miscellaneous | | |
|--------------------------------------|--|--|--|
| | Tier I Prior to <u>8/23/2012</u> | Tier II 8/23/2012 through <u>12/31/2012</u> | Tier III On or after <u>1/1/2013</u> |
| Hire Date | <u>8/23/2012</u> | <u>12/31/2012</u> | <u>1/1/2013</u> |
| Formula | 3% at 60 | 2% @ 60 | 2% @ 62 |
| Benefit Vesting Schedule | 5 years of service | 5 years of service | 5 years of service |
| Final Compensation | 12 months | 36 months | 36 months |
| PEPRA Compensation Limit | N/A | N/A | \$ 117,020 |
| Benefit Payments | monthly for life | monthly for life | monthly for life |
| Earliest Retirement Age | 50 | 50 | 52 |
| Required Employee Contribution Rates | 8.0% | 7.0% | 7.25% |
| Required Employer Contribution Rates | 23.05% | 23.05% | 23.05% |

Contributions - Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers must be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability and side fund. The dollar amounts are billed on a monthly basis.

Active plan members in CalPERS are required to contribute up to 8% (Miscellaneous employees) of their annual covered salary as specified in the governing Memorandum of Understanding or as provided by state statute. The Commission's contributions to the County plan were \$1,334,938 for the year ended June 30, 2024.

First 5 Riverside County Children and Families Commission

Notes to Financial Statements

June 30, 2024

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2024, the Commission reported a net pension liability for its proportionate share of the County's miscellaneous plan net pension liability of \$7,333,106.

The Commission's net pension liability was measured as the proportionate share of the County's net pension liability based on its actual 2024 contributions in relation to all County contributions to the Plan.

The net pension liability of the Plan was measured as of June 30, 2023, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022, rolled forward to June 30, 2023, using standard update procedures. The Commission's proportionate share of the County's miscellaneous pension plan's net pension liability, measured as of June 30, 2022, and 2023 was 0.285902% and 0.292782%, respectively.

For the year ended June 30, 2024, the Commission recognized pension expense is \$1,543,927. At June 30, 2024, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|-----------------------------------|----------------------------------|
| Differences Between Actual and Expected Experience | \$ 69,101 | \$ (246,491) |
| Changes In Assumptions | 580,130 | - |
| Net Differences Between Projected and Actual Earnings | | |
| On Plan investments | 1,059,796 | - |
| Changes In Proportion and Difference Between | | |
| Commission's Contributions and Proportionate Share of | | |
| Contributions | 464,919 | (363,933) |
| Contributions Subsequent To The Measurement Date | 1,334,938 | - |
| Total | \$ 3,508,884 | \$ (610,424) |

The amount of \$1,334,938 reported as deferred outflow of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources related to pensions will be recognized as pension expense as follows:

| | Year ended June 30 |
|------|--------------------|
| 2025 | \$ 502,835 |
| 2026 | 217,351 |
| 2027 | 808,312 |
| 2028 | 35,024 |
| | \$ 1,563,522 |

First 5 Riverside County Children and Families Commission

Notes to Financial Statements

June 30, 2024

Actuarial Assumptions – The Commission’s proportion of the County’s total pension liabilities in the June 30, 2022, actuarial valuations were determined using the following actuarial assumptions:

| | |
|----------------------------------|---|
| Valuation Date | June 30, 2022 |
| Measurement Date | June 30, 2023 |
| Actuarial Cost Method | Entry-Age Normal Cost Method |
| Actuarial Assumptions | |
| Discount rate | 6.90% |
| Inflation | 2.30% |
| Salary increases | Varies by Entry Age and Service |
| Mortality rate table (1) | Derived using CalPERS' Membership Data for all Funds |
| Post retirement benefit increase | Lesser of Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.30% thereafter |

- (1) The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

Discount Rate – The discount rate used to measure the total pension liability was 6.90% for the Plan. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that the County’s contributions will be made at rates equal to the difference between actuarially determined contributions rates and the employee rate. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund (PERF) cash flows. Taking into account historical returns of all the Public Employees Retirement Funds’ asset classes (which includes the agent plan and two cost-sharing plans or PERF A, B, and C funds), expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each PERF fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

First 5 Riverside County Children and Families Commission

Notes to Financial Statements

June 30, 2024

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation.

| Asset Class | Target Allocation | Real Return ^{1,2} |
|----------------------------------|-------------------|----------------------------|
| Global Equity - Cap-weighted | 30.0% | 4.54% |
| Global Equity - Non-Cap-weighted | 12.0% | 3.84% |
| Private Equity | 13.0% | 7.28% |
| Treasury | 5.0% | 0.27% |
| Mortgage-backed Securities | 5.0% | 0.50% |
| Investment Grade Corporates | 10.0% | 1.56% |
| High Yield | 5.0% | 2.27% |
| Emerging Market Debt | 5.0% | 2.48% |
| Private Debt | 5.0% | 3.57% |
| Real assets | 15.0% | 3.21% |
| Leverage | -5.0% | -0.59% |
| Total | 100% | |

(1) An expected inflation of 2.30% used for this period

(2) Figures are based on the 2021 Asset Liability Management study

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the proportionate share of the net pension liability of the Commission, calculated using the discount rate for the Plan, as well as what the Commission’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-Percentage point higher than the current rate:

| | Discount Rate -1% (5.90%) | Current Discount Rate (6.90%) | Discount Rate + 1% (7.90%) |
|---|------------------------------|-------------------------------------|-------------------------------|
| Commission's Proportionate Share of the Net Pension Liability | \$ 11,787,755 | \$ 7,333,106 | \$ 3,686,076 |

Pension Plan Fiduciary Net Position – Detailed information about the pension plan’s fiduciary net position is available in the separately issued CalPERS financial report and the County Annual Comprehensive Financial Report (ACFR). The County’s financial statements may be found on the Auditor-Controller’s Website: <http://www.auditorcontroller.org/>.

Note 11 - Risk Management

The Commission is part of the County of Riverside's insurance programs including coverage for general liability and auto liability. The County's insurance program for general and auto liability is a combination of self-insurance and excess insurance providing limits of liability of \$25,000,000 per occurrence.

The employees at the Commission are considered to be employees of the County of Riverside and are covered by the County's workers' compensation program. The County's workers' compensation program is a combination of self-insurance and excess insurance providing statutory limits of coverage as required by the State of California.

For the past three years, settlements or judgment amounts have not exceeded insurance provided for Commission.

Note 12 - Contingencies

The Commission participates in state and federal programs, the principal of which are subject to program compliance. The amount of expenditures which may be disallowed, if any, by the granting agencies (First 5 California or State of California or federal awarding agencies) are anticipated to be immaterial.

The Commission is involved in various legal proceedings from time to time in the normal course of business. In management's opinion, the Commission is not involved in any legal proceeding that will have a material adverse effect on financial position or changes in financial position of the Commission.

Required Supplementary Information
June 30, 2024

First 5 Riverside County Children and Families Commission



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First 5 Riverside County Children and Families Commission
Schedule of the Commission's Proportionate Share of the Net Pension Liability (Miscellaneous Plan)
Last Ten Years

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Commission's proportion of the net pension liability | 0.292782% | 0.285902% | 0.322377% | 0.303069% | 0.214360% | 0.243538% | 0.240294% | 0.181543% | 0.157307% | 0.141167% |
| Commission's proportionate share of the net pension liability | \$ 7,333,106 | \$ 6,901,560 | \$ 3,253,591 | \$ 6,463,224 | \$5,065,275 | \$ 5,301,689 | \$ 5,231,069 | \$ 2,987,791 | \$ 1,777,256 | \$ 1,340,526 |
| Covered payroll | \$ 3,327,557 | \$ 3,734,131 | \$ 3,481,611 | \$ 2,638,451 | \$ 2,660,118 | \$ 2,581,044 | \$ 1,944,230 | \$ 1,590,991 | \$ 1,339,400 | \$ 1,341,771 |
| Commission's proportionate share of the net pension liability as a percentage of covered payroll | 220.38% | 184.82% | 93.45% | 244.96% | 190.42% | 205.41% | 269.06% | 187.79% | 132.69% | 99.91% |
| Plan fiduciary net position as a percentage of the total pension liability | 76.24% | 75.92% | 89.13% | 76.03% | 72.08% | 72.12% | 71.03% | 74.51% | 80.89% | 83.16% |
| Measurement date | June 30, 2023 | June 30, 2022 | June 30, 2021 | June 30, 2020 | June 30, 2019 | June 30, 2018 | June 30, 2017 | June 30, 2016 | June 30, 2015 | June 30, 2014 |

First 5 Riverside County Children and Families Commission
 Schedule of Contributions
 Last Ten Years

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Required Commission contributions | \$ 1,334,938 | \$ 924,394 | \$ 948,918 | \$ 866,994 | \$ 523,854 | \$ 505,552 | \$ 438,501 | \$ 325,821 | \$ 252,313 | \$ 195,972 |
| Contributions in relation to the actuarially determined contribution | <u>1,334,938</u> | <u>924,394</u> | <u>948,918</u> | <u>866,994</u> | <u>523,854</u> | <u>505,552</u> | <u>438,501</u> | <u>325,821</u> | <u>252,313</u> | <u>195,972</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Covered payroll | \$ 3,327,557 | \$ 3,327,557 | \$ 3,734,131 | \$ 3,481,611 | \$ 2,638,451 | \$ 2,660,118 | \$ 2,581,044 | \$ 1,944,230 | \$ 1,590,991 | \$ 1,339,400 |
| Contributions as a percentage of covered payroll | 40.12% | 27.78% | 25.41% | 24.90% | 19.85% | 19.00% | 16.99% | 16.76% | 15.86% | 14.63% |

First 5 Riverside County Children and Families Commission
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual – General Fund
Year Ended June 30, 2024

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-----------------------|-----------------------|----------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Tobacco taxes | \$ 16,574,768 | \$ 16,574,768 | \$ 16,256,575 | \$ (318,193) |
| IMPACT | - | 3,966,793 | 3,808,592 | (158,201) |
| Other programs | 7,792,507 | 8,067,007 | 5,273,496 | (2,793,511) |
| Investment income | 350,000 | 350,000 | 1,762,793 | 1,412,793 |
| Total revenues | <u>24,717,275</u> | <u>28,958,568</u> | <u>27,101,456</u> | <u>(1,857,112)</u> |
| Expenditures | | | | |
| Current | | | | |
| Salaries and benefits | 8,285,045 | 8,285,045 | 6,931,295 | 1,353,750 |
| Professional and specialized services | 19,600,000 | 19,600,000 | 17,454,599 | 2,145,401 |
| Services and supplies | 3,508,344 | 3,558,344 | 1,772,081 | 1,786,263 |
| Total expenditures | <u>31,393,389</u> | <u>31,443,389</u> | <u>26,157,975</u> | <u>5,285,414</u> |
| Other Financing Sources (Uses) | | | | |
| Contributions from County | - | 310,000 | 98,480 | 211,520 |
| Net Changes in Fund Balance | <u>\$ (6,676,114)</u> | <u>\$ (2,174,821)</u> | \$ 1,041,961 | <u>\$ 3,216,782</u> |
| Fund Balance, Beginning of Year | | | <u>33,559,372</u> | |
| Fund Balance, Ending | | | <u>\$ 34,601,333</u> | |

First 5 Riverside County Children and Families Commission
 Schedule of Revenues, Expenditures, and Changes in Fund Balance -
 Budget and Actual – ARPA Fund
 Year Ended June 30, 2024

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|-------------------|-------------------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Other programs | \$ 10,000,000 | \$ 10,000,000 | \$ 250,492 | \$ (9,749,508) |
| Investment income | - | - | 339,981 | 339,981 |
| Total revenues | <u>10,000,000</u> | <u>10,000,000</u> | <u>590,473</u> | <u>(9,409,527)</u> |
| Expenditures | | | | |
| Current | | | | |
| Professional and specialized services | 10,000,000 | 10,000,000 | 251,691 | 9,748,309 |
| Net Changes in Fund Balance | <u>\$ -</u> | <u>\$ -</u> | 338,782 | <u>\$ 338,782</u> |
| Fund Balance (Deficit), Beginning of Year | | | <u>(27,382)</u> | |
| Fund Balance, Ending | | | <u>\$ 311,400</u> | |

Note to Required Supplementary Information

Budget and Budgetary Process

The annual budget is adopted on a basis consistent with Generally Accepted Accounting Principles for the general fund and ARPA fund. The appropriated budget is prepared utilizing fund and department categories. Transfer of appropriations between categories must be approved by the Commission. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level.

The Commission adopts an annual budget, which can be amended by the Commission throughout the year. The basis used to prepare the budget is the same as the basis used to reflect actual revenues and expenditures.

Other Supplementary Information
June 30, 2024

First 5 Riverside County Children and Families Commission



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First 5 Riverside County Children and Families Commission

Schedule of First 5 California Funding

Year Ended June 30, 2024

| <u>Program</u> | <u>Source</u> | <u>Revenue</u> | <u>Expenses</u> |
|----------------|--------------------|----------------|-----------------|
| IMPACT | F5CA Program Funds | \$ 3,808,592 | \$ 3,808,592 |

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Compliance Section
June 30, 2024

First 5 Riverside County Children and Families Commission



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Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Commissioners
First 5 Riverside County Children and Families Commission
Riverside, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the First 5 Riverside County Children and Families Commission (Commission), a component unit of the County of Riverside, California, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Commission’s basic financial statements, and have issued our report thereon dated October 16, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses as item 2024-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Commission's Response to Finding

Government Auditing Standards require the auditor to perform limited procedures on the Commission's response to the finding identified in our audit and described in the accompanying Schedule of Findings and Responses. The Commission's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Rancho Cucamonga, California
October 16, 2024



Independent Auditor's Report on State Compliance

To the Board of Commissioners
First 5 Riverside County Children and Families Commission
Riverside, California

Report on Compliance

Opinion

We have audited the First 5 Riverside County Children and Families Commission's (Commission), a component unit of the County of Riverside, California, compliance with the requirements specified in the State of California's *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act*, issued by the State Controller's Office, applicable to the Commission's statutory requirements identified below for the year ended June 30, 2024.

In our opinion, the Commission complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the California Children and Families Program for the year ended June 30, 2024.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the State of California's *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act*, issued by the State Controller's Office. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of the Commission's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above, and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the California Children and Families Program.

Auditor’s Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether the material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Commission’s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the State of California’s *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Commission’s compliance with the requirements of the California Children and Families Program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Commission’s compliance with the compliance requirements referred to above and performing such other procedures as we consider necessary in the circumstances;
- Obtain an understanding of the Commission’s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the State of California’s *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act*, but not for the purpose of expressing an opinion on the effectiveness of the Commission’s internal controls over compliance. Accordingly, we express no such opinion; and
- Select and test transactions and records to determine the Commission’s compliance with the state laws and regulations applicable to the following items:

| Description | Audit Guide Procedures | Procedures Performed |
|---------------------------------------|------------------------|----------------------|
| Contracting and Procurement | 6 | Yes |
| Administrative Costs | 3 | Yes |
| Conflict-of-Interest | 3 | Yes |
| County Ordinance | 4 | Yes |
| Long-range Financial Plans | 2 | Yes |
| Financial Condition of the Commission | 1 | Yes |
| Program Evaluation | 3 | Yes |
| Salaries and Benefits Policies | 2 | Yes |

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identify during the audit.

Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention from those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the State of California's *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act*. Accordingly, this report is not suitable for any other purpose.



Rancho Cucamonga, California
October 16, 2024

2024-001

Unauthorized and Unsupported Rent Expenditure

Type of Finding: Significant Deficiency in Internal Control over Financial Reporting

Criteria:

Management is responsible for ensuring all procurement related transactions comply with the Commission's Contracting and Procurement Policy. Management is responsible for ensuring all transactions are authorized and supported.

Condition:

During our audit, we noted that a journal entry was posted to the Commission's general ledger by another County department without the Commission's review and/or approval. As such, the Commission did not comply with its procurement policy requiring approval from the Commission for expenditures greater than \$50,000. An adjustment in the amount of \$90,588 was needed to properly reflect the expenditure balance at June 30, 2024.

Cause:

During our testing of the Commission's lease expenses, we noted the Commission amended one of its lease agreements to include use of space at an additional site in Jurupa Valley. The agreement is between the Commission and another County of Riverside department. However, the amended lease agreement was not signed nor placed into effect during the fiscal year as it is pending finalization from the other department and approval from County Counsel. The amendment also did not receive Commission approval as required per the Commission's procurement policy as the total agreement exceeds \$50,000. Additionally, the County department acting as the lessor made a journal entry to the Commission's general ledger to transfer the amount for the fiscal year's rent expense from the Commission. The rent expenditure recorded does not agree to the lease schedule in the drafted amendment and has no other supporting documentation. Additionally, the Commission did not approve this entry. As a result, the Commission overstated its rent expenditures resulting in an adjustment of \$90,588.

Effect:

An unapproved and unsupported transaction was recorded in the Commission's general ledger overstating the rent expenditure balance. An adjustment was necessary to correct the balance.

First 5 Riverside County Children and Families Commission

Schedule of Findings and Responses

Year Ended June 30, 2024

Recommendation:

We recommend that the Commission review all procurement related transactions to ensure they are in accordance with the Commission's Contracting and Procurement Policy. Additionally, we recommend that the Commission review all inter-County transactions ensuring proper supporting documentation is present and the transaction agrees with the Commission's records.

Views of Responsible Officials and Planned Corrective Action:

Inter-departmental Journal Entry

The rent expenditure recorded through the other County of Riverside billing department's journal entry does not agree with the Operating Cost Breakdown in the drafted amended MOU. However, the supporting documentation included in the journal entry does support the expenditure with a noted percentage for space allocation that was incorrect. The overstated rent expenditure (\$90,588) was corrected in fiscal year 23/24 due to the incorrect amount and the amended MOU not being fully executed.

As a best practice, the fiscal team currently reviews expenditures monthly to ensure the properness of journal entry expenditures. For this expense, the other County of Riverside department's billing department submitted an entire year of space allocation costs with supporting documentation as part of the year-end journal entry process. The fiscal unit recognized the expense and corrected the project information on August 15, 2024, with the knowledge that the inter-department MOU for this expense was drafted, making its way through the billing department's approval process. The delay in finalizing the inter-department MOU due to changes in space allocation and legal reviews resulted in the amended MOU not being approved and fully executed at the July Commission meeting. Original cost estimates for the Jurupa Valley site were projected at less than \$50,000. These costs increased with the final space allocations and were calculated retroactively. The other County department processed the journal entry without an executed agreement.

As First 5 Riverside County continues to engage in partnerships with County departments, there is an opportunity to work with the Auditor Controller's Office (ACO) to request an exception to the practice of inter-county department journal entries. The current standard with the ACO (Policy #501) is that the billing department has full control of journal entries so long as the billing department approves. The receiving department does not sign off or approve journal entries. An exception through Policy #702, if granted by ACO, would require the billing department to request approval from the receiving department before processing and submitting the journal entry in PeopleSoft for the ACO approval. First 5 Riverside County will engage with the ACO to explore the exception request and determine if this course of action will prevent year-end journal entries from posting to allow sufficient time to research and reverse the charge if erroneous. The charge in question was based on information that the billing department approved without the receiving department's review and approval.

Authorization for Space Allocation MOU – Family Resource Centers

Funding to support the Family Resource Centers (FRC) is through an MOU with the Department of Social Services (DPSS-0001997) for the operation of FRCs under First 5's management. The Commission authorized the Executive Director, based upon the availability of funding and as approved by County Counsel to sign amendments that exercise the options of the executed MOU, including modifications of the statement of work that stay within the intent of the MOU (AI 20-22, 5/13/20).

Subsequent amendments to the MOU (DPSS-0001997) streamlined the need for additional amendments based on the needs of the community (at the discretion of First 5 Riverside County, expansion and/or reduction of physical sites is allowable under the MOU). With the delegation of the operational management of the FRCs to First 5 Riverside County, sites have adjusted to meet community needs. Since 2020, one site was decommissioned in Rubidoux, two Perris sites/locations were consolidated, with physical moves of both the Desert Hot Springs and Mecca sites. Current needs dictated through pilot testing the desire for FRCs at both the Jurupa Valley and Temecula shared space with another County department.

The overall intent of the DPSS MOU for First 5 operations of the Family Resource Center remains intact, including the funding source through MOU DPSS-0001997, which allows through Commission approval the Executive Director to enter into MOUs with County departments to support the expansion and/or reduction of the Family Resource Centers. Additional oversight is afforded to the involved departments through County Ordinance No. 459 which requires Board approval for a rental or lease agreement for longer than one year. The properties shared through the MOU are County facilities.

Furthermore, on May 25, 2021 (Item: 3.20, ID #15530), the Board of Supervisors adopted Resolution 2021-109, establishing delegations of authorities for the Executive Director or Designee of the Riverside County Children and Families Commission. The Board delegated authority to the Executive Director, or designee, of the First 5 Commission to execute and enter into any agreements, contracts, and memorandums of understanding with other third parties and other county departments subject to approval as to form by County Counsel and where no County general funds are committed or involved in any such agreements.

Based upon the Commission authority through action item 20-22 and Board of Supervisors Resolution 2021-109, the Executive Director had authority to approve MOU No. 23-069 and subsequent amendments to support the operation and management of the Family Resource Center including reimbursement of operating costs.

First 5 Riverside County Children and Families Commission
Schedule of Prior Year Findings and Responses
Year Ended June 30, 2024

None noted.



October 16, 2024

To the Board of Commissioners
First 5 Riverside County Children and Families Commission
Riverside, California

We have audited the financial statements of the governmental activities and each major fund of the First 5 Riverside County Children and Families Commission (Commission), a component unit of the County of Riverside, California as of and for the year ended June 30, 2024, and have issued our report thereon dated October 16, 2024. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit under Generally Accepted Auditing Standards and *Government Auditing Standards*

As communicated in our letter dated May 29, 2024, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Commission solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our comments regarding a significant control deficiency during our audit in our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated October 16, 2024.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Commission is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2024. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are amounts related to the net pension liability, related deferred inflows of resources and deferred outflows of resources, pension expense, and disclosures, are based on actuarial valuations and a proportionate share of the collective net pension liability of the County of Riverside's miscellaneous agent employer plan. We evaluated the key factors and assumptions used to develop the estimates and determined that they it are reasonable in relation to the basic financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the Commission's financial statements relate to:

The disclosure of the Commission's defined benefit pension plan, net pension liability and related deferred inflows of resources and deferred outflows of resources in Note 10 to the financial statements. The valuation of the net pension liability and related deferred outflows (inflows) of resources are sensitive to the underlying actuarial assumptions used including, but not limited to, the discount rate, and the Commission's proportionate share of the Plan's collective net pension liability. As disclosed in Note 10, a 1% increase or decrease in the discount rate has a significant effect on the Commission's net pension liability.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit.

The attached schedule of corrected misstatements summarizes misstatements that we identified as a result of our audit procedures and were brought to the attention of, and corrected by management. There were no uncorrected misstatements identified as a result of our audit procedures.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the the Commission's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Circumstances that Affect the Form and Content of the Auditor's Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. We did not identify and circumstances that affect the form and content of the auditor's report.

Representations Requested from Management

We have requested certain written representations from management which are included in the management representation letter dated October 16, 2024.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the Commission, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating conditions affecting the entity, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Commission's auditors.

This report is intended solely for the information and use of the Board of Commissioners, and management of the Commission and is not intended to be, and should not be, used by anyone other than these specified parties.

Eide Bailly LLP

Rancho Cucamonga, California

Riverside County Children and Families First – Proposition 10 Commission
 Schedule of Corrected Misstatements
 June 30, 2024

| Number | Opinion Unit(s) | Account | Debit | Credit |
|--------|--|--|-----------|-----------|
| 1 | General Fund, Governmental Activities | Due From Other Governments Rent - Lease Buildings | \$ 90,588 | \$ 90,588 |

(To adjust for the overstatement of rent expense relating to the Jurupa Valley lease as of June 30, 2024.)

COMMISSION

Zachary Ginder, PsyD
Chair

October 16, 2024

Jose Campos
Vice Chair

Eide Bailly LLP
10681 Foothill Blvd Suite 300,
Rancho Cucamonga, CA 91730

V. Manuel Perez
County Supervisor

This representation letter is provided in connection with your audit of the financial statements of First 5 Riverside Children and Families Commission (Commission), a component unit of the County of Riverside, which comprise the respective financial position of the governmental activities and each major fund as of June 30, 2024, and for year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows, where applicable, of the various opinion units of First 5 Riverside Children and Families Commission (Commission) in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Chuck Washington
County Supervisor/Alternate

Charity Douglas

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information such that, in the light of surrounding circumstances, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Edwin Gomez, EdD

Stephanie Yost

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of October 16, 2024.

Kimberly Saruwatari

Financial Statements

Elizabeth Romero

STAFF

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 29, 2024, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
- We acknowledge our responsibility for the design, implementation, and maintenance of the system of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- We have reviewed, approved, and taken responsibility for the financial statements and related notes.
- We have a process to track the status of audit findings and recommendations.
- We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- Significant assumptions used by us in making accounting estimates including those measured at fair value, are reasonable
- All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.

Tammi Graham
Executive Director

Yvonne Suarez
Assistant Director

Charna Widby
Deputy Director

Michael Knight
Deputy Director

- All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- The effects of uncorrected misstatements summarized in the attached schedule and aggregated by you during the current engagement are immaterial, both individually and in the aggregate, to the applicable opinion units and to the financial statements as a whole.
- The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
- All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
- All funds and activities are properly classified.
- All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus* as amended, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
- All components of net position, nonspendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
- Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance are available is appropriately disclosed and net position/fund balance is properly recognized under the policy.
- All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
- All interfund and intra-entity transactions and balances have been properly classified and reported.
- Deposit and investment risks have been properly and fully disclosed.
- Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
- All required supplementary information is measured and presented within the prescribed guidelines.
- With regard to investments and other instruments reported at fair value:
 - The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
 - The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
 - The disclosures related to fair values are complete, adequate, and in accordance with U.S. GAAP.
 - There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
- With respect to preparation of the financial statements, we have performed the following:
 - Made all management decisions and performed all management functions;
 - Assigned a competent individual to oversee the services;
 - Evaluated the adequacy of the services performed;
 - Evaluated and accepted responsibility for the result of the service performed; and
 - Established and maintained internal controls, including monitoring ongoing activities

Information Provided

We have provided you with:

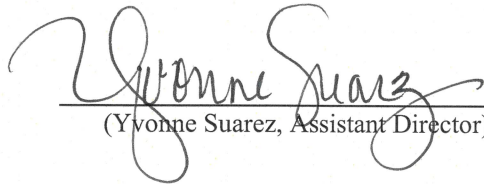
- Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
- Additional information that you have requested from us for the purpose of the audit;
- Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- A written acknowledgement of all the documents that we expect to issue that will be included in the annual report and the planned timing and method of issuance of that annual report;
- A final version of the annual report (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditor's report.
- The financial statements and any other information included in the annual report are consistent with one another, and the other information does not contain any material misstatements.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have provided to you our analysis of the entity's ability to continue as a going concern, including significant conditions and events present, and, if necessary, our analysis of management's plans, and our ability to achieve those plans.
- We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, vendors, regulators, or others.
- We are not aware of any pending or threatened litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- We have disclosed to you the identity of all the entity's related parties and the nature of all the related party relationships and transactions of which we are aware.
- There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- The Commission has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- We have disclosed to you all guarantees, whether written or oral, under which the Commission is contingently liable.
- We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
- We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.

- There are no:
 - Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
 - Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62.
 - Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62
- The Commission has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- We have evaluated the impact of GASB Statement Nos. 99 (portion effective in fiscal year 2024) and 100 effective July 1, 2023 and determined that the Statements did not have an impact on the financial statements.
- We have not completed the process of evaluating the effect that will result from adopting the guidance in GASB Statement Nos. 101, 102 and 103, as discussed in Note 1. The Commission is therefore unable to disclose the effect that adopting the guidance in GASB Statement Nos. 101, 102 and 103 will have on its financial position and the results of operations when such statements are adopted.
- Relating to the Commission's participation in the County's pension plan, we have reviewed the actuarial valuation, and adequately considered the assumptions and qualifications of the specialist in determining the amounts and disclosures used in the financial statements and our underlying accounting records. We did not give or cause any instructions to be given to the specialist with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialist.
- We have complied with all requirements outlined in the Standard and Procedures for Audits of Local Entities Administering the California Children and Families Act as issued by the California State Controller. In addition, we represent the following:
 - We have established contracting and procurement policies pursuant to Health and Safety Code Sections (H&S) 1301040(d)(4) and 130151(b)(1); operated in accordance with these policies; and incorporated procedures to ensure that our grants and contracts are consistent with our strategic plan.
 - We have established administrative cost definitions that comply with the state commission guidelines and established a process for monitoring these costs. For the fiscal year ended June 30, 2019, the Commission has complied with the administrative cost limit established by the Commission's Board. No changes were made to the methodology or basis of presentation for the calculation of the administrative cost calculation.
 - We have established conflict-of-interest policies and procedures pursuant to Health and Safety Code Section 130140(d)(4) and 130151(b)(3) and complied with applicable state and local conflict-of-interest statutes and regulations.
 - We have established policies and procedures designed to ensure our adherence to the County ordinance pursuant to Health and Safety Code Section 130140.
 - We have created a long-range financial plan and formally adopted it in a public hearing.

- We have communicated our financial condition in accordance with the Commission's policies and Health and Safety Code Section 130151(b)(6), except as noted by you.
- We have established salaries and benefits policies pursuant to Health and Safety Code Section 130151(b)(8) and 130140(d)(6) and have maintained compliance with these policies.

(Tammi Graham, Executive Director)

Date


(Yvonne Suarez, Assistant Director)

10/16/24

Date

- F.1.a. **Public Hearing:** Annual Audit of First 5 Riverside County Children & Families Commission for Fiscal Year 2023/2024 - Zachary Ginder, Chair
- F.1.b. **24-35:** Adopt First 5 Riverside County Children and Families Commission Annual Independent Audit Report for Fiscal Year 2023/2024 - Zachary Ginder, Chair
- F.2. Presentation of First 5 Riverside County Children and Families Commission Annual Report and First 5 Riverside County Children and Families Commission Agency Progress Report July 1, 2023-June 30, 2024 for Fiscal Year 2023/2024 (a copy of the report may be obtained at www.first5riverside.org and can be viewed at the Commission Business Office) - Yvonne Suarez, Assistant Director



AGENDA ITEM: 24-36
DATE OF MEETING: October 23, 2024
ACTION:
INFORMATION:

**ADOPT FIRST 5 RIVERSIDE COUNTY CHILDREN & FAMILIES COMMISSION
ANNUAL REPORT AND RECEIVE AND FILE AGENCY PROGRESS REPORT FOR
FISCAL YEAR 2023/2024**

SUMMARY OF REQUEST

Adopt First 5 Riverside County Children & Families Commission Annual Report for the period of July 1, 2023, through June 30, 2024, following a public hearing to allow for comments and input.

Receive and file First 5 Riverside County Agency Progress Report for fiscal year 2023/2024 as required by Commission policy.

BACKGROUND

Health and Safety Code Section 130150 requires that on or before November 1 of each year, the State Commission and each County Commission submit to the State Commission an audit of the implementation and performance of program goals and objectives for the preceding fiscal year and issue a written report. At a minimum, the annual report is to include the manner in which funds were expended, progress toward and achievement of program goals and objectives, and the population served.

The report provides a comprehensive overview of program funding and results and is completed in the design and format required by the State Commission for entry into the State's online data collection system. The State Commission compiles and summarizes data collected from local commissions for their purposes and subsequent reporting for a statewide summary to the legislature. A draft copy of the report is available on the Commission website at <http://www.first5riverside.org/> and at the Commission's business office for public viewing prior to the Commission meeting. Once adopted, the final report is available on the Commission website.

RECOMMENDED ACTION

That the Commission:

1. Adopt the First 5 Riverside County Children and Families Commission Annual Report for Fiscal Year 2023/2024 as presented; and
2. Receive and file First 5 Riverside County Agency Progress report for Fiscal Year 2023/2024.
3. Authorize the Executive Director or designee to execute the necessary actions to submit the report and meet legislative requirements without requiring further action of the Commission.

BUDGET IMPACT

None

STRATEGIC PLAN RELEVANCE

All Strategic Goal Areas

POTENTIAL CONFLICTS OF INTEREST

None known

ATTACHMENTS

Attachment A: First 5 Riverside County Children & Families Commission FY 2023-2024 Annual Report – includes AR-1 (Revenue & Expenditure Summary); AR-2 (Demographic Worksheet); and AR-3 (County Evaluation Summary & Highlights).



Annual Report AR-1

Riverside Revenue and Expenditure Summary

July 1, 2023 - June 30, 2024

Revenue Detail

| Category | Amount |
|---|---------------------|
| Tobacco Tax Funds | \$16,256,575 |
| IMPACT Legacy | \$3,674,448 |
| Small Population County Augmentation Funds | \$0 |
| Home Visiting Coordination Funds | \$134,144 |
| Refugee Family Support Funds | \$0 |
| Other First 5 California Funds | \$0 |
| Other First 5 California Funds Description | |
| Other Public Funds | \$5,523,988 |
| Other Public Funds Description CalWORKs & Family Resource Center Funding through DPSS. Riverside County Office of Education - space allocation. | |
| Donations | \$0 |
| Revenue From Interest Earned | \$2,102,774 |
| Grants | \$0 |
| Grants Description | |
| Other Funds | \$98,480 |
| Other Funds Contributions from County | |
| Total Revenue | \$27,790,409 |

Improved Family Functioning

| Service | Grantee | Program(s) | Children | Caregivers | Providers | Amount |
|-----------------------------------|---------------------------|---|----------|------------|--------------|--------------------|
| General Family Support | CBO/Non-Profit | <ul style="list-style-type: none"> Not Applicable (Guaranteed Income Pilot - Match Funds Monthly Stipend (18 months)) | 0 | 392 | 0 | \$675,000 |
| General Family Support | First 5 County Commission | <ul style="list-style-type: none"> Not Applicable (Family Resource Centers - DPSS Partnership/F5RC Management & Operational Oversight) | 51 | 5794 | 0 | \$3,209,412 |
| Family Literacy and Book Programs | CBO/Non-Profit | <ul style="list-style-type: none"> Reach Out and Read | 41974 | 0 | 0 | \$180,020 |
| Family Literacy and Book Programs | CBO/Non-Profit | <ul style="list-style-type: none"> Raising a Reader | 2371 | 0 | 0 | \$63,989 |
| | | | | | Total | \$4,128,421 |

Improved Child Development

| Service | Grantee | Program(s) | Children | Caregivers | Providers | Amount |
|---|---------------------------|---|----------|------------|-----------|--------------------|
| Quality Early Learning and Care Supports | First 5 County Commission | <ul style="list-style-type: none"> Quality Counts California | 0 | 0 | 0 | \$856,165 |
| Reason for no population served: Pass through funds to F5 Orange County for local IMPACT work. | | | | | | |
| Quality Early Learning and Care Supports | First 5 County Commission | <ul style="list-style-type: none"> Quality Counts California | 0 | 0 | 0 | \$265,825 |
| Reason for no population served: IMPACT local pass through funds | | | | | | |
| Quality Early Learning and Care Supports | First 5 County Commission | <ul style="list-style-type: none"> Quality Counts California | 0 | 0 | 0 | \$822,213 |
| Reason for no population served: IMPACT local pass through funds | | | | | | |
| Quality Early Learning and Care Supports | Other Private/For Profit | <ul style="list-style-type: none"> Not Applicable (Vertical Change DB - Region 9 San Bernardino) | 0 | 0 | 0 | \$98,000 |
| Reason for no population served: Region 9 - San Bernardino Database | | | | | | |
| Quality Early Learning and Care Supports | Research/Consulting Firm | <ul style="list-style-type: none"> Quality Counts California | 0 | 0 | 0 | \$72,367 |
| Reason for no population served: Kenyon SME IMPACT Legacy Support | | | | | | |
| Quality Early Learning and Care Supports | Research/Consulting Firm | <ul style="list-style-type: none"> Not Applicable (LIIF - ECE Infrastructure Landscape - Build Up Riverside) | 0 | 0 | 0 | \$221,964 |
| Reason for no population served: Landscape Analysis to Support ECE Infrastructure Expansion | | | | | | |
| Early Learning and Care Program Direct Costs | Child Care Centers | <ul style="list-style-type: none"> Facility Grants | 50 | 0 | 0 | \$302,268 |
| Total | | | | | | \$7,253,759 |

| Service | Grantee | Program(s) | Children | Caregivers | Providers | Amount |
|---|--|---|----------|------------|--------------|--------------------|
| Early Learning and Care Program Direct Costs | Child Care Centers | • Facility Grants | 36 | 0 | 0 | \$117,006 |
| Early Learning and Care Program Direct Costs | Child Care Centers | • Facility Grants | 46 | 0 | 0 | \$46,884 |
| Early Learning and Care Program Direct Costs | Child Care Centers | • Facility Grants | 24 | 0 | 0 | \$54,641 |
| Early Learning and Care Program Direct Costs | Child Care Centers | • Facility Grants | 24 | 0 | 0 | \$34,600 |
| Early Learning and Care Program Direct Costs | Child Care Centers | • Facility Grants | 24 | 0 | 0 | \$56,140 |
| Early Learning and Care Program Direct Costs | County Office of Education/School District | • Preschool/Childcare | 301 | 0 | 1830 | \$3,637,985 |
| Early Learning and Care Program Direct Costs | Other Private/For Profit | • Not Applicable (Teachstone R9 Hub Training Materials) | 0 | 0 | 0 | \$43,227 |
| Reason for no population served: Training and materials only | | | | | | |
| Early Learning and Care Program Direct Costs | Other Private/For Profit | • Not Applicable (Connected Minds R9 Hub Training) | 0 | 0 | 0 | \$9,000 |
| Reason for no population served: Region 9 Hub Training | | | | | | |
| Early Learning and Care Program Direct Costs | Other Private/For Profit | • Not Applicable (Full Circle Consulting Systems Inc.) | 0 | 0 | 0 | \$45,200 |
| Reason for no population served: R9 Hub Training | | | | | | |
| | | | | | Total | \$7,253,759 |

| Service | Grantee | Program(s) | Children | Caregivers | Providers | Amount |
|---|--|---|----------|------------|--------------|--------------------|
| Early Learning and Care Program Direct Costs | Other Private/For Profit | <ul style="list-style-type: none"> Not Applicable (Early Explorers Comprehensive Autism Center) | 0 | 0 | 0 | \$4,521 |
| Reason for no population served: Capacity Building | | | | | | |
| Early Learning and Care Program Direct Costs | Other Private/For Profit | <ul style="list-style-type: none"> Not Applicable (Hubbe - IMPACT Legacy Database) | 0 | 0 | 0 | \$399,281 |
| Reason for no population served: Database to support QCC - IMPACT Legacy F5RC | | | | | | |
| Early Learning and Care Program Direct Costs | Other Private/For Profit | <ul style="list-style-type: none"> Not Applicable (Hubbe - ARPA Wage Enhance Portal ECE Workforce) | 0 | 0 | 1674 | \$56,341 |
| Reason for no population served: ECE wage enhancement portal | | | | | | |
| Early Learning and Care Program Direct Costs | County Office of Education/School District | <ul style="list-style-type: none"> Not Applicable (ECE Providers Expansion - Workforce) | 0 | 0 | 72 | \$110,131 |
| Reason for no population served: ECE Workforce Expansion for AP Providers (Incentives) | | | | | | |
| | | | | | Total | \$7,253,759 |

Improved Child Health

| Service | Grantee | Program(s) | Children | Caregivers | Providers | Unique Families | Amount |
|---|--------------------------|--|----------|------------|-----------|-----------------|--------------------|
| General Health Education and Promotion | Other Private/For Profit | <ul style="list-style-type: none"> Not Applicable (SCWB - Drowning Prevention - Swim Lessons - Survival Techniques) | 244 | 0 | 0 | 0 | \$194,170 |
| General Health Education and Promotion | CBO/Non-Profit | <ul style="list-style-type: none"> Not Applicable (YMCA - Drowning Prevention - Swim Lessons) | 1991 | 0 | 0 | 0 | \$302,550 |
| General Health Education and Promotion | CBO/Non-Profit | <ul style="list-style-type: none"> Not Applicable (DRC - Drowning Prevention - Swim Lessons) | 509 | 0 | 0 | 0 | \$49,078 |
| General Health Education and Promotion | Higher Education | <ul style="list-style-type: none"> Not Applicable (ECOHA - Sustainability) | 0 | 0 | 0 | 0 | \$95,981 |
| Reason for no population served: Capacity Building - Early Childhood Oral Health Screening | | | | | | | |
| Early Intervention | Hospital/Health Plan | <ul style="list-style-type: none"> Care Coordination and Linkage | 3294 | 0 | 0 | 0 | \$460,051 |
| Perinatal and Early Childhood Home Visiting | CBO/Non-Profit | <ul style="list-style-type: none"> Parents as Teachers | 0 | 38 | 0 | 0 | \$276,263 |
| Perinatal and Early Childhood Home Visiting | CBO/Non-Profit | <ul style="list-style-type: none"> Parents as Teachers | 0 | 40 | 0 | 0 | \$142,935 |
| | | | | | | Total | \$6,623,852 |

| Service | Grantee | Program(s) | Children | Caregivers | Providers | Unique Families | Amount |
|---|--|---|----------|------------|-----------|-----------------|--------------------|
| Perinatal and Early Childhood Home Visiting | CBO/Non-Profit | <ul style="list-style-type: none"> Parents as Teachers | 0 | 212 | 0 | 0 | \$402,972 |
| Perinatal and Early Childhood Home Visiting | County Office of Education/School District | <ul style="list-style-type: none"> Parents as Teachers | 0 | 171 | 0 | 0 | \$849,519 |
| Perinatal and Early Childhood Home Visiting | Other Private/For Profit | <ul style="list-style-type: none"> Parents as Teachers | 0 | 0 | 6 | 0 | \$21,505 |
| Reason for no population served: Training and affiliation for Home Visiting Agencies | | | | | | | |
| Perinatal and Early Childhood Home Visiting | Other Private/For Profit | <ul style="list-style-type: none"> Nurse Family Partnership | 0 | 124 | 0 | 0 | \$1,339,314 |
| Perinatal and Early Childhood Home Visiting | County Health & Human Services | <ul style="list-style-type: none"> Nurse Family Partnership | 0 | 24 | 0 | 0 | \$174,923 |
| Perinatal and Early Childhood Home Visiting | County Office of Education/School District | <ul style="list-style-type: none"> HIPPY Local Model | 0 | 127 | 0 | 0 | \$7,713 |
| Perinatal and Early Childhood Home Visiting | CBO/Non-Profit | <ul style="list-style-type: none"> Local Model | 0 | 50 | 0 | 0 | \$202,020 |
| Perinatal and Early Childhood Home Visiting | CBO/Non-Profit | <ul style="list-style-type: none"> Local Model | 0 | 40 | 0 | 0 | \$25,024 |
| Perinatal and Early Childhood Home Visiting | First 5 County Commission | <ul style="list-style-type: none"> Not Applicable (Programmatic Operating Costs S&B for HV initiative) | 0 | 0 | 0 | 0 | \$237,157 |
| Reason for no population served: Funding supports programmatic staff time to support HV initiative | | | | | | | |
| | | | | | | Total | \$6,623,852 |

| Service | Grantee | Program(s) | Children | Caregivers | Providers | Unique Families | Amount |
|---|--------------------------------|---|-----------------|-------------------|------------------|------------------------|--------------------|
| Prenatal and Infant/Toddler Pediatric Support | Hospital/Health Plan | <ul style="list-style-type: none"> Healthy Steps | 7645 | 0 | 0 | 0 | \$927,981 |
| Prenatal and Infant/Toddler Pediatric Support | County Health & Human Services | <ul style="list-style-type: none"> Healthy Steps | 2322 | 0 | 0 | 0 | \$413,446 |
| Prenatal and Infant/Toddler Pediatric Support | County Health & Human Services | <ul style="list-style-type: none"> Local Model | 0 | 356 | 0 | 0 | \$501,250 |
| Reason for no population served: Support for tele-health equipment and navigation to resources | | | | | | | |
| Total | | | | | | | \$6,623,852 |

Improved Systems Of Care

| Service | Grantee | Program(s) | Amount |
|------------------|--|--|--------------------|
| Systems Building | CBO/Non-Profit | <ul style="list-style-type: none"> Not Applicable (7 FRC Network Specialist - Community Hubs) | \$607,388 |
| Systems Building | CBO/Non-Profit | <ul style="list-style-type: none"> Not Applicable (HARC - Community Needs Profiles - BOS Districts) | \$135,510 |
| Systems Building | Research/Consulting Firm | <ul style="list-style-type: none"> Health Systems | \$50,569 |
| Systems Building | CBO/Non-Profit | <ul style="list-style-type: none"> Not Applicable (IECC - Children's Cabinet) | \$120,356 |
| Systems Building | Research/Consulting Firm | <ul style="list-style-type: none"> Not Applicable (Gist - Healthy Steps Sustainability SME) | \$50,000 |
| Systems Building | CBO/Non-Profit | <ul style="list-style-type: none"> Not Applicable (Reach Out West End - Match Funds JVVIP) | \$75,000 |
| Systems Building | Other Private/For Profit | <ul style="list-style-type: none"> Not Applicable (Simpler - Lean Process Improvement Training) | \$403,768 |
| Systems Building | County Health & Human Services | <ul style="list-style-type: none"> Early Identification and Intervention | \$395,683 |
| Systems Building | Research/Consulting Firm | <ul style="list-style-type: none"> Not Applicable (QEL Environmental Scan) | \$4,925 |
| Systems Building | First 5 County Commission | <ul style="list-style-type: none"> Not Applicable (Program Related S&B to support all initiatives (includes all funding sources)) | \$2,722,802 |
| Systems Building | County Office of Education/School District | <ul style="list-style-type: none"> Not Applicable (JUSD FRCNS - Community Hub) | \$100,000 |
| Total | | | \$4,666,001 |

Expenditure Details

| Category | Amount |
|---|---------------|
| Program Expenditures | \$22,672,033 |
| Administrative Expenditures | \$3,104,908 |
| Evaluation Expenditures | \$632,725 |
| Total Expenditures | \$26,409,666 |
| Excess (Deficiency) Of Revenues Over (Under) Expenses | \$1,380,743 |

Other Financing Details

| Category | Amount |
|--------------------------------------|---------------|
| Sale(s) of Capital Assets | \$0 |
| Other | \$0 |
| Total Other Financing Sources | \$0 |

Net Change in Fund Balance

| Category | Amount |
|----------------------------|---------------|
| Fund Balance - Beginning | \$33,531,990 |
| Fund Balance - Ending | \$34,912,733 |
| Net Change In Fund Balance | \$1,380,743 |

Fiscal Year Fund Balance

| Category | Amount |
|--------------------|---------------|
| Nonspendable | \$0 |
| Restricted | \$0 |
| Committed | \$15,516,430 |
| Assigned | \$311,400 |
| Unassigned | \$19,084,903 |
| Total Fund Balance | \$34,912,733 |

Expenditure Note

No data entered for this section as of 10/17/2024 10:52:27 AM.



Annual Report AR-2
Riverside Demographic Worksheet
July 1, 2023 - June 30, 2024

Population Served

| Category | Number |
|---|---------------|
| Primary Caregivers | 7,455 |
| Providers | 4,373 |
| Children Less than 3 Years Old | 12,369 |
| Children from 3rd to 6th Birthday | 6,820 |
| Children – Ages Unknown (birth to 6th Birthday) | 42,615 |
| Total Population Served | 73,632 |

Primary Languages Spoken in the Home

| Category | Number of Children | Number of Primary Caregivers |
|--|--------------------|------------------------------|
| English | 15,498 | 3,776 |
| Spanish | 2,829 | 3,526 |
| Mandarin | 51 | 1 |
| Vietnamese | 13 | 6 |
| Korean | 12 | 1 |
| Other - Specify with text box Pashto, Farsi, Arabic | 318 | 28 |
| Unknown | 43,083 | 117 |
| Totals | 61,804 | 7,455 |

Race/Ethnicity of Population Served

| Category | Number of Children | Number of Primary Caregivers |
|---|--------------------|------------------------------|
| Alaska Native/American Indian | 241 | 106 |
| Asian | 950 | 69 |
| Black/African-American | 1,180 | 553 |
| Hispanic/Latino | 9,222 | 5,228 |
| Native Hawaiian or Other Pacific Islander | 50 | 14 |
| White | 5,702 | 627 |
| Two or more races | 325 | 140 |
| Other – Specify with text box Other | 812 | 17 |
| Unknown | 43,322 | 701 |
| Totals | 61,804 | 7,455 |

Duplication Assessment

| Category | Data |
|-------------------------------|---|
| Degree of Duplication | 25% |
| Confidence in Data | Moderately confident |
| Additional Details (Optional) | Duplication is limited within individual service definitions, however duplication exists both within and between result areas. Example children may receive multiple developmental screenings through Help Me Grow IE. |



Annual Report AR-3

Riverside County Evaluation Summary and Highlights

July 1, 2023 - June 30, 2024

County Evaluation Summary

Evaluation Activities Completed, Findings, and Policy Impact

Improved Family Functioning: Reach Out and Read prioritized serving traditionally hard-to-reach populations in low-income and high-need community settings and benefited 41,973 children. At 27 sites, a 3-part model was implemented to support and promote early literacy, school readiness, and parental engagement during regular pediatric visits providing doctors and nurses with books to assess a child's developmental progress. United Way of the Desert provided the Raising A Reader (RAR) program serving 2,371 children through coordinated book-bag deliveries at Coachella Valley, Desert Sands, and Palm Springs School Districts. Improved Child Development: The Riverside Hybrid Alternate Payment (RHAP) Program, administered by Riverside County Office of Education (RCOE), supported 301 children through RHAP scholarships, connecting families with immediate needs or special populations for enrollment. RCOE Early Care and Education Expansion for Child Care Access and Workforce Stabilization thru American Rescue Plan Act of 2021 enrolled 72 new Alternative Payment (AP) Early Care and Education providers allowing approximately 93 subsidized children access to AP sites. Improved Child Health: Through evidence-based home visiting models by six grantees, 6,925 visits were completed with 550 children and 609 caregivers. HealthySteps provided integrated behavioral health services to 10,000 children and 3,047 caregivers across two grantees. RUHS – Maternal Fetal Medicine served 356 patients with ultrasounds for high-risk pregnancies and provided intervention services. Family Resource Centers served as a centralized and accessible location supporting 5,794 families with resources and referrals. Drowning Prevention programs provided water safety and swim lessons for young children and prevention strategies for parents. Through five grantees, 2,895 children have been provided life-saving lessons. Improved Systems of Care: Help Me Grow Inland Empire (HMGIE) has developed a platform to expand the Electronic Data System that will allow screening partners to log in through the HMG-IE website, issue developmental screenings to families of young children, view results, and make referrals to HMG-IE's Central Access Point. HMG-IE began partnering with QSRC sites to support developmental screenings for children ages 0-5, which has resulted in 3,294 children receiving screenings. Funding for expanding the reach of the Family Resource Centers occurred through 8 existing organizations embedding Network Specialists to support continuity to families from broader population groups by increasing and expanding resources, providing linkages to prevention services, and providing direct support to families with young children ages 0 through 5.

County Highlights

County Highlight

First 5 Riverside County's investments promote an integrated system of prevention and early intervention services and coordinated care in diverse settings to meet individual families' needs. First 5's HealthySteps sites integrate HealthySteps Specialists in pediatric primary care teams to ensure universal screening of all families, provide referrals, and additional intensive services as needed. Coordinated care provided by HealthySteps Specialists improve engagement in preventive services and connection to community resources such as Home Visiting and other First 5 investments. HealthySteps (HS) sites partner with Help Me Grow IE to ensure families are connected to needed resources. Participating sites reached 10,000 children with 40% of children requiring referrals for early intervention (19%), mental health (21%), and other family services. First 5's engagement with Health Management Associates supports the integration of HS in managed care plans and supports participating agencies' plan for sustainability leveraging new Medi-Cal benefits such as dyadic care and the community health worker benefit.

- F.2.a. **Public Hearing:** Annual Report of First 5 Riverside County Children & Families Commission for Fiscal Year 2023/2024 - Zachary Ginder, Chair
- F.2.b. **24-36:** Adopt First 5 Riverside County Children & Families Commission Annual Report and Receive and File Agency Progress Report for Fiscal Year 2023/2024 - Zachary Ginder, Chair
- F.2.c. **Receive and File** - First 5 Riverside County Agency Progress Report July 1, 2023-June 30, 2024

FY 23/24 FINAL AGENCY REPORT

RIVERSIDE COUNTY CHILDREN AND FAMILIES COMMISSION

| AGENCY NAME | CONTRACT # | Primary Target Description | Target # | Result # |
|---|---------------------|--|----------|----------|
| Desert Recreation Center (Swim Lessons) | CF23118 | Swim Lessons | 500 | 509 |
| SoCal Water Babies (Cathryn Van Der Linden) | CF24101/ CF24137 | Swim Lessons | 235 | 244 |
| Corona-Norco YMCA (Swim Lessons) | CF24104 | Swim Lessons | 1,334 | 2,017 |
| City of Temecula (Swim Scholarships) | Scholarships | Swim Lessons | 92 | 78 |
| Jurupa Area Recreation & Park District (Swim Lessons) | Scholarships | Swim Lessons | 125 | 47 |
| Rady Children's Hospital (HealthySteps) | CF24102 | # of Children Age 0-3 who received Tier 3 Visits | 2,100 | 2,999 |
| Riverside University Health System - Medical Center (HealthySteps) | CF24103 | # of Children Age 0-3 who received Tier 3 Visits | 600 | 229 |
| Blindness Support (Home Visitation) | CF24123 | # of Parents | 30 | 38 |
| Family Service Association (Home Visitation) | CF24128 | # of Parents | 78 | 40 |
| John F. Kennedy Memorial Foundation (Home Visitation) | CF24117 | # of Parents | 225 | 212 |
| Jurupa Unified School District (Home Visitation) | CF24115 | # of Parents | 145 | 171 |
| Riverside University Health System - Public Health (Home Visitation) | CF24119 CF24120 | # of Parents | 88 | 24 |
| Yoo, Jeung Choo MD Inc. (Home Visitation) | CF24113 CF24114 | # of Parents | 155 | 124 |
| American Academy of Pediatrics (Reach Out and Read) | CF24109 | # of books distributed | 57,000 | 36,211 |
| Inland Southern California United Way, Inc. (Raising a Reader) | CF24122 | # kits distributed | 3,000 | 2,371 |
| Riverside County Office of Education (RCOE) - RHAP Program | CF24121 | # children who received scholarships | | 301 |
| | | # of ECE Sites receiving incentives | | 1,830 |
| Systems and Capacity Building | | | | |
| California Family Life Center Family Resource Center Network Specialist | CF23104 | California Northstate University College of Dentistry-Dental Screening | | CF23112 |
| Family Service Association Family Resource Center Network Specialist | CF23106 | Comprehensive Autism Center Early Explorers | | CF24143 |
| Greater Hope Foundation Family Resource Center Network Specialist | CF23103 | Loma Linda University Children’s Hospital Help Me Grow Inland Empire | | CF24126 |
| Soboba Band of Luiseno Indians Family Resource Center Network Specialist | CF23105 | Riverside University Health System Foundation (Medical Center) Maternal Fetal Medicine | | CF21100 |

G. Future Agenda Items:

- G.1. First 5 Riverside County Chair and Vice-chair Election Process
- G.2. First 5 Riverside County Strategic Plan Review and Adoption
- G.3. First 5 Riverside County Annual Appointment of Finance Subcommittee
- G.4. Contract Template Revision

- H. Adjournment:** Adjournment to the next Regular Meeting of the Riverside County Children and Families Commission to be held on January 22, 2025 beginning at 2:00 p.m. at:
First 5 Riverside County Children and Families Commission Office
585 Technology Court - Conference Room A
Riverside, CA 92507

Conflict of Interest: Any person, or group of persons present at this meeting, who wish (es) to speak on a matter may be required to state for the record any contributions, in excess of \$250.00 made in the past (12) twelve months, made to any Commission member, the Commission member receiving the contribution, and the matter of consideration with which they are involved.

Agenda Posting: Agendas will be posted at the Clerk of the Board of Riverside County and the Commission Business Office.

All public record documents for matters on the open session of the Agenda are available for inspection at the meeting listed in this Agenda, and at the following location beginning three (3) days prior to the meeting date:

**Riverside County Children and Families Commission
585 Technology Court
Riverside, CA 92507**

If a public record document that relates to a matter on the open session of the Agenda is distributed less than 72 hours prior to the meeting date, the public record document shall be available for inspection, at the same time it is distributed, at the address listed above. Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, as required by Section 202 of the Americans with Disabilities Act of 1990.