

Proposition 10 Spotlight: Healthy Children · Strong Families

SUMMARY

Proposition 10, the 1998 ballot issue, levied a fifty cent tax per pack of cigarettes to fund education, health and school readiness programs for children between the stages of prenatal to five. The focus of this study was to evaluate whether the mandate of Proposition 10 was being followed, and if so, whether it is functioning efficiently and appropriately.

The Orange County Children and Families Commission ensures the proper use of Proposition 10 funds with innovative and creative leadership that maximizes the opportunity to improve the quality of life for Orange County children in their formative years and beyond.

A multitude of long standing overlapping organizations which address a wide range of issues affecting children and families preexisted Proposition 10. The Proposition specifically disallows replacing these existing service levels. How to supplement, expand, improve but not replace the tangled accumulation of commissions, agencies, grants, foundations and non profits presents a challenge.

INTRODUCTION AND PURPOSE

Proposition 10, California Children and Families First Act of 1998, and the Orange County Children and Families Commission are new and have not been reviewed by past Grand Juries. A study to evaluate them is timely. Since Orange County has received \$48.6 million for fiscal year 2001-2002, the second highest allocation in the state, a study to inquire whether this money is being spent in a manner consistent with the mandates will determine whether the commission and its grantees are functioning properly. Programs from the year 2000-2001 served for our review since the funding cycle was complete and the programs are accomplished or well underway.

METHOD OF STUDY

The Grand Jury studied the state law and the county code:

- Proposition 10, California Children and Families First Act of 1998
- Codified Ordinances County of Orange, Ord. No. 99-16, Section 1, 7-20-99

The Grand Jury reviewed the following documents:

- Orange County Children and Families Commission's Strategic Plan
- Orange County Children and Families FY 2002/2003 Business Plan

- Children and Families Commission of Orange County Request for Funding Application
- Children and Families Commission Progress (Summer 2000)
- Early Care and Education Needs Assessment of Orange County

The Grand Jury attended three Commission meetings and one technical meeting.

The Grand Jury interviewed the following:

- A commissioner, staff members and a consultant of the Orange County Children and Families Commission
- Staff of the Orange County Child Care and Development Planning Council

The Grand Jury attended two professional meetings sponsored by the Commission:

- Community Forum: Conditions of Children in Orange County
- The Orange County Child Care and Development Planning Council Summit: “Child Care in Orange County: It’s Everybody’s Business”

The Grand Jury visited program sites:

- Learning Links
- Oakview Project
- Maternal Outreach Management System
- Garden Grove Boys and Girls Club
- Kinship Center
- CHOC / UCI Collaborative Programs
- Hands Together

The Grand Jury reviewed the audited financial statements and other documents for the following:

- Orange County Children and Families Commission Financial Audit for FY 2001-2002
- Orange County Children and Families Commission Annual Report: State fiscal year 2001-2002
- Three Commission grantees

BACKGROUND

California Children and Families First Act of 1998—In November 1998, California voters passed Proposition 10, a ballot initiative that added a fifty cent tax per pack of cigarettes. The purpose of these funds is clearly spelled out in Section 130100 of the California Health and Safety Code. It reads in part as follows:

There is hereby created a program in the state for the purposes of promoting, supporting, and improving the early development of children from the prenatal stage to five years of age. These purposes shall be accomplished through the establishment, institution, and coordination of appropriate standards, resources, and integrated and comprehensive programs, emphasizing community awareness, education, nurturing, child care, social services, health care, and research.

The State Children and Families Commission forwards eighty percent of the revenues through to the county commissions based on the number of births recorded in each participating county. The other twenty percent of the total revenues are allocated to the state commission. The measure requires that the individual county funds be used to create new programs, to supplement, expand, improve but not to replace existing service levels, and to use outcome-based accountability to determine future expenditures.

Scientific evidence proves that the care a child receives from prenatal through the first years of life is critical to a child's brain growth and development. It has a profound effect on whether the child will be a productive, well-adjusted adult. Furthermore increased accountability and standards in our schools for all children, regardless of economic status or risk factors, demand that all children start out school healthy and ready to learn. Sick children are likely to enter into cycles of multiple increased needs and missed opportunities. Prevention offers the greatest opportunity to serve the most needs in the most cost effective manner and will save dollars in remedial programs, treatment and social services.

Orange County Children and Families Commission—The Children and Families Commission for Orange County was created in July 1999 in order to implement the California Children and Families First Act of 1998 at the local level. The Commission consists of nine members, all of whom are appointed by the Board of Supervisors. Prior to being able to allocate any revenues, the County Commission was required to develop and adopt an adequate and complete strategic plan.

The Strategic Plan—The Orange County Children and Families Commission adopted the first Strategic Plan on February 16, 2000. The public planning process was broad and inclusive. Hundreds of Orange County residents participated in community forums, focus groups, surveys, and presentations. The plan highlights four priority focus areas: healthy children, strong families, school readiness and an integrated, quality, accessible system. This plan describes goals and objectives; programs, services and projects; measurable assessment techniques; and an integrated, accessible, consumer orientation.

State audit requirements of County Commission—California Children and Families First Act of 1998 requires two types of oversight documents on or before October 15 of each year. First, each county commission must publish a report which details progress toward program goals and objectives, and measures specific outcomes through appropriate, reliable outcomes. Second, each county commission must issue a financial audit performed by an independent third party according to generally accepted auditing standards and reflecting full compliance to state statutes governing the Children and Families Trust Fund.

The Children and Families Commission of Orange County filed its latest report and audit on October 15, 2002, and satisfied this requirement.

Orange County audit requirements of grantees—The Orange County Commission has five procedures for evaluating grantees compliance with meeting proposed outcomes. First, a required work plan links proposed services with the goals and objectives of the strategic plan. Second, this plan is entered into the Commission's internet based Outcomes Collection, Evaluation and Reporting Service (OCERS) where the grantees are required to periodically report their progress. Third, a Commission consultant monitors the progress of the grantees by reviewing the outcomes posted on OCERS and by conducting visits to the service sites. Fourth, the Commission contracts with Jefferson Wells International to conduct programmatic audits of those grantees deemed to be high risk due to large dollar amounts, agreements for more than one year or other identified concerns. Fifth, a Commission consultant conducts desk audits.

The Orange County Commission requires each grantee to employ an independent, licensed Certified Public Accountant to perform the fiscal audit within sixty days after the date the grantees agreement terminates. The audit provides an opinion as to whether the claims submitted are for the actual and necessary costs for work performed in accordance with the terms and conditions of the agreement.

The many children and family programs preexisting Proposition 10 in Orange County—While looking at specific programs funded under the strategic plan, the 2002-2003 Grand Jury became aware that a multitude of long standing and overlapping organizations address the wide range of issues affecting Orange County families and children. Although the Commission is the newest and best funded oversight organization, other well established organizations have been working in some of these areas for many years. Some of these organizations are Head Start, United Way, Orange County Child Care and Development Planning Council (with 36 members), and Orange County Children's Services Coordinating Committee. Innumerable additional commissions, agencies, grants, foundations and non-profit organizations address the issues.

In addition many child care programs are fully enrolled and have long waiting lists. These long standing programs are at risk just now because of state and county cutbacks and weak economic times.

Multiple service systems and multiple programs have created overlap and fragmentation. The resulting tangle of services is exemplified by the multitude of assessments of children and family issues. Currently at least six assessments review the needs of children and families in Orange County:

1. *Early Care and Education Needs of Orange County* (ECENA Report), Center for Community Collaboration, California State University, Fullerton, 2002.
2. *The Eighth Annual Report on the Conditions of Children in Orange County*, California State University, Fullerton, 2002.
3. *Success by 6, The Economic Impact of the Child Care Industry in Orange County 2002*, United Way.
4. *Success by 6, Orange County Early Care and Education, Salary and Working Conditions 2002*, United Way.
5. *Orange County Health Needs Assessment*, every three years.
6. *Head Start Community Assessment*, every three years.

In addition other assessments have been identified as desirable by the following:

1. Orange County Child Care and Development Planning Council Countywide Child Care Plan, under the heading Build Capacity, describes Goal 1 as “Develop a Data Collection System” which is dynamic and geographically indicative.
2. Center for the Community Collaboration’s ECENA Report recommends an Annual Review of Child Care Providers and Programs.
3. Children and Families Future expresses a need for data on some missing measures such as substance exposed birth, children held back in kindergarten and first grade, developmental screening before kindergarten, and immunization. Additionally they suggest a comprehensive county budget of all children’s programs.
4. The Child Care Coordinator within the CEO’s office describes her Work Plan FY 2001-2002, Objective 1.2 as “Conduct a Comprehensive Assessment that Details a ZIP Code Data of Supply and Demand.”

Orange County Children and Families Commission programs—Existing programs might have been obstacles for Proposition 10 programs to overcome or work around since funds are mandated to supplement only and not to replace existing service levels. Nevertheless, the Commission has not only granted the funds to comply with the mandates of the law, it has maximized the opportunity by strategically funding projects which cross systems, projects which impact every area of our county, projects which address previously overlooked or undefined issues, and projects which create collaborative efforts.

Regarding projects which cross systems, the Commission created and partially funded the position of County Child Care Coordinator who works “to create an ‘infrastructure’ that will support the County’s and the communities efforts to improve the Affordability, Accessibility and Quality of child care in Orange County.” The Child Care Coordinator creates new collaborations and strengthens existing ones with cross cutting strategies which bring together resources from different programs and staff from different agencies to focus the fragmented system and reach the lives of more children.

Regarding projects which impact every area of the County, the school readiness program engages every elementary school district in the County. School readiness seeks to ensure that all children will begin school with the skills and support needed for success.

Regarding projects which have been overlooked or undefined, the Commission has looked at the single most chronic disease of children, tooth decay, and is developing a comprehensive Dental Initiative Strategic Plan.

Regarding projects which collaborate, CHOC and UCI hospitals have joined together to work on childhood medical issues such as Attention Deficit Hyperactivity Disorder/learning disorders, asthma/chronic lung disease, autism, metabolic disorders, and other health issues which affect children. This powerful strategic collaboration will result in multiple strengthened impacts such as a stronger base from which any one of the collaborators can acquire additional state or federal matching funds or private source funds, a recognizable and easily accessible quality system through which parents can identify their special needs and access services, and the inclusion of many more families than any collaborator could accommodate individually.

These four projects are examples from more than one hundred programs which have been strategically chosen and funded by the Orange County Children and Families Commission for the support and improvement of early childhood development within the County.

COMMENDATION

Not only does the Children and Families Commission of Orange County ensure the proper use of the Proposition 10 funds, it maximizes the benefit to our County.

- The Commission has chosen projects which have multiple, powerful impacts. Some are cross cutting; some are countywide; some have addressed overlooked issues; and some are collaborative.
- The Commission aggressively applied for and was the first in the state to receive additional funds from the State Commission for school readiness.
- The Commission created the Internet based Outcomes Collection, Evaluation and Reporting Service which generates added income from other California counties who use this program accountability system.
- The Commission draws upon the expertise and works together with county agencies

such as Auditor Controller, Treasurer-Tax Collector, Purchasing, County Executive Office, and Public Facilities and Resources Department on a fee for service basis which results in a limited staff with great flexibility, efficiency, effectiveness as well as considerable savings.

FINDINGS

Under *California Penal Code* Sections 933 and 933.05, responses are required to all findings. The 2002-2003 Orange County Grand Jury arrived at the following findings.

1. Children and Families Commission of Orange County maintains the program criteria consistent with state guidelines and purposes of the Children and Families First Act of 1998.
2. Children and Families Commission of Orange County ensures that grantees spend funds according to the criteria consistent with state guidelines and purposes of the Children and Families Act of 1998.
3. Some children and family programs have been fragmented and overlapping in Orange County.
4. Difficulty in defining or creating clear solutions to any one issue is the result of the many organizations directing their resources and efforts toward defining and solving problems. The variety of assessments exemplifies the variety of approaches.
5. Multiple service systems and programs lead to difficulty in creating any clear/credible message for the public.
6. Prevention offers the greatest opportunity to serve the most needs in the most cost effective manner and will save dollars in remedial programs, treatment services and social services.
7. Long standing neighborhood child care programs have very long wait lists and are threatened by state and county budget cuts and poor economic conditions.

Responses to Findings 1 - 7 are requested from Orange County Children and Families Commission.

Responses to Findings 3 – 5 are requested from the County Executive Office, (Child Care Coordinator).

RECOMMENDATIONS

In accordance with California Penal Code 933 and 933.05, each recommendation requires a response from the government entity to which it is addressed. These responses are submitted to the Presiding Judge of the Superior Court. Based upon the findings, the 2002-2003 Orange County Grand Jury makes the following recommendations:

1. Move forward all assessments with the purpose of avoiding fragmentation and duplication of effort while still capturing all needed data. In addition, synthesize some of the key data thereby exposing professionals to cross cutting data and fostering integrated, concentrated impacts. (Finding 3 and 4)
2. Promote a clear picture of programs and providers to create a unified message or system to help all families define their needs and access appropriate, helpful programs. (Finding 5)
3. Continue to emphasize how important the childhood years are to the future of a child. (Finding 6)
4. Continue to emphasize prevention programs for better outcomes for families and future savings. At the same time continue to foster integrated, concentrated impacts in child care programs to effect the lives of even more children. (Findings 6 and 7)

Responses to Recommendations 1 - 2 are requested from the County Executive Office, (Child Care Coordinator).

Responses to Recommendations 1 - 4 are requested from Orange County Children and Families Commission.