

First 5 Tehama County Children and Families Commission
Narrative Financial Plan
Approval: 10/05/10

First 5 Tehama County Children and Families Commission's funding will reflect the objectives and funding priorities/service areas documented in the Strategic Plan.

A. Financial Plan Objectives

1. First 5 Commission guides long term investments from a systems level perspective and provides the organization and leadership for an early intervention System of Care for children 0 - 5.
 - With declining revenues, School Readiness which has been the platform for this System of Care, becomes our funding priority.
2. Commissioners will use their roles and expertise to support the formalization of this early intervention System of Care.
 - An Early Intervention Partnership is being developed with stakeholders to monitor and ensure the on-going success of this System of Care (Appendix A of the Strategic Plan).
3. This System of Care becomes an essential element to any future grant writing, partnerships, and advocacy that targets children 0-5.

B. Assumptions

1. State projections of Annual Tobacco Tax Revenue
2. Small County Augmentation Revenue applied to Administration costs – funds end FY11/12 and qualification requirements reevaluated by CCFC FY14/15
3. Interest earnings averaged at 1.5%
4. Inflation rate of 4% applied to Administration
5. Inflation rate of 4% applied to Evaluation
6. Signature Program - School Readiness annual funding beginning FY11/12 \$299,246 with annual increase of 4%
7. Review contributions to Community Strengthening funding activities of \$35,000 annually
8. Contributions to the Sustainability (reserve) fund calculated at 15% of the annual income. The Commission will not contribute to the sustainability fund when funds are being drawn down.

C. Fund Allocation Process and Guidelines

First 5 Tehama Commission embarked on a period of planning and dialogue about financial resources, community need, services, service delivery and systems beginning January 8, 2010 and held multiple sessions which concluded on October 5, 2011 with the decision to sustain our multi-year investments in School Readiness, organizational service provider Tehama County Department of Education; Mobile Dental Clinic, coordination services provided in-house; and Community Strengthening activities, multiple organizational service providers reviewed annually.

1. The Commission funds fewer, but larger grants that can make a substantial impact;
2. The Commission funds strategic programs and services utilizing contracts and grant agreements;
3. The Commission may also make grant funds available for one time capital improvements and/or short term capacity enhancements in qualifying community organizations.
4. The Commission expects grantees to utilize local Prop 10 funds to offer new and enhanced services and expand the capacity of community organizations to serve the health, social, developmental, and educational needs of children prenatal through age 5 and their families.
5. The Commission and Grantees are expected to identify and develop other sources of funding, in-kind, and cash leveraging resources to match local Prop 10 program/service funds to support and sustain project efforts.
6. The Commission may choose to increase or decrease available grant funds based on changes in the Strategic Plan, Financial Plan, and/or Annual Revenues.

Planning for Sustainability

Proposition 10 funds are expected to decline over time due to a projected decline in tobacco sales in California. In order to sustain Commission operations, priority strategies, and initiatives in the presence of declining revenue each year a portion of non-obligated funds will be set aside and annual interest will be added to the accumulated principle. This reserve fund will serve to support program, administrative, and evaluation expenses at the discretion of the Commission.

The Commission will seek to leverage its financial resources with as many other sources of available revenue to maximize the impact of its Prop 10 revenue to achieve outcomes designated in its Strategic Plan.

Fund Allocation Guidelines:

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Financial Management

Quarterly and annual financial reports for the Commission assist members and staff in evaluating the effective use of Prop 10 dollars. Quarterly and annual financial reports document Commission revenue, expenses; grant funds expended, obligated and un-obligated fund balances. Commission staff will manage assets consistent with fiscal accounting control policies and procedures of the Tehama County Auditor's Office.