



Special Commission Meeting and Public Hearing

AGENDA

December 17, 2018, 2:30-4:30 p.m.

Mono County Office of Education Conference Room, 451 Sierra Park Road, Mammoth Lakes, CA

--public hearing begins--

1. **Public Comment**

Members of the public are given the opportunity to address the Commission on items of interest and within the jurisdiction of the Commission as such items are discussed. This time is allowed for public input on any item not on the agenda. Time may be limited, depending on the number of speakers and items of business.
2. **Minutes**

Consideration of minutes for the September 20, 2018 Commission meeting. **(ACTION)**
3. **Commissioner Reports**

Commissioners may report about various matters; however, there will be no discussion except to ask questions. No action will be taken unless listed on a subsequent agenda. **(INFORMATION)**
4. **Director Report**

This information may be reported elsewhere on agenda. **(INFORMATION)**
5. **Contractual Agreements**

Discussion and consideration of the following agreements. *The Commission shall first determine whether the subject matter of the proposed agreements are consistent with the Commission's strategic plan and fiscal plan. The Commission may then authorize the Director to sign and administer the agreements.* **(ACTION)**

 - a. **Hub Region 6 ECCERS Anchor Contract:** with Inyo Mono Advocates for Community Action (IMACA) for the provision of the Early Childhood Environmental Rating Scale (ECCERS) assessing services from November 1, 2018 to June 30, 2020 for assessing, anchoring, and travel costs for a contract total not to exceed **\$13,350** including any County Counsel approved changes. Funding supported through the F5CA Hub agreement. **(ACTION)**
 - b. **Hub Region 6 Coordination Agreement Extension:** with Viva not to exceed **\$199,466** in total (a \$94,484 increase from the existing agreement) to extend coordination of the Region 6 Hub from January 31, 2019-June 30, 2020 including any County Counsel approved changes. This agreement is pending a Hub vote and will only be entered into if the Hub membership votes to continue contracting with Viva for coordination. Funding supported through the F5CA Hub agreement. **(ACTION)**
 - c. **California State Preschool Program Block Grant Award:** From the CDE to Mono County Office of Education in the amount of **\$15,625** to be passed through to First 5 Mono for the provision of services related to Quality Counts California, the state Quality Rating and Improvement System. **(INFORMATION)**
6. **First 5 Mono Evaluation Report FY 2017-18**

The Commission will consider approval of the Fiscal Year 2017-18 Evaluation Report after staff presentation of evaluation findings from Commission-funded projects. **(ACTION)**

7. **First 5 Mono Annual Report FY 2017-18** Opportunity for the public to comment on the draft Fiscal Year 2017-18 First 5 Mono Annual Report. Commission staff will provide an overview of the draft Annual Report. Draft reports are available for review at the Commission Office in Mammoth Lakes, 365 Sierra Park Road, Bldg. M, or by calling 760-924-7626. **(PUBLIC HEARING)**
8. **First 5 Mono Independent Fiscal Audit FY 2017-18** Opportunity for the public to comment on the First 5 Mono County Independent Fiscal Audit for Fiscal Year 2017-18. Commission staff will provide an overview of the draft Fiscal Audit. Draft reports are available for review at the Commission Office in Mammoth Lakes, 365 Sierra Park Road, Bldg. M, or by calling 760-924-7626. **(PUBLIC HEARING)**
9. **Network Mapping Activity** Staff will guide Commissioners in a network mapping activity to help inform the strategic planning retreat in January and strengthen the impact of First 5 strategies across a broader network. **(INFORMATION)**
10. **2018 Community Development Block Grant Opportunity** Per Commissioner request, staff will present a grant opportunity open to the Town of Mammoth Lakes that could support construction and or operation of a child care facility for children from families with low income. The Commission will provide staff guidance on next steps. **(ACTION)**
11. **Program Updates** Staff and Commissioners will report on the following programs. **(INFORMATION)**

Commission-run Programs

 - a. *Child Care Quality: IMPACT Program*
 - b. *Quality Counts California Region 6 Hub*
 - c. *Home Visiting*
 - d. *Breastfeeding Promotion and Outreach*
 - e. *Peapod Playgroups (Prop. 63 MHSA)*
 - f. *School Readiness Activities & CDBG Grant*

--public hearing ends--

12. **First 5 Mono Independent Fiscal Audit FY 2017-18** The Commission will consider approval of the 2017-2018 Independent Fiscal Audit. **(ACTION)**
13. **First 5 Mono Annual Report FY 2017-18** Commission will take action to approve the First 5 Mono County FY 2017-18 Annual Report. **(ACTION)**
14. **Mid-Year Budget Update** Staff will present proposed mid-year budget updates and ask for Commission approval of the updates. **(ACTION)**
15. **Year-to-Date Budget** Staff will report on the First 5 Mono Revenue and Expenditures-to-date. **(INFORMATION)**
16. **March Commission Meeting Scheduling** The Commission will consider rescheduling the March Commission meeting from 2:30-4:30 on the 21st to 2:30-4:30 March 15th, 28th, or 29th, or April 4th or 5th. **(ACTION)**

Next Commission Meeting: Strategic Planning Retreat, **January 17, 2019 10:00 a.m. - 3:00 p.m.**, 109 Sierra Springs Drive Crowley Lake, CA 93546

Note: If you need disability modification or accommodation in order to participate in this meeting, please contact the Commission office at (760) 924-7626 at least 48 hours prior to the start of the meeting. Government Code Section 54954.2(a).



Regular Commission Meeting

Minutes

Thursday, September 20, 2018

Mono County Office of Education Conference Room
451 Sierra Park Rd., Mammoth Lakes, California

Commissioners Present: Bob Gardner, Chair
Stacey Adler, Secretary
Patricia Robertson
Jeanne Sassin

Staff Present: Molly DesBaillets, Executive Director
Kaylan Johnson, Administrative Assistant/Fiscal Specialist

Guests: Debie Schnadt, Safe Kids Coordinator

Commission Chair Gardner calls the meeting to order at 2:35 pm.

---Public Hearing Begins 2:35 pm---

1. Public Comment

No comment.

2. Welcome New Commissioner Dr. Collins

Commission welcomes Dr. Kristin Collins (who is unable to attend today), a pediatrician at Mammoth Hospital who is filling the seat vacated by Dr. Kristin Wilson.

3. Minutes (ACTION)

ACTION: Commissioners to approve the June 21, 2018 meeting minutes.

MOTION: Commissioner Adler

SECOND: Commissioner Robertson

VOTE: Unanimous

ABSTENTIONS: Commissioner Sassin

4. Commissioner Reports (INFORMATION)

Commissioner Adler reports school started well this year. District enrollment has a slight increase in Mammoth and a slight decrease in Eastern Sierra, maintaining an overall steady number for several years.

Commissioner Sassin reports the completion of Kindergarten Summer Bridge and ongoing Brigance assessments at LVES, in coordination with First 5.

Commissioner Robertson reports that Mammoth Lakes Housing is moving forward in the application process for funding to convert a commercial building into a residential building. These funds were applied for by Mammoth Lakes Housing (as a Community Housing Development Organization) under the Home Funds through CA State.

Commissioner Gardner reports the Mono County Economic Development Department conducted and published a Business Retention Study. The number one concern for businesses is housing. Ms. DesBaillets asks if childcare was included in the report; Commissioner Gardner will find out. The County also has a budget meeting coming up on October 2.

5. Director Report (INFORMATION)

Ms. DesBaillets reviewed the biennial Code of Ethics with County Counsel, ensuring First 5's Policies and Procedures are up to standards.

First 5 completed the FY 2017-18 audit with Tom Neely. Mr. Neely is retiring this year, so First 5 will need to find a new auditor, likely increasing the fee for the audit. An RFP for an auditor will be released in newspapers in NV and CA early next year. Commissioner Adler suggests contacting MCOE's auditors to see if they audit First 5s; this could save on travel costs.

The Developmental Screening bill AB11 that First 5 Association supported is on the Governor's desk, hopefully to be signed.

Sandra Pearce at Public Health is spearheading a group to begin vision services at Mammoth Hospital, along with First 5, the school nurse, and other organizations.

First 5 submitted a CalWORKS Home Visiting Initiative application in conjunction with Social Services. The potential \$30,000 (for 18 months) would allow First 5 to implement a portion of Home Visiting to model fidelity and affiliate status under Parents as Teachers, further train Home Visitors, and track outcomes such as School Readiness and Reduced Child Abuse and Neglect. The funding allows for more frequent home visits to families who are also enrolled in the CalWORKS program.

First 5 submitted a CA State Preschool Program application through MCOE. This funding would allow the region to work with State Preschools in the CA Quality Counts program.

Ms. DesBaillets learned of another First 5 who leverages MediCal funds for the Director's time spent working on contract compliance. If this is possible for First 5 Mono, it would be a significant funding source.

Little Loopers, the new childcare home in June Lake, is awaiting approval of their licensing application. Ms. DesBaillets is assisting the Little Loopers in getting through the process, and Commissioner Gardner is willing to contact the licensing department as well.

6. Contractual Agreements (ACTION)

The Commission determines the subject matter of the proposed agreements are consistent with the Commission's strategic plan and fiscal plan.

- a. **Assessment Contract:** with Progressive Early Assessments Inc. for the provision of child care

assessments in FY 2017-18 for thirteen child care sites not to exceed **\$15,800** for the period of September 21, 2018 to April 15, 2019. Funding supported through the F5CA Hub agreement and partner agencies. **(ACTION)**

- b. **Coordination Contract Extension:** with Viva Strategy and Communication, LLC for the provision of coordination services for the Regional T &TA Hub to extend to January 31, 2019 (from the previous limit of October 1st, 2018) and a contract limit of **\$104,982**, an increase of \$4,500 including any County Counsel approved changes. **(ACTION)**

Commissioner Robertson asks about the region's current opinion on using a Contractor for the Hub. Ms. DesBaillets reports the region did vote, but the vote was inconclusive due to absent voters. First 5 CA would like to see the region increase local capacity with the Hub funds, which has not yet happened. First 5 Alpine is currently without a Director and is considering partnering with First 5 El Dorado instead of Mono and Inyo due to geographical location. Commissioner Gardner asks if Mono and Alpine would consider combining with one Director. Ms. DesBaillets says this was tried 5 years ago with the Alpine Director as interim of Mono, and the Alpine Commission ended up voting against sharing a Director.

- c. **CDBG Agreement with Mono County:** Intra-Agency Agreement to facilitate the implementation of CDBG child care services funding award activities in the amount of **\$482,558** pending CDBG and County authorization and including any County Counsel approved changes. **(ACTION)**

Ms. DesBaillets clarifies that Contract C is between First 5 and Mono County for CDBG funds and Contract D is between First 5 and ESUSD for First 5 to release CDBG funds to ESUSD for implementing the Benton and Bridgeport Preschools. The monetary difference between C and D is First 5's administration costs, which are fully covered.

- d. **CDBG Agreement with Eastern Sierra Unified School District (ESUSD):** Subrecipient Agreement to implement CDBG child care services activities in the amount of **\$473,837** pending CDBG, ESUSD, and County authorization including any County Counsel approved changes. **(ACTION)**

ACTION: Commissioners to approve Ms. DesBaillets to sign Contractual Agreements a-d.

MOTION: Commissioner Sassin

SECOND: Commissioner Adler

VOTE: Unanimous

ABSTENTIONS: None

7. Children's Bill of Rights (INFORMATION)

Ms. DesBaillets has included four examples of Children's Bill of Rights from other First 5s and CA counties, with Del Norte most closely aligning with Mono's Strategic Plan. Commissioner Gardner considers how to make the Children's Bill of Rights as important as other topics within the County, not just writing the document but how to actively follow and advocate for children's rights. Commissioner Robertson considers the outreach to local entities component and how much time this could take for First 5. Commissioner Adler suggests discussing this topic at length at the Strategic Planning session in January as a long term project and for First 5 to determine how other counties gathered all the information to form their final Bill of Rights.

8. 2019-24 Strategic Plan Review & Revision Planning (PUBLIC HEARING)

Ms. DesBaillets presents her draft Strategic Plan, with tentative additions and deletions. First 5 and the Commission hope to get external input via interviews from department heads, agencies, school district supervisors, IMACA, and others for the Strategic Plan.

Areas to be updated in the draft Strategic Plan:

- Expanded services of First 5 – addition of the MCOE Preschool
- School Readiness – deletion of “Summer Bridge increases school readiness” because this statement needs to be reassessed as far as low attendance and effectiveness. School administration changes, lack of transportation for kids, and the half-day schedule contributes to low attendance. The survey teachers complete after Summer Bridge does not align with the current school readiness strategic plan, but does indicate teachers think Summer Bridge improves school readiness. In the School Readiness Contract, First 5 provides the funding for Summer Bridge but the school districts decide how to implement the program, including advertising. An additional challenge is that Summer Bridge participants must complete the Kindergarten enrollment requirements before attending, including doctor appointments, which deters families. Perhaps Summer Bridge can be reframed as social/emotional readiness instead of school readiness. Change the listed time period of assessments from before school to administering within the first month of school. The assessments are the tool to track success of school readiness.
- Met and unmet needs from the past or current – First 5 will hold a community meeting and focus groups to reassess needs in the community.
- Decrease the number of Indicators in the new Strategic Plan since some are repetitive and data is already captured elsewhere, including the number and percent of providers advancing on the childcare permit matrix, children who regularly access preventative dental care, pregnant women who receive prenatal dental services, and children and families provided with information about appropriate community services.
- Update percentage of funding allocations for each investment area.

9. Safe Kids Presentation (INFORMATION)

Debie Schnadt, the Safe Kids Coordinator, presents updates on the program. She was recently certified as a Car Seat Technician and can now help parents learn how to install their car seat safely, inform them of recalls, and teach car seat laws and safety. Debie can take appointments as referred for parents in need of car seat assistance. There is a car seat event for the Early Start families on October 9th and next week is Child Passenger Safety week. She also received a preschool curriculum on the importance of using the car seat and hopes to implement this in the preschools, as well as visit Peapod Playgroups and Home Visitors to share her information.

In conjunction with MLPD and TUPE, there was a Spanish meeting on the harmful and addictive effects of vaping tobacco and the English meeting is soon. Many parents from the middle and high school attended and asked great questions. Debie remarks the FDA is considering prohibiting the production of flavors which is what is now highly marketed to youth. MLPD received a Department of Justice grant to address tobacco use in the community.

Commissioner Gardner says in the past, the BOS could not agree on the second hand smoke regulation, which prohibits residents from smoking in shared spaces within an apartment complex. This is a

children's issue and should be coming up again on the BOS agenda. He would appreciate support and information from Safe Kids and First 5.

Safe Kids also received for free 48 convertible car seats, 28 booster seats, 89 helmets, and 78 life vests from the CA Department of Public Health. Items have been distributed at Whitmore Pool, the Crowley Skatepark, at Sierra Holiday Mobile Home park, and the Mammoth skate rink.

10. Program Updates (INFORMATION)

Ms. DesBaillets presents First 5 program updates

a. *Childcare Quality:* The VIVA Hub coordination contract is extended until January. Annaliesa, the IMPACT Coordinator, and Molly went to a QRIS Summer Institute in August that was beneficial for networking and training. Ms. DesBaillets hosted an ASQ training in Alpine County. The childcare providers are completing beginning of the year CQS meetings to inform their school year. Communities of Practice groups are new in CQS this year and intend to meet quarterly, gathering groups of similar providers to discuss CLASS child-teacher interactions and create social support. Six First 5 Mono employees were certified as a CLASS Observer, as were a few others around the area. This certification may allow expansion of local capacity and new job positions.

b. *Home Visiting: Welcome Baby!, Parenting Partners (CAPIT/CBCAP Grant), and Childcare Provider Home Visitor:* Debbie & Lara taught another breastfeeding class in the Hospital's Childbirth Education class. There have been many births the past month, including referrals from Inyo County Labor & Delivery since some Mono County moms are giving birth at NIH. First 5 attended all the Back to School nights except for Benton to promote programs. Several staff members attended the Trauma Informed Care training coordinated by MCOE.

c. *Breastfeeding Promotion and Outreach:* First 5 is rescheduling Café Mom Breastfeeding group time and location. Participation wasn't high in the last session, but we will try to get participants from the Hospital's Childbirth Education Class this session. A "Make Breastfeeding the Norm" banner was displayed in Women's Clinic in August to celebrate breastfeeding awareness month.

d. *Peapod Playgroups (Prop 63 MHSA):* A new leader, Diana Schmidt, has been hired for Walker Peapod. A new Spanish Peapod is starting soon in the Library in the evening with leader Lara Walker. The other groups are running October through December-Mammoth, Bridgeport, and Crowley. Mammoth and Crowley groups are quite large at this time; hopefully sign-ups will not have to be implemented due to safety restrictions. June Lake and Benton Peapods were held over the summer, but since attendance was very low they will not continue at this time.

e. *School Readiness Activities & CDBG Grant:* There are 10 students at the Bridgeport Preschool this year and a teacher's aide was hired. The aide took most of her childhood development college courses while in high school at ESUSD, which has been difficult to implement in MUSD. Commissioner Sassin mentions the Lee Vining Head Start is able to have a student as an aide while he/she is completing the practicum requirement for the permit. Commissioner Adler says she did have a student to follow this path as well, but promotion of the childhood development teacher pathway is the obstacle to increasing high school participants. Benton preschool has 2 students, a teacher, and an aide who is also taking classes. IMACA has started a loan library for the textbooks required for the childhood development pathway.

Brigance Kindergarten assessments have been completed except for Mammoth and Lee Vining. So far, scores indicate 58% school readiness, up from 50% last year, and will hopefully increase further with the addition of Mammoth and Lee Vining assessments.

---Public Hearing Closes 4:08 pm---

11. Year-to-Date Budget (INFORMATION)

Ms. Johnson presents the YTD budget which is on target for this time of year. Quarter 1 invoices for CDBG, CAPIT/CBCAP, and Peapod revenue will go out after September 30.

Meeting adjourned at 4:09 pm.

Next meeting scheduled for December 17, 2018, 2:30 – 4:30 pm, in the Mono County Office of Education, Mammoth Lakes, Conference Room.



GETTING DOWN — TO FACTS II —

RESEARCH BRIEF | SEPTEMBER 2018

Early Childhood Education in California

Deborah Stipek
Stanford University

About: The Getting Down to Facts project seeks to create a common evidence base for understanding the current state of California school systems and lay the foundation for substantive conversations about what education policies should be sustained and what might be improved to ensure increased opportunity and success for all students in California in the decades ahead. *Getting Down to Facts II* follows approximately a decade after the first Getting Down to Facts effort in 2007. This research brief is one of 19 that summarize 36 research studies that cover four main areas related to state education policy: student success, governance, personnel, and funding.

This brief summarizes findings from **Early Childhood Education in California** (September 2018), an extensive, multipart report examining the overall landscape of early childhood education (ECE) in California. For each topic listed below, the brief summarizes key findings and their implications for California policies related to young children and their families:

The Early Learning Landscape

Deborah Stipek and Peggy Pizzo

Early Learning for Children with Disabilities

Nancy Hunt

Preparation and Training for Professionals in Early Childhood Education

Deborah Stipek

Strengthening California's Early Childhood Education Workforce

Lea J. E. Austin, Marcy Whitebook, and Raúl Chávez

Program Quality Monitoring and Improvement

Deborah Stipek and Sarah Ruskin Bardack

PreK-3 Alignment

Deborah Stipek

Early Child Care Data Systems

Deborah Stipek and Madhuvanti Anantharajan

These and all GDTEII studies can be found at www.gettingdowntofacts.com.

Introduction

More than 24 million children ages 5 and younger live in the United States, and about one in eight of them—a little over 3 million—lives in California. Compared to the rest of the country, California has about twice as many children ages 5 and under who are first- or second-generation immigrants and live in families in which the adults are not fluent in English. About one in five of all children ages 5 and younger in California live in poverty, and nearly half of California's children live in households that are at or near the poverty level. While their parents are at work or in school, about 1.2 million of California's young children are cared for by relatives or attend preschool, a child-care center, family home care, Head Start, or a combination thereof.

Given the rapid brain development during a child's first five years of life, which lays the foundation for all future learning, California has a compelling interest and responsibility to ensure that these programs provide a safe, socially supportive, and effective educational environment for young children. Considerable research shows that children attending high-quality preschool programs receive significant benefits. California has many good providers; but for a state that once led the nation in early childhood education, ECE today is marked by diminished investments in quality, low wages, and highly fractured oversight.

KEY FINDINGS

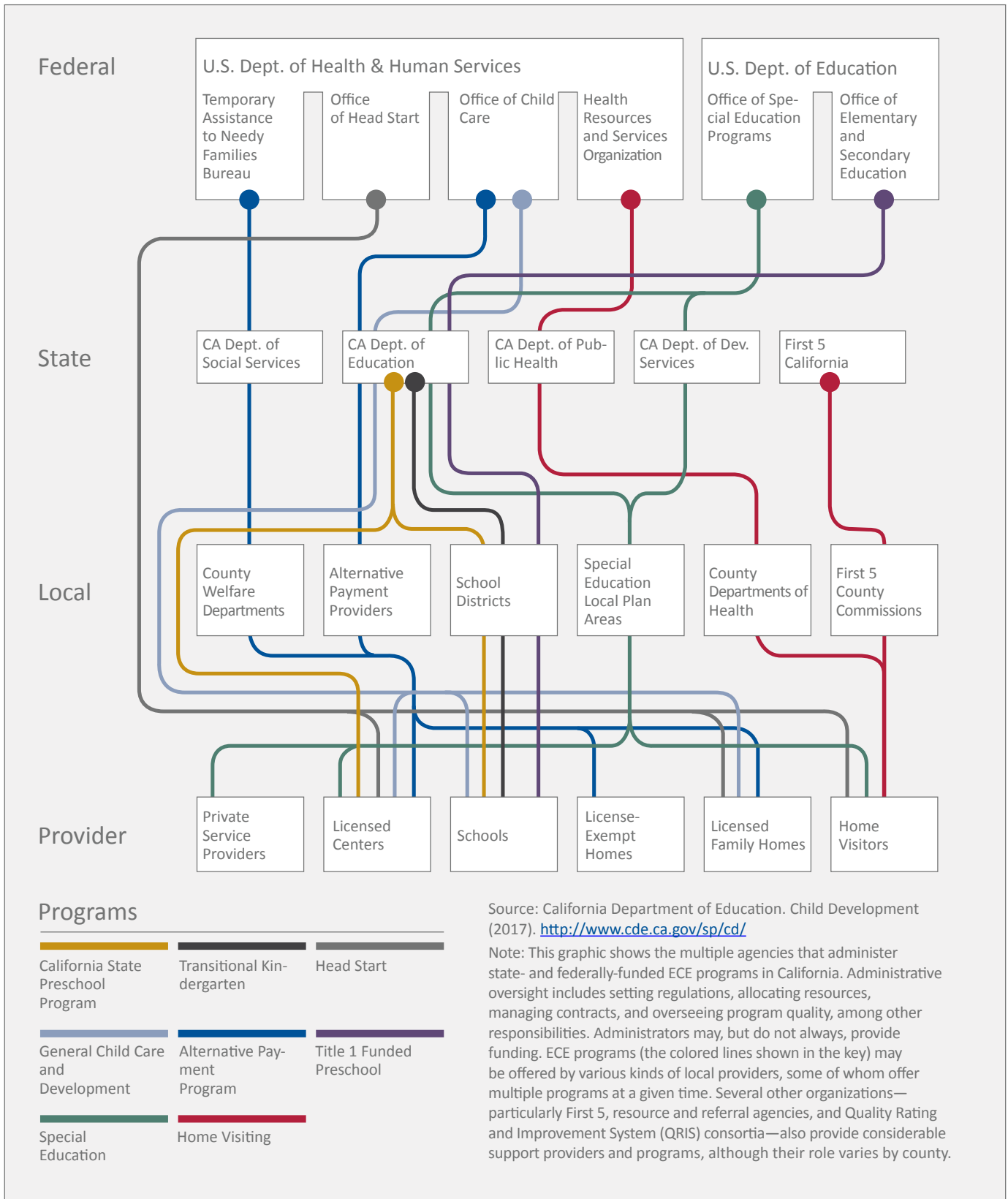
- Early childhood education in California is a dizzying array of programs, funding sources, and regulations.
- Children attending high-quality preschool do better in school and in life.
- Child care is prohibitively expensive for many families and does not meet the needs of nonstandard work schedules.
- California has a large proportion of children in care with no standards.
- California has a poor record of identifying young children with disabilities and providing them with needed services.
- Wages are so low that nearly 60% of child-care workers rely on some form of public assistance.
- California has low and uneven teacher-training requirements for early childhood education programs.
- The process for monitoring quality and improvement is fragmented, inconsistent, and insufficient.
- The state has no centralized data collection system, limiting the ability to evaluate improvement efforts.

Summary of Key Findings

Early childhood education in California is a dizzying array of programs, funding sources, and regulations

Early childhood education in California is a fragmented system of many federal, state, and local agencies that administer, license, regulate, and fund the various programs. As Figure 1 illustrates, California oversees state-funded preschool and child care programs for low-income families. The federal government administers Head Start; local school districts provide some preschool programs as well as transitional kindergarten (TK), a state program for children who will turn 5 within three months of the age cutoff date for kindergarten each school year; for-profit and nonprofit organizations run private centers; and individuals offer care in family child care homes (FCCH). There is little coordination among the agencies, significant variations in funding, and no standardized licensing or educational requirements for staff. Even within programs overseen by the state, 4-year-olds experience significantly different standards, depending on whether they are enrolled in a TK class, state preschool, or a subsidized day care program.

Figure 1: Control of California's Early Childhood Education Programs



Source: Learning Policy Institute, June 2017.

Note: QRIS stands for Quality Rating and Improvement System.

In the 2017-18 budget year, California allocated a little more than \$4 billion in state and federal funds to about a dozen subsidized programs (see Table 1), serving more than 437,000 children, including transitional kindergartners. Funding for each program depends on which department oversees it. As a result, similar programs may receive vastly different allocations.

Table 1: Child Care and Preschool Budget (Dollars in Millions)

	2015-16 Revised	2016-17 Revised	2017-18 Enacted	Change from 2016-17	
				Amount	Percent
Expenditures					
CalWORKs Child Care					
Stage 1	\$334	\$418	\$361	-\$57	-14%
Stage 2	\$419	\$445	\$519	\$74	17%
Stage 3	\$257	\$284	\$306	\$21	8%
Subtotals	(\$1,010)	(\$1,147)	(\$1,185)	(\$38)	(3%)
Non-CalWORKs Child Care					
General Child Care	\$305	\$308	\$360	\$52	17%
Alternative Payment Program	\$251	\$283	\$292	\$10	3%
Migrant Child Care	\$29	\$31	\$35	\$4	12%
Bridge Program for Foster Children	\$0	\$0	\$19	\$19	—
Care for Children with Severe Disabilities	\$2	\$2	\$2	\$0	12%
Infant and Toddler QRIS Grant (one-time)	\$24	\$0	\$0	\$0	0%
Subtotals	(\$611)	(\$623)	(\$708)	(\$85)	(14%)
Preschool Programs					
State Preschool—part day	\$425	\$447	\$503	\$55	12%
State Preschool—full day	\$555	\$627	\$738	\$111	18%
Transitional Kindergarten	\$691	\$739	\$755	\$17	2%
Preschool QRIS Grant	\$50	\$50	\$50	\$0	0%
Subtotals	(\$1,721)	(\$1,863)	(\$2,046)	(\$183)	(10%)
Support Programs	\$76	\$89	\$93	\$4	4%
Totals	\$3,418	\$3,722	\$4,032	\$310	8%
Funding					
Proposition 98 General Fund	\$1,576	\$1,713	\$1,878	\$164	10%
Non-Proposition 98 General Fund	\$885	\$984	\$1,088	\$104	11%
Federal CCDF	\$573	\$639	\$635	-\$4	-1%
Federal TANF	\$385	\$385	\$427	\$42	11%
Federal Title IV-E	\$0	\$0	\$4	\$4	—

Data: California Legislative Analyst's Office.

Note: QRIS stands for Quality Rating and Improvement System.

Children attending high-quality preschool do better in school and in life

High-quality ECE experiences play a critical role in reducing the gaps seen when children start kindergarten. For example, children who attend high-quality preschools are less likely to be retained in a grade or placed in a special education setting. They are also less likely to become involved in crime and more likely to graduate from high school, go to college, and achieve higher earnings.

Some forms of professional development are also associated with better quality. A study conducted in Santa Clara County found that the amount of time preschool teachers spent in professional training consistently predicted children's scores on a kindergarten readiness assessment.

In addition to promoting positive child outcomes, making reliable, high-quality child care accessible to parents can have immediate effects on the economic well-being of the state. One study estimated an economic return of \$2 to \$4 for every dollar invested in quality programs when viewed from the societal perspective.

Child care is prohibitively expensive for many families and does not meet the needs of nonstandard work schedules

In 2014, the average cost of full-time early care for 3- and 4-year-olds in the state was \$7,850 a year in licensed family child care homes and \$9,106 for center care. For infants 0-2 years, the average annual cost was \$8,462 for family child care and \$13,327 for center care. According to a Child Care Aware report, in 2016 California was one of the 10 least affordable states for infant care, costing on average 51% of the median income of a single parent and 15% of the median income of two parents. The cost is a likely reason that in 2008 (the most recent data available), fewer than 4% of infants and toddlers in the state were in licensed centers and only another about 8% were in licensed family child care homes (FCCHs). Even FCCHs for preschoolers, typically the least costly form of child care, required a substantial proportion of family income—31% of the median income of a single parent and 10% for a couple, on average.

A large proportion of early education programs in California are part-day. Even a so-called full-day, six-hour program does not meet the needs of working families. And for parents who work nonregular hours—typically in low-wage jobs—a full-day program that assumes a regular work day does not meet their needs.

Many young children do not participate in any program. In 2014, 39.6% of children ages 3-5 years were not enrolled in preschool or kindergarten. Participation rates vary by age and race/ethnicity, as seen in Table 2. These data predate transitional kindergarten, which began in 2014-15. In 2016, 18% of the state's 4-year-olds were enrolled in TK, so the current proportion of 4-year-olds who are not enrolled in preschool or kindergarten is lower than indicated in Table 2 on the following page from 2014.

Table 2: Percentage of Children Ages 3-5 Not Enrolled in Preschool or Kindergarten in 2014

	3-year-olds	4-year-olds	5-year-olds
California	64.9	39.4	11.9
U.S.	66.1	39.8	14.0

	African American/Black	Asian American	Hispanic/Latino	White
California	39.3	33.7	44.8	33.7
U.S.	36.4	34.9	45.2	39.2

Data: Kidsdata.org (2015).

In 2011–2015, 3- to 4-year-olds who were dual language learners were less likely to be enrolled in preschool (56.6%) than non-DLL children (47.9%).

California has a large proportion of children in programs with no standards

Researchers Sean Reardon and Christopher Doss, authors of the *Getting Down to Facts II* report on educational outcomes in California, found that the relatively large achievement gap compared with other states is present when children enter kindergarten. The gap is partly a result of children from low-income families having fewer high-quality early childhood educational opportunities. Low-income children disproportionately attend license-exempt childcare programs (which are not required to meet any standards); more than 90% of children in unlicensed care are in CalWORKs, a state-funded program for low-income families. California ranks 11th in the nation for having the highest percentage of children in license-exempt care.

California has a poor record of identifying young children with disabilities and providing them with needed services

Congress passed the landmark Individuals with Disabilities Education Act (IDEA) in 1975, requiring that children with disabilities receive free and appropriate public education. It would be another 11 years, in the 1986 reauthorization of IDEA, before the law mandated services to preschool-age children and expanded to include infants and toddlers. Preschool is mandated in all states by IDEA, but services for infants and toddlers from birth to 3-years-old are voluntary.

In order to qualify for federal funds for infants and toddlers, states must provide an early intervention system to identify children with disabilities and coordinate services and publicize these services so families know where to turn for help. California responded by creating the Early Start program, which served 41,000 infants and toddlers in 2015-16. Compared with other states, however, California lags in meeting the required deadlines and child outcomes, and is below the national average for every ethnic group in the percentage of students served (see Table 3, on the following page).

Table 3: Percentage of Population Served Under IDEA

	American Indian or Alaska Native	Asian	African American/ Black	Hispanic/ Latino	Native Hawaiian or Other Pacific Islander	White	Two or More Races
Percentage of the Population Birth Through Age 2 Served Under IDEA, Part C, for Each Racial/Ethnic Group, Cumulatively During the 12-Month Reporting Period, by State: 2014-15							
All States	5.5	4.6	5.3	5.7	7.1	6.1	4.2
California	2.9	3.8	4.9	4.5	2.2	3.9	1.3
Percentage of the Population Ages 3 Through 5 Served Under IDEA, Part B, for Each Racial/Ethnic Group: Fall 2015							
All States	8.4	4.7	6.2	5.7	7.6	6.7	5.3
California	5.6	4.3	5.5	5.5	3.7	5.0	5.7

Data: U.S. Department of Education, Office of Special Education and Rehabilitative Services, Office of Special Education Programs, 2018.

California has no centralized, systematic screening program, which might allow greater numbers of infants and toddlers to be identified and brought into services earlier. For example, relatively small numbers of 2-year-olds diagnosed with autism were enrolled in publicly funded programs in 2016-17. The number jumped to nearly 5,000 for 3-year-olds, who could have benefited from earlier diagnosis and services and potentially saved funds for the state over time.

Providing services for young children with disabilities is complicated by the fact that two different agencies administer them—the Department of Developmental Services and the Department of Education. Coordination between the two agencies is not efficient.

Due to a shortage of spaces for children with special needs in regular preschool programs, California's preschoolers with disabilities are more likely to be served in segregated settings than children in other states, giving them little opportunity to interact with their nondisabled peers.

Finding qualified teachers is also challenging. Even though California requires public preschool teachers to have the education specialist instruction credential in Early Childhood Special Education, a shortage of teachers forces the state to issue intern credentials.

Wages are so low that nearly 60% of child-care workers rely on some form of public assistance

More than 100,000 Californians work in child care and preschool, where they are responsible for the safety and healthy development of the state's youngest children. Yet, as Table 4 illustrates, many of them barely earn a livable wage. In 2017, the median wage for child-care workers in California was \$12.29 an hour, and preschool teachers typically earn much less than kindergarten teachers. ECE educators seldom receive benefits, such as paid sick days, holiday/vacation days, or subsidized health insurance; and 58% of child-care workers earn so little that they qualify for public assistance. These conditions make it difficult to recruit and retain teachers, which in turn undermines the relationships that are vital to children's healthy development.

Table 4: Earnings per Hour by Occupation in California

Occupation	Median Wage
Child-Care Worker	\$12.29
Preschool Teacher	\$16.19
Center Director	\$23.91
Kindergarten Teacher	\$38.33
Elementary Teacher	\$45.17
All Workers	\$19.70

Earnings by Occupation

- In 2017, the median wage for child-care workers was \$12.29, a **3% increase since 2015**.
- For preschool teachers, the median wage was \$16.19, a **3% increase since 2015**.
- For preschool or child-care center directors, the median wage was \$23.91, a **6% decrease since 2015**.

Data: Early Childhood Workforce Index 2018, California Profile.

California has low and uneven teacher-training requirements for early childhood education programs

Requirements for early childhood education permits are too low at every level, are uneven, and do not give enough attention to practice, such as through student teaching.

Although elementary school teachers in California, including transitional kindergarten teachers, need a bachelor's degree followed by a year-long teacher preparation program that includes supervised practice teaching, training requirements for state preschool teachers are among the lowest in the country. Differences in requirements to teach similar children are tied to the funding source. California programs under Title 5 have modest training requirements (see Table 5, following page); teachers in programs under Title 22 are required to have only 12 postsecondary units in early childhood education. License-exempt providers have no training requirements.

Table 5: Requirements for Staff in Title 5 Settings

Position	Authorizes the Child Development Permit (CDP) Holder to:	Minimum Requirements	Experience Requirement
Assistant Teacher	Care for and assist in the development and instruction of children in a child-care and development program under the supervision of a Child Development Permit (CDP) Associate Teacher, CDP Teacher, CDP Master Teacher, CDP Site Supervisor, or CDP Program Director.	6 units of college-level work in ECE	None
Associate Teacher	Provide service in the care, development, and instruction of children in a child-care and development program, and supervise a CDP Assistant and an aide.	12 units of college-level work in ECE, including designated core courses	50 days of 3+ hours per day within 2 years
Teacher	Provide service in the care, development, and instruction of children in a child-care and development program and supervise a CDP Associate Teacher, a CDP Assistant, and an aide.	24 units of college-level work in ECE, including designated core courses (Child, Family, and Community; Child Development; and Curriculum) and 16 general education units	175 days of 3+ hours per day within 4 years
Master Teacher	Provide service in the care, development, and instruction of children in a child-care and development program, and supervise a CDP Teacher, CDP Associate Teacher, CDP Assistant, and an aide. The permit also authorizes the holder to serve as a coordinator of curriculum and staff development in a child-care and development program.	Same as Teacher, plus 2 units of adult supervision and 6 specialization units	350 days of 3+ hours per day within 4 years
Site Supervisor	Supervise a child-care and development program operating at a single site; provide service in the care, development, and instruction of children in a child-care and development program; serve as a coordinator of curriculum and staff development in a child-care and development program.	AA (or 60 units) with 24 ECE/CD units (incl. core) + 6 units administration + 2 units adult supervision	350 days of 3+ hours per day within 4 years, including at least 100 days of supervising adults
Program Director	Supervise a child-care and development program operated in a single site or multiple sites; provide service in the care, development, and instruction of children in a child-care and development program; and serve as coordinator of curriculum and staff development in a child-care and development program.	BA with 24 ECE/CD units + 6 units administration + 2 units adult supervision	Site supervisor status and one program year of site supervisor experience

Source: California Commission on Teacher Credentialing.

The degree or other certification alone is not the only concern; also important is *what* is taught in the training programs and schools. For example, bachelor's degrees are increasingly required for teaching preschool in other states. But the early childhood education programs in California's four-year colleges do not usually reside in education departments, but rather in departments where the focus is on foundational knowledge about child development, not on preparing teachers for practice. Increased degree requirements must include requirements that prepare professionals to support children's learning and development, and higher education programs need to develop the infrastructure to prepare students for practice.

Elementary school principals—who are increasingly overseeing preschool programs in California—are not required to have any training in supervising ECE programs and teachers of young children. Those principals need specific training in early childhood education.

The process for monitoring quality and improvement is fragmented, inconsistent, and insufficient

When it comes to assessing the quality of programs and teachers, California again falls short. Licensed programs are not well monitored. California created a Quality Rating and Improvement System (QRIS) to help programs assess and improve quality. However, participation in QRIS is voluntary, and information is not typically made available to parents. Out of 12,246 licensed daycare and infant centers in the state as of September 2017, just 28.7% participated. Among the 29,348 license-exempt programs, 6.8% participated. Unlike most states, which provide financial incentives for participation in QRIS and improved quality ratings, California does not.

California's quality improvement initiative supports strategies such as coaching or mentoring and incentives for teachers and administrators to complete credit-bearing college courses that are funded through federal and state sources. The initiative also supports a number of professional development programs administered through local agencies. With the exception of sustained coaching, however, research has found limited evidence that the strategies used improve outcomes for children. California does not clearly advertise quality ratings and does not provide differential funding for higher quality programs as other states have done, with some demonstrated positive effects.

The state has no centralized data collection system, limiting the ability to evaluate improvement efforts

California currently has no system for tracking data on staffing, children, or programs. Most data collection is left to local communities, which is inefficient and fails to provide statewide information.

Because of its fragmentation, it is impossible to determine accurately the qualifications and characteristics of the people caring for children, where California's young children receive care, how many attend each type of program, and how many are enrolled in more than one program. As a consequence of the lack of data on ECE staff, there is no way to assess the qualities of effective teacher preparation, whether strengthening teacher preparation requirements will lead to better student outcomes, or if increasing requirements will instead force people out of the profession because they can't afford college tuition.

A comprehensive, longitudinal data system providing information about the children, families, and teachers in early childhood education is needed to make sound policy decisions. The national Early Childhood Data

Collaborative identified fundamental questions that states need to answer in order to use resources effectively and efficiently. They include:

- Are children birth to age 5 on track to succeed when they enter school and beyond?
- Is the quality of programs improving?
- What are the characteristics of programs that support positive child outcomes?
- What policies and investments lead to a skilled and stable early care and education workforce?

A number of states have experimented with models of data systems that California could learn from in developing its own system.

Conclusion

We know what to do to improve early childhood education. There is strong evidence that early intervention can be done at scale with long-term benefits—both for the participating children and for society. And research in other states has found that better coordination of services and standards is essential to improving outcomes for young children. An integrated data system that combines data from health, social, and educational sectors could be used to identify and address problems before they become unmanageable and expensive to remedy and, more broadly, to guide policy decisions about how to use resources effectively and efficiently to support children and families. There are many models of data systems that California can explore to determine what is the best fit for the state.

Analyses conducted within the state can also guide policy decisions. For example, California has already conducted a comprehensive study of early childhood special education. A 2015 report by the State Special Education Task Force recommends unifying special education and general education and placing all the systems under the auspices of the state Department of Education to create a more coherent and efficient system of services. Similarly, a panel established by the California Commission on Teacher Credentialing recommended specific changes to enhance the preparation of early childhood professionals. And many other analyses have reached similar conclusions about the kinds of investments California needs to make in early childhood education.

If early education programs are to meet parents' needs to participate in the workplace and to prepare California's children for academic success—and if any progress is to be made on reducing the unacceptably large achievement gap—the state needs a workforce that is prepared, supported, and fairly compensated for this complex work in a system of early childhood education that supports families and puts children on positive developmental trajectories.

Author Biography

Deborah Stipek is the Judy Koch Professor of Education and the Peter E. Haas Faculty Director of the Haas Center for Public Service. She currently chairs the Heising-Simons Development and Research on Early Math Education Network. Stipek had previously served for 11 years as the I. James Quillen Dean of the Graduate School of Education at Stanford University. She was also a faculty member at the University of California, Los Angeles, for 23 years, serving 10 of those years as director of the Corinne Seeds University Elementary School.

**AGREEMENT BETWEEN THE COUNTY OF MONO, ON BEHALF OF THE MONO COUNTY
CHILDREN & FAMILIES COMMISSION, AND INYO MONO ADVOCATES FOR
COMMUNITY ACTION, INC., FOR THE PROVISION OF ASSESSMENT SERVICES**

INTRODUCTION

WHEREAS, the Mono County Children and Families Commission (an agency of Mono County charged with planning, developing, and implementing programs on behalf of the County that support early development of children up to five years of age within Mono County) (hereinafter referred to as the "Commission" or "County") may have the need for the assessment services of Inyo Mono Advocates for Community Action, Inc., IMACA (hereinafter referred to as "Contractor"), and in consideration of the mutual promises, covenants, terms and conditions hereinafter contained, the parties hereby agree as follows:

TERMS AND CONDITIONS

1. SCOPE OF WORK

The Contractor shall furnish to the County, upon its request, those services and work set forth in Attachment A, attached hereto and by reference incorporated herein. Requests by the County to the Contractor to perform under this Agreement will be made by the Executive Director, or an authorized representative thereof. Requests to the Contractor for work or services to be performed under this Agreement will be based upon the County's need for such services. The County makes no guarantee or warranty, of any nature, that any minimum level or amount of services or work will be requested of the Contractor by the County under this Agreement. By this Agreement the County incurs no obligation or requirement to request from Contractor the performance of any services or work at all, even if the County should have some need for such services or work during the term of this Agreement.

Services and work provided by the Contractor at the County's request under this Agreement will be performed in a manner consistent with the requirements and standards established by applicable federal, state, and county laws, ordinances, and resolutions. Such laws, ordinances, regulations, and resolutions include, but are not limited to, those that are referred to in this Agreement.

2. TERM

The term of this Agreement shall be from **November 1, 2018** to **June 30, 2020** unless sooner terminated as provided below.

3. CONSIDERATION

A. Compensation. County shall pay Contractor in accordance with the Schedule of Fees (set forth as Attachment B) for the services and work described in Attachment A that are performed by Contractor at County's request.

B. Travel and Per Diem. Contractor will not be paid or reimbursed for travel expenses or per diem that Contractor incurs in providing services and work requested by the County under this Agreement, unless otherwise provided for in Attachment B.

C. No Additional Consideration. Except as expressly provided in this Agreement, Contractor shall not be entitled to, nor receive, from County, any additional consideration, compensation, salary, wages, or other type of remuneration for services rendered under this Agreement. Specifically, Contractor shall not be entitled, by virtue of this Agreement, to consideration in the form of overtime, health insurance benefits,

retirement benefits, disability retirement benefits, sick leave, vacation time, paid holidays, or other paid leaves of absence of any type or kind whatsoever.

D. Limit upon amount payable under Agreement. The total sum of all payments made by the County to Contractor for services and work performed under this Agreement shall not exceed **thirteen thousand three hundred and fifty dollars (\$13,350) in any twenty-month period** (hereinafter referred to as "Contract Limit"). County expressly reserves the right to deny any payment or reimbursement requested by Contractor for services or work performed that is in excess of the Contract Limit.

E. Billing and Payment. Contractor shall submit to the County, on a monthly basis, an itemized statement of all services and work described in Attachment A, which were done at the County's request. The statement to be submitted will cover the period from the first (1st) day of the preceding month through and including the last day of the preceding month. Alternatively, Contractor may submit a single request for payment corresponding to a single incident of service or work performed at the County's request. All statements submitted in request for payment shall identify the date on which the services and work were performed and describe the nature of the services and work which were performed on each day. Invoicing shall be informative but concise regarding services and work performed during that billing period. Upon finding that Contractor has satisfactorily completed the work and performed the services as requested, the County shall make payment to Contractor within 30 days of its receipt of the itemized statement. Should the County determine the services or work have not been completed or performed as requested and/or should Contractor produce an incorrect statement, the County shall withhold payment until the services and work are satisfactorily completed or performed and/or the statement is corrected and resubmitted.

F. Federal and State Taxes.

(1) Except as provided in subparagraph (2) below, County will not withhold any federal or state income taxes or social security from any payments made by County to Contractor under the terms and conditions of this Agreement.

(2) County shall withhold California state income taxes from payments made under this Agreement to non-California resident independent contractors when it is anticipated that total annual payments to Contractor under this Agreement will exceed one thousand four hundred ninety-nine dollars (\$1,499.00).

(3) Except as set forth above, County has no obligation to withhold any taxes or payments from sums paid by County to Contractor under this Agreement. Payment of all taxes and other assessments on such sums is the sole responsibility of Contractor. County has no responsibility or liability for payment of Contractor's taxes or assessments.

(4) The total amounts paid by County to Contractor, and taxes withheld from payments to non-California residents, if any, will be reported annually to the Internal Revenue Service and the California State Franchise Tax Board.

4. WORK SCHEDULE

Contractor's obligation is to perform, in a timely manner, those services and work identified in Attachment A that are requested by the County. It is understood by Contractor that the performance of these services and work will require a varied schedule. Contractor, in arranging his/her schedule, will coordinate with County to ensure that all services and work requested by County under this Agreement will be performed within the time frame set forth by County.

5. REQUIRED LICENSES, CERTIFICATES, AND PERMITS

Any licenses, certificates, or permits required by the federal, state, county, or municipal governments, for Contractor to provide the services and work described in Attachment A must be procured by Contractor and be valid at the time Contractor enters into this Agreement. Further, during the term of this Agreement, Contractor must maintain such licenses, certificates, and permits in full force and effect. Licenses, certificates, and permits may include, but are not limited to, driver's licenses, professional licenses or certificates, and business licenses. Such licenses, certificates, and permits will be procured and maintained in force by Contractor at no expense to the County. Contractor will provide County, upon execution of this Agreement, with evidence of current and valid licenses, certificates and permits that are required to perform the services identified in Attachment A. Where there is a dispute between Contractor and County as to what licenses, certificates, and permits are required to perform the services identified in Attachment A, County reserves the right to make such determinations for purposes of this Agreement.

6. OFFICE SPACE, SUPPLIES, EQUIPMENT, ETC

The Contractor shall provide such office space, supplies, equipment, vehicles, reference materials, support services and telephone service as is necessary for Contractor to provide the services identified in Attachment A to this Agreement. County is not obligated to reimburse or pay Contractor for any expense or cost incurred by Contractor in procuring or maintaining such items. Responsibility for the costs and expenses incurred by Contractor in providing and maintaining such items is the sole responsibility and obligation of Contractor.

7. COUNTY PROPERTY

A. Personal Property of County. Any personal property such as, but not limited to, protective or safety devices, badges, identification cards, keys, uniforms, vehicles, reference materials, furniture, appliances, etc. provided to Contractor by County pursuant to this Agreement is, and at the termination of this Agreement remains, the sole and exclusive property of the County. Contractor will use reasonable care to protect, safeguard and maintain such items while they are in Contractor's possession. Contractor will be financially responsible for any loss or damage to such items, partial or total, that is the result of Contractor's negligence.

B. Products of Contractor's Work and Services. Any and all compositions, publications, plans, designs, specifications, blueprints, maps, formulas, processes, photographs, slides, videotapes, computer programs, computer disks, computer tapes, memory chips, soundtracks, audio recordings, films, audio-visual presentations, exhibits, reports, studies, works of art, inventions, patents, trademarks, copyrights, or intellectual properties of any kind that are created, produced, assembled, compiled by, or are the result, product, or manifestation of, Contractor's services or work under this Agreement are, and at the termination of this Agreement remain, the sole and exclusive property of the County. At the termination of the Agreement, Contractor will convey possession and title to all such properties to County.

8. WORKERS' COMPENSATION

Contractor shall provide Statutory Workers' Compensation insurance coverage and Employer's Liability coverage for not less than \$1 million (\$1,000,000.00) per occurrence for all employees engaged in services or operations under this Agreement. Any insurance policy limits in excess of the specified minimum limits and coverage shall be made available to County as an additional insured. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of County for all work performed by Contractor, its employees, agents, and subcontractors.

9. INSURANCE

A. Contractor shall procure and maintain, during the entire term of this Agreement or, if work or services do not begin as of the effective date of this Agreement, commencing at such other time as may be authorized in writing by the County Risk Manager, the following insurance (as noted) against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by Contractor, its agents, representatives, employees, or subcontractors:

- ☒ General Liability. A policy of Comprehensive General Liability Insurance which covers all the work and services to be performed by Contractor under this Agreement, including operations, products and completed operations, property damage, bodily injury (including death) and personal and advertising injury. Such policy shall provide limits of not less than \$1,000,000.00 per claim or occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project or the general aggregate limit shall be twice the required occurrence limit.
- ☒ Automobile/Aircraft/Watercraft Liability Insurance. A policy of Comprehensive Automobile/Aircraft/Watercraft Liability Insurance for bodily injury (including death) and property damage which provides total limits of not less than \$1,000,000.00 per claim or occurrence applicable to all owned, non-owned and hired vehicles/aircraft/watercraft. If the services provided under this Agreement include the transportation of hazardous materials/wastes, then the Automobile Liability policy shall be endorsed to include Transportation Pollution Liability insurance covering materials/wastes to be transported by Contractor pursuant to this Agreement. Alternatively, such coverage may be provided in Contractor's Pollution Liability policy.
- ☐ Professional Errors and Omissions Liability Insurance. A policy of Professional Errors and Omissions Liability Insurance appropriate to Contractor's profession in an amount of not less than \$1,000,000.00 per claim or occurrence/ \$2,000,000.00 general aggregate. If coverage is written on a claims-made form then: (1) the "retro date" must be shown, and must be before the beginning of contract work; (2) insurance must be maintained and evidence of insurance must be provided for at least five years after completion of the contract work; and (3) if coverage is cancelled or non-renewed, and not replaced with another claims-made policy form with a "retro date" prior to the contract effective date, then Contractor must purchase "extended reporting" coverage for a minimum of five years after completion of contract work.
- ☐ Pollution Liability Insurance. A policy of Comprehensive Contractors Pollution Liability coverage applicable to the work being performed and covering Contractor's liability for bodily injury (including death), property damage, and environmental damage resulting from "sudden accidental" or "gradual" pollution and related cleanup costs arising out of the work or services to be performed under this Agreement. Coverage shall provide a limit no less than \$1,000,000.00 per claim or occurrence/ \$2,000,000.00 general aggregate. If the services provided involve lead-based paint or asbestos identification/remediation, the Pollution Liability policy shall not contain lead-based paint or asbestos exclusions.

B. Coverage and Provider Requirements. Insurance policies shall not exclude or except from coverage any of the services and work required to be performed by Contractor under this Agreement. The required policy(ies) of insurance shall be issued by an insurer authorized to sell such insurance by the State of California, and have at least a "Best's" policyholder's rating of "A" or "A+". Prior to commencing any work under this agreement, Contractor shall provide County: (1) a certificate of insurance evidencing the coverage required; (2) an additional insured endorsement for general liability applying to the County of Mono, its agents, officers and employees made on ISO form CG 20 10 11 85, or providing equivalent

coverage; and (3) a notice of cancellation or change of coverage endorsement indicating that the policy will not be modified, terminated, or canceled without thirty (30) days written notice to the County.

C. Deductible, Self-Insured Retentions, and Excess Coverage. Any deductibles or self-insured retentions must be declared and approved by Mono County. If possible, the Insurer shall reduce or eliminate such deductibles or self-insured retentions with respect to Mono County, its officials, officers, employees, and volunteers; or the Contractor shall provide evidence satisfactory to Mono County guaranteeing payment of losses and related investigations, claim administration, and defense expenses. Any insurance policy limits in excess of the specified minimum limits and coverage shall be made available to County as an additional insured.

D. Subcontractors. Contractor shall require and verify that all subcontractors maintain insurance (including Workers' Compensation) meeting all the requirements stated herein and that County is an additional insured on insurance required of subcontractors.

10. STATUS OF CONTRACTOR

All acts of Contractor, its agents, officers, and employees, relating to the performance of this Agreement, shall be performed as an independent contractor, and not as an agent, officer, or employee of the County. Contractor, by virtue of this Agreement, has no authority to bind or incur any obligation on behalf of, or exercise any right or power vested in, the County, except as expressly provided by law or set forth in Attachment A. No agent, officer, or employee of the County is to be considered an employee of Contractor. It is understood by both Contractor and County that this Agreement shall not, under any circumstances, be construed to create an employer-employee relationship or a joint venture. As an independent contractor:

A. Contractor shall determine the method, details, and means of performing the work and services to be provided by Contractor under this Agreement.

B. Contractor shall be responsible to County only for the requirements and results specified in this Agreement, and except as expressly provided in this Agreement, shall not be subjected to County's control with respect to the physical action or activities of Contractor in fulfillment of this Agreement.

C. Contractor, its agents, officers and employees are, and at all times during the term of this Agreement shall represent and conduct themselves as, independent contractors, and not employees of County.

11. DEFENSE AND INDEMNIFICATION

Contractor shall defend with counsel acceptable to County, indemnify, and hold harmless County, its agents, officers, and employees from and against all claims, damages, losses, judgments, liabilities, expenses, and other costs, including litigation costs and attorney's fees, arising out of, resulting from or in connection with, the performance of this Agreement by Contractor, or Contractor's agents, officers, or employees. Contractor's obligation to defend, indemnify, and hold the County, its agents, officers, and employees harmless applies to any actual or alleged personal injury, death, damage or destruction to tangible or intangible property, including the loss of use. Contractor's obligation under this paragraph extends to any claim, damage, loss, liability, expense, or other costs that are caused in whole or in part by any act or omission of the Contractor, its agents, employees, supplier, or anyone directly or indirectly employed by any of them, or anyone for whose acts or omissions any of them may be liable.

Contractor's obligation to defend, indemnify, and hold the County, its agents, officers, and employees harmless under the provisions of this paragraph is not limited to, or restricted by, any requirement in this Agreement for Contractor to procure and maintain a policy of insurance and shall survive any termination or expiration of this Agreement.

12. RECORDS AND AUDIT

A. Records. Contractor shall prepare and maintain all records required by the various provisions of this Agreement, federal, state, county, municipal, ordinances, regulations, and directions. Contractor shall maintain these records for a minimum of four (4) years from the termination or completion of this Agreement. Contractor may fulfill its obligation to maintain records as required by this paragraph by substitute photographs, micrographs, or other authentic reproduction of such records.

B. Inspections and Audits. Any authorized representative of County shall have access to any books, documents, papers, records, including, but not limited to, financial records of Contractor, that County determines to be pertinent to this Agreement, for the purposes of making audit, evaluation, examination, excerpts, and transcripts during the period such records are to be maintained by Contractor. Further, County has the right, at all reasonable times, to audit, inspect, or otherwise evaluate the work performed or being performed under this Agreement.

13. NONDISCRIMINATION

During the performance of this Agreement, Contractor, its agents, officers, and employees shall not unlawfully discriminate in violation of any federal, state, or local law, against any employee, or applicant for employment, or person receiving services under this Agreement, because of race, religious creed, color, ancestry, national origin, physical disability, mental disability, medical condition, marital status, sex, age, or sexual orientation. Contractor and its agents, officers, and employees shall comply with the provisions of the Fair Employment and Housing Act (Government Code section 12900, et seq.), and the applicable regulations promulgated thereunder in the California Code of Regulations. Contractor shall also abide by the Federal Civil Rights Act of 1964 (P.L. 88-352) and all amendments thereto, and all administrative rules and regulations issued pursuant to said Act.

14. TERMINATION

This Agreement may be terminated by County without cause, and at will, for any reason by giving to Contractor thirty (30) calendar days written notice of such intent to terminate. Contractor may terminate this Agreement without cause, and at will, for any reason whatsoever by giving to County thirty (30) calendar days written notice of such intent to terminate.

Notwithstanding the foregoing, if this Agreement is subject to General Conditions (set forth as an Exhibit hereto), then termination shall be in accordance with the General Conditions and this paragraph 14 shall not apply.

15. ASSIGNMENT

This is an agreement for the personal services of Contractor. County has relied upon the skills, knowledge, experience, and training of Contractor as an inducement to enter into this Agreement. Contractor shall not assign or subcontract this Agreement, or any part of it, without the express written consent of the County. Further, Contractor shall not assign any moneys due or to become due under this Agreement without the prior written consent of the County.

16. DEFAULT

If the Contractor abandons the work, or fails to proceed with the work and services requested by the County in a timely manner, or fails in any way as required to conduct the work and services as required by the County, the County may declare the Contractor in default and terminate this Agreement upon five (5) days written notice to Contractor. Upon such termination by default, County will pay to Contractor all amounts owing to Contractor for services and work satisfactorily performed to the date of termination.

17. WAIVER OF DEFAULT

Waiver of any default by either party to this Agreement shall not be deemed to be a waiver of any subsequent default. Waiver or breach of any provision of this Agreement shall not be deemed to be a waiver of any other or subsequent breach, and shall not be construed to be a modification of the terms of this Agreement unless this Agreement is modified as provided in paragraph 23 below.

18. CONFIDENTIALITY

Contractor agrees to comply with various provisions of the federal, state, and county laws, regulations, and ordinances providing that information and records kept, maintained, or accessible by Contractor in the course of providing services and work under this Agreement, shall be privileged, restricted, or confidential. Contractor agrees to keep confidential, all such privileged, restricted or confidential information and records obtained in the course of providing the work and services under this Agreement. Disclosure of such information or records shall be made by Contractor only with the express written consent of the County.

19. CONFLICTS

Contractor agrees that he/she has no interest, and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of the work and services under this Agreement. Contractor agrees to complete and file a conflict-of-interest statement.

20. POST-AGREEMENT COVENANT

Contractor agrees not to use any confidential, protected, or privileged information that is gained from the County in the course of providing services and work under this Agreement, for any personal benefit, gain, or enhancement. Further, Contractor agrees for a period of two (2) years after the termination of this Agreement, not to seek or accept any employment with any entity, association, corporation, or person who, during the term of this Agreement, has had an adverse or conflicting interest with the County, or who has been an adverse party in litigation with the County, and concerning such, Contractor by virtue of this Agreement has gained access to the County's confidential, privileged, protected, or proprietary information.

21. SEVERABILITY

If any portion of this Agreement or application thereof to any person or circumstance shall be declared invalid by a court of competent jurisdiction, or if it is found in contravention of any federal, state, or county statute, ordinance, or regulation, the remaining provisions of this Agreement, or the application thereof, shall not be invalidated thereby, and shall remain in full force and effect to the extent that the provisions of this Agreement are severable.

22. FUNDING LIMITATION

The ability of the County to enter into this Agreement is based upon available funding from various sources. In the event that such funding fails, is reduced, or is modified, from one or more sources, County has the option to terminate, reduce, or modify this Agreement, or any of its terms within ten (10) days of notifying Contractor of the termination, reduction, or modification of available funding. Any reduction or modification of this Agreement effective pursuant to this provision must comply with the requirements of paragraph 23.

23. AMENDMENT

This Agreement may be modified, amended, changed, added to, or subtracted from, by the mutual consent of the parties hereto, if such amendment or change order is in written form, and executed with the same formalities as this Agreement or in accordance with delegated authority therefor, and attached to the original Agreement to maintain continuity.

24. NOTICE

Any notice, communication, amendments, additions or deletions to this Agreement, including change of address of any party during the term of this Agreement, which Contractor or County shall be required, or may desire to make, shall be in writing and may be personally served, or sent by prepaid first-class mail or email (if included below) to the respective parties as follows:

Commission:

Molly DesBaillets
PO Box 130
Mammoth Lakes, CA 93546

Contractor:

Inyo Mono Advocates for Community Action
137 East South Street
Bishop, California, 93515

25. ENTIRE AGREEMENT

This Agreement contains the entire agreement of the parties, and no representations, inducements, promises, or agreements otherwise between the parties not embodied herein or incorporated herein by reference, shall be of any force or effect. Further, no term or provision hereof may be changed, waived, discharged, or terminated, unless executed in writing by the parties hereto.

IN WITNESS THEREOF, THE PARTIES HERETO HAVE SET THEIR HANDS AND SEALS THIS ____ DAY OF _____, _____.

COUNTY OF MONO

CONTRACTOR

By: _____

By: _____

Dated: _____

Dated: _____

Taxpayer's Identification or Social Security
Number: _____

APPROVED AS TO FORM:

County Counsel

APPROVED BY RISK MANAGEMENT:

Risk Manager

ATTACHMENT A

AGREEMENT BETWEEN THE COUNTY OF MONO, ON BEHALF OF THE MONO COUNTY CHILDREN & FAMILIES COMMISSION AND INYO MONO ADVOCATES FOR COMMUNITY ACTION, INC., FOR THE PROVISION OF ASSESSMENT SERVICES

TERM:

FROM: November 1, 2018 TO: June 30, 2020

SCOPE OF WORK:

Under the terms of this Agreement, Contractor shall provide consultation services as well as a reliable (for purposes of this Agreement, “reliable” means 85% confidence or better) ERS assessor and ERS Anchor that will provide ERS assessment services in order to meet the independent assessment and anchor requirements set forth in the Commission’s Local Area Agreement with First 5 California (included as **Attachment C** and incorporated herein by this reference).

Contractor agrees to perform services as required by the Commission, including but not limited to those listed below, and shall provide the necessary qualified personnel to perform said services. External observations services shall be conducted by highly trained, calibrated and experienced individuals who have no conflict of interest with a site as determined by a lack of a financial agreement between the ERS assessor or the ERS assessor’s employer and the child care site.

Contractor shall conduct the following anchor/observation services:

- ECERS assessments for approximately **5** non-IMACA classrooms per fiscal year, for a total of **10** by June 20, 2020.
- Calibrate up to three regional ERS assessors.
- Quality control procedures shall include proof reading reports and performing quality assurance checks on each report to ensure that all external scores are highly calibrated and reliable based on the intent of the authors of the ERS tool.

In addition to the above, Contractor shall:

- Contact the site the day before to ensure that the Lead Teacher, as specified, on the Classroom Information form is scheduled to work.
- Complete the entire ERS score sheet including the profile page.
- Complete the ERS debriefing consultation form; all indicators scored “no” are required to have comments explaining rationale.
- Input results in i-Pinwheel
- Submit to the Commission, the observation/scoring summary sheets and the score sheets and profile page, within **one week of the observation**.
- Submit to the Commission, the ERS debriefing consultation form within **one week of the observation**.
- Submit to the Commission, all interview notes, if applicable, within one week of the interview.

Commission Shall:

- Notify the Contractor as soon as practicable of the dates preferred, the assessments and anchoring needed, and contact information for the site.

ATTACHMENT B

**AGREEMENT BETWEEN THE COUNTY OF MONO, ON BEHALF OF THE MONO COUNTY
CHILDREN & FAMILIES COMMISSION AND INYO MONO ADVOCATES FOR COMMUNITY
ACTION, INC., FOR THE PROVISION OF ASSESSMENT SERVICES**

TERM:

FROM: November 1, 2018 TO: June 30, 2020

SCHEDULE OF FEES:

PAYMENT

ESTIMATED COST

Service	Cost	Classroom Total	Total Cost
ERS Assessments per assessment	\$500	10	\$5,000
ERS Anchoring	Not to exceed \$400/day for 3 days per individual	Not more than 3 individuals	\$4,500
Travel cost to Mono, Inyo & Alpine sites and ECERS Training.	Not to exceed \$275 per day for 14 days \$3,850		\$3,850
	Total		\$13,350

**AGREEMENT AND FIRST-SECOND AMENDMENT TO AGREEMENT BETWEEN
MONO COUNTY CHILDREN AND FAMILIES COMMISSION
AND VIVA STRATEGY AND COMMUNICATION LLC FOR
THE PROVISION OF IMPACT HUB COORDINATION SERVICES**

THIS AGREEMENT and First-Second Amendment is entered into on August-December 31, 2018, by and between the Mono County Children and Families Commission (an agency of Mono County charged with planning, developing, and implementing programs on behalf of the County that support early development of children up to five years of age within Mono County, ("First 5") and Viva Strategy and Communications, LLC ("Viva" or "Contractor") for the purpose of amending the Agreement Between The Mono County Children and Families Commission and Viva Strategy and Communications, LLC, for the Provision of Impact HUB Coordination Services dated April 1, 2017 ("the Agreement"). First 5 and Viva are sometimes referred to herein collectively as "the parties."

NOW, THEREFORE, the parties agree as follows:

1. The Term of the Agreement shall be extended through June 30, 2020.
2. The Contract Limit, page 2, paragraph 3 item D., shall be increased by \$94,484 for a new Contract Limit of \$199,466.
3. The activities listed in Attachment A, Scope of Work, of the Agreement, which begins on page 11 and extends onto page 14, are hereby amended as follows:
 - a. For Section III, Monthly Planning Calls with First 5 Commission Region 6 Executive Committee, the timeline shall be extended through June 30, 2020.
 - b. For Section IV, In-Person Region 6 Planning Retreats (6), the timeline shall be extended through June 30, 2020.
 - c. For the Project Timeline, an additional section shall be added for the period of January 2019 - June 2020 and shall include 12 Planning Calls and 6 In-Person Region 6 Planning Retreats (as allowed by budget.)
4. The budget on Attachment B, Schedule of Fees, of the Agreement, on page 15, is hereby superseded and replaced in entirety with the below:

Scope of Work Item	Estimated Hours at \$165/hr	Cost
Kick Off Call & Discovery Process	40	\$6,600
Monthly Planning & Feedback Calls	114	\$18,810
Regional Retreats (6)	420	\$69,300
Hub & CA-QRIS Coordination (in addition to other items listed here which will also support this effort)	152	\$25,080
Project Management (managing across tasks)	200	\$33,825

Total Consultation	\$152,790
Indirect 10%	\$15,279
Meeting Supplies (does not include print, food, facilities)	\$1,800
Travel: Flight, hotel, rental car, parking, taxi, per diem (\$15/breakfast, \$16/lunch, \$23/dinner)	\$29,090
Mileage to CA-QRIS Meetings	\$507
April 2017 – June 2020 Total Proposed Budget	\$199,466

IN WITNESS of the foregoing, the parties have signed this Agreement and ~~First~~Second Amendment through their duly-authorized representatives, as set forth below:

First Five Mono County:

Viva Strategy and Communications, LLC:

By: _____

By: _____

Name: Molly DesBaillets

Name: _____

Title: Executive Director

Title: _____

Approved as to Form:

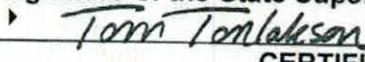

Christian E. Milovich Date
Assistant County Counsel

Approved for Risk Management:

Risk Manager Date

COPY

Grant Award Notification

GRANTEE NAME AND ADDRESS Mono County Office of Education P.O. Box 130 Mammoth Lakes, CA 93546				CDE GRANT NUMBER			
				FY	PCA	Vendor Number	Suffix
				18	25276	10264	00
Attention Dr. Stacey Adler, Superintendent				STANDARDIZED ACCOUNT CODE STRUCTURE			COUNTY
Program Office				Resource Code	Revenue Object Code		26
Telephone 760-934-0031				6127	8590		INDEX
Name of Grant Program California State Preschool Program-California Migrant Program Quality Rating and Improvement System Block Grant							0656
GRANT DETAILS	Original/Prior Amendments	Amendment Amount	Total	Amend. No.	Award Starting Date	Award Ending Date	
	\$15,625		\$15,625		7/1/2018	9/30/2019	
CFDA Number	Federal Grant Number	Federal Grant Name			Federal Agency		
-	-	-			-		
I am pleased to inform you that you have been funded for the fiscal year 2018-19 California State Preschool Program (CSPP)-California Migrant Program (CMIG) Quality Rating Improvement System (QRIS) Block Grant.							
This award is made contingent upon the availability of funds. If the Legislature takes action to reduce or defer the funding upon which this award is based, then this award will be amended accordingly.							
Please return the original, signed Grant Award Notification (AO-400) within 10 days to:							
Helen Toy, Staff Services Analyst Quality Improvement Office California Department of Education 1430 N Street, Suite 3410 Sacramento, CA 95814-5901							
California Department of Education Contact				Job Title			
Helen Toy				Staff Services Analyst			
E-mail Address					Telephone		
htoy@cde.ca.gov					916-324-8296		
Signature of the State Superintendent of Public Instruction or Designee					Date		
					October 25, 2018		
CERTIFICATION OF ACCEPTANCE OF GRANT REQUIREMENTS							
On behalf of the grantee named above, I accept this grant award. I have read the applicable certifications, assurances, terms, and conditions identified on the grant application (for grants with an application process) or in this document or both; and I agree to comply with all requirements as a condition of funding.							
Printed Name of Authorized Agent				Title			
STACEY ADLER				SUPERINTENDENT			
E-mail Address					Telephone		
sadler@monocoe.org					760-934-0031		
Signature					Date		
					11-2-2018		

RETURN TO AGENCY

Y900

Grant Award Notification (Continued)

1. All grantees are required to comply with the data and reporting requirements of this grant. Grantees are required to submit an annual site-level common data report for their county or regional consortia. For the Common Data File, refer to the Quality Counts California web page at <https://www.cde.ca.gov/sp/cd/rt/californiaqris.asp>.
2. All grantees are required to retain a copy of the General Assurances for their records and audit purposes, which can be obtained at the CDE Funding Forms web page at <https://www.cde.ca.gov/fg/fo/fm/ff.asp>. Signing the Form B: Lead Signature Page of the QRIS Block Grant application also confirms that the Consortium/applicant has read and agreed to the assurances.
3. All grantees are required to maintain a good standing status in order to be an eligible grantee for the subsequent year. Good standing is defined within the Key Terms of Appendix A on page 32 of the fiscal year 2018–19 CSPP–CMIG QRIS Block Grant Request for Applications.

Fiscal Issues:

- Applicants agree to follow any applicable federal or state law relating to this grant and will meet all fiscal and auditing standards required by the CDE.
- Any consortium receiving CSPP–CMIG QRIS Block Grant funds is required to use the funds only for the intended purposes of this grant.
- Ninety percent of each grant award will be disbursed when all Grant Award Notifications have been signed and returned to the CDE.
- Upon receipt and review of the close-out expenditure report, which should reflect expenditures of the entire grant award amount, the final 10 percent will be paid. If there are expenditures that do not equal the remaining 10 percent, the grantee will be reimbursed for only those new expenditures reflected on the final report. The total amount of all expenditures cannot exceed the grant award amount. If the reports reflect any unspent funds of the original 90 percent advanced, the CDE may invoice for any remaining unspent balance.

Reports:

- Semi-annual expenditure reports are required. The reporting period due dates are as follows:

Reporting Period	Due to the CDE by:
July 1, 2018 – February 28, 2019	March 28, 2019
March 1, 2019 – September 30, 2019	December 31, 2019

Fiscal reporting for site block grants given to Tier 4 and 5 sites must be reported in at least one of the reporting periods.

- All grantees are required to complete the Quality Counts California Consortium Annual Performance Report, which reflects all QRIS activities within their respective county or region.



FY 2017-18

Evaluation Report

Our goal is to enhance the network of support services for families with children ages 0 to 5 years.

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Overview

The California Children and Families Act (also known as Proposition 10 or “First 5”) was enacted in 1998, increasing taxes on tobacco products to provide funding for services to promote early childhood development from prenatal to age 5. Mono County currently receives approximately \$390,000 from annual allocations, the Small Population County Funding Augmentation, and child care quality funds. To access these funds, First 5 Mono adopts a strategic plan demonstrating the use of Proposition 10 funds to promote a comprehensive and integrated system of early childhood development services.

The Mono County Children and Families Commission, First 5 Mono, was created in 1999 by the Mono County Board of Supervisors to:

- Evaluate the current and projected needs of children birth to five years old
- Develop a strategic plan describing how to address community needs.
- Determine how to expend local First 5 resources.
- Evaluate the effectiveness of funded programs and activities.

To fulfill the intent of the creation of First 5 Mono, meet state and local requirements, and evaluate the funded programs for the purposes of continuous quality improvement, First 5 Mono annually produces an evaluation report. This report has evolved over the last 5 years to include indicator data and more details about the investment areas in the First 5 Mono Strategic Plan. With new Small Population County Funding Agreement requirements and example content from First 5 California, this year’s format mirrors the state-developed example.

Throughout the year First 5 Mono collects participation and survey data from funded programs for the purposes of monitoring and evaluating the programs included in our strategic plan. Herein findings, conclusions, and recommendations based on the evaluation results will describe how evaluation data will be used to guide program improvements and decision making.

Using US Census American Fact Finder data, the overall population estimate for Mono County in 2017 is 14,158 and the 0-5 population is estimated at 717, 5% of the overall population. According to the 2017 Childcare Portfolio, 95 children 0-5 were living in poverty, 13% of the 0-5 population estimate (Appendix XI, Page 44).

First 5 Mono programs served the following number and percent of the 0-5 population (numbers for each program are unduplicated, but across programs numbers include duplicates):

- Improved Family Functioning
 - Home Visiting: 148, 21%
- Improved Child Development
 - CDBG Preschools: 12, 2%
 - Childcare Quality System: 465, 65%
 - Footsteps2brilliance 505, 70%
 - Peapod Playgroups: 192, 27%
 - Raising A Reader: 237, 33%
 - Summer Bridge 73, 10%
- Improved Child Health
 - Oral Health: 119, 17%
 - Safe Kids: 229, 30%

Demographics for families in our Home Visiting program, for which we have the most robust unduplicated data are as follows:

Race/Ethnicity

- Non-Hispanic
 - White: 59
 - American Indian: 1
 - Multi-race: 4
 - Native Hawaiian/Pacific Islander: 1
- Hispanic
 - Multi-race: 59
 - White: 2

Area of Residence

- Benton, Chalfant, Paradise: 4
- Mammoth Lakes, Crowley Lake, Sunny Slopes: 102
- June Lake, Lee Vining, Mono City: 10
- Bridgeport, Walker, Coleville, Walker, Topaz: 9

Key Findings:

- Home Visiting
 - Participating families have improved parental knowledge, understanding, and engagement in promoting their children's development and physical and mental health.
 - Most enrolled children received developmental screenings, 58%
 - Mothers participating in First 5 Mono Home Visiting have increased breastfeeding rates compared to California mothers.
- Oral Health
 - Children at kindergarten entry have a high percentage of untreated carries, 30%.
- Peapod Playgroups
 - Participating families are receiving child-development and parenting education.

Due to the data, findings, and conclusions herein, First 5 Mono County will continue to fund its currently funded programs while implementing measures to improve quality. First 5 Mono will also continue to work with community partners to leverage supports around investment areas and the well-being of children birth to five and their families. The Commission will consider implementing changes to funding allocations with this data during the 2018-19 Strategic Planning process.

Programs and Evaluation

Improved Family Functioning

Home Visiting

Home Visiting is included in the First 5 Mono Strategic Plan because it is a nationally recognized strategy to improve outcomes for children and families. Home Visiting has been demonstrated to improve family functioning, decrease child abuse, and improve school readiness and literacy¹. In partnership with other community agencies, First 5 also provides lactation services through its Home Visiting efforts. Such services greatly enhance the will and ability for moms to sustain breastfeeding, positively contributing to overall childhood health. Starting in FY 2016-17, our Home Visiting program began offering visits to Spanish-speaking childcare providers using a Parents as Teachers curriculum specifically designed for providers.

The 2017-18 investment in Home Visiting was \$168,175 which includes three programs. Welcome Baby! offers 9 visits to all families in Mono County with a child prenatal to one year old with more frequent visits for families with multiple stressors. Parenting Partners is available to families with stressors and a child one year old to kindergarten entry. The duration and frequency of services is determined by family need. Visit frequency varies from 3 to 24 visits a year; for especially stressed families visits are two times per month. Both programs are funded and conducted by First 5 Mono with funding support from First 5 California Small Population County Funding Augmentation (SPCFA) (\$135,105) and Mono County Department of Social Services Community Based Child Abuse Prevention (CBCAP) and Child Abuse Prevention, Intervention, and Treatment (CAPIT) grants (\$33,000). The third Home Visiting program serves Spanish-speaking childcare providers in the county with 3 visits a year.

Program objectives include:

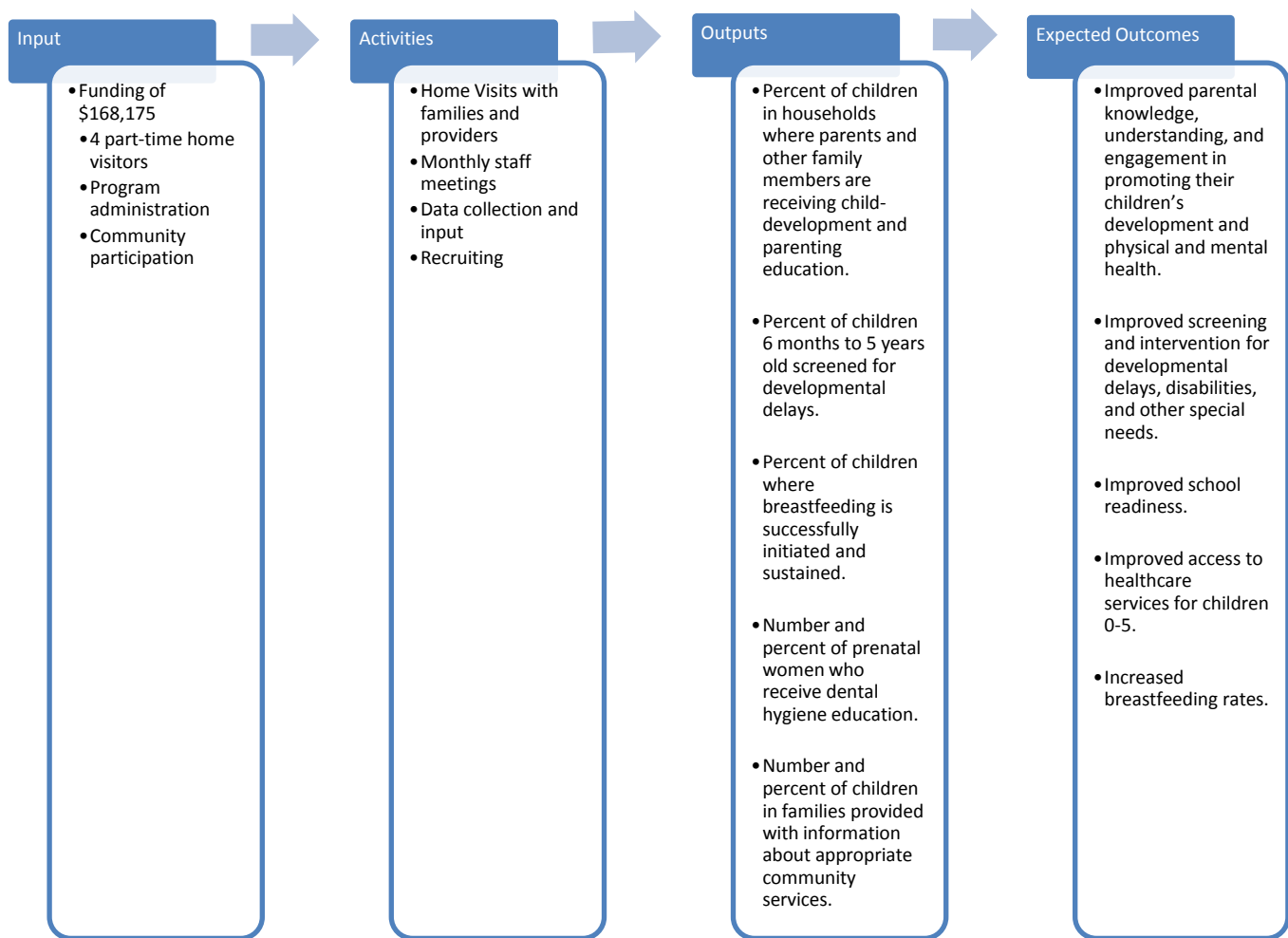
- Facilitate parents' role as their child's first and most important teacher
- Provide information on typical child development
- Stimulate child development by providing age-appropriate activities
- Increase and support breastfeeding and literacy activities
- Link families to community services and support access to services
- Conduct developmental screenings and refer families to early intervention programs
- Provide culturally competent services in Spanish and English
- Facilitate optimal family functioning
- Decrease child abuse and neglect

¹ Promising Practice Local Model: Modified Parents as Teachers Evidence-based framework: Pfannenstiel, J. C., & Zigler, E. (2007). Prekindergarten experiences, school readiness and early elementary achievement. Unpublished report prepared for Parents as Teachers National Center.

Snow, C.E., Burns, M., and Griffin, P. (Eds.). (1998). Preventing reading difficulties in young children. Washington, DC: National Academy Press.

Parents as Teachers has a long history of independent research demonstrating effectiveness. For more details, refer to the Parents as Teachers evaluation brochure or Web site, www.parentsasteachers.org.

Logic Model



Evaluation, Findings, and Conclusions

- Do parents participating in Home Visiting have improved parental knowledge, understanding, and engagement in promoting their children's development and physical and mental health?
 - Data Source: Home Visiting exit survey (Appendix I, Table 8-10, Page 22-24) and resource referrals (Appendix I, Table 6, Page 19)
 - Findings: Measures included in the survey data yielded agreement of 70% or higher or an increase in activities related to child development after program participation. Referral data demonstrates parent engagement in accessing resources related to development and physical and mental health and information shared with parents serving to improve knowledge and understanding of services.
 - Conclusion: The program is achieving this outcome
- Does Home Visiting improve screening and intervention for developmental delays, disabilities, and other special needs?
 - Data Source: Ages and Stages Questionnaire (ASQ) screening data (Appendix I, Table 7, Page 20)
 - Finding: 58% of enrolled children who did not already have an identified developmental delay received a screening. Of those screened, 8% received early intervention services
 - Conclusion: The program is achieving this outcome

- Does Home Visiting improve school readiness?
 - Data Source: Incoming kindergarten school readiness assessments (Appendix II, Figure 2, page 26) and Incoming Kindergarten Parent Survey (Appendix II, Figure 3, Page 26)
 - Finding: Compared to an overall school readiness rate of 49%, only 43% of children who participated in Home Visiting were assessed as school ready. However, compared to the school readiness rate of 0 for children who did not participate in any early learning programs, 43% is a marked improvement.
 - Conclusion: Children who participate in Home Visiting are more likely to be school ready than those who did not participate in any early learning programs, but have lower school readiness rates than the cohort as a whole. Although we do not have data on the kindergarten cohort's characteristics (how many come from families with low income, low educational attainment, or other stressors), if the proportions of children served through Home Visiting experience these stressors at a higher rate than those of the kindergarten cohort as a whole, that could explain the lower percentage of school readiness for children who participated in Home Visiting.
- Does Home Visiting improve access to healthcare services for children 0-5?
 - Data Source: Referrals (Appendix I, Table 6, Page 19)
 - Findings: Children enrolled in the program were referred to and accessed the following healthcare services: dental services, medical services, and mental health services.
 - Conclusion: The program is achieving this outcome
- Do children whose mothers participate in Home Visiting have increased breastfeeding rates?
 - Data Source: Visit records (Appendix I, Figure 2, Page 20)
 - Finding: Mothers who were enrolled in Welcome Baby! exclusively breastfed at 3 and 6 months at a substantially higher rate than the state rate for the last 3 years.
 - Conclusion: The program is achieving this outcome.

As the majority of the program-specific evaluation results indicate achievement of the desired outcomes, the commission will continue to fund the current Home Visiting programs.

Improved Child Development

School Readiness

A child's education begins very early. Since school-based educational systems do not begin until 3-5 years of age, First 5 promotes programs that help prepare children for school in the early years. School readiness programs include all Mono County public schools, childcare and preschool centers, special needs programs, and the Mono County Library System. The FY 2017-18 investment in school readiness was \$100,359 with funding support from First 5 SPCFA (\$98,614) and Mono County Probation, Health, & Social Services Departments (\$1,745). For all incoming kindergartners planning to attend a public school, First 5 Mono offers transition to school support including Kindergarten Round Up, Summer Bridge, and incoming kindergarten assessments (Conducted by Eastern Sierra and Mammoth Unified School Districts). Early literacy investments include: Raising A Reader and Story Time (conducted and partially funded by Mono County Libraries), Readers' Theatre and First Book (conducted and funded by First 5 Mono), and Footsteps2brilliance (operated and primarily funded by Mono County Office of Education with funding support from First 5 Mono and Mono County) .

The objectives and a brief description for the programs funded in this category are as follows:

Transition to School Programs

Kindergarten Round Up: informational meeting held at all public elementary schools in the County

Objectives:

- Introduce families and children to the school, teachers, principal, and each other
- Provide information on entering school and kindergarten readiness
- Facilitate children and families' smooth transition into the education system
- Enroll children in kindergarten
- Sign children up for Summer Bridge

Summer Bridge: two week kindergarten transition program held in the summer for incoming kindergartners

Objectives:

- Identify children's skill development needs before school begins
- Improve school readiness

Incoming Kindergarten Assessments: school readiness assessments conducted by teachers in the first month of school

Objectives:

- Assess students' school readiness
- Identify children's skill development needs

Early Literacy Programs

Raising A Reader: book bags distributed by libraries and early learning programs

Objectives:

- Increase literacy for young children
- Encourage use of the library system
- Increase parental and care-provider literacy activities

Readers' Theatre: a literacy program provided to licensed childcares

Objectives:

- Increase literacy for young children
- Increase care-provider literacy activities

Footsteps2brilliance: a literacy application

Objective:

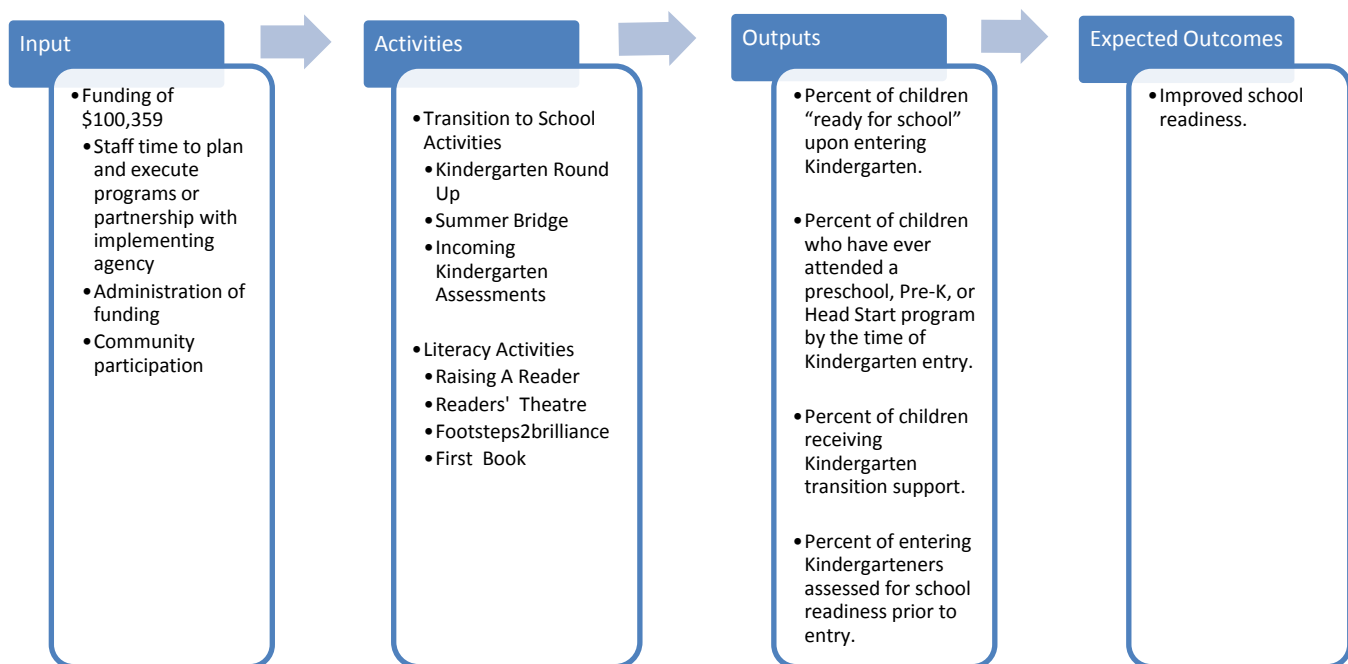
- Increase literacy for young children

First Book: free children's books

Objectives:

- Increase parental literacy activities
- Facilitate positive parent-child interaction

Logic Model



Evaluation, Findings, and Conclusions

- Is the percent of children "ready for school" upon entering Kindergarten increasing?
 - Data Source: Brigance assessments (Appendix II, Figure 2, Page 26)
 - Finding: Readiness decreased to 49% from 50% last year
 - Conclusion: While school readiness has been a major investment for the last 19 years, only recently was a standardized universal assessment used to determine how school-ready students are when they begin kindergarten. To hone in on the correlation between investments and school readiness, a survey for incoming kindergartener's parents was developed and administered. The Incoming Kindergarten Parent Survey (Appendix II, Figure 3, Page 26) demonstrates that although readiness is only achieved by 49% of the incoming kindergartners, children who were not school ready did not participate in any First 5 funded programs, preschool, or special needs programs. Although the school readiness rate is low and improvement is a goal, without current investments in early learning our community school readiness rates would be much lower.

- Is the percent of children who have ever attended a preschool, Pre-K, or Head Start program by the time of Kindergarten entry increasing?
 - Data Source: Incoming Kindergarten Parent Survey (Appendix II, Figure 3, Page 26)
 - Finding: Inconclusive, 66%
 - Conclusion: In past years this data was drawn from the Summer Bridge Parent Survey, but that data only included a small percentage of the kindergarten cohort. To improve the data, in 2017 the Incoming Kindergarten Parent Survey was implemented. Since this was the first year of implementation, comparison data is not yet available. Next fiscal year a comparison of the rate of preschool attendance from 2017 to 2018 will be included in the Evaluation Report.
- Is the percent of children receiving kindergarten transition support increasing or remaining high?
 - Data Source: Participation in transition to school activities (Appendix II, Figure 1, Page 25)
 - Finding: No, down to 54% from 69% last year
 - Round Up Conclusion: There were decreases in Round Up participation across the county in 2017. The decrease in attendance may have had to do with not enough advertising and a multi-year impact of a poorly executed event in Mammoth Lakes in 2015. Changes were implemented in 2016 to improve the format of Round Up in Mammoth Lakes and feedback from parents, teachers, and support staff indicated the changes were successful; it just may take some time for word to get out.
 - To improve participation in years to come, funding partners will be sought to increase county-wide advertising. The event will be posted by Peapod Leaders and community partners across the county and kindergarten readiness backpack distribution will be limited to families who participate in a transition to school activity (Round Up or Summer Bridge).
 - Summer Bridge Conclusion: There was also continued low participation in the Summer Bridge programs in Lee Vining, Mammoth Lakes, and Edna Beaman (Benton).
 - To improve participation in years to come, First 5 Mono communicated with school staff at sites with continued low enrollment to support enrollment of more students. To encourage enrollment at Mammoth Elementary, a lead teacher position will be developed to contact families who applied and encourage enrollment. During the 2018-19 Strategic Planning process, the Commission will use evaluation data to decide if this program will continue to be funded.
- Is the percent of entering Kindergartners assessed for school readiness prior to entry increasing or remaining high?
 - Data Source: Kindergarten readiness assessments (Appendix II, Figure 1, page 25)
 - Findings: Yes, 100% of all kindergartners were assessed compared to 99% the previous year.
 - Conclusion: The new protocol to assess kindergartners at kindergarten entry (instead of prior to kindergarten) had a positive impact on the percentage of students assessed for the past two years
 - The research question in the strategic plan needs to reflect the change in implementation to read kindergarten readiness assessments “at entry” instead of “prior to entry.”

As the majority of the program-specific evaluation results indicate achievement of the desired outcomes, the Commission will continue to fund the same School Readiness activities in 2018-19 that were funded in 2017-18.

Family Behavioral Health

In such a rural and geographically isolated county, it is easy for families to feel alone. Opportunities for children and their parents are fewer than in more populated areas. To meet the social needs of parents and their children, a weekly playgroup program was developed. Funding is primarily from Mono County Behavioral Health (\$40,000) with a small contribution from First 5 Mono (\$1,089) for a total investment of \$41,089. Playgroups and parent education are conducted by First 5 Mono.

The objectives and a brief description for the programs funded in this category are as follows:
Peapod Playgroups: For parents, caregivers, and children birth to 5 years old. Playgroups meet for 10-week sessions. Sessions were held in the following communities: Walker, Bridgeport, Mammoth Lakes, Crowley Lake, and Chalfant/Benton.

Objectives:

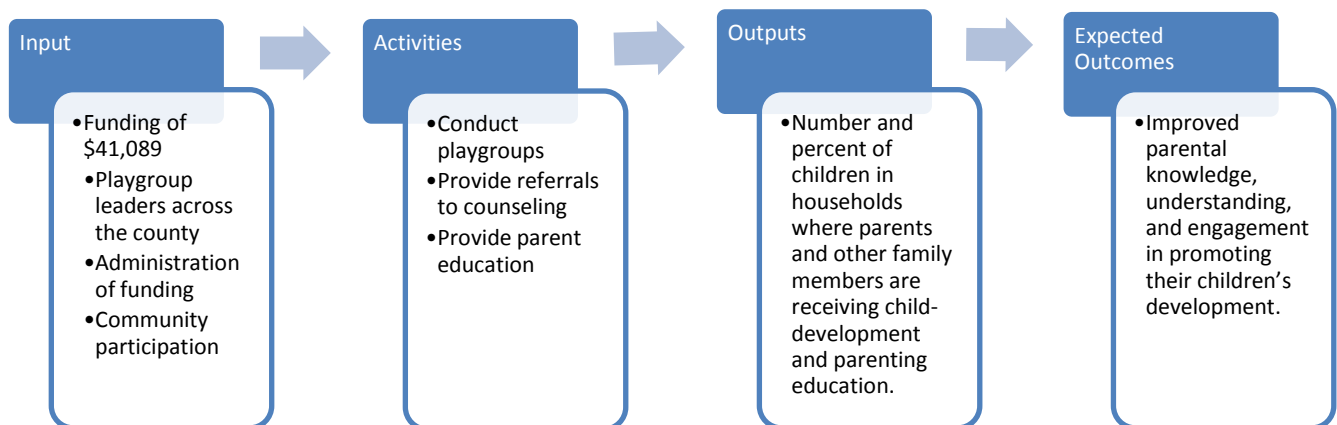
- Decrease isolation by providing parents and children an opportunity to socialize
- Destigmatize seeking behavioral health services
- Link families to community services
- Encourage school readiness and early literacy

Becoming an Emotion Coach: A class for parents, guardians, and childcare providers with children ages 0-5. Emotion Coaching is a parenting technique that research demonstrates is effective in helping children understand their feelings, and is based on the Parenting Counts Curriculum (a product of Talaris Institute™).

Objectives:

- Use a research-based technique to teach caregivers how to help children understand their feelings

Logic Model



Evaluation, Findings, and Conclusions

- Is the percent of children in households where parents and other family members are receiving child-development and parenting education high or increasing?

- Data Source: Number of children participating in playgroups (Appendix IV, Figure 1, Page 30)
- Finding: Down to 27% from 29% of children last year
- Conclusion: Due to participation in Peapod, children lived in households receiving child-development and parenting education. Although there was a slight decrease in the percent of children who participated this year, the program is still achieving its intended outcome.

Families have more information about parenting and child development as a result of the Family Behavioral Health investment. The Commission will continue to invest in and seek funding partnership for this initiative. As part of the continuous quality improvement of the Peapod Program, outreach efforts to ensure as many families as possible participate will continue. We are also working to ensure that information about parenting and child-development is included in groups as a part of each 10 week session cycle.

Childcare Quality

First 5 Mono includes Childcare Quality in the strategic plan as many children spend a significant amount of their early years with their childcare provider. Educating child care providers on how to best meet the needs of children helps ensure children will spend their formative years in optimal learning environments. Financial support from First 5 California facilitates the provision of programs that help create and maintain high-quality child care.

The Childcare Quality investment for FY 2017-18 was \$438,355 which came from the following funding streams: Improve and Maximize Programs so All Children Thrive (IMPACT), conducted by First 5 Mono for Mono and Alpine Counties funded by First 5 Mono (\$6,648) & First 5 California (\$70,767); Region 6 Training and Technical Assistance Hub, First 5 Mono was the fiscal lead for Alpine, Inyo, and Mono Counties with funding from First 5 California (\$109,676); as the Regional Hub fiscal lead, First 5 Mono also qualified for and received California Department of Education (CDE) Certification and Certification & Coordination Grants (\$8,934); also for the region from the CDE First 5 Mono received and administered the Infant/Toddler Quality Rating and Improvement System (I/T QRIS) Block Grant (\$6,587); and childcare services were provided by Eastern Sierra Unified School District funded by the Community Development Block Grant (CDBG) through Mono County (\$235,744).

The objectives and a brief description for the programs funded in this category are as follows:
IMPACT: Training, coaching, rating, stipends, and support for childcare providers for the provision of high-quality care for children and their families.

Objectives:

- Provide site-specific professional development to child care providers
- Support providers' implementation of developmental screenings and parent engagement activities
- Build public awareness and support for quality early care
- Build a Childcare Quality System that leverages funding and maximizes support for care providers

Training and Technical Assistance Hub: Support regional efficiencies in Childcare Quality work

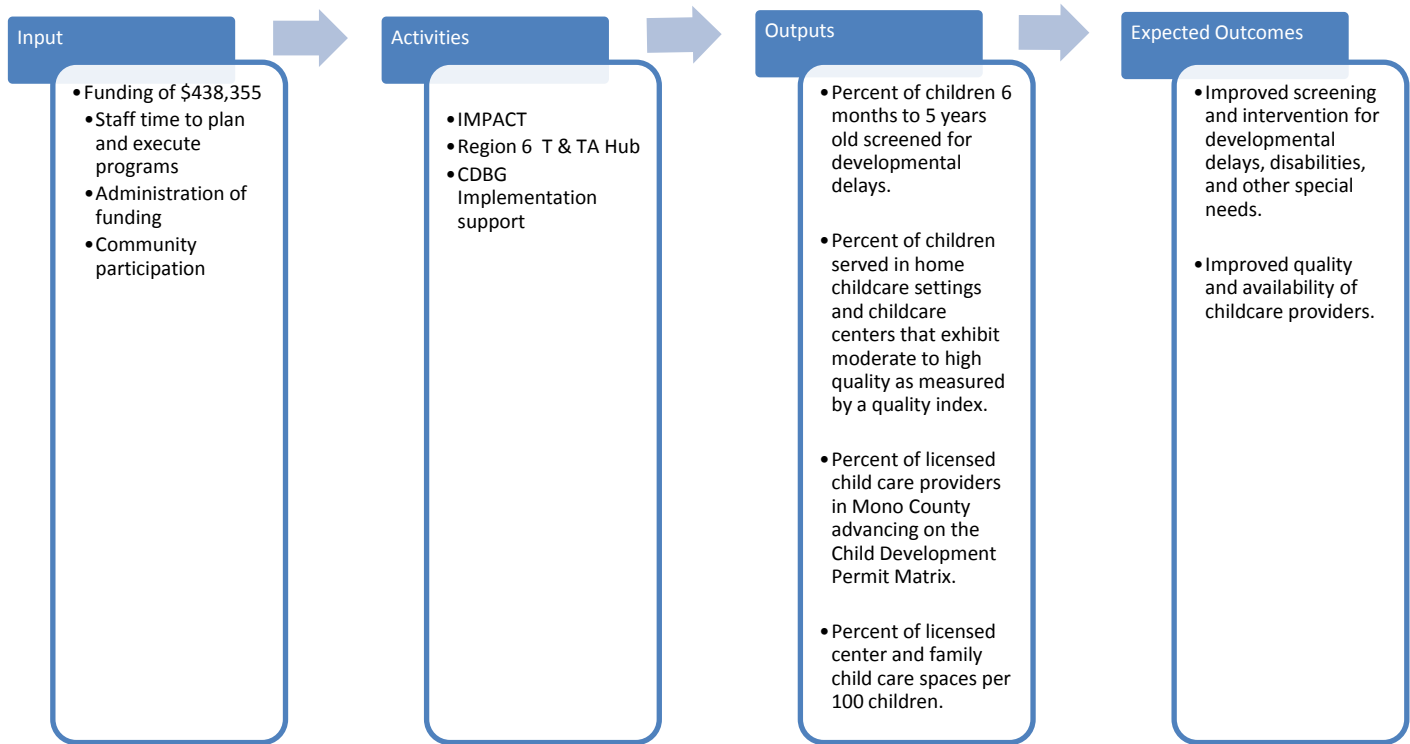
Objectives:

- Provide assessors for Spanish speaking sites

- Contract with Viva for coordination for the Hub
- Contract with i-Pinwheel database to track sites' participation
- Contract with American Institute of Research for the Early Learning Needs Assessment Tool (ELNAT) database to analyze child data to determine needs

CDBG Childcare: Provide high-quality care to preschool age children in Bridgeport and Benton.

Logic Model



Evaluation, Findings, and Conclusions

- Is the percent of children 6 months to 5 years old screened for developmental delays increasing?
 - Data Source: Completed ASQs (Appendix V, Figure 1, Page 34)
 - Finding: Yes, 70% of children enrolled at participating sites were screened for a developmental delay, up from 41% the previous year.
 - Conclusion: More children are being screened for developmental delays through their child care provider.
- Is the percent of children served in home childcare settings and childcare centers that exhibit moderate to high quality as measured by a quality index increasing? (Appendix V, Table 1-6, Page 34-35)
 - Data Sources: Site ratings and Childcare Quality System participation data
 - Finding: Yes, 72 children in Mono County attended a site with a high quality rating, 44% of children enrolled in programs participating in the Childcare Quality System and 10% of all children in the county up from 62 last year (26% of children enrolled in sites participating in the CQS and 8% of all children in the county).
 - Conclusion: More sites were rated as having high quality this year, 5 classrooms were rated as 4—exceeding quality; and 3 sites were rated at 3—achieving quality. Due to more sites being

rated as high quality, a higher percentage of children were served in sites with high quality as measured by a quality index.

- As site ratings continue to be offered, in years to come more children will have the opportunity to be served by sites rated as high quality.
- Is the percent of licensed child care providers in Mono County advancing on the Child Development Permit Matrix high or increasing?
 - Data Source: The number of child development permits issued to providers
 - Finding: 2, up from 2015-16 data of 0
 - Conclusion: With support from the County Office of Education, two preschool teachers received their child development permits for the first time.
- Is the percent of licensed center and family child care spaces per 100 children high or increasing?
 - Data Source: Child Care Portfolio (Appendix XI, Page 44; Appendix VI, Figure 3, Page 36)
 - Findings: In 2016, 24% of children 0-12 with parents in the workforce had a licensed childcare slot available, an increase from 17% in 2014.
 - Conclusion: Although the number of slots available to children in Mono County decreased dramatically from 56% in 2008, there was an increase from 2014 to 2016 of slots for children with parents in the workforce. First 5 partnered with Mono County, Eastern Sierra Unified School District, and the Mono County Office of Education to open two new preschools—one in Bridgeport and one in Benton which helped with the increase, but due to closures of family childcares there was still a net loss of slots in the county. The percent increase is due primarily to decreases in the 0-5 county population (data from the Childcare Portfolio, Appendix XI, Page 44) which is likely related to the lack of available child care. First 5 Mono continues to actively participate in the Mono County Child Care Council and collaborate with the Mono County Office of Education to support initiatives to increase the number of child care slots in Mono County.

As the child care quality initiative is making significant strides in rating sites, screening children for developmental delays, and impacting the number of available slots in the county, the Commission will continue to invest in this initiative. As part of the continuous quality improvement of the Childcare Quality investment, coaching and assessing capacity will be developed in FY 2018-19 so site directors and family child care operators will have access to support around site-specific needs. Increases in capacity will also address the ability to rate sites locally rather than contracting for services.

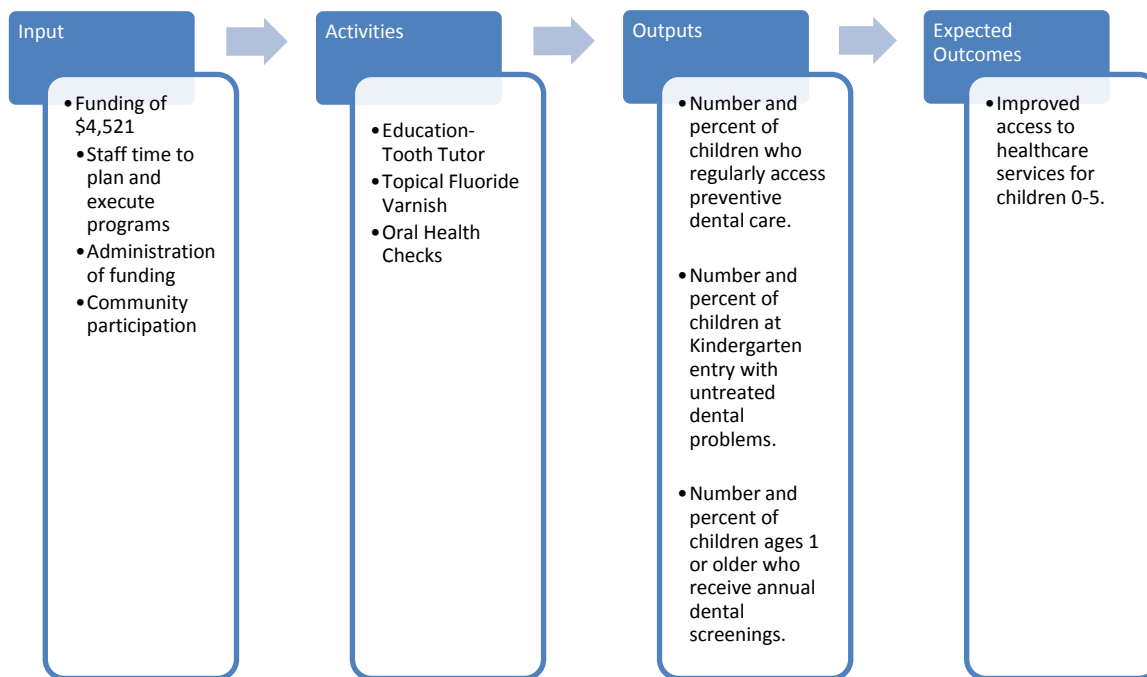
Child Health

Oral Health

The 2009 First 5 Mono Strategic Plan identified a significant community need in the area of oral health. Pediatricians saw visible tooth decay and an opportunity to provide topical fluoride varnish and oral health education through paraprofessionals was developed. Pediatricians in the county continue to report significant needs for sustained efforts in oral health due to high numbers of children with poor oral health. The Oral Health Program consists of education, oral health checks, and topical fluoride varnish application for children in childcare settings across the County. The program was funded and operated by First 5 Mono at a cost of \$4,521 for FY 2017-18. The program provides free toothbrushes, toothpaste, and floss to families to help maintain oral health.

Objective: Provide application of topical fluoride varnish twice a year to all Mono County children age 1-5 not already receiving services from a dentist, and educate children and parents about oral health.

Logic Model



Evaluation, Findings, and Conclusions

- Is the percent of children who regularly access preventive dental care high or increasing?
 - Data Source: Sierra Park Dental Data, 2014-15 (Appendix IX, Indicator 1, Page 42)
 - Finding: [TBD] of patients 0-5 had more than one visit to the dentist in the year, [TBD] from 20% the previous year.
 - Conclusion: Using the data of how many children went to the dentist more than one time in the year, we get a picture of how many are able to have work done in addition to annual cleaning and check-ups. Using this as a metric, we know [TBD] of children needed additional preventative care, but do not know how many of the children who needed additional care this

includes. With continued support from Mammoth Hospital, we will be better able to track access to oral health care over time.

- Is the percent of children ages 1 or older who receive annual dental screenings high or increasing?
 - Data Source: Sierra Park Dental Data, 2014-18 (Appendix IX, Indicator 2, Page 42)
 - Finding: [TBD] of patients age 0-5 years old had an annual exam and cleaning, [TBD] from 17% the previous two years
 - Conclusion: [TBD]. First 5 will continue to work through our oral health education efforts to support higher percentages of children having at least one visit to the dentist a year.
- Is there a low percent of children at Kindergarten entry with untreated dental problems?
 - Data Source: Kindergarten Oral Health Checks (Appendix IX, Indicator 3, Page 42)
 - Finding: 30% of the oral health checks turned in at kindergarten enrollment indicated the child had untreated caries (cavities), up from 18% last year.
 - Conclusion: The percent of untreated caries at kindergarten entry increased. First 5 worked with the Mono County Office of Education to ensure school district compliance with reporting requirements. Due to this collaboration, the reporting rate increased to 39% from 35%

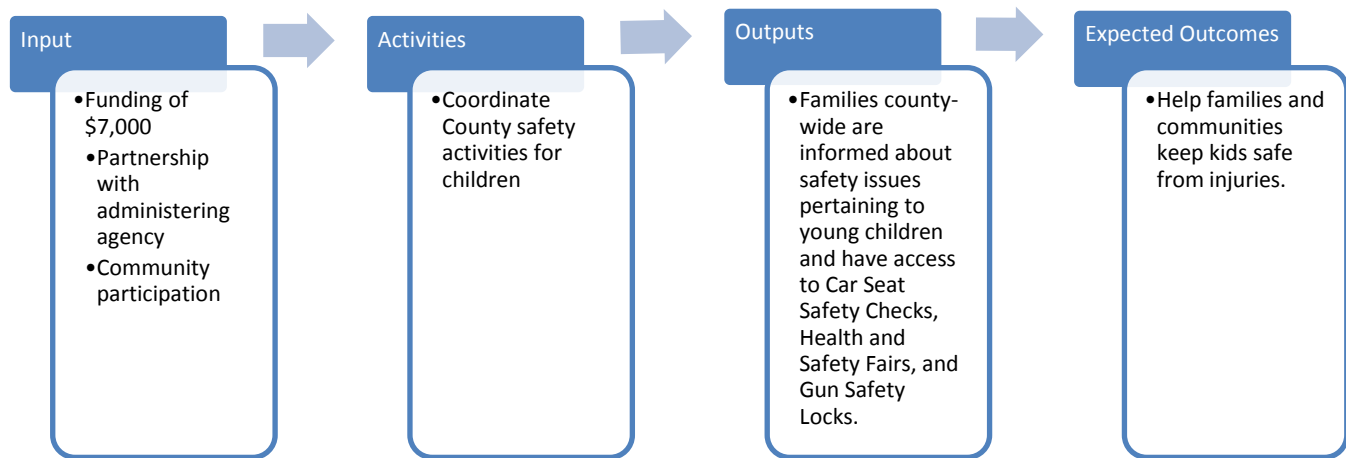
The oral health needs of young children in Mono County continue to be high with few children accessing regular preventative care and annual screenings. The Commission will continue to invest in this initiative to improve oral health for children 0-5. As part of the continuous quality improvement of the oral health investment, we will target education for parents to get annual dental checkups and preventative care for their children. Additionally, we will continue to provide topical fluoride varnish and oral health checks for children between one and 5-years-old.

Child Safety

Prior to the formation of *Safe Kids California, Mono Partners*, no one in the County specifically focused on child safety. While some agencies conducted safety activities, services were not coordinated. Initially spearheaded by Mammoth Hospital, multiple community agencies met to pursue the formation of a Safe Kids Coalition. Based on higher than average injury data for Mono & Inyo Counties, and after learning the benefits of such collaborations, the Commission decided to fund the coordination of *Safe Kids California, Mono Partners* as other participating agencies had the necessary funding to conduct coordinating activities. With combined funding from SPCFA (\$7,000) and the Mono County Office of Education, the Mono County Office of Education coordinates Safe Kids California, Mono Partners.

Objective: Bring safety services & resources to families

Logic Model



Evaluation, Findings, and Conclusions

- Are families county-wide informed about safety issues pertaining to young children and able to access Car Seat Safety Checks, Health and Safety Fairs, and Gun Safety Locks?
 - Data Source: Health and Safety Fair Participants (Appendix VIII, Page 38)
 - Finding: 27% of the 0-5 population and a parent accessed resources, an increase from 24% last year
 - Conclusion: As a result of Health and Safety Fairs, families across the county were informed of safety issues and had increased access to safety materials.

Families have more information about child safety as a result of the Safe Kids investment, thus the Commission will continue to invest in this initiative. As part of the continuous quality improvement of the Safe Kids California, Mono Partners work, outreach efforts will continue to ensure as many families as possible participate in Health & Safety Fairs. The Safe Kids Coordinator is working to leverage resources for safety materials and apply for grants to provide safety resources to families in our Mono County.

Appendix I Home Visiting

Table 1: Referral Source

Referral Source	Number	Percent
Mammoth Hospital Labor & Delivery	25	36%
First 5 Home Visitors	10	14%
Childbirth Education Class	8	11%
Self	5	7%
Mono County Child Protection Services	4	6%
Mono County Public Health	3	4%
Childcare Quality System/Preschool	3	4%
Early Start	3	4%
Community Event	3	4%
Mammoth Hospital Women's Clinic	1	1%
Mammoth Hospital ER	1	1%
Northern Inyo Hospital	1	1%
Other, Family/Friends	1	1%
Out-of-state Hospital	1	1%
Peapod	1	1%
2017-18 Total Referrals	70	
2016-17 Total Referrals	69	

Appendix I Home Visiting

Table 2: Visits Provided

Visit Type	FY 2014-15	FY 2015-16	FY 2016-17
Prenatal Home Visits	16	25	16
Birth-5 Home Visits	708	627	543
Total Visits	724	652	607

Table 3: Families Served

	FY 2015-16	FY 2016-17	FY 2017-18
New Babies Enrolled in WB!	83	69	58
Births to Mono County Residents*	152	132	134
Percent of Babies in WB! Enrolled	55%	52%	43%
Families Receiving Only WB! Visits	85	84	67
Families Receiving Only Parenting Partners Visits	14	7	40
Families Receiving Both WB! & Parenting Partners Visits	41	50	19
Total Families Served	140	141	126

*Source: California Department of Finance January 2018, estimates for 2015 & 2016, projected for 2017
FY calculations use the calendar year projections of the year the FY begins (e.g.: 2014 for FY 2014-15)

Table 4: Child's Race & Ethnicity

Non-Hispanic	65	American Indian	1
		Native Hawaiian or Pacific Islander	1
		White	59
		Multi-race	4
Hispanic	61	Multi-race	59
		White	2

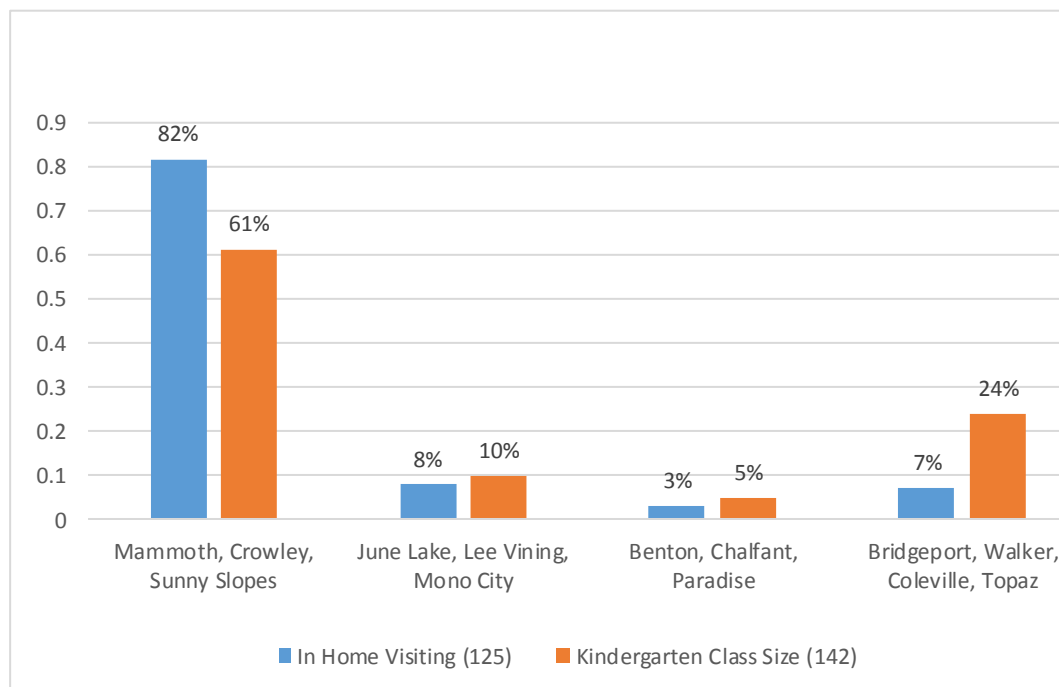
Appendix I Home Visiting

Table 5: High Needs

A family is considered High Needs using the national standards for Home Visiting if they fall into *more than one category* of: low income or education, child or parent with a disability, homeless, teen parent, substance abuse, foster parents, unstable housing, incarcerated parent, very low birth weight, domestic violence, recent immigrant, death in the immediate family, child abuse or neglect, or are an active military family.

Families with High Needs	46, 37%
Low income	66
Low Education	27
Child with a Disability	17
Teen Parent	8

Figure 1: Home Visiting Families' Town of Residence compared to the Kindergarten Cohort



Appendix I Home Visiting

Table 6: Resource Referrals

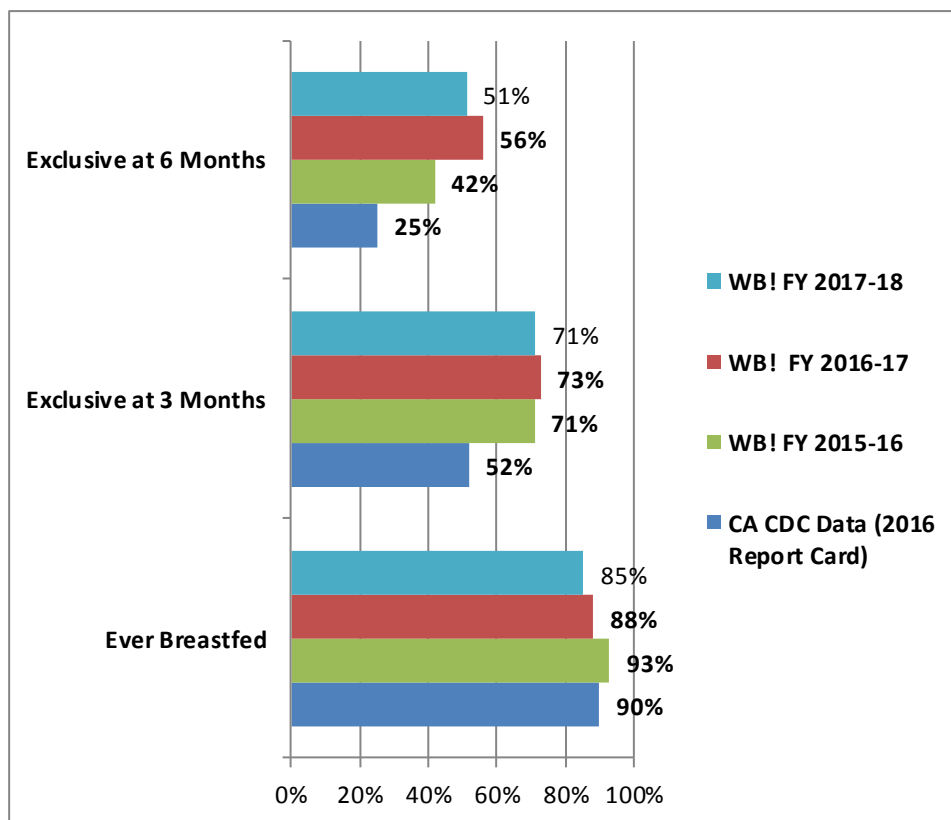
	FY 2015-16		FY 2016-17		FY 2017-18	
Community Resource	Referred	Accessed	Referred	Accessed	Referred	Accessed
Adult Education	9	4	8	1	17	2
Dental Services	6	2	1	0	2	1
Early Intervention	14	8	9	6	10	5
Early Education Setting & General Childcare/Preschool Information	14	7	8	3	21	9
Financial Resources	6	2	4	2	13	1
Food Resources (WIC, IMACA, DSS)	14	3	0	0	6	2
General Parenting or Social Support, Community Participation/Recreation	41	17	41	11	102	33
Health Insurance	1	1	-	-	-	-
Language/Literacy Activities	15	6	6	1	19	4
Medical Services	13	10	7	2	10	5
Mental Health Services	19	7	9	5	9	4
Subsidy for Child Care/Preschool	4	1	1	0	2	0
Domestic Violence Services	1	1	1	1	3	3
Other (injury prevention, crisis intervention, employment and legal resources)	7	3	2	0	13	2
Total	150	72	97	32	227	71
% Referrals Accessed	48%		33%		31%	

Appendix I Home Visiting

Table 7: Ages and Stages Questionnaire Developmental Screening

	Number of children	Percent of children
Screenings Completed	80	58%
Children with one or more identified concern(s)	22	27%
Children who received Early Intervention Services as a result of a screening referral	6	8%

Figure 2: Breastfeeding Rates for Moms Enrolled in First 5 Mono Home Visiting Compared to California 2015-16 to 2017-18



Appendix I Home Visiting

Figure 3: Reasons Moms Enrolled in Home Visiting Stopped Breastfeeding 2015-16 to 2017-18

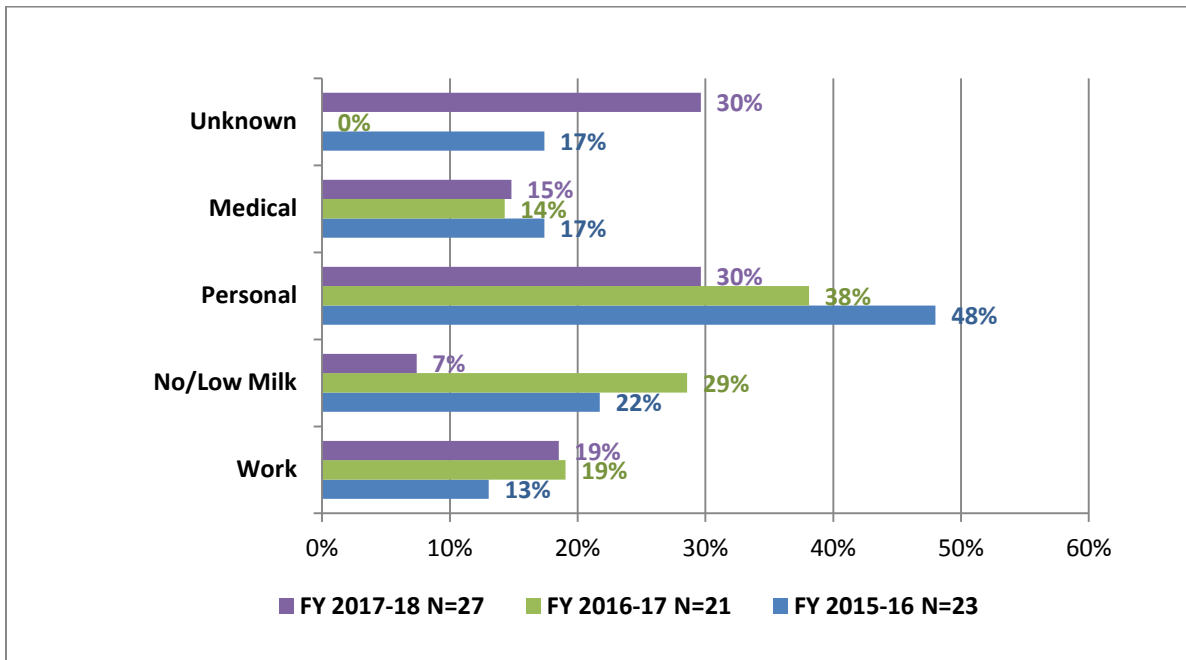
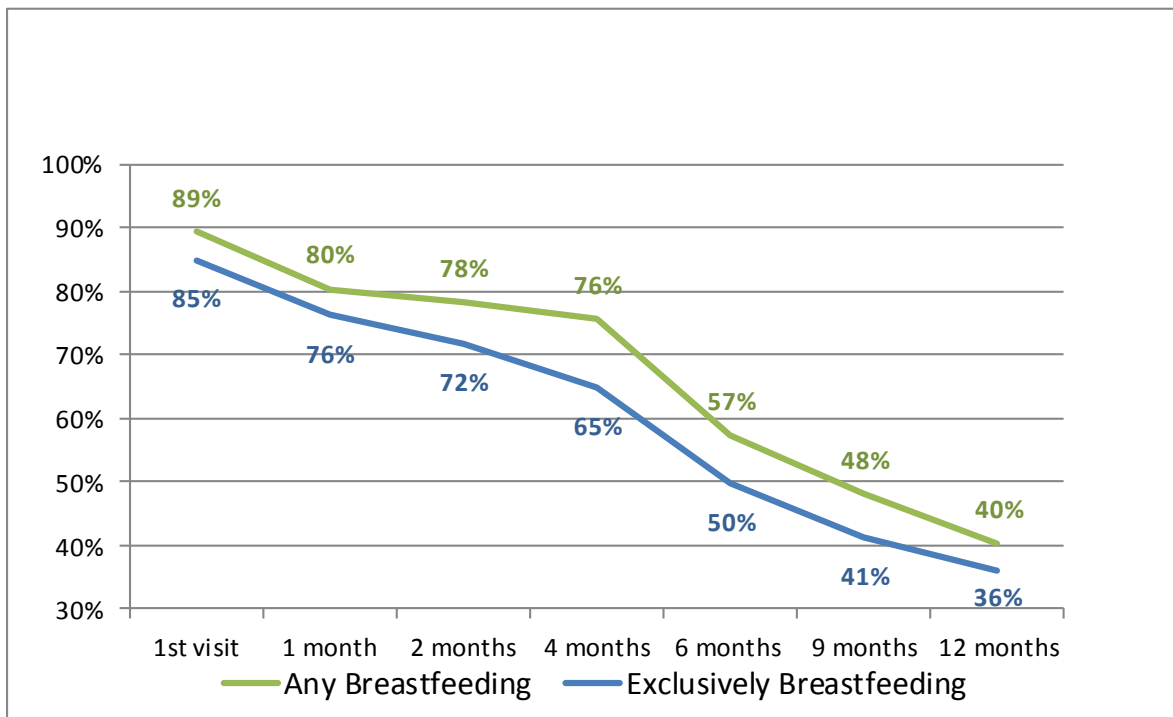


Figure 4: Average Breastfeeding Rates for Moms Enrolled in Home Visiting 2015-16 to 2017-18



Appendix I Home Visiting

Table 8: Welcome Baby! Exit Survey n=26

	Strongly Agree
I feel comfortable talking with my parent educator.	100%
I would recommend this program to a friend	100%
My parent educator gives me handouts that help me continue learning about parenting and child development.	93%
My parent educator is genuinely interested in me and my child.	93%
My parent educator encourages me to read books to my child.	93%
This program increases my understanding of my child's development.	87%
My parent educator helps me find useful resources in my community.	80%
Activities in the visits strengthen my relationship with my child.	73%
I feel less stressed because of this program.	73%

Welcome Baby! Exit Comments

What about this program has been most helpful to you and your family?

- Lara is very motivating and helpful. If I have any questions she makes me feel comfortable and normal.
- Lara Walker was amazing! She's intelligent, kind, and patient. I loved how she directed many of the discussions toward my older children so that they felt involved in the process and learned about their little brother's development.
- Just having a 'mom' type support system, without having family nearby. Someone who listens and helps problem solve, without any judgment. Lactation consultant services saved me when I was close to giving up! (Thought the 2nd was supposed to be easier!)
- It was wonderful to have Debbie come over and give suggestions on breastfeeding, bottle feeding, sleeping, and having support as a new mom.
- Paperwork was helpful to know what to expect at certain ages.
- Having someone to talk to when you are home alone with a new baby, it can feel isolating.
- All the information and help with my first time breastfeeding journey. All the information they give me in general.
- Learning about brain development and developmental milestones.
- Debbie was so knowledgeable. We are first time parents, and she gave us resources and tools to become more confident.
- Everything seemed very useful because you can solve many questions that you have about the growth and development of children. This program is very good. (translated)
- It helped the children to concentrate in a task. They put more attention to what they are reading. (translated)

Appendix I Home Visiting

What suggestions do you have to improve the Home Visiting program?

- It could extend the age to two.
- More hands on activities, less handouts.
- I absolutely loved this program. I personally wouldn't change a thing.
- I find the program perfect!
- For us, the program was great.
- Nothing
- For me it was very good. I have no comment to improve it because everything was good for me. (translated)

Additional Comments:

- Lara is an amazing asset to me, my family, and our community. Thank you for all First 5 does and for putting Lara in our lives.
- Love Debbie! Thank you!
- Debbie was incredibly helpful and lovely to work with. She was diligent and flexible with appointments and would always text to set up appointments. I loved knowing if I had any questions, I could call or text her.
- Lara is wonderful. She does a great job and really cares about our kids. I felt very alone as a new mom. I always would have liked a breast feeding support group or a new-mom support group/play group. Thank you for all you do.
- Thanks for everything!
- Thank you Lara. Much love from my family to you and yours. You've been super helpful to us and me.
- Amazing help for new moms and even I think not only first time moms, but specifically first time moms need this so so much. Lara Walker so amazing person, we love her so so much!
- Thank you so much, we truly appreciate this service. We will definitely recommend it to anyone we know who is having a baby in this area.
- Without Deb, I would have given up breastfeeding after the first week. She instilled confidence in me and provided useful tips. I would like to have more visits but my job does not allow me. Thanks to Lara for playing with my children and making them laugh. (translated)

Table 9: Parenting Partners Exit Survey

N=3 scale of 1 (strongly disagree) to 5 (strongly agree)	Before Program Average	After Program Average
I know how to meet my child's social and emotional needs.	4.7	5.0
I understand my child's development and how it influences my parenting responses.	4.0	4.7
I regularly support my child's development through play, reading, and shared time together.	4.3	4.7
I establish routines and set reasonable limits and rules for my child.	4.0	5.0
I use positive discipline with my child.	3.7	4.7
I make my home safe for my child.	4.3	5.0
I am able to set and achieve goals.	4.3	5.0
I am able to deal with the stresses of parenting and life in general.	3.7	4.3
I feel supported as a parent.	4.3	5.0

Appendix I Home Visiting

Table 10: Parenting Partners Exit Survey, Program Satisfaction

N=3	Average
This program motivates me to try new parenting strategies	5.0
My parent educator and I partner to set goals for my child, myself, and my family.	5.0
This program increases my understanding of my child's development.	5.0
I feel less stressed because of this program.	5.0
I would recommend this program to a friend.	5.0

Parenting Partners Exit Survey Comments

What about the program has been most helpful to you and your family?

- Being supported as a parent.
- Having someone to talk to and help let me know I am doing everything right.

What could be improved about this program?

- More visits.
- Can't think of anything.
- Very happy with Annaliesa, she is warm, knowledgeable, and sincere. [Children's names] were very comfortable and happy with her. I always felt relief when she came.
- Molly is awesome and Debbie was great too.

Appendix II Transition to School Kindergartners who Started School in August of 2017

Figure 1: Participation in Transition to School Activities

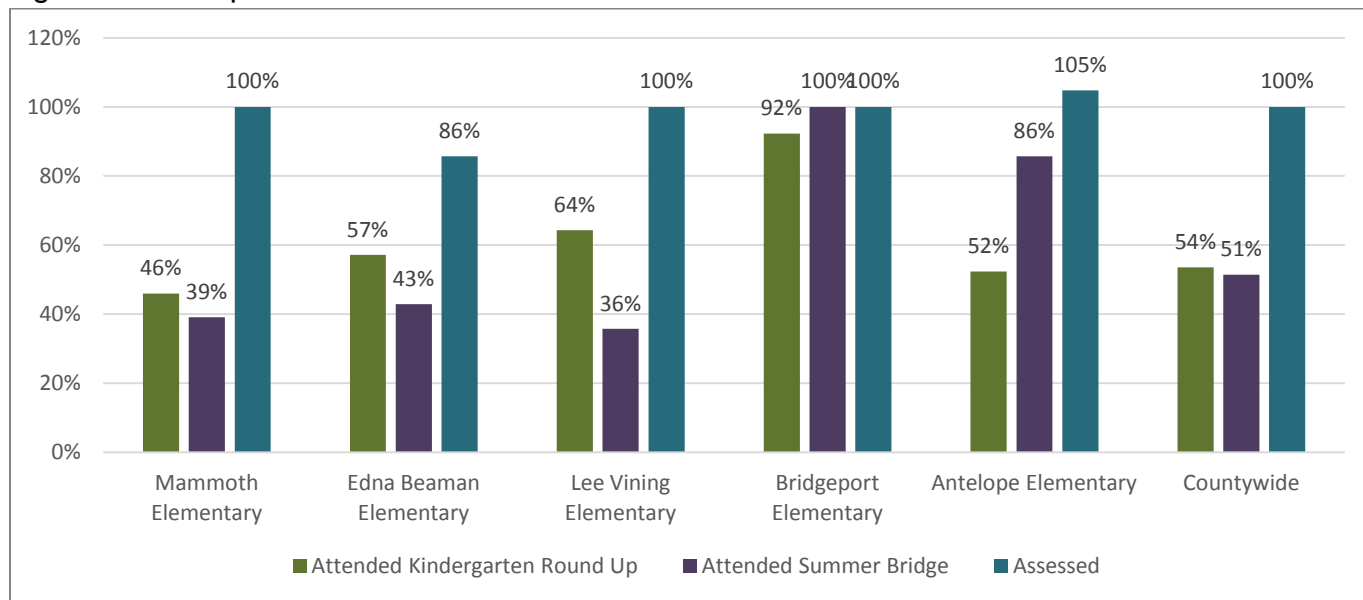


Table 1: Kindergarten Round Up Attendance Detail

Kindergarten Round Up			% of Kindergarteners who received a backpack at Round Up		
Elementary School	Attendance	Backpacks Distributed	2015 N=119	2016 N=113	2017 N=142
Mammoth	187	40	80%	53%	46%
Edna Beaman	16	4	100%	167%	57%
Lee Vining	25	9	73%	85%	64%
Bridgeport	35	12	71%	167%	92%
Antelope	21	11	53%	86%	52%
Total	284	76	79%	67%	54%

Appendix II Transition to School Kindergartners who Started School in August of 2017

Figure 2: Kindergartners Assessed as School Ready by District 2015-2017

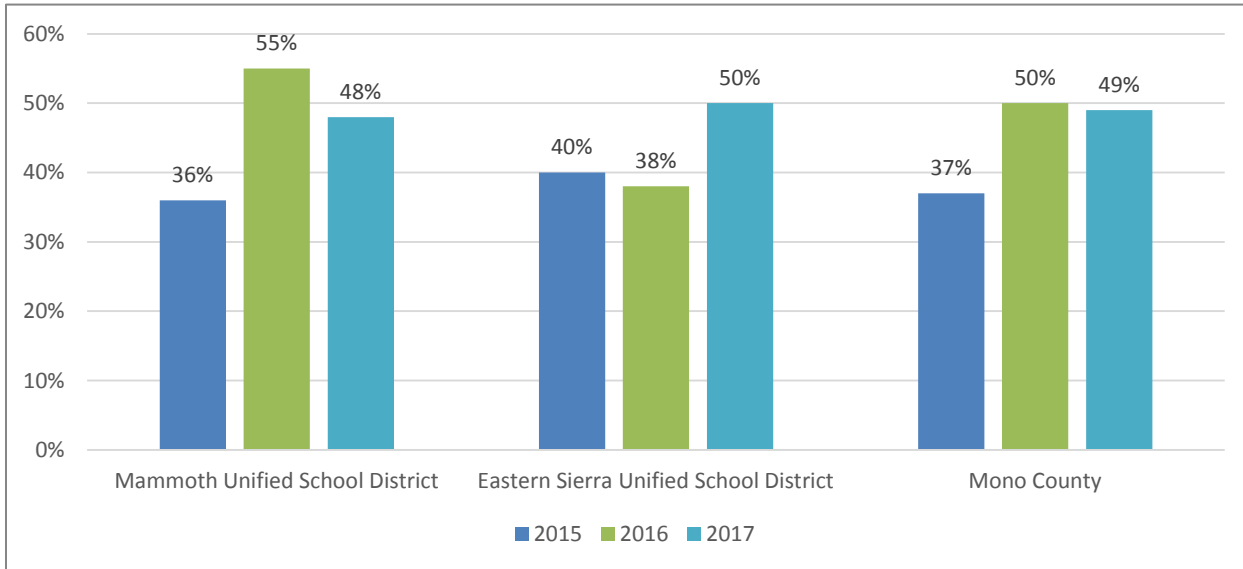
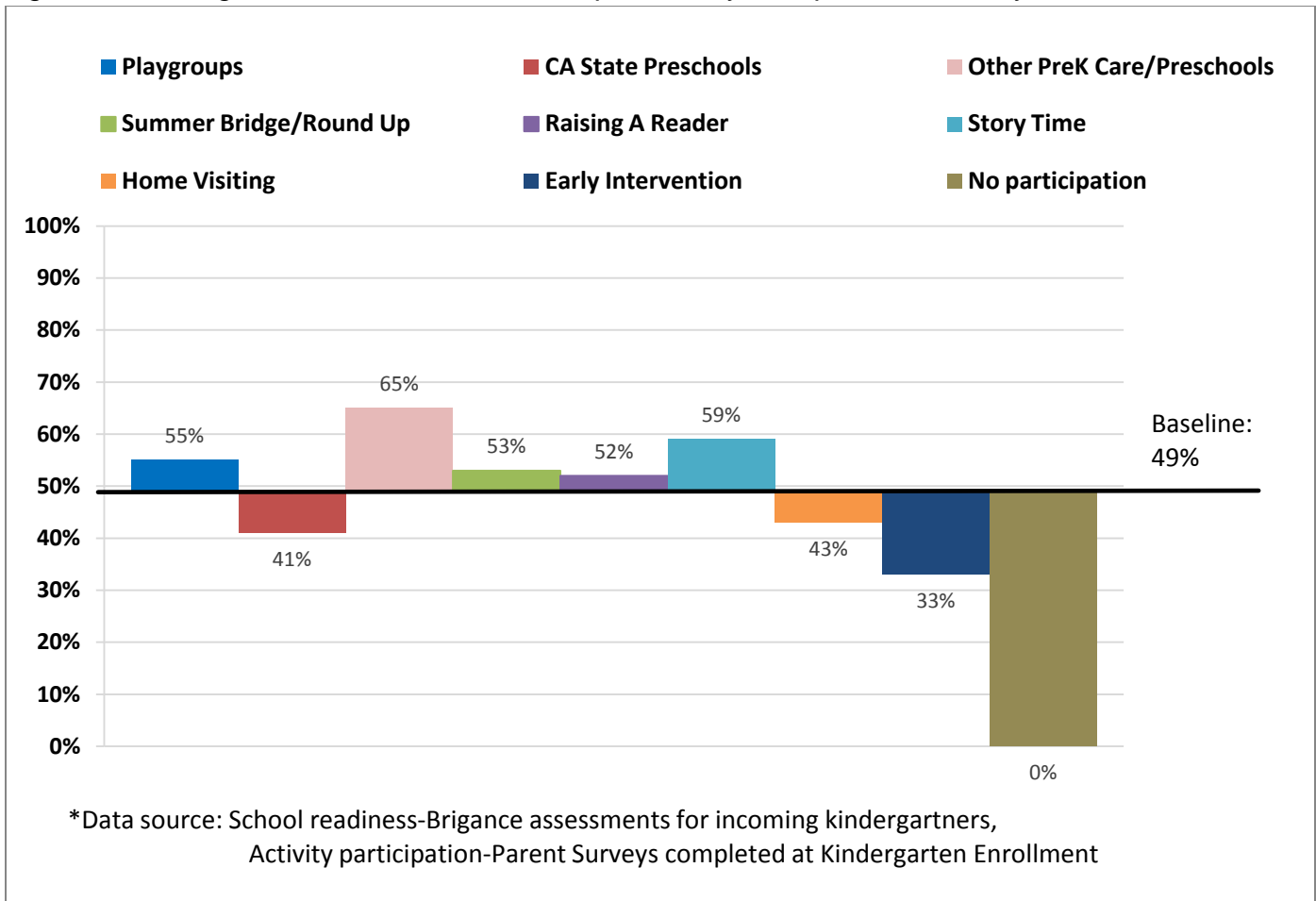


Figure 3: Kindergartners' School Readiness per Activity Compared to County-Wide School Readiness



Appendix II Transition to School Kindergartners who Started School in August of 2017

Summer Bridge Teacher Surveys

What were the most important things the children in your class got out of the Summer Bridge Program?

- How to act at school (line up, sit on the rug, listen to a story, take turns, be kind)
- That school and teachers are fun, not scary
- Allowed kiddos to get to know each other and me (the teacher) on a very low key, laid-back way. Students had fun and were eager to start Kindergarten.
- My rules and expectations, zoophonics, meeting me, and school rules and layout.
- They have an idea of how school will be run and where things are in school.

Summer Bridge Parent Surveys

Does your child feel less anxious about starting school?

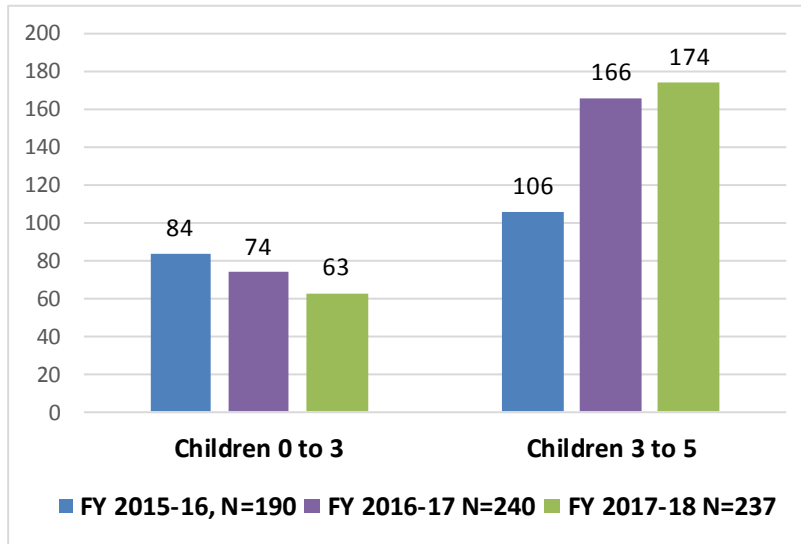
- He got to do everything before it got too busy and crowded.
- She's excited and loves it now.
- Yes, because he met other kids his age.
- Getting used to routine.
- Familiarizing to the new doing so in a smaller group. Less intimidating than the first official day of school.
- Because he knows everyone well. (translated)
- Meeting the teacher and seeing the classroom.
- She usually needs to get used to new environments and people.
- Because he can get used to being in class, and follow directions.
- It just made her more excited to start. Since she didn't go to preschool it has helped her to be [ready].
- He was very excited to become a 'big kid' and be with a new teacher.
- He says he likes his teacher and is excited about going to school.
- He was very shy, but now it is a little less, although he keeps crying for a while. (translated)
- Meeting the teachers and spending time in the classroom.
- She is more comfortable with the learning space and familiar with drop-off procedure.
- I think it was about removing the 'unknown' and
- Because he needs to get his new routine. He is very shy. I feel like this was an introduction to school not being scary for him.
- My child asked how will the teachers treat me, good or bad? And now he tells me, "Mommy, the teachers are very good. I want to go to school every day." (translated)

Table 2: Summer Bridge Parent Survey

In which ways do you feel Summer Bridge helped prepare your child for Kindergarten?	
Classroom Skill	Percent of Parents, N=50 (69% reporting)
Getting used to the classroom	88%
Meeting the teachers	73%
Development of social skills	70%
Adjusting to a group learning environment	68%
Increased self-confidence	55%
Learning how to follow directions	53%
Increased attention span	35%

Appendix III Early Literacy

Figure 1: Raising A Reader, Participation by Age 2015-16 to 2017-18



Raising A Reader Parent Survey

What did you enjoy about the RAR Program?

- I spend more time with my children, they enjoy reading, and I like to see the enthusiasm in their face when we read at home. (translated)
- We love getting our book bags and really enjoy the diverse selection provided. Ms Kacee is the best!
- I love the bilingual books. They're great for teaching Spanish. My daughter enjoyed Miss Kacee coming to read to her as well!
- I get to read every night with my kids. I like that I don't need to go to the library as much.
- Availability of books. (translated)
- Rotation of books, keeps children excited.
- I like the excitement of my son when he sees new books every week. (translated)
- Variety, selection, bilingual, cultural, and historical.
- I am able to spend more quality time with my son while he learns.
- Reading books we may not normally check out.

Appendix III Early Literacy

Table 1: Readers' Theater Participation by Location

Readers' Theater Location	FY 2015-16	FY 2016-17	FY 2017-18
Family Child Care Providers	-	4	-
Bridgeport Preschool	-	-	8
Coleville State Preschool	15	12	9
Coleville Marine Base Childcare	15	13	18
Lee Vining Head Start Preschool	12	15	7
Lutheran Preschool	11	-	9
Kids Corner	10	15	15
Mammoth Head Start Preschool	20	21	18
MCOE Preschool	-	-	9
Total	83	80	93

Table 2: First Book Distribution

Program	Number of Books
Home Visiting & Peapod	400
Health & Safety Fairs	152
Childcare Providers	115
Dept. of Social Services	56
Early Start	20
Toiyabe Indian Health	20
Total	763 (833 in FY 16-17)

Table 3: Footsteps2brilliance Participation

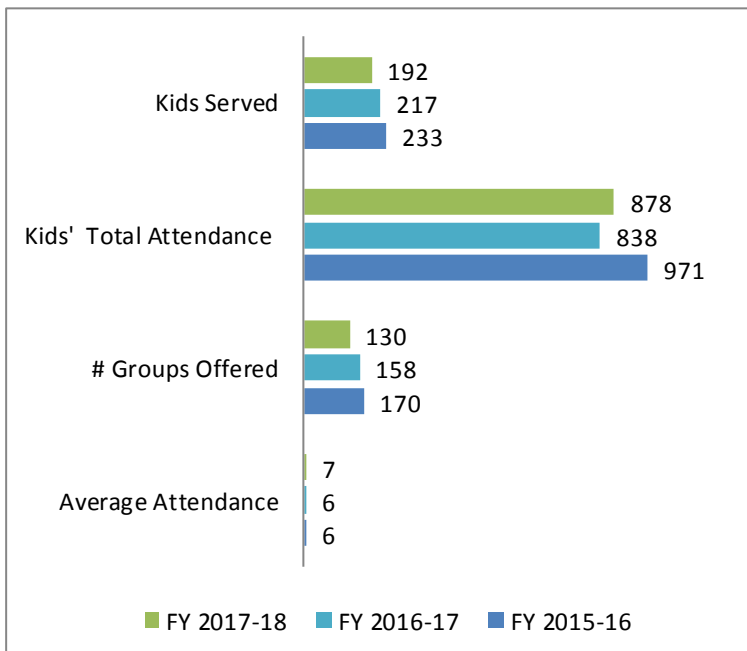
Number Participating	Percent of County Birth- 5 Population
505	70%

Appendix IV Peapod Playgroups

Table 1: Families Served by Location 2015-16 to 2017-18

Playgroup Location	FY 15-16	FY 16-17	FY 17-18
Benton/Chalfant	3	3	2
Bridgeport	13	15	12
Crowley Lake	41	32	45
Lee Vining	2	2	0
Mammoth English	46	74	55
Mammoth Spanish	15	0	4
Walker	24	12	4
Total	144	138	122

Figure 1: Participation 2015-16 to 2017-18



Appendix IV Peapod Playgroups

Figure 2: Counseling Referrals 2015-16 to 2017-18

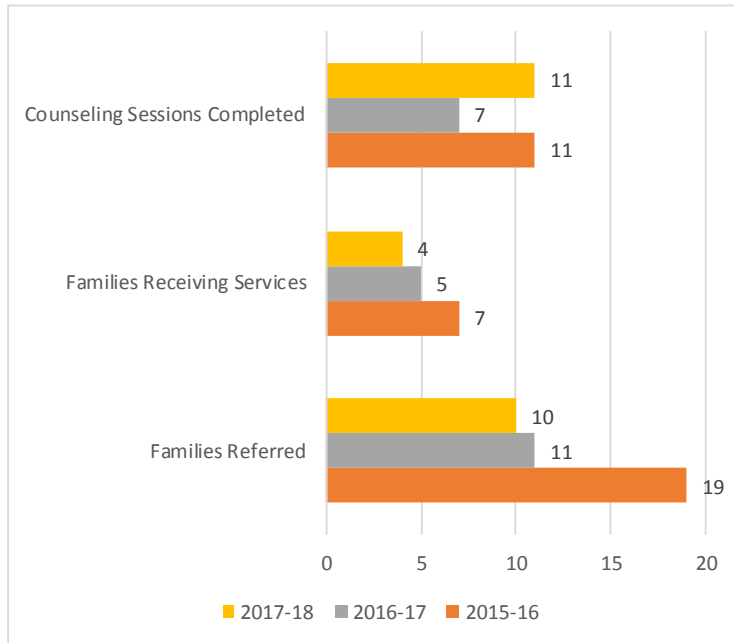
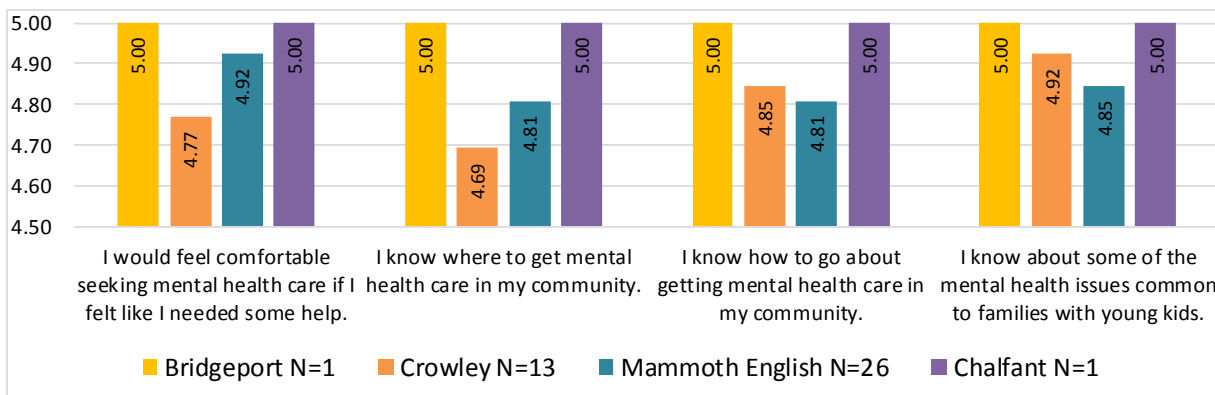
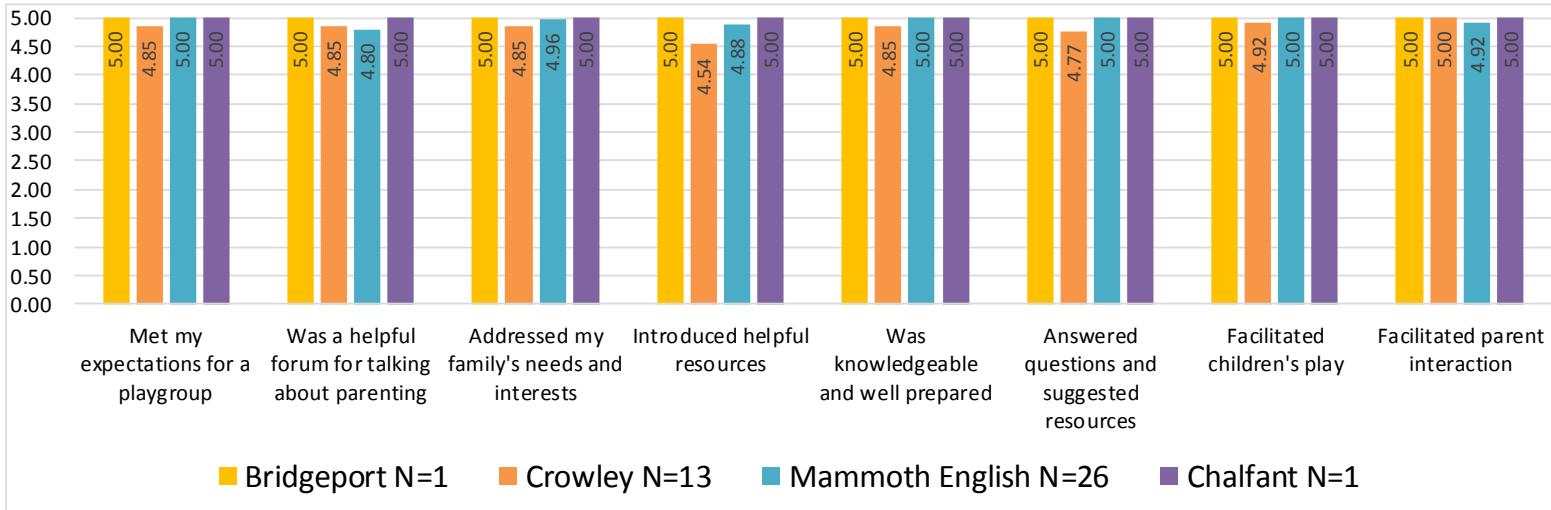


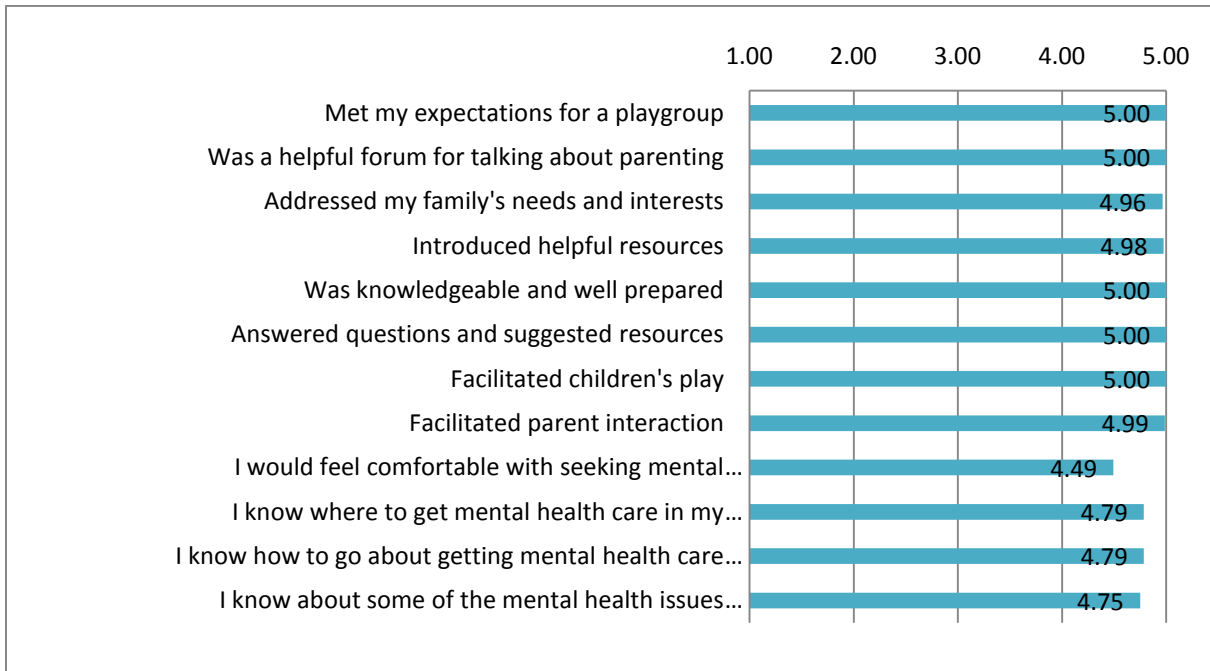
Figure 3: Participant Survey Results by Community

Scale of 0-5: 1 Strongly Disagree; 2 Disagree; 3 Neither Agree nor Disagree; 4 Moderately Agree; 5 Strongly Agree



Appendix IV Peapod Playgroups

Figure 4: County –Wide Average Participant Survey Results n=32



Survey Comments:

- Very fun for the kids to be with other kids.
- Fun community gathering.
- Organized & fun community.
- Structured music time.
- Outside at parks.
- Fun environment.
- Safe environment.
- Being outside!
- Different toys to play with.
- Social interaction for mom & child.
- Children interaction, songs, toys.
- Leaders are fantastic.
- Interactive toys and plenty of space.
- Lots of great toys, songtime.
- Fun and safe environment with nice people.
- Loved spending summer outside.
- Great location [Shady Rest] and activities for kids.
- Lots of kids same age get to play together.
- Free play with focus on safety.
- Socialization for kids with fun toys.
- Consistent activities week to week, open play.
- Very good interactions with kids and parents.
- Singing, playing, all the smiling faces.
- Hanging out with Moms and kids and fun activities and songs.
- Toddler interaction, nice songs and community building.
- So well prepared. Always interesting toys. So kind are leaders.
- Singing songs, helping with disagreements.
- Outside play, kids hanging out, moms chit chatting.
- Great leaders, nice locations for playgroup, good time of day for group.
- Nice variety of games, songs, education, kind group leaders, great location.
- Variety of learning toys, great leadership with songs and good child and parent socialization.
- Peapod with Eileen provided a fun and safe environment for my kids to interact with other children in their age group.

Appendix IV Peapod Playgroups

Survey Comments Continued:

- More songs!
- Playdough instruments.
- Snack and a few more games.
- Nada, it's perfect.
- Everything is great.
- Good job. No suggestions.
- Nothing, it's perfect.
- Maybe occasional music playing or musical instruments for kids to play.
- Maybe more music related activities such as instruments or music playing.
- More sensory toys, water, clay, making fun things- bird feeder, pine cone.
- No suggestions, it has been great as it is. Really enjoy it, my daughter has so much fun and has learned so much.

Becoming an Emotion Coach

Participants: 5 parents & 5 providers

Survey Results n=4

Do you feel more prepared as a parent/provider?

- Yes. This class was very valuable and helpful. I would recommend the class to other parents.
- Yes, I really liked the topics that were offered. (translated)
- Yes, now I recognize if I just follow my old habits and I am much more aware how I am responding with my son.
- Yes, great awesome wonderful class. Should be mandatory for all CPS families, foster families, and people birthing children.

Comments or other suggestions:

- It was an amazing course and very useful. Thank you so much.
- Watch more videos of the 4 parenting styles and solving each problem with emotion coaching.
- First few classes seemed like review. Last class could have been spread into two.

Appendix V Childcare Quality

Table 1: Participating Sites in Mono County

Site Type	Number Served	Percent of Qualifying Sites Served
Center	7	100%
Family Childcare	8	80%
Total	15	88%

Table 2: Children Served at Participating Mono Sites

Number of Children birth-5	Percent Served
186	26%

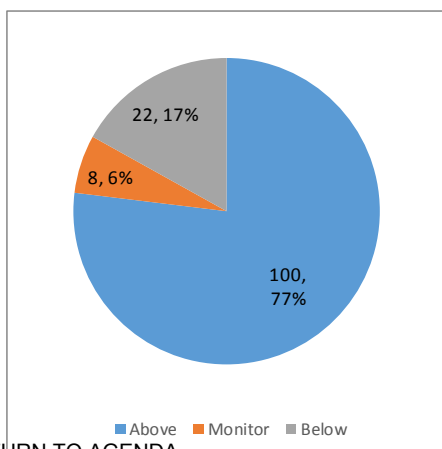
Table 3: Alternative Sites Served Mono County

Site Type
Home Visiting 0-3
Home Visiting 3-5
Peapod North County
Peapod South County

Table 4: Participating Sites in Alpine County

Site Type	Number Served	Percent Served
Center	2	100%
Alternative Site-- Playgroups	1	100%

Figure 1: Developmental Screening, ASQ Scores from Participating Sites, 70% Screening Rate



Appendix V Childcare Quality

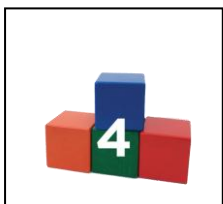
Table 5: Ratings

Rating is based on the following set of California state standards known to promote high-quality early learning for kids.

- Interactions between teachers and children
- The health and safety of the classroom
- How teachers meet and support the developmental needs of children
- Staff qualifications and training
- Group size, number of children per teacher

	COMMITTED TO QUALITY – participating in quality improvement efforts
	RAISING QUALITY – meeting some quality standards
	ACHIEVING QUALITY – meeting multiple quality standards
	EXCEEDING QUALITY – meeting quality standards in all areas
	HIGHEST QUALITY – exceeding quality standards in all areas

Table 6: Rated Sites—participating sites that opted to be rated



- Bridgeport Elementary Preschool*
- Lee Vining IMACA Head Start/ State Preschool*
- Mammoth IMACA Head Start/ State Preschool*
- Coleville IMACA State Preschool*
- Alpine Early Learning Center* (Alpine County)

*rated by Inyo County Supt. Of Schools using their Quality Counts Matrix which includes additional elements of quality than the California Quality Counts matrix



- Mountain Warfare Training Center Child Development Center
- Vasquez Family Day Care—Guillermina Vasquez
- Cherubs Academy—Etelvina Rios

Appendix VI Childcare Availability

Figures 1-3: Source-California Child Care Resource and Referral Network Child Care Portfolios
2009-2016 (https://www.rrnetwork.org/california_child_care_portfolio)

Figure 1:

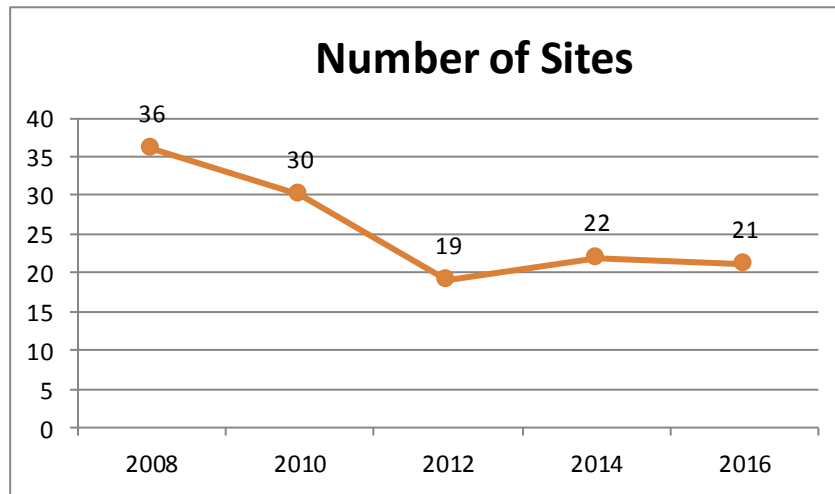


Figure 2:

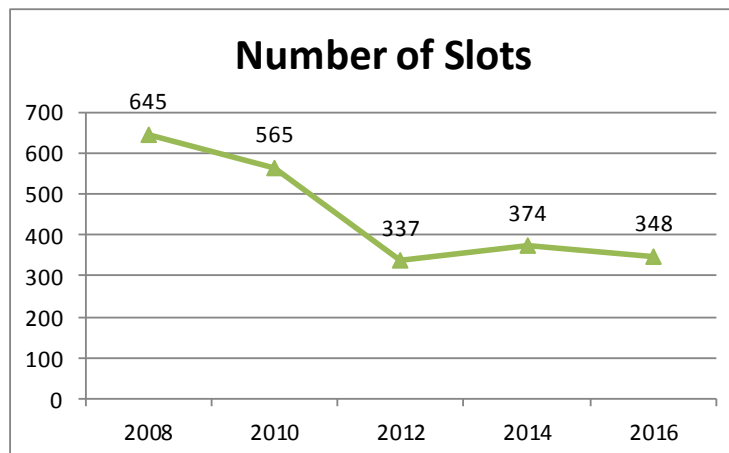
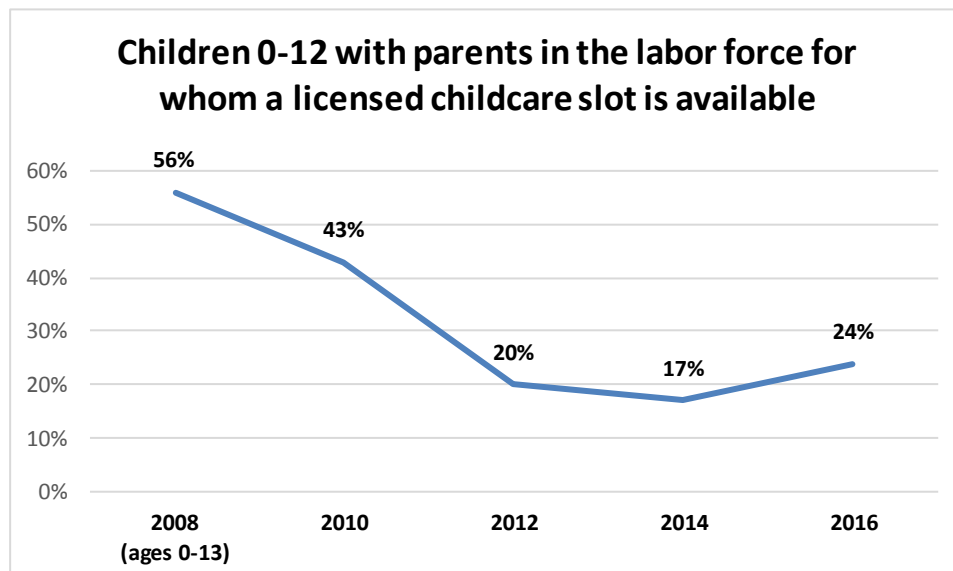


Figure 3:



Appendix VII Oral Health

Table 1: Oral Health Services Provided

Location	Oral Health Checks	Oral Health Education	Fluoride Varnish	Total Services
Preschools/Family Childcare Homes	-	102	152	254
Eastern Sierra Unified School District Birth-to-5 Health & Safety Fairs	2	-	3	5
FY 2017-18 Totals	2	102	155	259
FY 2016-17 Totals	42	125	130	297

Appendix VIII Safe Kids California Mono Partners

Activities for Families and Children Birth to 5	Persons Served
Health and Safety Fairs	389
Child Passenger Car Seat Check or Replacement	18
Accident Prevention Supplies (door & cabinet latches, outlet protectors, CO detectors, TV tethers)	146
Bike Helmets	115

Risk Areas Addressed		
Car seat installation and use	TV and furniture tip-overs	Home safety
Carbon monoxide & smoke detectors	Bikes & Helmets	Preventing dog bites
Disaster/emergency preparedness	Medication & poison prevention	Water safety
Suffocation and sleep	Fire, burns, & scalds	Summer heat awareness

Activities & Resources Offered	People Reached 2017	People Reached 2018
First 5 California School Readiness Activities	300	n/a
Poison Prevention Information	41	80
Car Seat Safety Checks or Replacements	17	16
Nutrition Information	92	50
Applications for Childcare Providers & Preschools	16	50
Department of Social Services Information	31	50
Gun Safety Locks/Information	55	50
Kids' Bike Helmets	66	80
Health Department Information	32	50
Footsteps2brilliance	55	n/a
Home Safety Kits	41	80
Fruit & Hot Dogs	224	238
Fair Attendance	300	263
Other 2018 Activities: First Books for ages 0-5, Kids' Bike Rodeo, Probation & Behavioral Health Info, Library & Raising A Reader programs, Town of Mammoth summer programs, Peapod Playgroup toys, face painting, & ambulance tour.		

Appendix IX Results and Indicators

Result: *Mono County children 0-5 are educated to their greatest potential.*

Indicator	Investment area	2015-16	2016-17	2017-18
1. Number and percent of children 6 months to 5 years old screened for developmental delays.	Home Visiting & Childcare Quality	27%	28%	210, 29%
2. Number and percent of children served in home childcare settings and childcare centers that exhibit moderate to high quality as measured by a quality index.	Childcare Quality	5%	8%	95, 13%
3. Number and percent of licensed child care providers in Mono County advancing on the Child Development Permit Matrix.		0	unavailable	2, 4%
4. Number and percent of licensed center and family child care spaces per 100 children.		35%	30%	37%

Sources:

1. Children in commission-run programs with developmental screening—Home Visiting (80) & children in child care programs participating in quality programs who received a developmental screening (130) /children birth to five in Mono County, US Census 2017 population estimate, 717 (100% reporting rate)
2. Inyo County Superintendent of Schools Quality Rating Improvement System rated 4 sites—Inyo Mono Advocates for Community Action 's Preschools in Mammoth, Coleville and Lee Vining and the Bridgeport Elementary Preschool--all were rated as having high quality—4 on a scale of 1-5. First 5 Mono rated two In-home child cares— Vasquez Family Day Care and Cherubs Academy and a center Mountain Warfare Training Center Child Development Center —that received a rating of higher than licensing standards; 3 on a scale of 1-5. Children served at the sites (95)/ US Census 2017 population estimate, 717 (100% reporting rate)
3. Data submitted as part of the Childcare Quality System, 2 received their permits of 48 providers in the County (100% reporting rate)
4. Number of licensed child care spaces available to Mono County children birth-5 on the IMACA Resource and Referral list, 262 /children birth to five in Mono County, US Census 2017 population estimate, 717 (100% reporting rate)

Appendix IX Results and Indicators

Result: *Mono County children 0-5 are educated to their greatest potential.*

Indicator	Investment area	2015-16	2016-17	2017-18
1. Number and percent of children who have ever attended a preschool, Pre-K, or Head Start program by the time of Kindergarten entry.	School Readiness	61%	24%	75, 66%
2. Number and percent of children “ready for school” upon entering Kindergarten.		37%	50%	70, 49%
3. Number and percent of children receiving Kindergarten transition support.		79%	67%	76, 54%
4. Number and percent of entering Kindergartners assessed for school readiness prior to entry.		66%	24%	30, 27%
5. Number and percent of children in households where parents and other family members are receiving child-development and parenting education.	Home Visiting & Family Behavioral Health	56%	46%	317, 44%

Sources:

1. Incoming Kindergarten Parent Surveys indicating enrollment in preschool or pre-K--75/113 surveys=66%. 113 surveys/142 kindergarten students=80% reporting rate. Previous year's data was from the Summer Bridge Parent Survey with a much lower reporting rate.
2. In-kindergarten Brigance screens of students assessed as within the typical range and above the gifted cutoff 70/ 142 number of assessments=49%.142 assessed /142 kindergarten students=100% reporting rate. Previous year's reporting rates: 2015, 66%; 2016, 99%.
3. Children participating in Kindergarten Round Up or Summer Bridge, whichever is highest (Round Up for FY 2017-18) 76/142 number of children on the first day of kindergarten (100% reporting rate)
4. Incoming Kindergarten Parent Surveys indicating enrollment in preschool or pre-K that conducts readiness assessments/ 113 surveys=24%. 113 surveys/142 kindergarten students=80% reporting rate. Previous years included First 5 sponsored pre-K assessments now conducted in kindergarten.
5. Children in commission-run programs with child-development education components 317/ 717 children birth to five, 2017 Census population estimates. Only includes First 5 operated programs that gather identifying information so as to be able to omit duplicates—44% reporting rate, same calculation as above.

Appendix IX Results and Indicators

Result: All Mono County children 0-5 are healthy.

Indicator	Investment Area	2015-16	2016-17	2017-18
1. Number and percent of children in families provided with information about appropriate community services.	Home Visiting & Behavioral Health	56%	46%	317, 44%
2. Number and percent of children where breastfeeding is successfully initiated and sustained.	Home Visiting	84%	91%	[TBD]
3. Number and percent of children 0 to 5 years of age who are in the expected range of weight for their height and age, or BMI.		78%	77%	[TBD]
4. Number and percent of entering Kindergarteners assessed for school readiness prior to entry.	School Readiness	66%	24%	75, 66%

Sources:

1. Children in commission-run programs with resource referral components 317/ 717 0-5 population, US Census 2017 population estimate=44%. Only includes First 5 operated programs that gather identifying information so as to be able to omit duplicates—44% reporting rate, same calculation as above.
2. Sierra Park Pediatrics number of children breastfed at visits to pediatrics up to 1 month of age in FY 2017/18 [TBD] number children seen up to 1 month of age =[TBD]%. [TBD] children seen up to 1 month/ 134 births in 2017 Department of Finance projection= [TBD]% reporting rate). 2015-16 data was from Welcome Baby! and 2017-18 data from Mammoth Hospital.
3. Sierra Park Pediatrics number of 2-5 year olds seen in FY 2017/18 within the typical BMI range/[TBD] Sierra Park Pediatrics number of 2-5 year olds seen in FY 2017/18=[TBD] %. [TBD] 2-5 year olds seen in 2017-18/ 717 US Census 2017 population estimate of 0-5 year olds=[TBD] reporting rate. 2015-16 data from children enrolled in CHDP from the Mono County Public Health Department.
4. Incoming Kindergarten Parent Surveys indicating enrollment in preschool or pre-K--75/113 surveys=66%. 113 surveys/142 kindergarten students=80% reporting rate. Previous year's data was from the Summer Bridge Parent Survey with a much lower reporting rate. For FY 2015-16 data is drawn from F5 pre-K assessments. For FYs 2016-17 and 17-18, First 5 assessments were conducted in kindergarten and are therefore not counted

Appendix IX Results and Indicators

Result: All Mono County children 0-5 are healthy.

Indicator	Investment Area	2015-16	2016-17	2017-18
1. Number and percent of children who regularly access preventive dental care.	Oral Health	24%	20%	[TBD]
2. Number and percent of children ages 1 or older who receive annual dental screenings.		17%	17%	[TBD]
3. Number and percent of children at Kindergarten entry with untreated dental problems.		5%	18%	17, 30%
4. Number and percent of prenatal women who receive dental hygiene education.		10%	19%	16, 12%

Sources:

1. Children 0-5 seen at Sierra Park Dental more than once a year. Data from analysis by Mammoth Hospital based on Sierra Park Dental information. n=[TBD] ([TBD] reporting rate based on US Census 2017 population estimate, 717)
2. Children 0-5 seen at Sierra Park Dental annually for a screening from 2014-2017. Data updated for all three years with analysis by Mammoth Hospital based on Sierra Park Dental information. n=[TBD] ([TBD] 100% reporting rate based on US Census 2017 population estimate, 717)
3. Oral Health Assessments turned into the school indicating untreated dental problems 17/ 56 completed oral health assessments = 18%. SCOHR system oral health assessment submissions including an oral health assessments 56 /142 kindergartners=39% reporting rate. 2016-17 data from assessments conducted at Kindergarten Round Up yielded a reporting rate of 35%.
4. 16 prenatal WBI Visits/ 134 California Department of Finance 2017 birth estimate= 19%. Reporting rate 19% (same calculation as above)

Appendix X Fiscal Overview

Revenue Category	Amount
Prop. 10 Tax Revenue	\$84,426
Small County Augmentation	\$265,574
SMIF (Surplus Money Investment Fund)	\$129
CBCAP/CAPIT (Parenting Partners)	\$33,000
IMPACT	\$70,767
Region 6 T&TA Hub	\$109,676
CDBG Administration	\$2,540
CDBG	\$233,203
CDE Certification Grant	\$6,285
CDE Certification & Coordination Grant	\$2,625
Infant Toddler Block Grant	\$6,587
Peapod Program (Prop. 63 Funds)	\$40,000
Raising A Reader	\$767
Miscellaneous	\$6,526
Interest on Mono County First 5 Trust Fund	\$10,018
Total Revenue	\$872,123

Expense Category	Amount	% of Expenditures	% of Discretionary Funds	5-year Strategic Plan
Home Visiting	\$168,175	19%	37%	34%
School Readiness	\$100,359	11%	28%	19%
Peapod	\$41,089	5%	<1%	7%
Childcare Quality	\$438,355	50%	2%	9%
Oral Health	\$4,521	1%	1%	1%
Safe Kids Coalition	\$7,001	1%	2%	2%
Operations/Support/Evaluation	\$117,527	13%	33%	28%
Total Expenses	\$877,027			
Total Revenue	\$872,123			
Net Revenue	(\$4,904)			

Fund Balance Category	Amount
Fund Balance Beginning	\$548,455
Fund Balance End	\$543,551
Net Change in Fund Balance	(\$4,904)

Mono County

Family & Child Data

The 2017 California Child Care Portfolio, the 11th edition of a biennial report, presents a unique portrait of child care supply, demand, and cost statewide and county by county, as well as data regarding employment, poverty, and family budgets. The child care data in this report was gathered with the assistance of local child care resource and referral programs (R&Rs). R&Rs work daily to help parents find child care that best suits their family and economic needs. They also work to build and support the delivery of high quality child care services in diverse settings throughout the state. To access the full report summary and county pages, go to our website at www.rrnetwork.org.

PEOPLE ¹	COUNTY			STATE		
	2014	2016	CHANGE	2014	2016	CHANGE
Total number of residents	14,440	13,785	-5%	38,548,204	39,354,432	2%
Number of children 0-12	2,182	2,069	-5%	6,533,125	6,631,621	2%
Under 2 years	319	287	-10%	1,002,081	982,688	-2%
2 years	160	149	-7%	498,124	498,782	0.1%
3 years	165	126	-24%	503,950	503,064	-0.2%
4 years	167	138	-17%	497,010	503,461	1%
5 years	185	144	-22%	496,168	518,282	4%
6-10 years	866	861	-1%	2,541,962	2,596,934	2%
11-12 years	320	364	14%	993,178	1,028,410	4%

LABOR FORCE ²	COUNTY			STATE		
	2014	2016	CHANGE	2014	2016	CHANGE
Children 0-12 in single-parent family, parent in labor force	440	357	-19%	1,733,794	1,730,412	-0.2%
Children 0-12 in two-parent family, parents in labor force	956	1,096	15%	2,427,771	2,496,144	3%

POVERTY ²	COUNTY			STATE		
	2014	2016	CHANGE	2014	2016	CHANGE
Number of people living in poverty	1,197	684	-43%	6,259,098	5,525,524	-12%
Children 0-5 living in poverty	93	95	2%	690,825	608,247	-12%
Children in subsidized care ³	80	112	40%	301,973	315,100	4%

PEOPLE IN POVERTY IN 2016²

COUNTY	STATE
6%	20%

CHILD CARE AND FAMILY BUDGETS^{4, 8}

Income Eligible Family Without Subsidy ⁵	Income Eligible Family With Subsidy ⁵	Median Family Income ²
<p>\$52,080 Annual Income</p> <p>29% Housing 26% Infant/toddler Preschooler 25% All other family needs 19%</p>	<p>\$52,080 Annual Income</p> <p>29% Housing 10% Family Fee 61% All other family needs</p>	<p>\$52,086 Annual Income</p> <p>29% Housing 26% Infant/toddler Preschooler 25% All other family needs 19%</p>

Mono County

Child Care Supply Data

AGE/TYPE

CHILD CARE SUPPLY ⁶	LICENSED CHILD CARE CENTERS			LICENSED FAMILY CHILD CARE HOMES			CHILD CARE REQUESTS ⁷	
	2014	2017	CHANGE	2014	2017	CHANGE		
Total number of slots	236	234	-1%	138	114	-17%	Under 2 years	31%
Under 2 years	52	36	-31%				2-5 years	56%
2-5 years	184	198	8%				6 years and older	13%
6 years and older	-	-	-					
Total number of sites	7	9	29%	15	12	-20%		

24%*

Children 0-12 with parents in the labor force for whom a licensed child care slot is available

56%

Child care centers with one or more federal/state/local contracts

*This estimate is based on 348 licensed slots and does not include license-exempt programs.

SCHEDULE AND COST

CHILD CARE SUPPLY	LICENSED CHILD CARE CENTERS	LICENSED FAMILY CHILD CARE HOMES	FULL-TIME REQUESTS FOR CHILD CARE	
Full-time and part-time slots	100%	93%		
Only full-time slots	0%	7%	82%	
Only part-time slots	0%	0%		
Sites offering evening, weekend or overnight care	22%	67%	REQUESTS FOR CARE DURING NON-TRADITIONAL HOURS	
Full-time infant care ⁸	\$18,781	\$13,141		
Full-time preschool care ⁸	\$13,636	\$12,488	Evening / weekend / overnight care	32%
MAJOR REASONS FAMILIES SEEK CHILD CARE ⁹				
100%	Employment			

LANGUAGE

CENTERS WITH AT LEAST ONE STAFF SPEAKING THE FOLLOWING LANGUAGES ⁹	LANGUAGES SPOKEN AT HOME	
English 100%, Spanish 33%	English	76%
	Spanish	23%
FAMILY CHILD CARE PROVIDERS SPEAKING THE FOLLOWING LANGUAGES ⁹	Asian/Pacific Island languages	1%
Spanish 67%, English 50%	Another language	1%

1. CA Department of Finance Population Projections 2016
2. American Community Survey 2016 1-year and 2015 5-year estimates
3. CA Department of Education CDD 801-A October 2016, CA Department of Social Services CW115, October 2016
4. U.S. Housing and Urban Development rent for 2-bedroom 50th percentile
5. 70% of 2015 State Median Income for a family of three
6. Resource and referral (R&R) databases
7. R&R child care referrals April/May/June 2016
8. 2016 Regional Market Rate Survey, Network estimate
9. Percentages may exceed 100% when multiple options are chosen

For more information about child care in **MONO COUNTY:**

IMACA Community Connections for Children
800-317-4700
www.imaca.net



Annual Report AR-1
Mono Revenue and Expenditure Summary
July 1, 2017 - June 30, 2018

Revenue Detail

Category	Amount
Tobacco Tax Funds	\$84,426
First 5 Impact Funds	\$180,443
Small County Augmentation Funds	\$265,574
DLL Pilot Funds	\$0
Donations	\$0
Revenue From Interest Earned	\$10,018
Grants	\$325,008
Other Funds	\$6,654
Total Revenue	\$872,123

Improved Family Functioning

Service	Grantee	Program(s)	Children	Caregivers	Providers	Amount
Intensive Family Support	Internal	<ul style="list-style-type: none"> Parents as Teachers 	148	248	8	\$168,175
Total						\$168,175

Improved Child Development

Service	Grantee	Program(s)	Children	Caregivers	Providers	Amount
Quality Early Learning Supports	Internal	<ul style="list-style-type: none"> CLASS ERS Facility Grants Other 	465	0	19	\$77,415
Early Learning Programs (Direct Costs)	Internal	<ul style="list-style-type: none"> Playgroups Other 	565	455	16	\$75,768
Early Learning Programs (Direct Costs)	County Office of Education/School District	<ul style="list-style-type: none"> Summer Programs Other 	257	473	8	\$301,424
Total						\$454,607

Improved Child Health

Service	Grantee	Program(s)	Children	Caregivers	Providers	Amount
General Health Education and Promotion	County Office of Education/School District	<ul style="list-style-type: none"> • Safe Sleep • Car Safety • Tobacco/Drug • Other 	229	142	0	\$7,001
Oral Health Education and Treatment	Internal	<ul style="list-style-type: none"> • Other • Oral Health Screening and Varnish 	119	0	16	\$4,521
Total						\$11,522

Improved Systems Of Care

Service	Grantee	Program(s)	Amount
Programs and Systems Improvement Efforts	Internal	<ul style="list-style-type: none"> • Other 	\$125,196
Total			\$125,196

Expenditure Details

Category	Amount
Program Expenditures	\$759,500
Administrative Expenditures	\$105,814
Evaluation Expenditures	\$11,713
Total Expenditures	\$877,027
Excess (Deficiency) Of Revenues Over (Under) Expenses	(\$4,904)

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	\$548,455
Fund Balance - Ending	\$543,551
Net Change In Fund Balance	(\$4,904)

Fiscal Year Fund Balance

Category	Amount
Nonspendable	\$0
Restricted	\$0
Committed	\$138,055
Assigned	\$405,496
Unassigned	\$0
Total Fund Balance	\$543,551

Expenditure Note

No data entered for this section as of 11/19/2018 10:36:45 AM.

Small Population County Funding Augmentation

Category	Amount	Comment
Administration	\$0	
Evidence Based Programs	\$38,767	Raising A Reader
Evidence Informed Programs	\$135,105	Home Visiting
Funded Programs	\$91,702	Safe Kids California, Mono Partners & School Readiness
Professional Development, Training and Technical Assistance	\$0	
Evaluation	\$0	
Other (Please Explain)	\$0	
Total	\$265,574	
If unspent funds occurred during the FY, please list amount and provide explanation.	\$0	



Annual Report AR-2

Mono Demographic Worksheet

July 1, 2017 - June 30, 2018

Population Served

Category	Number
Children Less than 3 Years Old	570
Children from 3rd to 6th Birthday	802
Children – Ages Unknown (birth to 6th Birthday)	1,122
Primary Caregivers	1,318
Other Family Members (including siblings)	112
Providers	19
Total Population Served	3,943

Primary Languages Spoken in the Home

Category	Number of Children	Number of Adults
English	344	608
Spanish	86	211
Other - Specify with text box	12	20
Unknown	2,052	591
Totals	2,494	1,430

Race/Ethnicity of Population Served

Category	Number of Children	Number of Adults
Alaska Native/American Indian	20	15
Black/African-American	3	7
Native Hawaiian or Other Pacific Islander	1	4
Two or more races	25	7
Hispanic/Latino	189	237
White	400	363
Unknown	1,856	797
Totals	2,494	1,430

Duplication Assessment

Category	Data
Degree of Duplication	75%
Confidence in Data	Somewhat confident
Additional Details (Optional)	Duplication estimation is based on the number of children birth to 5 in our county.



Annual Report AR-3

Mono County Evaluation & Improved Systems

July 1, 2017 - June 30, 2018

County Evaluation Summary

Evaluation Activities Completed

In completing our 16-17 evaluation report, we determined that in the Family Functioning result area we are meeting the following desired outcomes: improved parental knowledge, understanding, and engagement in promoting child development and physical and mental health; improved developmental screening rates; improved access to healthcare services; and increasing breastfeeding rates. In Improved Child Development, we determined we are not meeting the desired outcome of improved school readiness as the percent of children assessed as ready for school did not increase. To address this issue we are using the data to inform our funding allocation and investments in this area to better fund initiatives that impact this outcome. In the area of improved child health, we determined there was improved access to healthcare and families were supported to keep kids safe from injuries.

Evaluation Findings Reported

In completing our 16-17 evaluation report, we determined that in the Family Functioning result area we are meeting the following desired outcomes: improved parental knowledge, understanding, and engagement in promoting child development and physical and mental health; improved developmental screening rates; improved access to healthcare services; and increasing breastfeeding rates. In Improved Child Development, we determined we are not meeting the desired outcome of improved school readiness as the percent of children assessed as ready for school did not increase.

Policy Impact of Evaluation Results

To address the issue of lack of improvement in school readiness, we are using the data to inform our funding allocation and investments in this area to better fund initiatives that impact this outcome. In the area of improved child health, we determined there was improved access to healthcare and families were supported to keep kids safe from injuries.

Improved Systems of Care

Who was the primary audience for the service?

NA

What were the types of services provided?

NA

What was the intended result of the service? What was the community impact of the service?

NA

NEELY ACCOUNTANCY CORP.
CERTIFIED PUBLIC ACCOUNTANT
17037 Chatsworth St, Suite 208A
Granada Hills, CA 91344

818-360-9800

October 22, 2018

To the Board of Commissioners
Mono County Children and Families Commission

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Mono County Children and Families Commission for the year ended June 30, 2018. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated April 13, 2018. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Mono County Children and Families Commission are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies were not changed during 2018. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's 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 significantly from those expected.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 15, 2018.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.


Other Matters

We applied certain limited procedures to Management's Discussion and Analysis and the Budgetary Comparison Schedules, which are required supplementary information (RSI) that supplements the financial statements. Our procedures consisted of inquires of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on Management's Discussion and Analysis and the Budgetary Comparison Schedules, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

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

Very truly yours,


Neely Accountancy Corp.

**MONO COUNTY CHILDREN
AND FAMILIES COMMISSION**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
JUNE 30, 2018**

Financial Statements
For the Year Ended June 30, 2018

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MONO COUNTY CHILDREN AND FAMILIES COMMISSIONItem #8b
Mtg. Date 12/17/18Organization Table

<u>Name</u>	<u>Position</u>	<u>Professional Affiliation</u>	<u>Term Expires</u>
Bob Gardner	Chair	Mono County Board of Supervisors	December 2018
Stacy Adler.	Vice-Chair	Superintendent of Schools	September 2019
Patricia Robertson	Member	Community-based Organization	May 2020
Dr. Thomas Boo	Member	Public Health Officer, Mono County	Indefinite
Jeanne Sassin	Secretary	School District	March 2021
Bertha Jimenez	Member	Behavioral Health	June 2019

FINANCIAL SECTION

**NEELY ACCOUNTANCY CORP.
CERTIFIED PUBLIC ACCOUNTANT
17037 Chatsworth St, Suite 208A
Granada Hills, CA 91344**

818-360-9800

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Mono County Children and Families Commission
Mammoth Lakes, California 93546

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Mono County Children and Families Commission (Commission), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Commission's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the 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 Mono County Children and Families Commission as of June 30, 2018, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Budgetary Comparison Information on pages 3 through 7 and 17 through 18, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which 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 compared 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Mono County Children and Families Commission's basic financial statements. The organization table and summary schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 15, 2018 on our consideration of the Commission's internal control over financial reporting and 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Governmental Auditing Standards in considering the Mono County Children and Families Commission's internal control over financial reporting and compliance.



Granada Hills, CA

October 15, 2018



Mono County Children and Families Commission

Management's Discussion and Analysis for the year ending June 30, 2018

On November 3, 1998, California voters approved Proposition 10 – the Children and Families First Act (Act). The Act imposed additional excise tax on cigarettes and tobacco related products to fund programs that promote, support, and improve the early development of children from prenatal through age five. The intent is for all California children to be healthy, to live in a healthy and supportive family environment, and to enter school ready to learn.

The Mono County Board of Supervisors created the Mono County Children and Families Commission (Commission) as a county commission in 1999 under the provisions of the Act. The Commission consists of seven members appointed by the County Board of Supervisors. The Commission is an agency of the County with independent authority over the county strategic plan for the support and improvement of early childhood development within the County and of the Mono County Children and Families Trust Fund established pursuant to the Act. The Commission contracts with the Mono County Office of Education for staff support and administration.

As management of the Commission, we offer readers of our financial statements this narrative overview and analysis of the financial activities for the year ended June 30, 2018.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Commission's basic financial statements. The Commission's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Commission's finances, in a manner similar to a private sector business.

The *statement of net assets* presents information on all of the Commission's assets and liabilities, with the difference between the two reported as *net assets*.

The *statement of activities* presents information showing how the Commission's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (e.g. earned but unused vacation leave).

The government-wide financial statements can be found on pages 8-9 of this report.

Mono County Children And Families Commission
Management's Discussion and Analysis -- June 30, 2018

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Commission, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Fund financial statements report essentially the same functions as those reported in the government-wide financial statements. However, unlike the government-wide financial statements, fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate the comparison between governmental funds and government wide statements.

The Commission adopts an annual appropriated budget for its fund. A budgetary comparison statement has been provided for the fund to demonstrate compliance with the budget.

The fund financial statements can be found on pages 10-11 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 12-16 of this report.

Government-wide Financial Analysis

The Commission presents its financial statements under the reporting model required by accounting principles generally accepted in the United States of America Statement No. 34 (GASB 34), Basic Financial Statements – and Management's Discussion and Analysis (MD&A) – for State and Local Governments.

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the Commission, assets exceed liabilities by \$543,551 at the close of the most recent fiscal year. This represents resources received from Proposition 10 taxes, other revenue including grants received by the Commission, and interest earned on fund balance, that has not been expended. Cash and investments are maintained in the County's cash and investment pool where interest earned on the Commission's balance is apportioned to the Commission. Other sources of net assets also reside in the Commission's receivables due from other agencies (\$260,563). These receivables represent grants and matching program funds, as well as Proposition 10 taxes that were remitted by the State but had not been received by the Commission, as of June 30, 2018.

The Commission also reports accounts payable of \$577,767 representing payments due on grant services contracts that had not been expended at year-end and reimbursement for services rendered to the Commission that had not been reimbursed by year-end.

Mono County Children And Families Commission
Management's Discussion and Analysis -- June 30, 2018

The Commission's net assets decreased overall by approximately \$4,904 during the 2017-18 fiscal year. This decrease was due to expenses being greater than revenues for the current year.

Balance Sheet Comparison

	<u>FY 2017-18</u>	<u>FY 2016-17</u>	<u>Change</u>
Total Assets	\$1,121,318	\$1,088,237	\$33,081
Total Liabilities	\$577,767	\$539,782	\$37,985
Net Assets	<u>\$543,551</u>	<u>\$548,455</u>	<u>(\$4,904)</u>

Revenue and Expense Comparison

	<u>FY 2017-18</u>	<u>FY 2016-17</u>	<u>Change</u>
Total Revenues	\$872,123	\$760,527	\$111,596
Total Expenses	\$877,027	\$762,700	\$114,327
Change in Net Assets	<u>(\$4,904)</u>	<u>(\$2,173)</u>	<u>(\$2,731)</u>

Financial Analysis of the Commission's Governmental Fund

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

For the year-ended June 30, 2018, the Commission reported an ending fund balance of \$543,551; a decrease of \$4,904 from the prior year. This decrease represents the amount of expenditures in excess of revenues for the year ended June 30, 2018.

The Commission fund balance of \$543,551 as of the end of the fiscal year 2017-18 is allocated as follows: \$138,055 is committed to the following programs: Raising A Reader, Safe Kids, and matching funds for CAPIT/CBCAP Home Visiting and IMPACT; and \$405,496 is assigned to Home Visiting, School Readiness, and Commission Operations by means of the 5 year fiscal plan.

Total revenue consisting of Proposition 10 funds, interest income, State Commission matching funds, special projects grant revenue, and miscellaneous income increased from \$760,527 to \$872,123 for the year ending June 30, 2018. This increase is mainly due to revenues associated with increases in the Region 6 T & TA Hub funded by First 5 California.

Mono County Children And Families Commission
Management's Discussion and Analysis -- June 30, 2018

Total expenditures increased to \$877,027 representing \$114,327 more in expenditures from the prior fiscal year. This increase is due to primarily to increases in the Region 6 T & TA Hub.

Fund Budgetary Highlight

- Total revenues were under budget by \$41,876 due to lower than expected expenses for CDBG and the T & TA Hub. Total expenditures were under budget by \$47,719 primarily due a lower than anticipated costs for CDBG and the T & TA Hub.

Capital Assets and Debt Administration

Capital Assets

The Commission did not have any capital assets at the end of the current fiscal year.

Debt Administration

The Commission did not have any long-term obligations outstanding at the end of the current fiscal year.

Economic Factors and Next Year's Budget

The Commission is committed to focusing Proposition 10 funds on the purposes for which it is intended: To promote and sustain comprehensive, integrated programs and services that will help to nurture children ages 0-5 so that their young brains and bodies will develop appropriately.

The following factors were considered in preparing the Commission's financial plan for fiscal year 2017-18:

- Continuation of funding commitments for Home Visiting; Oral Health; School Readiness programs; the MHSA Prop. 63 Innovation Project (Peapod Program).
- Anticipated declining Prop. 10 revenues and the uncertainty of continued Small Population County Augmentations from First 5 California beyond FY 2020-21. First 5 Mono entered into an agreement with First 5 California for 4 years of Small Population County Funding Augmentations that augment Prop 10 income up to a baseline of \$350,000 annually from FY 2017-18 to FY 2020-21.
- 1% interest on the local Children and Families Trust Fund.

The Commission views Proposition 10 as a mechanism to establish and fund a sustainable system of results-oriented early childhood development and family support services for the 0-5 population, not as just another funding source for programs. In that regard, in fiscal year 2017-18 the Commission continued to focus on evaluating all funded programs to determine what is working or has promised to impact the health and well being of children. This information will be used to help evaluate the overall impact of Proposition 10 in Mono County. The result of these evaluation activities will help to inform the Commission as it plans for fiscal year 2018-19 expenditures and beyond.

Mono County Children And Families Commission
Management's Discussion and Analysis -- June 30, 2018

Requests for Information

This financial report is designed to provide a general overview of the Mono County Children and Families Commission finances for all those interested. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Executive Director, First 5 Mono County Children and Families Commission, P.O. Box 130, Mammoth Lakes, California, 93546.

**BASIC FINANCIAL STATEMENTS
GOVERNMENT-WIDE FINANCIAL STATEMENTS**

MONO COUNTY CHILDREN AND FAMILIES COMMISSION
(FIRST 5 MONO COUNTY)
STATEMENT OF NET POSITION
JUNE 30, 2018

Assets

Cash	\$ 860,755
Due from other agencies	<u>260,563</u>
Total assets	<u>1,121,318</u>

Liabilities

Accounts payable	<u>577,767</u>
Total liabilities	<u>577,767</u>

Net position

Unrestricted	<u>543,551</u>
Total Net Position	<u><u>\$ 543,551</u></u>

See accompanying notes to financial statements.

MONO COUNTY CHILDREN AND FAMILIES COMMISSION
(FIRST 5 MONO COUNTY)
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2018

Program expenses	\$ 101,071
Operations/support	3,264
Rent	1,279
Program evaluation	2,540
Community Development Block Grant - Administration	41,089
Mono County Behavioral Health, Peapod Program	109,676
Region 6 Training & Technical Assistance Hub	77,415
Improve and maximize Programs so All Children Thive (IMPACT)	168,175
Home Visiting	100,359
School Readiness	233,204
Community Development Block Grant	15,521
CDE grants	23,434
Other program expenditures	<u>877,027</u>
Total program expenses	
Program revenue	84,426
Proposition 10 apportionment	265,574
Proposition 10 small county augmentation	109,676
Region 6 Training & Technical Assistance Hub	129
Proposition 10 surplus money investment fund	40,000
Mono County Mental Health, Peapod Program	70,767
Improve and maximize Programs so All Children Thive (IMPACT)	33,000
Child Abuse Prevention, Intervention and Treatment (CAPIT)	767
Raising a Reader	233,203
Community Development Block Grant	2,540
CDBG administration	22,023
Miscellaneous	<u>862,105</u>
Total program revenues	
Net program revenues (expenses)	(14,922)
General revenue	10,018
Investment income	<u>(4,904)</u>
Change in net position	
Net position at the beginning of the year	548,455
Net position at the end of the year	<u><u>\$ 543,551</u></u>

See accompanying notes to financial statements.

MONO COUNTY CHILDREN AND FAMILIES COMMISSION
(FIRST 5 MONO COUNTY)
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018

Assets

Current assets

Cash	\$ 860,755
Due from other agencies	<u>260,563</u>

Total assets	<u>\$ 1,121,318</u>
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Liabilities and Fund Balance

Current liabilities

Accounts payable and accrued expenses	<u>\$ 577,767</u>
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Total current liabilities	<u>577,767</u>
---------------------------	----------------

Fund balance

Committed	138,055
Assigned	<u>405,496</u>
Total fund balance	<u>543,551</u>

Total liabilities and fund balance	<u>\$ 1,121,318</u>
------------------------------------	---------------------

See accompanying notes to financial statements.

MONO COUNTY CHILDREN AND FAMILIES COMMISSION
(FIRST 5 MONO COUNTY)
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2018

Revenues:	
Proposition 10 apportionment	\$ 84,426
Proposition 10 small county augmentation	265,574
Region 6 Training & Technical Assistance Hub	109,676
Proposition 10 surplus money investment fund	129
Mono County Mental Health, Peapod Program	40,000
Improve and maximize Programs so All Children Thive (IMPACT)	70,767
Child Abuse Prevention, Intervention and Treatment (CAPIT)	33,000
Raising a Reader	767
Community Development Block Grant	233,203
CDBG administration	2,540
Interest	10,018
Miscellaneous	22,023
Total revenues	<u>872,123</u>
Expenditures:	
Operations/support	101,071
Rent	3,264
Program evaluation	1,279
Community Development Block Grant - Administration	2,540
Mono County Behavioral Health, Peapod Program	41,089
Region 6 Training & Technical Assistance Hub	109,676
Improve and maximize Programs so All Children Thive (IMPACT)	77,415
Home Visiting	168,175
School Readiness	100,359
Community Development Block Grant	233,204
CDE grants	15,521
Other program expenditures	23,434
Total expenditures	<u>877,027</u>
Net change in fund balance	(4,904)
Fund balance at the beginning of the year	<u>548,455</u>
Fund balance at the end of the year	<u><u>\$ 543,551</u></u>

See accompanying notes to financial statements.

**BASIC FINANCIAL STATEMENTS
FUND FINANCIAL STATEMENTS**

MONO COUNTY CHILDREN AND FAMILIES COMMISSION
(First 5 Mono County)
Notes to Financial Statements
June 30, 2018

Note 1:

Summary of Significant Accounting Policies

A. Reporting Entity

The Mono County Children and Families Commission (Commission) was established in 1999 pursuant to Health and Safety code §130140. The Commission was also established in accordance with the provisions of the California Children and Families First Act of 1998 and by Mono County Ordinance #05-05. The Commission is also known as "First 5 Mono County". The seven members of the Commission are appointed by the Mono County Board of Supervisors.

The Commission is responsible for the creation and implementation of a comprehensive, collaborative, and integrated system of information and services to enhance early childhood development.

The Commission includes all activities (operations of its administrative staff and commission officers) considered to be part of the Commission. The Commission reviewed criteria developed by the accounting principles generally accepted in the United States of America in its issuance of Statement No. 14, relating to the financial reporting entity to determine whether the Commission is financially accountable for other entities. The Commission has determined that no other outside entity meets the above criteria, and therefore, no agency has been included as a component unit in the financial statements. In addition, the Commission is not aware of any entity that would be financially accountable for the Commission that would result in the Commission being considered a component unit of that entity.

The financial statements included in this report are intended to present the financial position and results of operations of only the Commission. They are not intended to present the financial position and results of operations of the County of Mono taken as a whole.

B. Basis of Presentation and Accounting

Government-Wide Statements

The statement of net position and statement of activities display information about the primary government (Commission). These statements include the financial activities of the overall Commission.

The statement of activities presents a comparison between direct expenses and program revenues for the Commission's governmental activity. Direct expenses are those that are specifically associated with the Commission. Program revenues include grants and contributions that are restricted to meeting the operational or capital requirements of the Commission. Revenues that are not classified as program revenues, including investment income, are presented instead as general revenues.

Note 1:

Summary of Significant Accounting Policies (continued)

B. Basis of Presentation and Accounting (continued)

Government-Wide Statements (continued)

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

When both restricted and unrestricted net position are available, restricted resources are used only after the unrestricted resources are depleted.

Fund Financial Statement

Separate financial statements are provided for the governmental funds. The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available to finance expenditures of the current period. Proposition 10 taxes and investment income are accrued when their receipt occurs within ninety days after the end of the accounting period so as to be both measurable and available. All receivables are expected to be collected within the current year. Expenditures are generally recorded when a liability is incurred, as under accrual accounting.

Non exchange transactions, in which the Commission gives (or receives) value without directly receiving (or giving) value in exchange, include sales taxes, grants, entitlements and donations. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

The Commission's general fund balance consists of nonspendable, unassigned, assigned, committed and restricted funds. They account for all financial resources of the commission.

C. Due from other Agencies

This amount represents receivables from other local governments. Management has determined the Commission's receivables fully collectible and, accordingly, no allowance for doubtful accounts is required.

Note 1:

Summary of Significant Accounting Policies (continued)

D. Net Position/Fund Balances

Net Position

The government-wide activities fund financial statements utilize a net position presentation. Net position is categorized as invested in capital assets (net of related debt), restricted and unrestricted.

Invested in Capital Assets, Net of Related Debt – This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balance of debt that are attributable to capital assets reduce the balance in this category.

Restricted Net Position – This category presents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – This category represents net position of the District that is not restricted for any project or any other purpose.

Government Fund Balances

In the government fund financial statements, fund balances are classified as follows:

Non Spendable fund balances are amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact. The Commission does not have any nonspendable funds.

Restricted fund balances are amounts that can be spent only for specific purposes because of laws or externally imposed conditions by grantors or creditors.

Committed fund balances are amounts that can be used only for specific purposes determined by a formal action of the Commission's ordinances or resolutions.

Assigned fund balances are amounts that are designated by the commission for a particular purpose but are not spendable until a budget is passed or there is a majority vote approval by the Commission.

Unassigned fund balances are all amounts not included in other spendable classifications. The commission does not have any unassigned funds.

(First 5 Mono County)

Notes to Financial Statements

June 30, 2018

Note 1:

Summary of Significant Accounting Policies (continued)

E. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

F. Fair Value of Financial Instruments

The financial position of the commission at June 30, 2018 includes certain financial instruments that may have a fair value that is different from the value currently reflected in the financial statements. In reviewing the financial instruments of the Commission, certain assumptions and methods were used to determine the fair value of each category of financial instruments for which it is practicable to estimate that value. The carrying amounts of the Commission's financial instruments generally approximate their fair values at June 30, 2018.

G. Subsequent Events

The Commission evaluated subsequent events up to October 15, 2018 when the financial statements were available to be issued.

Note 2:

Cash

Cash at June 30, 2018 consisted of the following:

Cash in County Treasury	<u>\$860,755</u>
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The Commission maintains all of its cash and investments with the Mono County Treasurer in an investment pool. On a quarterly basis the Auditor-Controller allocates interest to participants based upon their average daily balances. Required disclosure information regarding categorization of investments and other deposit and investment risk disclosures can be found in the County's financial statements. The county of Mono's Financial Statements may be obtained by contacting the County of Mono's Auditor-Controller's Office at Courthouse Annex 2 – Bryant Street, Bridgeport, California 93517. The Mono County Treasury Oversight Committee oversees the Treasurer's investment policies.

Required disclosures for the Commission's deposit and investment risks at June 30, 2018 were as follows:

Credit risk	Not rated
Custodial risk	Not applicable
Concentration of credit risk	Not applicable
Interest rate risk	Not available

Investments held in the County Treasurer's investment pool are available on demand and are stated at cost plus accrued interest, which approximates fair value.

Item #8b

MONO COUNTY CHILDREN AND FAMILIES COMMISSION Mtg. Date 12/17/18
 (First 5 Mono County)
 Notes to Financial Statements
 June 30, 2018

Note 3:

Fund Balances

The Commission's committed fund balance consists of the following:

Committed funds:	
Raising a Reader	\$ 56,675
Safe Kids	14,000
IMPACT matching funds	7,300
CAPIT Home Visiting	<u>60,080</u>
Total committed funds	<u>138,055</u>
Assigned funds	
Home visiting services (Non CAPIT)	199,920
School Readiness Strategies	60,356
Commission Operations, July 1, 2018-June 30, 2019	<u>145,220</u>
Total assigned funds	<u>405,496</u>
Total fund balance	<u><u>\$543,551</u></u>

Note 4:

Program Evaluation

The Commission spent \$1,279 on program evaluation during the fiscal year ended June 30, 2018.

Note 5:

Risk Management

The Commission is exposed to various risk of loss related to general liability and workers' compensation. The Commission is covered from risk of loss by its participation in the County of Mono risk pool. Information about coverage can be found in the Mono County financial statements.

Note 6:

Section 30131.4 of the California Tax & Revenue Code Certification

The Commission has certified that the supplant requirement stated in section 30131.4 of the California Tax & Revenue Code has been met.

Note 7:

Contingent Liability

The Commission receives funding from the State of California Proposition 10, the Children and Families First Act, to fund programs that promote, support, and improve the early development of children from prenatal through age five. These programs must be in compliance with applicable laws and may be subject to financial and compliance audits by the State. The amount, if any, of expenditures which may be disallowed by the State cannot be determined at this time, although the Commission's management does not expect such amounts, if any, to be material.

REQUIRED SUPPLEMENTARY INFORMATION

MONO COUNTY CHILDREN AND FAMILIES COMMISSION
(FIRST 5 MONO COUNTY)
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Year ended June 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	
Budgetary Fund Balance, Beginning of Year	\$548,455	\$548,455	\$548,455	\$ -
Resources (Inflows):				
Proposition 10 apportionment	92,333	85,586	84,426	(1,160)
Proposition 10 small county augmentation	257,667	264,414	265,574	1,160
Region 6 Training & Technical Assistance Hub	122,663	126,387	109,676	(16,711)
Proposition 10 surplus money investment fund	34	51	129	78
Mono County Mental Health, Peapod Program	40,000	40,000	40,000	-
Improve and maximize Programs so All Children Thive (IMPACT)	68,788	68,788	70,767	1,979
Child Abuse Prevention, Intervention and Treatment (CAPIT)	33,000	33,000	33,000	-
Raising a Reader	2,170	2,170	767	(1,403)
CDBG administration	9,887	6,921	2,540	(4,381)
Community Development Block Grant	205,859	262,478	233,203	(29,275)
Interest	6,259	8,567	10,018	1,451
Miscellaneous	140	15,637	22,023	6,386
Amounts available for appropriation	838,800	913,999	872,123	(41,876)
Charges to appropriations (outflows):				
Operations/support	112,092	98,954	101,071	(2,117)
Rent	3,000	3,000	3,264	(264)
Program evaluation	1,320	1,320	1,279	41
Community Block Grant Administration	9,887	6,921	2,540	4,381
Community Block Grant	205,859	262,478	233,204	29,274
Mono County Behavioral Health, Peapod Program	40,000	40,000	41,089	(1,089)
Improve and maximize Programs so All Children Thive (IMPACT)	81,253	81,253	77,415	3,838
Home Visiting	151,200	163,507	168,175	(4,668)
School Readiness	100,415	102,292	100,359	1,933
Region 6 Training & Technical Assistance Hub	122,663	126,387	109,676	16,711
CDE grants	-	15,497	15,521	(24)
Other program expenditures	11,111	23,137	23,434	(297)
Total outflows	838,800	924,746	877,027	47,719
Budgetary Fund Balance, End of Year	\$548,455	\$537,708	\$543,551	\$ 5,843

See note to budgetary comparison schedule.

Notes to Required Supplementary Information
June 30, 2018

BUDGET AND BUDGETARY ACCOUNTING

The Commission prepares and legally adopts a final budget on or before June 30th of each fiscal year. The Commission operation, commencing July 1st, is governed by the proposed budget, adopted by the Board of Commissioners prior to June of the previous year.

After the budget is approved, the appropriations can be added to, subtracted from or changed only by Commission resolution. All such changes must be within the revenues and reserves estimated as available in the final budget or within revised revenue estimations as approved by the Commission.

An operating budget is adopted each fiscal year on the modified accrual basis. Additionally, encumbrance accounting is utilized to assure effective budgetary control. Encumbrances outstanding at year-end represent the estimated amount of the expenditures ultimately to result if the unperformed contracts in process at the year-end are completed or purchase commitments satisfied. Such year-end encumbrances are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year's budget. Unencumbered appropriations lapse at year-end.

The legal level of budgetary control (the level on which expenditures may not legally exceed appropriations) is at the object level. Object levels of expenditures are as follows: salaries and benefits, services and supplies, and internal charges.

The budget is adopted on a basis consistent with generally accepted accounting principles.

OTHER REPORTS

NEELY ACCOUNTANCY CORP.
CERTIFIED PUBLIC ACCOUNTANT
17037 Chatsworth St, Suite 208A
Granada Hills, CA 91344

818-360-9800

**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*
INDEPENDENT AUDITOR'S REPORT**

Board of Commissioners
Mono County Children and Families Commission
Mammoth Lakes, 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 of Mono County Children and Families Commission, as of and for the year ended June 30, 2018 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 15, 2018.

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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we 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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Commission'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.

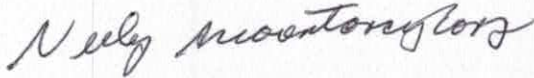
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses, or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 determination of financial statement amounts. 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*.

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.



Granada Hills, CA

October 15, 2018

**Member: American Institute of Certified Public Accountants
California Society of Certified Public Accountants**

INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE

Board of Commissioners
Mono County Children and Families Commission
Mammoth Lakes, California

Compliance

We have audited the Mono County Children and Families Commission's (Commission) 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, 2018.

Management's Responsibility

Management is responsible for compliance with the requirements of the laws and regulations applicable to the California Children and Families Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Commission's compliance with the requirements referred to above based on our audit.

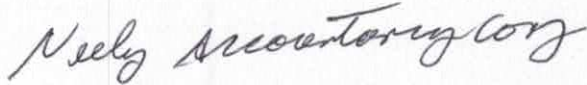
We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the State of California's *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act*, issued by the State Controller's Office. Those standards and the State of California's *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the requirements referred to above that could have a direct and material effect on the statutory requirements listed below. An audit includes examining, on a test basis, evidence about the Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance. However, our audit does not provide a legal determination of the Commission's compliance with those requirements. In connection with the audit referred to above, we selected and tested 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 Benefit Policies	2	Yes

Opinion

In our opinion, Mono County Children and Families 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, 2018.



Granada Hills, CA

October 15, 2018

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF FINANCIAL ASSISTANCE**

2020 West El Camino Avenue, Suite 500, Sacramento, CA 95833
P. O. Box 952054, Sacramento, CA 94252-2054
(916) 263-2771 / FAX (916) 263-2762
www.hcd.ca.gov



November 1, 2018

MEMORANDUM FOR: All Potential Applicants *Lisa Bates*
FROM: Lisa Bates, Deputy Director
Division of Financial Assistance
SUBJECT: Notice of Funding Availability
Community Development Block Grant Program
for Non-Entitlement Jurisdictions

The California Department of Housing and Community Development (HCD) is pleased to announce the availability of approximately **\$29.6 million** in federal Community Development Block Grant (CDBG) funding allocated for funding year 2018 to the state from the U.S. Department of Housing and Urban Development (HUD), pursuant to the Housing and Community Development Act of 1974, as amended.

This NOFA applies to state CDBG non-entitlement cities and counties applying for funding under Community Development (CD) activities, Special Allocations for Economic Development (ED), Colonia, and Native American Communities.

The complete 2018 CDBG NOFA original application and one USB flash drive that includes a copy of the application with signatures must be received by HCD no later than **5:00 p.m. Pacific Standard Time on February 5, 2019**. Please note that Economic Development Over-the-Counter (ED OTC) applications are not subject to the above deadline. Applications, excluding the ED OTC applications, will only be accepted through a postal carrier service that provides date stamp verification of delivery such as U.S. Postal Service, UPS, FedEx, or other carrier services. Personal deliveries will not be accepted.

Application forms, regulations, and program information are available at [Current NOFAs-CDBG](#).

HCD will hold three workshops to review the application requirements. The workshop schedule will be posted on HCD's website and sent to those on HCD's CDBG mailing list. To receive workshop notification and other important CDBG information, please subscribe to the CDBG listserv by completing and submitting the form on the following link [CDBG Mailing List](#).

If during the application process you have any CDBG NOFA and application questions, please direct your inquiries to cdbgnofa@hcd.ca.gov.

Attachment

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

2018 Notice of Funding Availability



**State of California
Governor Edmund G. Brown Jr.**

**Alexis Podesta, Secretary Business, Consumer Services
and Housing Agency**

**Ben Metcalf, Director
Department of Housing and Community Development**

2020 West El Camino Avenue, Suite 500, Sacramento, CA 95833
Telephone: (855) 333-CDBG (2324) / Fax: (916) 263-2764
Website: [CDBG Home Page](#)
NOFA Section Email: cdbgnofa@hcd.ca.gov

November 2018

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- APPENDIX O:** State Objectives

I. OVERVIEW

A. NOTICE OF FUNDING AVAILABILITY (NOFA)

The California Department of Housing and Community Development (HCD) is pleased to announce the availability of **\$29.6 million** in federal Community Development Block Grant (CDBG) funding allocated for funding year 2018 to the state from the U.S. Department of Housing and Urban Development (HUD), pursuant to the Housing and Community Development Act of 1974, as amended.

This NOFA only applies to CDBG non-entitlement cities and counties applying for funding under the Community Development (CD) Allocation and Special Allocations for Economic Development (ED), Colonia, and Native American communities that are non-federally recognized tribes. Funding under each of the following activities and special allocations will primarily benefit low- and moderate-income persons/households in California:

Community Development

1. Housing Assistance
2. Public Facilities
3. Infrastructure and Infrastructure in Support of Housing
4. Public Services
5. Planning and Technical Assistance

Special Allocations

1. Economic Development (Business Assistance and Microenterprise Assistance)
2. Native American Communities
3. Colonias

Upon receipt of funding availability, HCD will apply the statutory percentage requirements for each funding type, followed by the percentage formula, using the aggregate request of all applications for each activity and the actual amount of available funds. The amount of funds available for Planning and Technical Assistance (PTA), as announced in this NOFA, shall be statutorily allocated between CD and ED applications.

1. Economic Development (ED)

California Health and Safety Code 50827 and state CDBG Regulations, [25 CCR 7062.1](#), requires HCD to set-aside 30 percent of the net annual federal CDBG award for ED activities. CDBG federal Regulations (24 CFR 570.494(b)(1)) require that CDBG funds are obligated within 15 months of the state signing its HUD grant agreement. All unused ED funds must roll to the CD activity type for award prior to the 15-month federal deadline. The 30 percent set-aside for ED funding in this NOFA is approximately **\$9.2 million**. HCD must set aside approximately **\$600,000** for ED PTA activities (see subsection 5 below), and the remainder will fund Enterprise Fund (Business Assistance and Microenterprise activities) and Over-the-Counter (OTC) activities. For more information, see 2018 CDBG NOFA Updates.

2. Community Development (CD)

The CD activity amount is estimated to be approximately **\$18.5 million**. This amount is the balance of funds remaining after subtracting from the annual HUD allocation all set-asides (ED, Native American, and Colonia) and the state-allowed administration funding. This amount includes **\$600,000** being set-aside for CD PTA activities (see subsection 5 below).

3. Colonias

Section 916 of the National Affordable Housing Act of 1990, as amended, establishes an annual set-aside for activities benefiting the residents of Colonias. In accordance with direction from HUD, the state will set aside 5 percent of the net annual federal allocation in this NOFA, estimated to be approximately **\$1.5 million** for eligible Colonia activities. Unused Colonias funding will roll to the CD activity type for funding under this NOFA.

4. Native American

Pursuant to Health & Safety Code Section 50831 and state CDBG regulations, 25 CCR 7062, the state annually sets aside 1.25 percent of its net annual federal CDBG award for grants for non-federally recognized tribes within non-entitlement areas of the state. The Native American set-aside amount for this NOFA is expected to be approximately **\$382,600**. Any unused NA funding will roll to the CD activity type for funding under this NOFA.

5. Planning and Technical Assistance

Approximately **\$1.2 million** is available for PTA activities under this NOFA. HCD anticipates this amount will be available for CD and ED PTA grants.

PTAs must meet a national objective of Low/Mod Area benefit (LMA) and be tied to an activity that has “proposed beneficiaries” if implemented. In limited ED cases, the national objective Slum and Blight may be used; however, applicants are strongly encouraged to contact HCD through the cdbgnofa@hcd.ca.gov inbox, requesting a review of their situation for any PTA applications that are not LMA.

Note:

- HCD reserves the right, at its sole discretion, to rescind, suspend or amend this NOFA and any or all of its provisions. If such an action occurs, HCD will notify interested parties via its listserv email tool and website.
- Applicants and awardees acknowledge that the funding opportunities referenced in this NOFA, and all obligations of HCD herein, are expressly subject to and conditioned upon the ongoing availability of funds as well as the continued authority of HCD to operate the CDBG program. In the event that funds are not available to fund any, or all, activities offered herein, or if HCD’s authority to operate the CDBG program or act under this NOFA is eliminated, or in any way restricted, HCD shall have the option, at its sole

discretion, to amend, rescind, suspend, or terminate this NOFA and any associated funding pursuant to the provision set forth immediately above.

- It is the applicant's responsibility to ensure that the application submitted is clear, complete, and accurate. After the application submittal deadline, CDBG may request clarifying information, provided that such information does not affect the competitive ranking of the application. No information will be solicited or accepted if such information results in a competitive advantage to an applicant. No applicant may appeal HCD's evaluation of another applicant's application.

B. AUTHORIZING LEGISLATION AND REGULATIONS

The CDBG Program is authorized by the Housing and Community Development Act of 1974 (HCDA) as amended¹, and Subpart 1 of the federal CDBG regulations². The requirements of the state CDBG program are in Health and Safety Code, Sections 50825-50834, and Title 25 of the California Code of Regulations (25 CCR), Sections 7050-7126.

Note: The HCDA was codified as Title 42 of the United States Code, Section 5301, et. seq.; thus, those citations are interchangeable and cite the same statute language. For example, the citation of HCDA 105(a)(22) and 42 USC 5305(a)(22) are references to the same statute language.

¹ Title I of the Housing and Community Development Act of 1974 as amended. 42 U.S.C. 5301 et seq., Federal Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35).

² Title 24 Code of Federal Regulations (CFR), Part 570, Subpart I.

C. APPLICATION TIMELINES

1. Timelines

NOFA release	November 1, 2018
ED Over-the-Counter (OTC) open date	November 1, 2018
Application due to HCD by 5:00 pm	February 5, 2019
Award announcement (non ED OTC)	May 2019
ED Over-the-Counter (OTC) close date	June 30, 2019*

*based on funding availability

2. Application Submittal

A complete original application and one electronic copy on CD or flash drive with all applicable information must be received by HCD no later than **5:00 p.m.** Pacific Standard Time (PST) on **February 5, 2019**. Applications, excluding the ED OTC applications, will only be accepted through a postal carrier service that provides date stamp verification of delivery such as U.S. Postal Service, UPS, FedEx, or other carrier services to the following address:

Department of Housing and Community Development
Division of Financial Assistance
NOFA AWARD SECTION (CDBG PROGRAM)
2020 W. El Camino Avenue, Suite 500
Sacramento, CA 95833

- a) Applications **will not be accepted** after 5:00 p.m. on **February 5, 2019**.
- b) Facsimiles, late, incomplete, revisions to, and electronically transmitted application packages **will not be accepted**.
- c) **Personal deliveries will not be accepted**.
- d) Please contact HCD if delivery is not completed by fault of the private courier/U.S. Postal Service.

ED OTC applications are not subject to the above deadline.

3. Initial Application Review Process

- a) HCD will conduct a preliminary review of each application to determine whether the application meets all applicant threshold eligibility criteria.
- b) If an application does not meet the applicant threshold eligibility criteria, HCD will send written notification.
- c) Once the pool of eligible applications has been determined, the competitive scoring process commences. Pursuant to 25 CCR 7070, where a description or analysis includes quantified information, the source of the information and the method of computation must be described.
- d) Applications that meet all of the threshold criteria will be reviewed for activity eligibility. If an activity is deemed ineligible, that specific activity in the application will not be scored, though other eligible activities in the application will be scored.

- e) Only eligible activities from eligible applicants will be scored and ranked.
- f) Once all scoring and ranking is completed, the award list will be compiled and HCD will call each applicant to inform them of whether or not they were awarded funding.
- g) This year, HCD has implemented an Activity Self-score sheet to enable applicants to score and evaluate their respective activity applications. It is required for each activity, and **must** be submitted as part of the application package.

4. How to Contact the NOFA Unit

If you have any questions regarding the 2018 CDBG NOFA, the application, its process or other issues, please submit all inquiries via email to cdbgnofa@hcd.ca.gov.

II. 2018 CDBG NOFA *WHAT'S NEW*

A. NOFA AND APPLICATION FORMS (REVISED)

The NOFA was revised to eliminate redundancies and develop a streamlined document. The Activity Applications Instructions and Forms were condensed into one document, Activity Application.

These changes are intended to reduce unnecessary and repetitive narrative, without compromising the content of the application requirements and process.

B. APPLICATION AND ACTIVITY GRANT LIMITS (REVISED)

The 2018 NOFA application limit is \$3 million.

CDBG activity funding limits are referenced on page 8, Funding and Activity Limits, Section A and are available at [2018 CDBG Funding Limits Chart](#).

C. CDBG ACTIVITY APPLICATION SELF-SCORE (NEW)

In an effort to assist in the evaluation and scoring of the CDBG applications, HCD developed and implemented a self-score worksheet for each activity and state objective type. This replaces much of the scoring detail found in the NOFA and Appendix L. It condenses the evaluation and scoring information written in each **Activity Application & Instruction** form listed in the **CDBG Activity Applications and Instructions** section of the CDBG home webpage.

NOTE: All applicants must submit a completed self-score worksheet for each activity and state objective criterion applied for in the application.

D. MANDATORY HCD RESOLUTION (NEW)

In an effort to eliminate and cause delays in the application review, award and contracting processes, applicants are required to use HCD's *Sample Resolution of the Governing Body*, in accordance with Health and Safety Statute 40406(c). For reference, please see **Appendix D**.

E. APPEAL PROCESS FOR CDBG ACTIVITIES, THRESHOLD, AND SCORING PHASES (NEW)

The appeals process for threshold and scoring has been added to the 2018 NOFA. CDBG applications are evaluated in two phases, threshold review and activity scoring. If at either of these phases applicants do not meet the criteria, the applicant will be notified in writing. Applicants may appeal HCD's decision. For information on how to appeal, please refer to the Appeals section found on page 40.

F. **HYPERLINK DISCLAIMER (NEW)**

At the time the NOFA was released, all hyperlinks were verified; however, upon release, HCD cannot guarantee the link will continue to be valid due to content update and address changes by the external entity. Therefore, it is the responsibility of the applicant to research applicable content whenever needed.

G. **OMB SUPER CIRCULAR UPDATES (UPDATE)**

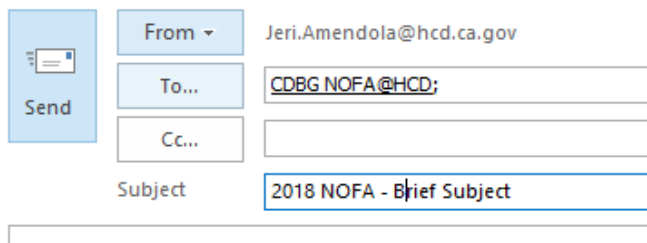
On December 26, 2013, Office of Management and Budget (OMB) created Super Circular regulations, known as [2 CFR Part 200](#). The Super Circulars supersede, consolidate and streamline requirements from several pre-existing OMB Circulars, including Procurement and Cost Principles, Audits of States, Local Government and other items.

HCD has updated this NOFA in sections that address audit requirements and procurement practices to include information about relevant OMB Super Circulars. All applicants must be compliant with [2 CFR Part 200](#).

H. **NOFA APPLICATION INQUIRIES (NEW)**

For consistency and transparency, HCD requires 2018 NOFA and application form inquiries to be submitted by email only to: cdbgnofa@hcd.ca.gov.

To send an email inquiry, please follow this format:



The screenshot shows an email composition interface. On the left is a blue 'Send' button with an envelope icon. To its right are four input fields: 'From' (containing 'Jeri.Amendola@hcd.ca.gov'), 'To...' (containing 'CDBG NOFA@HCD;'), 'Cc...' (empty), and 'Subject' (containing '2018 NOFA - Brief Subject').

Note: January 7, 2019 is the last day to submit inquiries. Responses will post no later than January 11, 2019.

III. FUNDING PARAMETERS

A. FUNDING AND ACTIVITY LIMITS

Activity limits

1. Jurisdictions may submit only one application to include up to one Planning Activity (PTA), two non-PTA activities, and one Supplemental Activity. This includes any combination of two activities from the following list: Housing, Public Improvements (i.e., Infrastructure), Public Facilities, Public Services, and Enterprise Fund.

Note: ED OTC activities, Colonia, and Native American activities are separate and not counted in the two non-PTA activity maximum or the maximum funding cap of \$3 million.

2. A “Combo Program” of Housing Rehabilitation and Homeownership Assistance counts as one activity.
3. A Multi-Family Residential Rehabilitation (five or more units) activity allows for only one project.
4. An Enterprise Fund “Combo Program” of Business Assistance (BA) and Microenterprise (ME) counts as one activity.
5. In addition to the application maximum of two activities, the applicant can only apply for one PTA activity, either an ED or CD study.

PTA requests included in an application with other activities will be eligible for funding if a jurisdiction scores high enough to be funded for one or more of the competitively scored activities. If a jurisdiction is not funded for any of the scored activities, it will not be funded for the PTA activity.

6. A Public Service activity application may be comprised of no more than two eligible Public Service Programs and counts as one activity.

Maximum Award Limits for Each Allocation and Activity

Maximum total grant award limit is \$3 million, including all activities except ED OTC, Colonia, and Native American. ED OTC is a stand-alone application subject to the ED OTC limits noted below and in the Appendix E - ED OTC Application Process.

1. Enterprise Fund (EF) Activity

BA and ME: This NOFA allows a single activity to be funded for up to \$500,000. It also allows a combination of BA and ME activities to be funded for up to \$500,000, in any combination of funding under the EF set-aside.

2. Economic Development Over-the-Counter (ED OTC) Funding

Per 25 CCR 7062.1(c)(2), awards from the ED OTC component to a single city or county in a single program year shall not exceed \$3 million regardless of the number of applications. The state statute (Health and Safety Code §50832) provides flexibility on the amount of ED OTC funding which can be awarded to a jurisdiction by allowing multi-year funding and allowing the ED OTC award limit to be waived based upon available economic development funds after September 1 of each year, referenced in 25 CCR Section 7062.1 (a) (6). The minimum funding request for ED OTC is \$300,000.

3. Housing Activity

A maximum of \$1,000,000 encompassing the two housing program categories listed in subsection a) below, or up to \$3 million for one multifamily housing project (with or without acquisition) under either subsection b) or c) below:

- a) Housing Rehabilitation Program– (1-4 Units) (HR) or Homeownership Assistance Program (HA), or Housing Combo - HA and HR, up to \$1 million.
- b) Housing Project - Multifamily Rental (5 or more Units) Rehabilitation with or without Acquisition, up to \$ \$3 million.
- c)
- d) Housing Project - Acquisition of Real Property - for multifamily housing projects, up to \$3 million.

4. Public Improvements or Public Improvements In-Support-Of Housing New Construction (PIHNC) Activity

A maximum of \$3 million is allowed and only one project per application.

5. Public Facility Activity

A maximum of \$3 million is allowed and only one project per application.

6. Public Service Activity

A maximum of \$500,000 may be requested for up to two separate Public Service Programs, which includes code enforcement Programs. An application containing up to two Public Service Programs counts as one activity in the application.

7. Planning and Technical Assistance (PTA) Activity

Up to \$100,000 in funding is available for a PTA activity. Only one planning activity per application is allowed for this NOFA. The dropdown menu in the Application Summary for PTAs makes it clear that the PTA being applied for must be either a CD-PTA (20A-CD) or an ED-PTA (20A-ED).

PTAs must meet a national objective of Low/Mod Area (LMA) benefit and be tied to an activity that has “proposed beneficiaries” if implemented. In limited ED circumstances, Slums and Blight may be used; however, applicants should forward inquiries to the CDBG NOFA email, cdbgnofa@hcd.ca.gov.

8. Colonias and Native American Communities Allocations

Applications have the same maximums as noted in all activities above and are in **addition** to any CD or ED activity applications. They are not subject to the \$3 million award limit. If a jurisdiction is funded for ED and/or CD activities, plus a Native American or Colonia award, the funding may be in excess of \$3 million.

The total number of activities awarded may be more than two; however, all awarded activities will be contained in one contract. Activities funded must be expended within 36 months of the award letter date. In addition, the 50 Percent Rule applies to all activities under the contract. The **Request for Waiver of the 50 Percent Rule** will be considered for these awardees; however, programs are not eligible for waivers. See **Appendix N**.

9. Use of Program Income (PI) for Activities in an Application

Due to HUD’s PI rules, all PI must be expended prior to drawing grant treasury funds. PI may **not** be “set aside” to fund a particular activity awarded in the contract. To use PI on a grant-funded activity, HCD will compare the amount of local PI available, as reported on the Semi-Annual PI Report and Funds Request, and require PI be expended first. When all PI is expended, grant funds may be drawn.

If a jurisdiction has an approved Revolving Loan Fund(s) (RLFs) and has applied for the same activity(ies) in the respective RLFs; then, the applicant must expend available RLF funds prior to requesting grant funds for the RLF activity.

Note: In order for PI to be expended on Supplemental Activities, the Supplemental Activities must be requested and submitted at the time of application. If not, Supplemental Activities **will not** be added to the Standard Agreement, and the applicant will be required to expend available PI funds on awarded activities prior to requesting and expending grant funds.

It is important that jurisdictions review and thoroughly understand Program Income Management Memo 14-05, [PI Management Memo 14-05](#). PI expenditures (current balance and future revenue) must be planned for and scheduled as part of implementing activities under a grant activity. If there are outstanding questions or you require further clarification, please forward your inquiry to cdbgnofa@hcd.ca.gov, **no later than January 7, 2019**.

Limited Number of Awards

When more funds are requested than are available, each activity, **except** for those contained in ED OTC applications, will be competitively rated and ranked. Funding will be awarded to applicants that score the highest in each specific activity until the funding available for that activity is exhausted.

B. PROGRAM ADMINISTRATIVE AND ACTIVITY DELIVERY COSTS

General Administrative Expenses

General Administrative (GA) costs include staff and overhead costs required for overall contract and program management. All awarded activities (other than ED OTC) allow up to 7.5 percent of the total funds awarded for reasonable GA expenses related to the administration of the CDBG program. This is the same as the previous years' calculation method and, although there is a detailed discussion of the calculations below, the Summary Application Form is in an Excel format and will calculate these amounts automatically.

Option: As part of the application, the applicant has the option to request that the GA amount be less than the allowable maximum and apply the difference towards an activity.

Example

$\$3,000,000 / 1.075 = \$2,790,698$ available for activity (including AD)
 $\$3,000,000 - \$2,790,698 = \$209,302$ GA allowed

For instance, if the applicant chooses to use \$100,000 of the GA allowance, the remaining \$109,302 may be expended on the awarded activity. Please note that the amount will be rounded in the Summary Application Form.

Calculation of General Administration (GA)

Below is the formula to calculate 7.5 percent GA based on the amount of activity funding being requested, including AD. GA is calculated on the amount of dollars being requested for each activity. Examples of the calculation are below:

Formula: Activity Total divided by 1.075 = Activity \$ Amount (including AD) Activity Total – Activity \$ Amount = GA
Total Application Example: Application amount of \$3,000,000 $\$3,000,000 / 1.075 = \$2,790,698$ available for <u>all</u> Activities (including AD) $\$3,000,000 - \$2,790,698 = \$209,302$ GA Verification: $\$209,302 / \$2,790,698 = 7.5\%$ Also: $\$2,790,698 + \$209,302 = \$3,000,000$
Single Activity Example: Application for a \$1,000,000 Housing Rehab Program Activity: $\$1,000,000 / 1.075 = \$930,233$ available for Activity (including AD) $\$1,000,000 - \$930,233 = \$69,767$ GA Verification: $\$69,767 / \$930,233 = 7.5\%$ Also: $\$930,233 + \$69,767 = \$1,000,000$

Note: In the application review process, the GA amount will be calculated for each activity. However, in the Standard Agreement, GA will appear as one amount based on the total of the award. During the scoring process, it will not be known what the GA award will be since an applicant may not be awarded for all requested activities. Therefore, HCD will calculate GA for each activity, adding each activity's GA together, which will result in the final GA amount awarded to the grantee.

ED OTC General Administration Expenses

GA is calculated at 7.5 percent of requested activity funds (see formula above), **not to exceed \$100,000**, unless there is a written request submitted for an exception to this maximum including supporting documentation and approved in writing by HCD.

Activity Delivery (AD) Expenses

A portion of the grant award may be used to pay for the actual costs associated with the delivery of the proposed activity. AD includes costs associated with staff and overhead directly involved with carrying out the activity.

AD percentage allowances vary depending on the activity type. The allowable percentage for each activity type is converted to a numerical “factor” by which the activity funding amount is divided.

- | | |
|---|---------------------------------|
| • Housing Rehabilitation Program (1-4 Units) | up to 19 percent (1.19%) |
| • Multifamily Housing Rehab Project (5 or more units) | up to 15 percent (max \$50,000) |
| • Homeownership Assistance | up to 8 percent (1.08%) |
| • Multifamily Housing (Acquisition only) | up to 8 percent (1.08%) |
| • Enterprise Fund: Micro Loan/Grant Program | up to 15 percent (1.15%) |
| • Enterprise Fund: Business Assistance Program | up to 15 percent (1.15%) |
| • Public Facilities or Public Improvement Projects | up to 12 percent (1.12%) |

The following activities include AD costs into the activity budget:

- | | |
|--|---------------------------|
| • Enterprise Fund: Micro TA or Support Program | Included in Program costs |
| • ED Over-the-Counter Project | Included in Project costs |
| • Public Service Program | Included in Program costs |
| • PTA | Included in GA costs |

ED OTC Calculation:

Activity Award – GA = Activity Funds

Activity Funds / Factor = Remaining Activity Amount

Activity Funds – Remaining Activity Amount = Allowable AD Amount

Single Activity Example:

For a \$1,000,000 Homeownership Assistance Program with AD costs of 8%, AD will be calculated in the Summary Application using the formula above, as follows:

\$ 1,000,000 – \$ 69,767 (7.5% GA using 1.075 Factor) = \$ 930,233; activity funds including AD.

\$ 930,233 / 1.08 (AD Factor for HA Activity) = \$ 861,326; available solely for the HA activity.

\$ 930,233 - \$ 861,326 = \$ 68,907; allowable AD Amount

Verification: \$ 68,906 / \$ 861,326 = 8%

Also: \$ 861,326 + 68,907 = \$ 930,233 Activity Amount; and
\$ 930,233 + \$69,767 GA = \$ 1,000,000

- As noted above, the final GA amount will be based on activities awarded and will be shown in the Standard Agreement as a total amount for GA rather than an amount tied to any specific activity.
- In the event AD costs are drawn down during implementation of an activity, and the activity does not proceed to its completion and a National Objective is not achieved by the Standard Agreement expenditure date, all expended Activity Funds and AD Funds must be returned to HCD.

Activity Delivery (AD) Costs for Housing Combination Program

The AD costs for the Housing Combination Program will be calculated based on the activity amounts being applied for under each Program (HA and HR) using the maximums noted above. If the applicant is awarded funding for a Combo Program, and decides during the term of the grant to transfer funds between the two activities, then the AD allocations will be re-calculated based on activity funds at the time of transfer approval. If AD remains because the AD percentage is less, the remaining AD funds may be added to the activity amount or be disencumbered.

C. NOFA APPLICATION WORKSHOPS

HCD will present NOFA workshops in various locations in the state. For a list of workshop dates, times, locations and registration information go to HCD's CDBG webpage, [CDBG Home Page](#) separately from this NOFA.

The workshops are designed to review and discuss the NOFA and its components, to assist eligible applicants on important program topics, and discuss how best to assemble and submit a complete application.

Eligible applicants are strongly encouraged to review the NOFA and Application Forms prior to attending a workshop. It is highly recommended that applicants arrive at the workshops with a complete set of NOFA documents and the appropriate Application Forms. HCD will not provide electronic or hard copies of these documents.

D. ELIGIBLE APPLICANTS, AREAS AND THRESHOLD

Eligible Applicants

1. CDBG - Non-Entitlement Cities and Counties

In general, incorporated cities with populations of less than 50,000 and counties with an unincorporated area population of less than 200,000 persons are eligible to participate in the state CDBG program. A listing of the eligible non-entitlement cities and counties for the CDBG program is located in **Appendix A**. The following exceptions apply:

- If a city with a population of less than 50,000 has entered into a three-year Urban County Cooperation Agreement, that city cannot participate in the state CDBG program until the expiration of the Agreement.
- If a city with a population of less than 50,000 has been declared to be the central city of a Standard Metropolitan Statistical Area (SMSA), it cannot participate in the state CDBG program because it is entitled to receive CDBG funds directly from HUD.
- If a jurisdiction is presently debarred, proposed for debarment, suspended, or declared ineligible pursuant to Title 24 CFR, Part 24 and 48 CFR Part 9, Subpart 9.4, the jurisdiction cannot participate in the CDBG program.

Appendix A also provides the poverty index and the percentage of low- and moderate-income persons for each eligible jurisdiction.

2. **Federal Debarment Status**

Jurisdictional debarment status is required as part of the application and may be obtained by conducting a search of the Excluded Parties List System (EPLS), which is now part of the System of Award Management ([SAM](#)). Applicants must include a copy of the search in the application.

HCD will not award CDBG funds to applicants that are debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation from federally assisted programs.

3. **Application Eligibility - 50 Percent Expenditure Rule**

Pursuant to state CDBG Regulation 7060(a)(3), an applicant with one or more open CDBG contracts, for which the expenditure deadline established in such contract(s) has not yet passed, shall be ineligible to apply for additional CDBG funds unless the applicant has expended at least 50 percent of all CDBG funds awarded.

The 50 Percent Expenditure Rule is known as “The 50 Percent Rule.” **The requirements of this regulation do not apply to ED OTC contracts.**

Simply put, if a jurisdiction has not yet expended 50 percent of **all** funds awarded in **all** open CDBG contracts, except for ED OTC, the jurisdiction is ineligible to apply for additional CDBG funds. The 50 Percent Rule does not apply to grant contracts that are past their 36-month expenditure milestone since they can no longer draw any grant funds. Jurisdictions with grant contracts that are past their expenditure deadline date are encouraged to submit grant contract closeout documents prior to application submittal.

Note: If a contract passes the 36-month expenditure deadline and receives an extension, then The 50 Percent Rule is applicable.

“Expended” definition: For purposes of The 50 Percent Rule, the term expended means that by the NOFA application due date, the work is complete, the invoice has been paid by the applicant, and a Funds Request for reimbursement has been received by HCD. HCD may request evidence of the above to ensure compliance with The 50 Percent Rule.

Examples of expended:

- a) Escrow has closed on a homebuyer assistance loan **and the applicant has the final HUD-1 Settlement Statement; or**
- b) The work on a single-family rehabilitation project was completed, inspected, and approved by the applicant and the homeowner. The invoice was paid, and a funds request for reimbursement was received by HCD.

4. Applying The 50 Percent Expenditure Rule

The 50 Percent Rule applies to contracts awarded under the 2012 – 2017 CDBG NOFAs, with the exception of ED OTC.

Example: if a grantee was awarded \$50,000 for PTAs, \$1,500,000 for an infrastructure project, with a total contract amount of \$1,550,000, the grantee must have expended a minimum of \$775,000 (50 percent of the total \$1,550,000) by the 2018 NOFA application due date, January 30, 2019.

- Because certain jurisdictions are eligible to receive funds greater than the maximum grant award, it is important to note that if a grantee receives Community Development, Economic Development, Native American, and Colonia funds, they will be all-inclusive in one contract. The jurisdiction is still required to expend 50 percent of its contract award before being eligible to apply again.

Example: if a jurisdiction receives an award for \$1,500,000 for a Public Improvement Project, \$500,000 for a Business Assistance Program, and \$600,000 under the Native American Allocation, the jurisdiction is in contract for \$2,600,000; therefore, the jurisdiction must have expended \$1,300,000 (50 percent) to be eligible to apply for any additional CDBG funding, with the exception of ED OTC.

- The 50 Percent Rule applies to all CDBG contracts, excluding ED OTC contracts, that have not passed their expenditure deadline at the time of the NOFA application due date. If there are two “active” contracts, the jurisdiction would need to add both contracts together and divide by two to get to the amount to be expended prior to the application due date.

5. Request for Waiver of the 50 Percent Expenditure Rule

Chapter 552, Statutes of 2016 (AB 723) allows the Director to waive the 50 Percent Rule under given circumstances. For waiver requirements and instructions, **see Appendix N**. Waivers are granted only to those applicants that submit a Request for Waiver Form with the application **and** either:

- a) Received a 2017 CDBG Award; **or**
- b) Received a 2016 Special Drought and/or Disaster NOFA award; **or**
- c) Submit an application to fund a “**shovel ready**” project, as defined in Appendix N.

The Request for Waiver Form is located in the CDBG Application, Subsection H, Tab 12 (Request for Waiver to the 50 Percent Expenditure Rule).

Under no circumstances shall a waiver be granted without the Request for Waiver being included with the 2018 CDBG application, made part of the public hearing notice, *and*, be stated in the Resolution adopted by the local governing body to submit the CDBG application.

Eligible Areas

1. Eligibility Issues Related to Serving Areas Outside a Jurisdiction's Boundaries

Effective May 23, 2012, HUD issued the [CDBG Final Rule](#) at 24 CFR 570.486 (b) and (c) that details the federal language to ensure eligibility of a proposed activity that will serve areas outside a jurisdiction's boundaries.

Final Rule at 24 CFR 570.486(b) and (c):

“(b) Activities serving beneficiaries outside the jurisdiction of the unit of general local government - Any activity carried out by a recipient of state CDBG Program funds must significantly benefit residents of the jurisdiction of the grant recipient, and the unit of general local government must determine that the activity is meeting its needs in accordance with section 106(d)(2)(D) of the Act. For an activity to significantly benefit residents of the recipient jurisdiction, the CDBG funds expended by the unit of general local government must not be unreasonably disproportionate to the benefits to its residents.”

“(c) Activities Located in Entitlement Jurisdictions - Any activity carried out by a recipient of state CDBG Program funds in entitlement jurisdictions must significantly benefit residents of the jurisdiction of the grant recipient, and the state CDBG recipient must determine that the activity is meeting its needs in accordance with Section 106(d)(2)(D) of the Act. For an activity to significantly benefit residents of the recipient jurisdiction, the CDBG funds expended by the unit of general local government must not be unreasonably disproportionate to the benefits to its residents. In addition, the grant cannot be used to provide a significant benefit to the entitlement jurisdiction, unless the entitlement grantee provides a meaningful contribution to the project.”

Housing and Community Development Act, 106(d)(2)(D) states:

“To receive and distribute amounts allocated under paragraph (1), the state shall certify that each unit of general local government to be distributing funds will be required to identify its community development and housing needs, including the needs of low and moderate income persons, and the activities to be undertaken to meet such needs.”

It is incumbent upon each applicant to provide proposed beneficiary documentation demonstrating that their citizens will significantly benefit from the activity being applied for. As part of the eligible activities review process, HCD will review the documentation to ensure all activities meet the above requirements.

2. Native American Set-Aside - Eligible Areas and Activities

Eligible jurisdictions may apply for Native American Set-Aside funds in addition to any other CDBG activity funding in this NOFA without invoking the program funding caps. Jurisdictions are encouraged to include activities benefiting eligible Native American communities in their application for CDBG funds. These communities must be properly identified to be eligible. Requests for funding under the Native American Set-Aside must be included in the jurisdiction's application and, if awarded, will be included in the same grant contract as all other activities/funding awarded.

- a) Pursuant to [25 CCR 7062](#), grant funds may be awarded to "eligible applicants for identifiable geographic areas within eligible cities and counties comprised of high concentrations of Native Americans not recognized as Indian Tribes, as defined in Section 102(a)(17) of the Act."
- b) Eligible cities/counties may apply for Native American Set-Aside funds on behalf of **non-federally recognized** Native American communities up to the maximum activity amount available, as defined in this NOFA, for Housing Activities or Public Infrastructure in support of new or existing housing.
- c) Further, pursuant to 25 CCR 7062, "identifiable geographic areas comprised of high concentrations of Native Americans" means "identifiable geographic areas comprised of no less than 51 percent Native Americans not recognized as an Indian Tribe by the Act. An identifiable geographic area may be defined by locally accepted social, historical, physical, political, or past Programmatic boundaries." Additionally, the identifiable geographic area cannot be located on a Rancheria of a federally recognized tribe.
- d) Eligible activities are limited to housing and infrastructure that supports housing. Pursuant to California Health and Safety Code 50831, HCD shall utilize these funds for the same purposes as those specified in Section 50828. Section 50828 states that not less than 51 percent of the funds be used for the purpose of providing or improving housing opportunities for persons and families of low or moderate-income, or for purposes directly related to the provision or improvement of housing opportunities for persons and families of low or moderate-income, including, but not limited to, the construction of infrastructure.
- e) Applicants applying for Special Allocation of Native American Set Aside funds are encouraged to submit an inquiry, **on or before December 7, 2018**, to cdbgnofa@hcd.ca.gov to confirm the targeted community and proposed activity are eligible.

Note: If funding for this Set-Aside is not fully awarded, funds will be reallocated to fund additional Community Development activities.

3. Colonias Set-Aside - Eligible Areas and Activities

Eligible jurisdictions that contain Colonia communities, as defined by the National Affordable Housing Act of 1990, may apply for these funds. A “Colonia” is:

- a) Any identifiable community that is located within 150 miles of the border between the United States and Mexico, **except** within any standard metropolitan statistical area that has a population exceeding 1 million; **and**
- b) Any identifiable community that is designated by the state in which it is located as Colonias.
- c) Any identifiable community that is determined to be a Colonia on the basis of objective criteria, including the lack of potable water supply, lack of adequate sewage systems, and lack of decent, safe, and sanitary housing; **and**
- d) Any identifiable community that was in existence and generally recognized as a Colonia before the enactment of the National Affordable Housing Act of 1990.

In compliance with [HUD CPD Notice 12-008](#), the availability of Colonia Set-Aside funds pursuant to this NOFA is limited to eligible jurisdictions that propose eligible Colonia-specific activities within designated Colonias that directly improve residential concerns associated with: (1) a lack of potable water; (2) lack of adequate sewage systems; and (3) lack of decent, safe and sanitary housing.

All other eligible activities may be applied for from the CD allocation and may be carried out within Colonia boundaries, provided the Colonia area is also an eligible non-entitlement area and the activities meet the National Objectives of Low/Mod or Low/Mod Area benefit.

Threshold Requirements

Pursuant to [CCR 25 7060](#), in order to be eligible to submit a funding application, an applicant shall have met the following requirements at the time of application submittal:

1. City or county must be a Non-Entitlement Jurisdiction (see **Appendix A** for list of Non-Entitlement jurisdictions), or must not currently be party to an Urban County Agreement or participate in or be eligible to participate in the HUD administered CDBG Entitlement Program.
2. The applicant shall submit all the application information required in [25 CCR 7062.1, 7070, 7072, and 7078](#), as applicable, for the activities and funding allocations being requested.
3. By the NOFA application due date, the applicant must demonstrate, to the satisfaction of HCD, that it is in compliance with the state and federal submission requirements of [2 CFR 200.512](#).

The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for federal Awards (Uniform Guidance) [2 CFR 200.512](#) requires non-federal entities that expend \$750,000 or more in federal awards in a fiscal year to have a single or program-specific audit conducted for that fiscal year.

Local governments that expend \$750,000 or more in federal funds during the fiscal year are required to submit a Single Audit in compliance with [2 CFR 200.512](#) to the [California State Controller's Office \(SCO\)](#). Guidance on determining federal awards expended is provided in [2 CFR 200.512](#).

Jurisdictions that are exempt from filing Single Audit because the level of federal funds expended is below the threshold must submit in their CDBG application a copy of the letter submitted to the SCO notifying of their exempt status. More information on the content of the letter is available at [SCO - Exempt Entities](#).

It is strongly recommended that each applicant confirm their submission is properly reflected on SCO's status list and SCO is in receipt of the Single Audit Report Package by the NOFA application due date.

Per the State Administrative Manual [Section 20070](#), the State Controller's Office (SCO) is the pass-through Entity for California and is responsible for coordinating Single Audit compliance with local governments for all pass-through federal funding (state CDBG program funding is pass-through funding). SCO determines if the submitted Single Audit Report Package is complete.

For purposes of eligibility under this NOFA, HCD requires that a complete Single Audit Reporting Package is submitted to the SCO for the most recent ending fiscal year.

The OMB Super Circulars 2 CFR Part 200 consolidates OMB Circular A-133 requirements in 200.331. This section addresses pass-through funds requirements, and most requirements are the same.

For more information or to review the reporting requirements, visit the **SCO at https://www.sco.ca.gov/aud_single_audits.html**. **If, by the 2018 NOFA application due date, the SCO deems an applicant non-compliant with the Single Audit requirement, the applicant will be deemed ineligible for 2018 CDBG NOFA funding.**

4. Pursuant to [25 CCR 7080](#), applications must be in compliance with federal CDBG Public Participation regulations to be eligible for funding. Refer to **Appendix C and D** for requirements and sample governing body resolutions.
5. The applicant must have complied with all the requirements listed in Health and Safety Code Sections 50829 and 50830 regarding housing element law. State CDBG Regulations [25 CCR 7060](#) allow jurisdictions to be eligible applicants when they have (1) submitted their draft housing element to HCD for comment, (2) received and considered findings, and (3) adopted the housing element by the application due date. Pursuant to the law, CDBG will not reject an application based on either the content of the housing element or HCD's findings on the element, except as may otherwise be provided in Section 50830 of the Health and Safety Code. The determination of housing element compliance will be made by HCD's Division of Housing Policy Development (HPD).

HCD strongly recommends contacting Paul McDougall, Section Chief, HPD, at Paul.McDougall@hcd.ca.gov to verify housing element compliance with CDBG requirements. For housing element and growth control requirements, refer to **Appendix B**.

E. ELIGIBLE ACTIVITIES

OVERVIEW

- Pursuant to the Housing and Community Development Act of 1974 [HCDA Section 105(a)], CDBG funds may be used for activities as discussed below.
- For an activity to be eligible, it must be a HUD eligible activity as outlined and defined in the subsections below, and must also meet a National Objective, pursuant to 24 CFR 570.483.
- PTA is an eligible activity and may be applied for and funded for either ED or CD purposes. Details on planning activity eligibility are discussed in the Funding Parameters Section, Item E (13).

1. Ineligible Activities

The general rule is that any activity that is not authorized under the provisions of 42 USC 5305 is ineligible to be assisted with CDBG funds.

This section identifies specific activities that are ineligible and provides guidance in determining the eligibility of other activities frequently associated with housing and community development.

a) The following activities may not be assisted with CDBG funds:

- 1) **Buildings or portions thereof used for the general conduct of government** cannot be assisted with CDBG funds. This does not include, however, the removal of architectural barriers involving any such building. Also, where acquisition of real property includes an existing improvement, which is to be used in the provision of a building for the general conduct of government, the portion of the acquisition cost attributable to the land is eligible, provided such acquisition meets a National Objective.
- 2) **General government expenses:** Except as otherwise specifically authorized in this subpart or under, OMB Super Circular, [2 CFR - Part 200](#), expenses required to carry out the regular responsibilities of the unit of general local government are not eligible for assistance under this part.
- 3) **Political activities:** CDBG funds shall not be used to finance the use of facilities or equipment for political purposes or to engage in other partisan political activities, such as candidate forums, voter transportation, or voter registration.
However, a facility originally assisted with CDBG funds may be used on an incidental basis to hold political meetings, candidate forums, or voter

registration campaigns, provided all parties and organizations have access to the facility on an equal basis, and are assessed equal rent or use charges, if any.

- b) CDBG may not fund the following activities unless authorized under provisions in Special Economic Development (and in some cases Public Services) as otherwise specifically noted herein.
- 1) **Purchase of equipment:** The purchase of equipment with CDBG funds is generally ineligible.
 - (i) **Construction equipment:** The purchase of construction equipment is ineligible, but compensation for the use of such equipment through leasing, depreciation, or use allowances pursuant to OMB Super Circular [2 CFR - Part 200](#), as applicable for an otherwise eligible activity, is an eligible use of CDBG funds. However, the purchase of construction equipment for use as part of a solid waste disposal facility is eligible since it is an integral part of a public facility.
 - (ii) **Fire protection equipment:** Fire protection equipment is considered for this purpose to be an integral part of a public facility and thus, purchase of such equipment would be eligible.
 - (iii) **Furnishings and personal property:** The purchase of equipment, fixtures, motor vehicles, furnishings, or other personal property that is not an integral structural fixture is generally ineligible. CDBG funds may be used, however, to purchase or to pay depreciation or use allowances (in accordance with [2 CFR - Part 200](#)), as applicable for such items when necessary for use by a recipient or its sub-recipients in the administration of activities assisted with CDBG funds, or when eligible as firefighting equipment, or when such items constitute all or part of a public service.
 - 2) **Operating and maintenance expenses:** The general rule is that any expense associated with repairing, operating or maintaining public facilities, improvements and services is ineligible. Specific exceptions to this general rule are operating and maintenance expenses associated with public service activities, interim assistance, and office space for program staff employed in carrying out the CDBG program. For example, the use of CDBG funds to pay the allocable costs of operating and maintaining a facility used in providing a public service would be eligible, even if no other costs of providing such a service is assisted with such funds. Examples of ineligible operating and maintenance expenses are:
 - (i) Maintenance and repair of publicly owned streets, parks, playgrounds, water and sewer facilities, neighborhood facilities, senior centers, centers for persons with disabilities, parking, and other public facilities and improvements.

Examples of maintenance and repair activities for which CDBG funds may not be used include the filling of potholes in streets, repairing of cracks in sidewalks, the mowing of recreational areas, and the replacement of expended street light bulbs; and

- (ii) Payment of salaries for staff, utility costs and similar expenses necessary for the operation of public works and facilities.
- 3) **New housing construction:** For the purpose of this paragraph, certain provisions of site improvements, public improvements and housing pre-construction costs are not considered as activities to subsidize or assist new residential construction and therefore are eligible. These include activities in support of the development of Low/Mod Housing (**LMH**) including clearance and site assemblage. CDBG funds **may not** be used for the construction of new permanent residential structures or for any program to subsidize or assist such new construction, except:
 - (i) As provided under the last resort housing provisions set forth in 24 CFR Part 42
 - (ii) As authorized under 42 USC 5305(2) that will meet the National Objectives of LMH or Limited Clientele (LMC)
- 4) **Income payments:** The general rule is that CDBG funds may not be used for income payments. For purposes of the CDBG program, "income payments" means a series of subsistence-type grant payments made to an individual or family for items such as food, clothing, housing (rent or mortgage), or utilities, but excludes emergency grant payments made over a period of up to three consecutive months to the provider of such items or services on behalf of an individual or family.

Economic Development

1. Enterprise Fund

a. Business Financial Assistance Program

Funds under this activity are provided to eligible for-profit businesses as loans. Projects funded under this program fall under HUD's Special Economic Development Activities as per HCDA 105(a)(17). Eligible loans are underwritten with standards and documentation similar to those used by private commercial lenders including credit scores, equity contributions, historic income, projected income, collateral, and debt coverage. In addition, loans must be underwritten using HUD underwriting standards per 24 CFR 570.482(e). Businesses funded can be existing or startup companies. Loan funds are restricted to certain eligible activity costs as listed below.

1) Eligible Uses of Funds

- Paying for program marketing, loan threshold review, federal overlay compliance, business underwriting and loan approval (referred to as activity delivery and subject to public benefit standard).
- Financing of working capital to pay for marketing costs, operating expenses, and inventory.
- Financing of furniture, fixtures, and equipment (FF&E). Also, purchase and installation of manufacturing equipment.

- Financing of interior and exterior repairs and property improvements to owner and renter occupied commercial properties (including permits, engineering, and architectural costs). These improvements may include American with Disabilities Act (ADA) accessibility improvements.
- Financing real property acquisition costs.
- Financing of demolition and reconstruction or repair of blighted buildings where the business will operate.
- Financing may be used for refinancing existing business indebtedness.
- Financing of relocation costs of any displaced persons due to project development are also eligible under this program.
- Financing of some offsite public improvements.

2) **Ineligible Uses of Funds**

- Projects that do not meet any Public Benefit or National Objective standard.
- Projects that assist housing development.
- Projects which are “speculative in nature”, high risk, with no firm basis for sales projections and loan repayment.
- Payment of project costs incurred prior to loan approval and National Environmental Policy Act (NEPA) review completion.
- Projects which violate HUD job pirating prohibition (using CDBG funds to encourage a business to move from one labor market to another).

Reference: ED Assistance to For-Profit Business: HCDA 105(a)(17)

b. **Microenterprise (ME) Assistance Program**

Funds under this activity may be provided as three different services to eligible ME persons and businesses. ME activities can provide: (1) Technical Assistance services; (2) financial assistance; and (3) support services. Eligible ME businesses and persons, once qualified, are eligible for these three services for up to three years, per 24 CFR 570.483(b)(2)(iv). MEs can be funded as existing or start-up companies. Financial assistance must be provided only after underwriting and confirmation that the ME participant and their business are financially viable. Costs for the three services are restricted to certain eligible activity costs as listed below.

1) **Eligible Use of Funds**

Technical assistance (must be an income-qualified participant using HCD's current [CDBG Self Certification Instructions](#) posted on its website):

- One example: Technical assistance classes, which provide business training and capacity building.
Technical assistance may be provided in the form of one-on-one training to help businesses develop financial management tools and inventory controls for their company or help develop a specific marketing plan.
This does not include one-on-one application preparation for financial assistance noted below.

Financial Assistance (must be an income-qualified participant using the Part 5 method):

- Using grant or loan financing to pay for working capital or to pay for marketing costs, operating expenses, and inventory.
- Financing for furniture, fixtures, and equipment (FF&E). Also, purchase and installation of equipment.
- Financing for payment of interior repairs and property improvements to owner and renter occupied commercial properties (including permits, engineering and architectural costs). These improvements may include ADA accessibility improvements.
- Funds for relocation of any displaced persons due to CDBG project development are also eligible under this program.
- Assistance to non-profit agencies, only for the purpose of real property acquisition and/or construction.

Support Services Assistance (must be an income-qualified participant using HCD's [CDBG Self Certification Instructions](#)):

- Funds for payment of transportation costs to allow ME participants to travel to and from classes and Technical Assistance.
- Funds for payment of child care services to support the ME Program participant in attending Technical Assistance activities.

2) Ineligible Uses of Funds

- Projects that assist development of housing.
- Payment of project costs incurred prior to NEPA review completion.
- Financial assistance to persons/families above 80 percent Adjusted Median Income (AMI) by county, adjusted for household size.
- Assistance to a business with more than five (5) employees including the owners.

Reference: HCDA 105(a)(22)

2. Economic Development Over-the-Counter (OTC)

ED OTC funding is provided to a specific project and, as a CDBG-eligible activity, normally falls under HUD's Special Economic Development Activities.

Reference: HCDA 105(a)(14) and 105(a)(17)

An OTC project can consist of financial assistance to a single business or a large number of assisted businesses served by common infrastructure. The most common form of an OTC project is a single business with a single project where funds are provided as a loan from the jurisdiction/grantee to an eligible borrower.

The more complex OTC project occurs when OTC funds are used to pay for infrastructure improvements in support of a commercial development (shopping center or industrial park) that has multiple businesses. All businesses associated with or served by the infrastructure must be underwritten and qualified as part of the CDBG OTC funding proposal.

a. **Eligible Uses of Funds**

- Financing may be used to cover any offsite public improvements required as part of project development.
- Financing may be used for working capital to pay for marketing costs, operating expenses and inventory.
- Financing may be used for furniture, fixtures and equipment (FF&E). Also, purchase and installation of manufacturing equipment.
- Financing may be used for payment of interior and exterior repairs and property improvements to owner and tenant occupied commercial properties (including permits, engineering and architectural costs). These improvements may include ADA accessibility improvements.
- Financing may be used for payment of demolition and reconstruction or repair of blighted buildings where the business will operate.
- Financing may be used for refinancing existing indebtedness.
- Financing used for relocation of any displaced persons due to CDBG project development funding is also eligible under this program.

b. **Ineligible Uses of Funds**

- Projects that do not meet any Public Benefit or National Objective.
- Projects that assist housing development.
- Projects speculative in nature with no firm basis for sales projections and loan repayment.
- Project costs incurred prior to NEPA review completion.
- Projects that violate HUD job pirating prohibition (using CDBG funds to encourage a business to move from one labor market to another).

Note: Financing to non-profits is limited to payment for acquisition of real property or construction costs.

GA costs for an ED OTC application is capped at 7.5 percent of the requested activity funds, but not to exceed \$100,000, unless there is a written request submitted for an exception to this maximum with supporting documentation and approved in writing by HCD.

Community Development

Housing Definitions for Single-Family Residential and Multi-Family Residential

Single-Family Residential, as applied to eligible **program** activities such as the Housing Rehabilitation or Homeownership Assistance Programs, is defined as one to four residential unit(s) on a single property.

Multifamily Residential applies to the eligible **project** activities of Multifamily Housing (MFH) Rehabilitation and MFH Acquisition/Rehabilitation, and is defined as five or more residential units on a single property or within a single development complex.

While the number of units served is an important aspect of the distinction between Single-Family and MFH activities, the more important distinctions, from an eligibility and compliance standpoint are that:

- Housing Rehabilitation and Homeownership Assistance are programs where, at the time of application, there are no specific addresses assigned to the funding and program guidelines are required.
- Multifamily Housing Acquisition and/or Rehabilitation are project activities where, at the time of application, there is a specific address assigned to the funding, no guidelines are needed and HCD is more involved in oversight of the project (e.g., environmental review, Davis-Bacon, etc.).

These are critical differences when applying for these activities, as the application requirements and scoring criteria are significantly different. Housing Program activities require Program Guidelines be approved by the local governing body and authorized by Resolution, which must be submitted as part of the application. Projects do not require Program Guidelines. Please follow the instructions in the Application for these activities and provide the specific documents and information required.

1. Housing Project - Property Acquisition for Multifamily Housing

a. Eligible Uses of Funds

This activity is intended only for the acquisition of property for the purposes of housing projects. If the applicant is interested in non-housing property acquisition, the applicant should apply under the activity that corresponds to the proposed use of the property (i.e., when proposing to acquire a public facility or the land upon which to build one, the applicant should apply under the public facility activity).

Eligible uses of funds include the following:

- Acquisition of existing rental housing, the majority (51 percent) of units of which are occupied by Low/Mod persons.
- Resident purchase, with or without rehabilitation, of mobile home parks.
- Acquisition of vacant land as part of an affordable housing development project.
- Temporary and permanent relocation costs provided to existing tenants "persons", (e.g., business, non-profit, farm, or family), displaced by an assisted project, and can be provided as grant funds to a project that is using CDBG funding for development costs.

Reference: Section 105(a)(1) of the Housing and Community Development Act of 1974.

Note: For this activity, the correct application to use is the Housing Rehabilitation Project – Multifamily Application Form.

Further, this activity can only be eligible if the acquisition results in housing units being built that are occupied by Low/Mod beneficiaries such that a National Objective will be met.

b. **Ineligible Uses of Funds**

- Acquisition of property that is to be donated or sold for less than the purchase price to the same entity from which the property was originally purchased.
- Acquisition of newly-constructed housing or an interest in the construction of new housing, **unless** such housing is already constructed and for sale on the open market at the time that a commitment is made to use CDBG funds for such a purchase.
- A jurisdiction providing CDBG funding as a grant to a rental housing project owner to pay for eligible CDBG project acquisition or site improvement costs. This includes a “forgivable loan”, which is considered a grant by HCD.

2. **Housing Program - Homeownership Assistance (HA)**

a. **Eligible Uses of Funds**

Homeownership Assistance Programs provide direct assistance to Low/Mod homebuyers for the acquisition of an existing housing unit. New housing units must be completed prior to the homebuyer submitting an offer to purchase. **Low/Mod is defined as total income that is at or below 80 percent of Area Median Income (AMI) adjusted for family size.**

The maximum allowable CDBG down payment assistance cannot exceed more than 50 percent of the minimum required down payment for the specific loan type, plus closing costs. For compliance purposes, the borrower’s loan file must contain the lender’s loan instructions specifying the loan type and minimum down payment required at time of loan funding.

Example:

A home is in contract to be purchased by a Low/Mod household at a sales price of \$300,000. The borrower is approved for an FHA loan, minimum required down payment is 3 percent, plus closing costs of \$6,200.

Minimum down payment requirement: $\$300,000 \times 0.03 = \$9,000$

CDBG allowable assistance: $(\$9,000 \times 0.50) = \$4,500$

Closing costs: 6,200

Maximum CDBG down payment assistance **\$10,700**

Assistance may be used to:

- Subsidize interest rates and mortgage principal amounts;
- Finance the acquisition of housing by Low/Mod purchasers that will own and occupy the housing;
- Acquire guarantees for mortgage financing obtained by Low/Mod homebuyers from private lenders;
- Provide up to 50 percent of any down payment required from the Low/Mod homebuyer; or
- Pay reasonable closing costs incurred by Low/Mod homebuyers.

b. **Ineligible Uses of Funds**

- Benefit **non**-Low/Mod persons or assist in the purchase of a non-owner occupied home.
- Provide assistance for a unit not yet built and considered housing new construction. CDBG regulations allow for assistance for existing homes, not new construction.

Reference: HCDA 105(a)(24)

3. **Housing Rehabilitation Program (1-4 units) (HR)**

a. **Eligible Uses of Funds**

- Financing the costs of repairs and general property improvements to owner- and non-owner occupied units, including repair or replacement of principal fixtures and components of existing structures (e.g., the heating system).
- Demolition and reconstruction of dwelling units (under certain, limited circumstances).
- Refinancing existing debt secured by a property rehabilitated with CDBG funds if such financing is determined by the grantee to be necessary or appropriate to achieve the locality's community development objectives.
- Water or sewer laterals from the main water line to the dwelling, regardless if the main water line or any part of the lateral is located in a public right of way.
- Installation of water meters, if done in conjunction with the rehabilitation of the unit itself.
- Improvements to increase the efficient use of energy in structures through such means as installation of storm windows and doors, wall and attic insulation, and conversion/modification/replacement of heating and cooling equipment, including the use of solar energy equipment.
- Improvements to increase the efficient use of water through such means as water saving faucets, water saving showerheads, and the repair of water leaks.
- Temporary relocation payments for homeowners are optional and, if allowed, must be explained in the program guidelines. Temporary relocation payments are required for tenants that need a motel short-term apartment and/or require storage services during rehabilitation or construction.
Tenants not allowed to return to their original units will be eligible for permanent relocation benefits. The loan documents should mandate that a landlord will allow tenants to return. Relocation payments are available for projects that use CDBG funds for project development costs.

b. **Ineligible Uses of Funds**

- Any action that results in what would be considered housing new construction.
- Creation of a secondary housing unit attached to a primary unit.
- Installation of luxury items, such as a swimming pool.
- Costs of equipment, furnishings or other personal property that are not integral structural fixtures, such as a window air conditioner, washer or dryer, etc.
- Labor costs for owners to rehabilitate their own property.
- Assistance to homeowners that would benefit a non-Low/Mod person or household.

- A jurisdiction providing CDBG funds as a grant to a rental housing project owner to pay for eligible CDBG project construction costs. This includes “forgivable loan”, which is considered by HCD as a grant.

c. **Other Considerations**

The HR (1-4 Units) activity is a **program** involving single-family residential properties that are one to four units.

HR programs require guidelines adopted in accordance with required citizen participation and a formal resolution by the governing body of the jurisdiction.

Further, should the jurisdiction choose to include tenant-occupied HR in their program, the guidelines **must** separate out the rules for renter-occupied units (also called owner-investor) and owner-occupied units.

Reference: HCDA 105(a)(1),105(a)(4)

4. **Housing Projects - Multi-Family Rental Rehabilitation - with or without Acquisition**

a. **Eligible Uses of Funds**

- Financing the costs of repairs and general property improvements to renter-occupied units, including repair or replacement of principal fixtures and components of existing structures (e.g., the heating system).
- Loans for refinancing existing indebtedness secured by a property being rehabilitated with CDBG funds, if such financing is determined by the grantee to be necessary or appropriate to achieve the locality’s community development objectives.
- Improvements to increase the efficient use of energy in structures through such means as installation of storm windows and doors, wall and attic insulation, and conversion/modification/replacement of heating and cooling equipment, including the use of solar energy equipment.
- Improvements to increase the efficient use of water through such means as water saving faucets and showerheads and the repair of water leaks.
- Conversion of commercial properties into housing units.
- Conversion of a non-residential structure (closed school building, closed military facility, etc.) to residential (adaptive reuse).
- Projects with at least 51 percent of the units occupied by or restricted for Low/Mod households.
- Temporary and permanent relocation costs provided to existing tenants / “persons” e.g., business, non-profit, farm or family, displaced by an assisted project, can be provided as grant funds to the project when CDBG funds are used for development costs.

b. **Ineligible Uses of Funds**

- Installation of luxury items, such as a swimming pool.
- Costs of equipment, furnishings, or other personal property that are not integral structural fixtures, like a window air conditioner, washer or dryer, etc.
- Projects with less than 51 percent of the units occupied by or restricted for Low/Mod households.

- A jurisdiction providing CDBG funds as a grant to a rental housing project developer to pay for eligible CDBG project costs. This includes, “forgivable loan” which is considered by HCD as a grant.

c. **Other Considerations**

Housing Projects - Multifamily (MFH) are for properties with five or more units, and adopted program guidelines are not applicable. There must be a clear need for CDBG funds for a MFH project. As stated in this NOFA and corresponding application package, only one MFH Rehabilitation project is allowed per application.

Reference: HCDA 105(a)(1), 105(a)(4)

5. **Housing – Combo – Applying for both Homeownership Assistance (HA) and Housing Rehabilitation (1-4 Units) (HR)**

a. **Eligible Uses of Funds**

This activity allows jurisdictions to apply for funding for both HA and HR programs. It provides greater flexibility by allowing grantees to transfer CDBG funds between the two programs without having to execute an amendment. Grantees are required to submit a written request to HCD to transfer funds, and receive written approval from HCD prior to the transfer.

For details on eligible and ineligible activities, please refer to the aforementioned HA and HR sections.

Note: The “Combo” program is merely a means to apply for both programs together; however, both programs cannot be used on the same address. In other words, CDBG funds cannot be used to acquire and then rehabilitate single-family properties. **Furthermore, a housing combination program application requires forms and supporting documentation for each activity.**

b. **Ineligible Uses of Funds**

For ineligible activities, please refer to the Housing Assistance (HA) and Housing Rehabilitation (HR) referenced above in Sections 2 and 3, respectively.

Reference: HCDA 105(a)(4) and HCDA 105(a)(24)

6. **Housing - Housing New Construction**

a. **Very Limited Eligible Uses of Funds**

The Housing and Community Development Act (HCDA) of 1974, as amended, states that any activity not specifically listed in section 105 is not eligible. Thus, the construction of new, permanent, housing structures is **ineligible** for CDBG assistance, except under the following limited circumstances:

Construction of **last resort** housing is allowable when a jurisdiction is providing a displaced person with a comparable replacement dwelling unit, and can only be accomplished by new construction. Last resort housing provisions are set forth in federal regulations Title 24 CFR, Part 42, Subpart I, [24 CFR Part 42](#). Documentation demonstrating the efforts to relocate individuals must be submitted with the application if last resort housing or displacement is part of the application.

Note: Generally, activities in support of housing new construction projects are eligible under Public Improvements In-Support-of Housing New Construction which provide for the off-site infrastructure needed in order for the new housing units be constructed.

b. **Other Considerations**

- **Project Completion:** Construction of all housing units must be completed and the housing units must be occupied **prior to the expiration of the CDBG Grant Agreement.**
- Conversion of a non-residential structure to residential (adaptive reuse) is not considered a housing new construction activity, and is eligible under Multifamily Housing project.

Reference: HCDA 105(a)(4), 105(a)(6)

7. **Public Improvements**

a. **Eligible Uses of Funds**

- The costs of construction, reconstruction, rehabilitation, or installation of a public improvement project, including water and sewer facilities, flood and drainage facilities, street improvements (including sidewalks, curbs, and gutters), and utilities.
- For Public Improvements to be eligible under the Community Development funding type, the project must be located in and serve a predominantly residential area.
- The applicant must attach a map indicating the properties in the service area that will benefit from the project. The service area must also be located in an area where at least 51 percent of the residents are Low/Mod households.

b. **Ineligible Uses of Funds**

- Costs of operating and maintaining public improvements.
- Costs of purchasing construction equipment.

Reference: HCDA 105(a)(2)

8. **Public Improvements In-Support-Of Housing New Construction (PIHNC)**

a. **Eligible Uses of Funds**

- The following are eligible uses of CDBG funds in conjunction with the actual construction of new permanent housing: Off-site improvements such as utilities, streets, curbs and gutters, sidewalks, and flood and drainage improvements are eligible only where specifically required as a condition of the housing project approval and where the improvement is necessary to the development.
- If the proposed improvements are not a **Condition of Approval**, then the activity will be deemed a non-specific Public Improvement Project and the applicant should use the Public Improvement application for that activity rather than PIHNC. The non-specific Public Improvement application will be evaluated for eligibility and scored based on Low/Mod area benefit.

b. **Ineligible Uses of Funds**

- Costs of operating and maintaining public improvements.
- Costs of purchasing construction equipment.
- Off-site improvements that are not a condition of approval for the new housing development.
- On-site improvements.

c. **Other Considerations**

Project Completion: The construction of all housing units must be completed and the housing **must be occupied** (regardless of any other funding sources in the project) **prior to the expiration of the CDBG Standard Agreement.**

Reference: HCDA 105(a)(2)

9. **Public Facilities**

a. **Eligible Uses of Funds**

- Acquisition, rehabilitation, or new construction of buildings and grounds used to provide one or more eligible CDBG public services: such as, employment training, health services, education, recreation, nutrition, shelter, day care, temporary housing, and fire protection. For a public facility to be eligible, it must be used for public purposes, or provide eligible public services as described in this section.
- The acquisition of real property (including air rights, water rights, easements, rights-of-way, and other interests therein) is eligible if the property meets any of the following criteria:
 - Blighted, deteriorated, deteriorating, undeveloped, or inappropriately developed from the standpoint of sound community development and growth;
 - Appropriate for rehabilitation or conservation activities; **or**
 - The acquisition of land for use as a park serving primarily a residential neighborhood that is predominantly Low/Mod.
- Temporary Housing: For housing-related activities to be eligible as a public facility, both the facility and the services therein must be designed for use in providing temporary shelter for persons having special needs. Such shelters

would include, but not be limited to, nursing homes, convalescent homes, shelters for victims of domestic violence, shelters and transitional facilities for the homeless, halfway houses for runaway children, drug offenders, or parolees, group homes for the developmentally disabled, and seasonal housing for migrant farmworkers.

- Permanent relocation costs can be provided to existing tenants / “persons” (e.g., business, non-profit, farm or family, displaced by an assisted project, and can be provided as grant funds to the project). Projects must be using CDBG funds for development costs.

Note: Costs for design features that promote the energy efficiency of the proposed public facility activity may be included.

- If a public facility contains multiple uses, including both eligible and ineligible uses, it can still receive CDBG assistance if:
 - The portion of the building which will house the eligible uses will occupy a designated and specific area demonstrated by building drawings/plans; and
 - The applicant can determine the costs attributable to the portion of the facility proposed for assistance as separate and distinct from the overall costs of the multi-use building.

b. **Ineligible Uses of Funds**

- Buildings used for the general operation of local government are not eligible as public facilities, except that the removal of architectural barriers from such buildings is an eligible activity (see note below regarding Section 504 compliance).
- The costs of maintaining or operating a public facility, including furniture fixtures, are not eligible as a public facility activity, but may be eligible under a public service program activity.
- Refinancing loans on existing public facility buildings is not an eligible use of CDBG funds, unless the refinancing takes place in conjunction with the rehabilitation of the building.
- Permanent housing.
- Time-sharing of eligible and non-eligible uses for the same space.
- A jurisdiction providing CDBG funds as a grant to a project developer to pay for eligible CDBG project costs. This includes, “forgivable loan” which is considered by HCD as a grant.

c. **Other Considerations**

Use Limitation Agreement: For property acquired or improved in whole or in part using CDBG funds, a Use Limitation Agreement will be required to be in effect for at least five years after the close out of the CDBG contract to ensure that the eligible public services will continue to be provided.

Reference: HCDA 105(a)(2)

Note: Government Building Exception: Section 504 Compliance:

Rehabilitation of buildings used for the general operation of local government is not eligible **unless the rehabilitation is to remove architectural barriers** and must comply with the requirements detailed in Section 504 of the Rehabilitation Act of

1973, including obtaining a certificate of compliance from the architect documenting that the facility meets Section 504 accessibility requirements (see **Appendix G**).

Reference: Section 504 of the Rehabilitation Act of 1973 and HCDA 105(a)(5).

10. Public Services

a. Eligible Uses of Funds

CDBG funds may be used to provide public services including labor supplies, materials and other costs. Funding operating and maintenance costs in the facility providing the service is allowed under this category. Public Services include, but are not limited to:

- Child care
- Health care
- Crime prevention
- Job training
- Recreation programs
- Education programs
- Fair Housing counseling
- Credit counseling services
- Public safety services
- Services for senior citizens
- Services for homeless persons, including Coordinated Entry activities
- Drug and alcohol abuse counseling and testing
- Transportation services
- Nutrition services
- Energy conservation counseling and testing
- Emergency assistance payments
- Neighborhood cleanup

b. Ineligible Uses of Funds

- Political activities
- Religious services
- Governmental operations
- Ongoing grants or non-emergency payments to individuals for food, clothing, rent, utilities or other income payments (subsistence payments) beyond three months
- Activities for the general promotion of the community, e.g. a 100-year anniversary celebration

c. Other Considerations

Limited Funding for Public Service Activities. Federal statute [42 USC 5305(a)(8)] limits the expenditure of **public service funds to no more than 15 percent** of the state's annual CDBG funding award from HUD and is calculated each year based on actual public service expenditures.

Federal statute allows for the use of CDBG funds for Public Services only under any of the following four circumstances:

- 1) The service must be **new**, in that it has not been provided before, or has been discontinued for more than 12 months prior to the final filing date of the application; or
- 2) The proposed service must show a **quantifiable increase** in the level of service with the costs having never been incurred or paid for by a funding source; or
- 3) The service is **currently funded with CDBG grant funds** and the service will remain at substantially the same level; or
- 4) The service was previously **funded by another source and that source is no longer available. The loss of this funding must be documented in the application.** The applicant will be required to show that CDBG funds are not being substituted for other state or local funds and that the loss of current funding is out of the applicant's control. CDBG funding may not supplant other state and local funding.

Reference: HCDA 105(a)(8)

11. Code Enforcement

Code enforcement is defined as a process whereby local governments gain compliance with ordinances and regulations regarding health and housing codes, land-use and zoning ordinances, design standards, and uniform building and fire codes. CDBG Code enforcement funds may be used for code enforcement only in deteriorating or deteriorated areas where such enforcement, together with public or private improvements, rehabilitation, or services to be provided, may be expected to arrest the decline of the area. These enforcement activities may only take place in a primarily residential areas where 51 percent of the residents are low- and moderate-income.

Note: Code enforcement is not a Public Service Activity. It is a stand-alone activity under 42 USC 5305(a)(3) with IDIS Matrix Code 15. However, state CDBG regulations allow for this activity to be considered a Public Service and scored accordingly, like job training programs.

12. Jurisdiction-wide Code Enforcement

Grantees may not use CDBG funds to pay for code enforcement in every area of a neighborhood or **for a grantee's entire jurisdiction** (e.g., city- or county-wide). In addition, code enforcement **cannot** qualify under the Slums & Blight National Objective – it can only qualify under Low/Mod Area benefit, provided that it is well documented (see Application for required documentation).

a. Eligible Uses of Funds

- CDBG funds may be used to provide code enforcement of state and/or local codes.
- It must only pay for the enforcement of state and/or local codes, which is limited to payment of code enforcement staff salaries and overhead costs directly related to the enforcement of state and/or local codes.

b. **Ineligible Uses of Funds**

- Costs of correcting code violations; and
- Code enforcement work outside of the defined deteriorating or deteriorated residential service area.

c. **Other Considerations**

To be eligible, the code enforcement activity must:

- Only be carried out in deteriorating or deteriorated areas where such enforcement, together with public or private improvements, rehabilitation or services to be provided, may be expected to arrest the decline of the area.
- Clearly identify measurable outcomes and be supported by documented success.
- CDBG-funded code enforcement activities can trigger the Uniform Relocation Act (URA) and its Section 104(d) if the follow-up activity involves the acquisition, rehabilitation or demolition of property with other federal or private funding, and requires that individuals move on a temporary or permanent basis. Applicants engaging in code enforcement activities that may or will cause the relocation and displacement of persons must provide a project-specific relocation plan. This plan must outline how they will manage the relocation and displacement activities for the project and estimate what relocation benefits will be required.

Reference: HCDA 105(a)(3)

13. Planning and Technical Assistance

a. **Eligible Uses of Funds**

CD planning studies focus on research, analysis, and planning for community needs concerning housing, public improvements, public facilities, public services, and local planning issues. PTA funds can be used for planning activities to support homeless prevention and rapid rehousing activities such as Point-in-Time Count, planning for coordinated entry, planning for improved data collection, and other costs eligible under the categories listed below. Planning study final products must show a connection to assisting with an eligible CDBG activity that, if implemented, meets a National Objective.

ED planning studies focus on business development and job creation or retention through analysis of business development opportunities. ED planning grants also help develop analysis of needs and impediments to growth of local businesses (lack of infrastructure or financing). Planning grants for ED can assist in the development of long term local economic development strategies, like County Economic Development Strategies (CEDS) required by the federal Economic Development Agency (EDA). Downtown economic development plans to guide the growth and revitalization of a downtown area are also eligible and could qualify as helping to develop a BA program for the downtown area which would create jobs for Low/Mod persons.

Planning-only grants or activities can meet the Low/Mod Benefit objective if it can be shown that at least 51 percent of the persons who would benefit from implementation of the plan are Low/Mod persons. Such a determination is not dependent on the planned-for activity or project actually being implemented at some point.

Reference: 24 CFR 570.483(b)(5). Meeting Low/Mod benefit for planning grants includes use of "Limited Clientele".

Per HCDA 105(a)(12), PTA funding may only be spent on:

- Studies
- Analysis
- Data gathering
- Preparation of plans
- Identification of actions that will implement plans
- Preliminary plans and specifications, and/or
- Comprehensive plans

Comprehensive planning is allowed if the planning is carried out in a geographic area in which 51 percent or more of the residents are Low/Mod as documented by the federal census or income survey completed within the last five years, and the applicant can document that the comprehensive plan will primarily benefit Low/Mod persons.

Note: Grant/application writing, including ED OTC activities, is not an eligible use of PTA funding.

Further, the application must document that the work-product to be produced by the PTA award, if implemented, **will** meet the National Objective of Low/Mod Benefit. HCD will evaluate each PTA for eligibility based on the application's supporting documentation confirming the PTA will meet one of the National Objectives.

If awarded, the work product produced by the PTA award **must**:

- 1) Meet either the LMA, LMC, or another Low/Mod qualification;
- 2) Be consistent with the work product applied for in the PTA application; and
- 3) Be submitted to HCD at time of grant closeout.

The activity may be deemed ineligible and funding shall be returned to HCD if the work-product produced by the PTA grant is:

- 1) Not consistent with the work-product approved in the original application;
- 2) Not as described in the contract;
- 3) If implemented, will not meet a National Objective; or
- 4) Is not submitted at the time of grant closeout.

Grant writing may be funded through a jurisdiction's GA funding; **however, CDBG GA can only be spent on preparing applications for federal funding.**

Under HCDA Section 105(a) (14), planning activities may also be carried out by public or private nonprofit entities. Applicants are directed to email PTA eligible activity inquiries to cdbqnofa@hcd.ca.gov

b. **Ineligible Uses of Funds**

- 1) Planning and capacity building activities do not include:
 - Final engineering, architectural plans and design costs related to a project (for example, detailed engineering specifications and working drawings);
 - The costs of implementing plans, including grant application preparation; or
 - Providing Technical Assistance to a non-profit for capacity building.
- 2) In addition, the list below provides examples of ineligible activities, with possible exceptions. Applicants are strongly encouraged to email inquiries to cdbqnofa@hcd.ca.gov, to verify if the activity is eligible for PTA.
 - **Ineligible: Income Survey** costs. The cost of conducting an Income Survey is not an eligible CDBG cost.
 - **Ineligible: Housing element** preparation for jurisdictions in which fewer than 51 percent of residents are Low/Mod as documented by the federal American Census Survey (ACS) census data.

Exception: Costs incurred for the preparation of that portion of the housing element in which affordable housing is addressed is eligible.

Reference: HCDA 105(a)(12); HCDA 105(a)(14); and HCDA 105(a)(19)

c. **Other Considerations**

Cash Match Requirements - The planning activity requires local matching funds to be committed to the activity, per Health and Safety Code Section 50833. Per 25 CCR 7058(a)(5)(A), all jurisdictions applying for a planning activity will be required to commit **5 percent** of the total funding amount - including GA - as a required cash match. For more information on this requirement, see **Appendix I** and the PTA activity section of the Application.

F. APPEAL CRITERIA AND PROCESS

1. Criteria

- a) Upon receipt of HCD's notice that an application has been determined to be incomplete, failed the threshold, or has a reduction to the preliminary point score, applicants under this NOFA may appeal such decision(s) to HCD pursuant to this section.
- b) No applicant shall have the right to appeal a decision of HCD relating to another applicant's eligibility, point score, award, denial of award, or any other matter related thereto.
- c) Prior program NOFAs. The appeal process provided herein applies solely to decisions of HCD made in this program NOFA and does not apply to any decisions made with respect to any previously issued NOFAs or decisions to be made pursuant to future program NOFAs.

2. Appeal process and deadlines

- a) Process. To file an appeal, applicants must submit to HCD by the deadline set forth in subsection b) below, a written appeal that states all relevant facts, arguments, and evidence upon which the appeal is based. Furthermore, the applicant must provide a detailed reference to the area or areas of the application that provide clarification and substantiation for the basis of the appeal. No new or additional information will be accepted if this information would result in a competitive advantage to an applicant. Once the written appeal is submitted to HCD, no further information or materials will be accepted or considered thereafter.

Appeals are to be submitted to HCD either via email at cdbgnofa@hcd.ca.gov or at the following address:

Nicole' McCay, Section Chief
CDBG Program Appeals
Division of Financial Assistance
Department of Housing and Community Development
2020 W. El Camino Avenue, Suite 500
Sacramento, California 95833

HCD will accept appeals through a carrier service that provide date stamp verification of delivery such as the U.S. Postal Service, UPS, FedEx, or other carrier services. Deliveries must be received during HCD weekday (non-state holiday) business hours of 9:00 a.m. to 5:00 p.m. Pacific Standard Time. Emails to the email address listed above will be accepted as long as the email time stamp is prior to the appeal deadline.

- b) Filing deadline. Appeals must be received by HCD no later than three (3) business days from the date of HCD's eligibility, threshold review or preliminary point score determination letters, representing HCD's decision made in response to the application.

3. Decision

It is HCD's intent to render its decision in writing within fifteen (15) business days of receipt of the applicant's written appeal. All decisions rendered shall be final, binding, and conclusive and shall constitute the final action of HCD with respect to the appeal.

4. Effectiveness

In the event that the statute, regulation, and/or guidelines governing this program contain an existing process for appealing decisions of HCD with respect to NOFA awards made under such programs, this section shall be inapplicable and all appeals shall be governed by such existing authority.

G. SUPPLEMENTAL ACTIVITIES

If the applicant submits an application for an eligible Supplemental Activity, any contract funds that are supplanted by PI funds may be used to fund Supplemental Activities.

For the 2018 NOFA **only one** Supplemental Activity may be requested. A Supplemental Activity may be requested by filling out the Supplemental Activity tab on the Application Summary, and submitting the Supplemental Activity Form and any required documentation that corresponds to the type of activity being requested (Project or Program). Only one Public Service is allowed when requested as Supplemental Activity. Planning Activities are not eligible as a Supplemental Activity or part of the ED OTC program.

HCD will review these documents for eligibility and confirm that a National Objective will be met. If the activity is determined to be eligible and will meet a National Objective when implemented, the Supplemental Activity will be added to the grant contract. Once part of the contract, the grantee may choose to spend PI first on a Supplemental Activity or competitively awarded activities, as long as PI is spent prior to drawing down grant funds.

Important Considerations:

1. Supplemental Activity must be an eligible activity and meet a National Objective; otherwise, it will not be added to the grant contract.
2. Supplemental Activity must be able to be completed by the end of the expenditure milestone period of the contract.
3. Supplemental Activity applied for must be included, by name, in the applicant's public participation process prior to application submittal.

H. NATIONAL OBJECTIVES AND DOCUMENTING BENEFICIARY REQUIREMENTS

Meeting a National Objective

According to 24 CFR Section 570.483, to be eligible for funding, every CDBG-funded activity must meet one of the following three National Objectives of the program. The National Objectives are:

- Benefit to Low/Mod persons;
- Prevention or elimination of slums or blight; or
- Urgent Need, which is meeting other community development needs having a particular urgency because of existing conditions that pose a serious and immediate threat to the health or welfare of the community (requires state or federal disaster declaration) and other financial resources are not available to meet such needs.

The most commonly used benefit is Low/Mod persons or households, which is allowable for both CD and ED activities. Elimination and prevention of slums and blight on a spot basis is only allowed for certain ED project activities.

For more information of the state CDBG program, see the HUD Guide to National Objectives and Eligible Activities at *HUD Guide to National Objectives and Eligible Activities for state CDBG*.

If an eligible activity is not documented in the application as meeting one of the allowable CDBG National Objectives, then the activity will be deemed ineligible and the jurisdiction will be ineligible for funding of that activity. As such, the application must clearly document how the CDBG National Objective will be met.

There are four ways to meet the National Objective to benefit Low/Mod persons or households based on: (1) Low/Mod Area (LMA); (2) Limited Clientele (LMC); (3) Low/Mod Housing (LMH); and (4) Low/Mod Job (LMJ).

Each of these methods is designed to document that households or persons benefiting from CDBG eligible activities are at or below HCD's most recent published income limits of 80 percent or less of county area median income (AMI), adjusted for family size. Below is a description of how documentation for meeting the National Objective to benefit Low/Mod persons is achieved.

Refer to **Appendix F** for the National Objective Matrix. HCD encourages applicants to review and print this document.

1. Benefit to Low- and Moderate-Income (Low/Mod) Persons

Beginning in July 2014, HUD began using the ACS data to calculate Low/Mod percentages by census tract/block groups and by Census Designated Place(s). The data for eligible cities and counties is in **Appendix A**.

For those service areas that are not jurisdiction-wide and that do not fall within the census tract/block group(s) model, HUD provides "2016 LMISD by state" based on the

2006-2010 ACS and can be found at [HUD Exchange ACS Data 2006-2010](#). This provides Low/Mod data for Census Designated Place (CDP) areas. HUD's LMISD Map Application can be found [HUD Maps ARCGIS](#) and HUD's updated LMISD Excel data files are posted at [HUD's Low/Mod Summary Data](#) page. For more details on defining service area, see **Appendix J**.

Seventy percent of all CDBG funding must be spent for the benefit of persons, families or households with incomes at or below 80 percent of their county's AMI, adjusted for family size. The criteria for how an activity may be considered to benefit Low/Mod persons are divided into four subcategories: LMA; LMC; LMH; and LMJ; detailed on the following page.

Further, there is also a **restriction on benefit to moderate-income persons**. The regulations require grant recipients to ensure that moderate-income persons are not benefitted to the exclusion of Low/Mod persons (see 24 CFR 570.483(b)). This does not mean that each CDBG-assisted activity must involve both Low/Mod beneficiaries. However, it does mean that the grant recipient's CDBG program, as a whole, must primarily benefit low-income persons, and that moderate-income persons do not benefit to the exclusion of low-income persons.

a. **Low/Mod Subcategories**

1) **Low/Moderate Area (LMA) Benefit**

An LMA Benefit activity is an activity that is available to benefit all the residents of an area that is primarily residential. In order to qualify as addressing the National Objective of benefit to Low/Mod persons on an area basis, the activity must serve the needs of Low/Mod persons residing in an area where at least 51 percent of the residents are Low/Mod persons. The benefits of this type of activity are available to all residents in the area regardless of income.

Examples of LMA Benefit activities include:

- Public infrastructure projects
- Public facilities
- Public services

For detailed information on determining service area, see **Appendix J**.

Note: Applicants using this National Objective will be required to submit a map of the service area should the service area be greater or lesser than the jurisdictional boundaries.

2) Low/Moderate Limited-Clientele (LMC)

A LMC activity is an activity that provides benefit to a specific group of persons rather than everyone in an area generally.

To qualify under this subcategory, a LMC activity **must meet one** of the following tests:

- a) Exclusively benefit a clientele who are generally **presumed** by HUD to be principally Low/Mod persons, such as:
 - Abused children
 - Elderly persons
 - Battered spouses
 - Homeless persons
 - Adults meeting the Bureau of Census' definition of Severely Disabled Adults, such as Illiterate Adults, Persons Living with AIDS, Migrant Farm Workers.
- Note:** This presumption may be challenged if there is substantial evidence that the Low/Mod persons in the actual group are most likely not principally Low/Mod persons.
- b) Be a Public Service/Facility that is not open to all. For example, Youth Services or a Youth facility, or other income qualified beneficiary activity. In this instance, see Income Calculation and Determination Guide for federal programs on HCD's website at [Income Manual](#), Chapter 7 - Self-Certification.
 - c) Be of such nature and in such location that it may be reasonably concluded that the activity's clientele will primarily be Low/Mod persons. For example, a day care center designed to serve residents of a public housing complex.
 - d) Be an activity that serves to remove material or architectural barriers to the mobility or accessibility of elderly persons or of adults meeting the Bureau of Census' definition of "severely disabled," **provided** it is restricted, to the extent practicable, to the removal of such barriers by assisting:
 - The rehabilitation of a public facility or improvement, or portion thereof, that does not qualify under LMA benefit criteria;
 - The rehabilitation of privately-owned nonresidential building or improvement that does not qualify under the LMA benefit criteria or the LMJ criteria; or
 - The rehabilitation of the common areas of a residential structure that contains more than one dwelling unit and that does not qualify under the LMH criteria.
 - e) Be a Microenterprise (ME) Assistance activity carried out in accordance with HCDA 105(a)(22) or 24 CFR 570.482(c) with respect to those owners of microenterprises and persons developing microenterprises assisted under the activity during each program year who are Low/Mod persons.

Note: Once a person is determined to be Low/Mod, he/she may be presumed to continue to qualify as such for up to a three-year period, but only when the activity is ME Technical Assistance or Services.

Other Important Considerations Regarding ME: The benefit types for ME program services are divided into indirect benefit and direct benefit, and each have different income eligibility requirements and different income documentation requirements for beneficiaries of the Program services.

Indirect Benefit: ME Technical Assistance and Support Services. Support Services provide indirect benefit, and as such, the service beneficiaries must be documented as income eligible using HCD's Income Self-Certification Form in Income Calculation and Determination Guide for federal programs on HCD's website at [Income Manual](#). This is similar to Public Service activities funded under CD funding category.

Direct Benefit: ME Financial Assistance (loans and grants) are considered direct benefit; and as such, each beneficiary must be documented as income eligible using the Part 5 process as detailed in the Income Calculation and Determination Guide for federal programs on HCD's website at [Income Manual](#). ME Financial Assistance income documentation using Part 5 is the same process as that used for HR activities funded under the CD funding category.

Documentation: Prior to providing services or funding to a ME program participant, an original signed income Self-Certification Form or completed Part 5 Income Qualification eligibility process must be in the project file. Additionally, evidence of five or few employees, including the owners, must be in the file.

Important Tip: Should the indirect benefit (Technical Assistance) result in direct benefit (Financial Assistance) at a later date, the self-certification is no longer sufficient, and each beneficiary is subject to a full Part 5 Income Qualification.

3) **Low/Mod Housing (LMH)**

HCDA 105(c)(3) requires any assisted activity that involves the acquisition or rehabilitation of property to provide housing shall benefit persons of Low/Mod income only to the extent such housing will, upon completion, be occupied by such persons.

The housing can be **either** owner- or non-owner occupied and can be a single-family or a multi-family structure. In order for rental units to be considered a benefit to a Low/Mod household, it must be occupied by Low/Mod households at **affordable rents** [24 CFR 570.483(b)(3)].

Further, LMH benefit is based on households, not persons. Thus, **total household income** must be at or below 80 percent of AMI for the residing county, adjusted for family size.

Examples of activities that must meet LMH benefit standards include:

- Acquisition of property to be used for permanent housing;
- Rehabilitation of permanent housing;
- Conversion of nonresidential structures into permanent housing;
- Assistance to a household to purchase a home (HA); and
- Laterals to connect residential structures to public water and sewer systems.

Occupancy Rule: Occupancy of the assisted housing by Low/Mod households under LMH is determined using the following general rules:

- All assisted single unit structures must be occupied by Low/Mod households;
- An assisted two-unit structure (duplex) must have at least one unit occupied by a Low/Mod household; and
- An assisted structure containing more than two units must have at least 51 percent of the units occupied by Low/Mod households.

Other Considerations:

Condominiums - Where rehabilitation of one or more units in a multifamily building are individually owned, such as a condominium, rehabilitation is limited to the particular unit(s) and shall not provide CDBG funding to rehabilitate any property held as common area ownership.

Important Tips:

- For any Housing Activity, Low/Mod benefit is based on using the LMH National Objective in compliance with Part 5 Income Determination, using the [Income Manual](#).
- Housing activities that are considered Programs (HR 1-4 units, and HA) must address this requirement in their guidelines as a program requirement.
- Tenant Occupied Units (1-4 units or multi-family projects) must use the income self-certification process for tenants occupying the units at the time of application to verify that at least 51 percent of the tenants will meet the LMH requirement. Once "assisted," the units, at occupancy, must meet the full Part 5 Income Qualification requirement until the Rent Limitation Agreement terminates.
- Eligibility for HA at HCDA 105(a)(24) requires that only Low/Mod households be assisted.

4) Low/Mod Income Jobs (LMJ)

This National Objective applies only to ED BA (BA) – which includes both EF BA activities and ED OTC projects (the only differences, essentially, are the sizes of the loans/grants, and the application process.). ME, as noted above, is 100 percent LMC, so job creation/retention is not necessary.

ED BA activities are generally undertaken for the purpose of job creation or retention; thus, most of the time, job creation or retention activities are classified as eligible under one of several economic development-oriented eligibility categories.

Per HCDA 105(c)(1), one of the ways that LMI can be met is to “Involve the employment of persons, the majority (51 percent) of whom are Low/Mod persons,” which is what allows the LMJ National Objective subcategory to meet the LMI requirement.

Examples of Activities That Could Be Expected to Create or Retain Jobs:

- EF BA or OTC project that finances the expansion of a plant or factory (job creation).
- EF BA or OTC project for financial assistance to a business that has publicly announced its intention to close, but through the CDBG ED loan, can update its machinery and equipment and thus remain open instead (job retention).
- OTC project upgrading an access road to serve a new distribution warehouse being built by a firm.

A LMJ activity is one that creates or retains permanent jobs. At least 51 percent of these, on a full-time equivalent (FTE) basis, must be either held by Low/Mod persons (retention) or held by Low/Mod persons at the time of being hired (creation).

What Jobs Can Be Counted:

- Part-time jobs must be converted to full-time equivalents (FTE). Per 25 CCR 7054 (Definitions), “Permanent job” allows for a maximum of two part-time jobs to be aggregated to one FTE.
- Only permanent FTE job counts consist of job hours equal to 1,750 hours for full time, 875 hours for part-time and must be considered permanent. Jobs classified as “temporary” do not meet the federal job creation requirement, only jobs considered to be permanent are counted.
- Seasonal jobs are considered to be permanent for this purpose only if the season is long enough for the job to be considered the employee’s principal occupation.

Note: Jobs indirectly created or retained by an assisted activity may not be counted.

Jobs “Held By” Low/Mod Persons:

A job is considered to be held by a Low/Mod person if the person is a member of a family whose income falls at or below 80 percent of county median income, adjusted for family size, at the time their employment commences (job creation). The entire family’s income must be counted.

Special Rules for Retained Jobs:

In order to consider jobs retained as a result of CDBG assistance, there must be clear and objective evidence that permanent jobs will be lost without CDBG assistance. For these purposes, “clear and objective” evidence that jobs will be lost can include:

- Evidence that the business has issued a notice to affected employees or made a public announcement to that effect.
- Analysis of relevant financial records that clearly and convincingly shows that the business is likely to have to cut back employment in the near future without the planned intervention.
- To meet the LMJ standard, at least 51 percent of the retained jobs must be known to be held by Low/Mod persons at the time CDBG assistance is provided.

Note: Please refer to the [2018 CDBG Income Limits](#) to determine the household income limits for completing the Self-certification form.

Provisions for Aggregating Jobs: See Application Review and Activity Evaluation, Public Benefit requirements found in Section III. A.

Economic Development Project Public Benefit Requirements

Note: ED Project Public Benefit require the project meet **both** the LMJ National Objective and Public Benefit requirements. However, some Business Assistance (BA) (which includes ED OTC) are not required at the time of application to create jobs, if the project can meet the National Objective using area benefit (LMA). If you have questions regarding Public Benefit requirements, please refer to **Appendix E** (ED OTC Application Process). If you should have questions, please forward to cdbgnofa@hcd.ca.gov.

5) Low/Mod Benefit Scoring for Applications

In scoring activities that are 100 percent income-qualified or LMC, Need/Benefit will be scored based on jurisdiction-wide HUD Low/Mod percentage. These percentages are listed in **Appendix A**.

If the jurisdiction identifies a service area that is greater or less than the applicant’s jurisdictional boundaries, then HCD will score Need and Benefit on the same service area. The applicant will be required to submit a map showing the HUD Census Tract and Block Group Low/Mod data. For more information, see **Appendix H**.

When the service area is the whole jurisdiction, HCD will use the data within **Appendix A**.

2. Prevention/Elimination of Slums and Blight

The state CDBG Program allows this National Objective to be used generally in conjunction with special ED activities under an OTC project. HUD is very careful to make clear that this National Objective results in clearly eliminating specific conditions of blight, physical decay, or environmental contamination. Spot blight is for specific projects not located in an area that has been designated as blighted.

Note: The state defines Slums and Blight at Health and Safety Code Sections 33030-33039.

a. Slums and Blight – Area Basis

Currently, HCD will not allow Slums and Blight National Objective to be used on an area-wide basis for any activity.

b. Slums and Blight – Spot Basis (Aid in the Prevention or Elimination of Slums or Blight (24 CFR 570.483(c)(2))

Examples of Activities Designed to Address Blight on a Spot Basis:

- Historic preservation of a blighted public facility;
- Demolition of a vacant, deteriorated, abandoned building; or
- Removal of environmental contamination or other public hazard from a property to enable it to be redeveloped for a specific use.

The elimination of specific conditions of blight or deterioration on a spot basis is to be used for the prevention of blight, on the premise that such action(s) serve to prevent the spread of blight to adjacent properties or areas.

To comply with the National Objective of Elimination or Prevention of Slums or Blight on a Spot Basis (i.e., outside a slum or blight area), an activity must meet the following criteria:

- 1) The activity must be designed to eliminate specific conditions of blight or physical decay, not located in a designated slum or blighted area; and the activity must be limited to one of the following:
 - Acquisition (see Other Important Considerations below)
 - Clearance/demolition
 - Relocation
 - Historic preservation
 - Rehabilitation of buildings, but only to the extent necessary to eliminate specific conditions detrimental to public health and safety.

Reference: 24 CFR 570.483(c)(2)

Other Important Considerations

To be considered **detrimental to public health and safety**, a specific condition must pose a threat to the public in general. Public improvements cannot qualify under this standard, except for rehabilitation of public buildings (other than buildings for the general conduct of local government) and historic preservation or public property that is blighted.

As a general rule, National Objective compliance for the acquisition of real property must be based on the use of the property after the acquisition takes place. The initial determination is based on the planned use of the property, but the final determination is based on the actual use. **However**, when a property is acquired for the purpose of clearance to remove specific conditions of blight or physical decay, the **clearance is considered to be the actual use** of the property, but any subsequent use made of the property following clearance must be considered to be a “change of use” under 24 CFR 570.489(j).

In this case, the CDBG-funded ED project must not be in a documented area of blight. However, the project must be formally documented as blighted (i.e., having serious health and safety violations) by the jurisdiction. In addition, the CDBG funds must pay for the correction of the code violations and eliminate the blighted conditions. This is a way to use the elimination of slums and blight on a project-by-project basis. HCD staff should be consulted as part of making a final determination of project compliance with this National Objective.

Documentation

- a) For **Spot Blight**, the application must include:
 - Documentation that the project site meets HUD’s definition of blighted; and
 - Documentation that the CDBG funds will pay to eliminate the project’s blighted conditions.
- b) It is highly recommended that the documentation include, but not be limited to, date-stamped photographs showing the condition(s).

3. Urgent Need

As noted at the beginning of this section, Urgent Need is now an eligible National Objective per 25 CFR 570.483(d) under this NOFA. HCD determines Urgent Need in real-time on a case-by-case basis rather than only once a year under an annual NOFA. If an applicant intends to use Urgent Need in their application, please email cdbgnofa@hcd.ca.gov on or before **January 7, 2019**.

To comply with the National Objective of meeting community development needs having a particular urgency, an activity must be designed to alleviate existing conditions that the local government certifies and the state determines:

- Pose a serious and immediate threat to the health or welfare of the community;
- Are of recent origin or recently became urgent (within the last 18 months);

- The local government is unable to finance the activity on its own; and
- Other sources of funding are not available to carry out the activity, as certified by both HCD and the jurisdiction.

Reference: 24 CFR 570.483(d)

4. National Objective Specific to PTA Activities

PTA activity funds must be spent on studies that meet the CDBG National Objective listed below, as required by federal statutes and regulations. Any PTA activity must document compliance with:

- a. Benefit to Low/Mod persons or households, specifically for planning only grants that are not associated with a specific project. By documenting that at least 51 percent of the persons who would benefit from the implementation of the plan being studied by the PTA are Low/Mod income, the planning study will meet Low/Mod National Objective. In some cases, a community wide study may benefit the community as a whole, so LMA must be documented. In other cases, the study may be for persons under presumed benefit or “limited clientele” (e.g. homeless or farmworkers or seniors) whom are categorized as Low/Mod persons.

Note: LMJ cannot be used as the National Objective for ED PTA.

Documentation

Each application must contain a discussion of how the proposed study would principally benefit the Low/Mod-income group. For activities using LMA benefit, applicants should refer to **Appendix H**, Census Tract/Block Group data, or to prepare a valid income survey, reference, **Appendix M**.

Beneficiaries

Beneficiaries may be measured using people, housing units, households, or jobs. The type of beneficiary associated with an activity is stated within each specific Activity Application Package. When defining who the beneficiaries are, please also include a breakdown by Non-Low/Mod, Low/Mod, Very Low Income, and Extremely Low-Income, as requested in the Application.

- **Non-Low/Mod** refers to individuals or households whose incomes are above 80 percent of county area median household income, adjusted for family size.
- **Low/Mod** refers to individuals or households whose incomes are between 80 and 51 percent of county area median household income, adjusted for family size.
- **Very Low Income** refers to individuals or households whose incomes are between 50 and 31 percent of county area median household income, adjusted for family size.
- **Extremely Low Income** refers to individuals or households whose incomes are below 30 percent of county area median household income, adjusted for family size.

Beneficiaries of grant funding must receive the benefit prior to expiration of the grant contract. The funded project or program must be benefitting the intended beneficiaries prior to contract expiration in order to demonstrate that the National Objective benefit has been met.

In order to meet the National Objective benefit for PIHNC, the housing units to be serviced by the infrastructure must be occupied. Completion of the infrastructure construction is not sufficient to meet the benefit. Additionally, the completion of a facility in which no services are provided prior to the expiration of the grant contract shall be considered to have no National Objective benefit.

b. **Determination of LMJ Beneficiaries**

The Public Benefit requirement is met through the creation or retention of full-time (1,750 hours per year) and/or two part-time aggregated jobs yielding a full-time equivalent (FTE), such that the activity does not exceed a \$35,000 per job created/retained ratio. This is an aggregation required by 25 CCR 7054, Definitions, "Permanent job".

Documentation of ED Beneficiaries: BA and ME program applications do not require that documentation of beneficiaries be submitted at the time of application. Beneficiaries of these programs are not known at the time of application. According to the ME and BA program guidelines, documentation of beneficiaries is required after funding award and general conditions are cleared for eligible projects.

c. **Determination of Low/Mod Beneficiaries**

- 1) Each application must provide information on the proposed beneficiaries for each activity.
- 2) Beneficiaries whose incomes are 80 percent or less of the county median income, adjusted for family size, are determined to be Low/Mod.

HCD charts showing county median incomes based on family size can be found at [2018 Income Limits](#).

d. **Presumed Benefit (Limited-Clientele)**

HUD has determined that the following exclusively served groups are beneficiaries presumed to be at least 51 percent Low/Mod:

- Severely disabled adults*
- Elderly persons
- Illiterate adults
- Persons living with AIDS
- Battered spouses
- Abused children
- Migrant farmworkers
- Homeless persons

*Defined as: Adults meeting the Bureau of the Census Current Population Reports definition of "severely disabled".

Note: Presumed benefit may be challenged if there is substantial evidence that the persons in the actual group that the activity is to serve are most likely not 51 percent Low/Mod persons.

e. **Documenting Beneficiaries**

Each Activity Application Package has a section for Documentation of Beneficiaries. When filling out an activity application, please complete the tables as required. The table shown on the next page is the same as what is in each application. Each proposed activity must show the intended beneficiaries by income category, as noted below. An activity must benefit all residents of the intended service area who are income qualified up to 80 percent of the county area median income (AMI), adjusted for family size. An activity cannot solely benefit only one specific level of a Low/Mod beneficiary listed above. Thus, an activity cannot only benefit the 51-80 percent Low/Mod Group in the service area.

Further, in the instance of senior citizen activities, beneficiary income levels are counted as follows:

- Seniors (60 years old and above) – If assistance is to acquire, construct, convert, and/or rehabilitate a senior center, or to pay for providing senior services located at a senior citizen center, for reporting purposes, this group is considered Low/Mod (51-80 percent AMI).
- Seniors (60 years old and above) – If assistance is for other public services exclusively for seniors that are provided away from a senior citizen center (such as a Meals-on-Wheels Program), for reporting purposes, this group is considered Very Low Income (31 to 50 percent AMI).
- If an activity serves a combination of these groups, estimate the number under each group and report those numbers under the appropriate income levels.

If an activity assists seniors for housing, HUD defines ‘seniors’ as 62 years and older. If you have questions about meeting the presumed Limited-Clientele national objective for different activity types, [please click this link to review CDBG Management Memo 15-01](#). This memo reviews the state CDBG program and senior activities.

<u>81% AND ABOVE</u> (Non-Low/Mod)	<u>BETWEEN 51 - 80%</u> (Low/Mod)	<u>BETWEEN 31 - 50%</u> (Very Low Income)	<u>AT OR BELOW 30%</u> (Extremely Low Income)	<u>TOTALS</u> Number of People
-A-	-B-	-C-	-D-	-E-

Explanation of Income Levels:

Box A - Non-Low/Mod: Enter the proposed number of beneficiaries with incomes 81 percent and above (non-Low/Mod) of the county AMI. If CDBG funds will be used on a project where non-Low/Mod will benefit, then show those non-Low/Mod numbers on this chart. If non-Low/Mod will not benefit from a CDBG activity, enter a zero in column A.

Box B - Low/Mod: Enter the proposed number of beneficiaries with incomes between 51 and 80 percent of the county AMI.

Box C - Very Low Income: Enter the proposed number of beneficiaries with incomes between 31 and 50 percent of the county AMI. Applicants may not enter a zero in this column. Proposed activities may not exclude benefit to the Very Low Income group.

Box D - Extremely Low Income: Enter the proposed number of beneficiaries with incomes less than 30 percent of the county AMI.

Box E - Totals: Enter the total number of beneficiaries.

Contact the CDBG NOFA unit by email, cdbgnofa@hcd.ca.gov to determine how this applies to your activity.

IV. APPLICATION REVIEW AND ACTIVITY EVALUATION

Overview of Scoring Methodology

All applications are required to pass threshold requirements. Applications that pass threshold will be scored according to the evaluation criteria in [25 CCR 7078](#). The 2018 CDBG Activity Application Self-Score Worksheet is also required as part of the evaluation criteria.

- Applications will be evaluated for activity eligibility based on documentation of meeting National Objective and Beneficiary requirements.
- Each application will be scored using an individual activity scoring system, which will rate and rank each activity against applications for the same activity. No blending of scores for multiple activities will take place.
- For applications that request more than one activity within a single activity category (i.e., Housing Combo, more than one Public Service or EF Combo), each individual activity will be scored; then, all the scores in that category will be averaged together to get a single category score (i.e., the scores for the ME application and BA application will be averaged together to come up with one total EF score). Averaging will occur only in the categories of Housing, Public Services and EF, as applicable.
- A jurisdiction will be awarded or denied funding based on scores for each activity. For example, it is possible to be awarded funds for one activity, but not another.
- Points will be awarded in four main scoring categories:
 - Need
 - Readiness
 - Jurisdictional capacity/Past performance
 - State objectives
- Each of the four scoring categories will be applied to all activities in the application, although the type and weighting of the criteria within each category may differ for each activity.
- State CDBG regulations state that an application can receive a maximum of 1,000 points per activity, depending whether the activity has state objective points or not. This includes EF applications.

For scoring criteria, refer to **Activity Self-Score Sheet**.

V. AWARDS ANNOUNCEMENT AND GRANT IMPLEMENTATION

A. AWARD ANNOUNCEMENTS

HCD anticipates awards will be announced within 90 days of the application deadline. Until awards are announced, the CDBG staff will not be able to discuss the status of applications.

Within 60 days from the award announcement date, unsuccessful applicants will have the opportunity to request an exit interview to discuss their application. Applications and agreements are public information and are available for review upon request. Applicants are advised that information submitted to HCD may be made available to the public under the Public Records Act.

B. GRANT CONTRACT PROCESSING AND RELEASE OF FUNDS

Standard Agreement: All funded applications will receive a Standard Agreement (Agreement). The Agreement will contain information about the terms and General Conditions, as well as Special Conditions (activity specific) of the award. Per AB 325, HCD will provide an Agreement for the Grantee to sign/execute within 60 days of funding award.

Release of General Administration (GA) Funds: Applicants may be permitted to incur GA costs upon receiving their award letter only if they have first requested and obtained written approval from HCD.

Release of Activity Funds: Grantees must obtain written clearance of the General Conditions Checklist for each activity funded under the Agreement, including any special conditions or environmental requirements, prior to incurring CDBG eligible costs. General Conditions Checklists are a complete and final list of required items before starting an activity. The restriction on incurring costs also applies to non-CDBG funds being used on an activity. Beginning any program or project activity prior to obtaining written clearance from HCD may cause the activity to become ineligible.

Term of Agreement: The Agreement shall expire no later than 60 months from the effective date of Agreement; however, the contract expenditure deadline for all activities under the Agreement will be no more than 36 months from the effective date of the Agreement.

VI. FEDERAL PROGRAM REQUIREMENTS

A. FEDERAL OVERLAYS

The CDBG program is administered under the rules and regulations promulgated primarily in Title 24 of the Code of Federal Regulations (CFR), [24 CFR Part 570](#). These primary regulations are known as the federal overlays and form the basis of the programmatic requirements. HCD incorporates all federal overlays into the state CDBG program, and the regulations in Part 570 are translated into required actions on the part of all grantees of the state program.

This following is a summary of the federal overlays:

1. Environmental Standards (based on National Environmental Policy Act of 1969 [NEPA]);
2. Labor Standards (Davis-Bacon and Related Laws);
3. Achieving a HUD National Objective;
4. Public Participation Requirements;
5. Fair Housing and Affirmatively Furthering Fair Housing;
6. Equal Opportunity and Non-Discrimination in federal Grant Programs;
7. Federal Procurement Guidelines;
8. National Flood Insurance Program Compliance;
9. Relocation and Displacement Requirements;
10. Employment and Contracting Opportunities;
11. Lead-Based Paint Requirements;
12. No Use of Debarred, Ineligible or Suspended Contractors or Sub-recipients;
13. Uniform Administrative Requirements and Cost Principles;
14. Conflict of Interest Prohibitions;
15. Compliance with the Architectural Barriers Act and the Americans with Disabilities Act;
16. Compliance with Eligibility Restrictions for Certain Resident Aliens;
17. Federal Reporting Requirements; and
18. Grant and Sub-recipient Monitoring Requirements.

B. PUBLIC RECORDS ACT

Applications and Agreements are public information and are available for review upon request. Applicants are advised that information submitted to HCD may be made available to the public under the Public Records Act.

C. RELOCATION PLAN REQUIREMENT

Applicants engaging in project-specific activities that may or will cause the temporary or permanent relocation and displacement of persons, property, or businesses must provide a project-specific relocation plan as part of meeting General Conditions Checklist, i.e. prior to start of the project or displacement activity. Applicant should include relocation costs in project budget and sources and uses.

They are also encouraged to provide General Information Notices (GIN) to persons that may be displaced if the activity in the grant application is funded. This plan must outline how the grantee will enforce and manage the project's temporary relocation and displacement activities for the project and estimate what relocation benefits will be required so those benefit costs can be included in the project's development budget.

D. PROCUREMENT

Pursuant to 24 CFR Section 570.489(g), all grantees must comply with federal procurement requirements. HCD will review the grantee's procurement documents for services (i.e., administrative sub-contractor Davis Bacon consultant) at time of monitoring.

The Code of Federal Regulations (CFR), [e-CFR](#) explains the procurement standards (2 CFR Part 200.317-200.326 of the OMB Super Circulars).

E. FEDERAL DEBARMENT AND SUSPENSION

Pursuant to 24 CFR, Part 5, all CDBG grantees are required to verify they and their principals, or any/all persons, contractors, consultants, businesses, sub-recipients, etc., that are conducting business with the grantee are not presently debarred, proposed for debarment, suspended, declared ineligible, or voluntarily excluded from participation in the covered transaction or in any proposal submitted in connection with the covered transaction. Applicants must check the [Excluded Parties List](#) and print and submit evidence of the search results in the application.

HCD will not award any CDBG funds to applicants that are debarred, suspended, proposed for debarment, and declared ineligible or voluntarily excluded from participation from federally assisted programs.

F. ANTI-LOBBYING CERTIFICATION

The following anti-lobbying certification will be included in the Standard Agreement between HCD and all successful Applicants receiving awards under this NOFA:

1. No federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement;
2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

G. EXCESSIVE FORCE CERTIFICATION

All successful local government Applicants receiving awards under this NOFA shall be required to certify in the Standard Agreement with HCD that such Applicant has adopted and is enforcing: (1) a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and (2) a policy of enforcing applicable state and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

H. OTHER FEDERALLY-REQUIRED CERTIFICATIONS AND ASSURANCES

In addition to the certifications required by subsections F and G above, additional federally required certifications and assurances shall be included in the Standard Agreement with successful Applicants, which certifications and assurances may include, but are not limited to, those which have been given by HCD to HUD in connection with the federal grant agreement pursuant to which CDBG funds are provided to the state.

First 5 Mono
2018-19 Proposed Mid-Year Budget Update

Item #14
Mtg. Date 12/17/18

	Adopted Budget	Proposed Budget	Change
Ordinary Income/Expense			
Income			
Prop 10 Tax Revenue	85,191	85,191	
Small County Augmentation	264,809	264,809	
SMIF (Surplus Money Inv Fund)	65	65	
IMPACT	83,462	88,962	5,500
Region 6 T&TA Hub	130,059	155,399	25,340
CDBG Administration	5,000	8,721	3,721
CDBG-ESUSD	40,000	232,558	192,558
CAPIT/CBCAP (Home Visiting)	33,000	33,000	
CSPB Block Grant		15,625	15,625
Peapod Program (Prop 63 Funds)	40,000	40,000	
Misc Inc	1,000	1,000	
Interest on F5 Mono Fund Bal	8,995	8,995	
Gross Income	691,581	934,325	242,744
Expense			
Home Visiting			
Home Visiting Program			
Director Salary	16,880	16,880	
Director Benefits	1,025	1,025	
Home Visitors Salary	90,000	90,000	
Home Visitors Benefits	20,000	20,000	
Admin Assistant Salary	7,985	7,985	-
Admin Assistant Benefits	1,500	1,500	
Office Supplies & Rent	1,000	1,000	
Postage	200	200	
Counseling	1,000	1,000	
Training & Travel	15,000	15,000	
Educational Support Materials	500	500	
Lactation Counseling/Childbirth	500	600	100
MCOE Indirect	14,740	14,740	
Total Home Visiting (Resource 9037)	170,330	170,430	100
School Readiness			
Director Salary	7,275	7,275	
Director Benefits	3,940	3,940	
Admin Assistant Salary	8,465	8,465	
Admin Assistant Benefits	1,500	1,500	
Office Supplies/Postage	1,000	1,000	
Motorpool	180	180	
Preschool to K Transition	3,500	3,000	(500)
Promotional Messaging	200	200	
Early Literacy	2,000	2,000	
ESUSD Transition to School	8,675	8,675	

First 5 Mono
2018-19 Proposed Mid-Year Budget Update

Item #14
Mtg. Date 12/17/18

	Adopted Budget	Proposed Budget	Change
MUSD Transition to School	10,000	10,000	
Raising A Reader	38,000	38,000	
MCOE Indirect	2,118	2,118	
Total School Readiness (Resource 9310)	86,853	86,353	(500)
Peapod			
Director Salary	1,620	1,620	
Director Benefits	875	875	
Admin Assistant Salary	7,985	8,167	182
Admin Assistant Benefits	1,500	1,500	
Peapod Leaders Salary	19,000	19,000	
Peapod Leaders Benefits	3,100	3,100	
Office Supplies	100	100	
Advertising	770	770	
Training & Travel	1,000	1,000	
Playgoup Materials	740	740	
MCOE Indirect	3,310	3,310	
Total Peapod (Resource 9039)	40,000	40,182	
Child Care Quality			
IMPACT			
Director Salary	5,820	5,820	
Director Benefits	3,150	3,150	
Coordinator Salary	24,740	24,740	
Coordinator Benefits	9,620	9,620	
Materials & Supplies	900	900	
Equipment	500	500	
Travel	1,000	1,000	
Incentives	19,157	19,157	
Contractual	8,500	8,500	
Coaching	9,000	9,000	
Indirect			
MCOE Indirect	4,360	4,360	
First 5 Indirect	7,215	7,215	
Total Indirect	11,575	11,575	
Total IMPACT (Resource 9036)	93,962	93,962	
Region 6 T&TA Hub			
Coaching			
Salaries		15,800	15,800
Benefits		6,300	6,300
Materials & Supplies	1,250	2,400	1,150
Travel	11,511	9,000	(2,511)
Training		9,500	9,500
Contractual	94,587	82,424	(12,163)
ELNAT	3,200	3,200	
Data System	8,824	7,200	(1,624)

First 5 Mono
2018-19 Proposed Mid-Year Budget Update

Item #14
Mtg. Date 12/17/18

	Adopted Budget	Proposed Budget	Change
First 5 Indirect	10,687	19,575	8,888
Total Region 6 T&TA Hub	130,059	155,399	25,340
CSPP Block Grant			
Coordinator Salary		1,843	1,843
Coordinator Benefits		546	546
Travel		200	200
Contractual		1,300	1,300
Site Block Grants		11,500	11,500
MCOE Indirect		236	236
Total CSPP Block Grant		15,625	15,625
Total Child Care Quality	224,021	264,986	40,965
Oral Health			
Director Salary	1,615	1,615	
Director Benefits	875	875	
Tooth Tutor Salary	1,215	1,215	
Tooth Tutor Benefits	85	85	
Educational Support Materials	200	200	
MCOE Indirect	380	380	
Total Oral Health (Resource 9038)	4,370	4,370	
Safe Kids Coalition	7,000	7,000	
CDBG Admin Expense	5,000	8,721	3,721
CDBG-ESUSD	40,000	232,558	192,558
Evaluation	1,500	1,500	
F5 Operations			
Director Salary	34,665	35,304	639
Director Benefits	29,720	29,720	
Admin Assistant Salary	20,335	20,515	180
Admin Assistant Benefits	3,815	3,815	
Office Supplies/Postage	1,500	1,500	
Advertising	500	500	
Rent	4,900	4,900	
Phones	350	350	
Commissioner Travel	300	300	
Staff Training & Travel	3,000	3,400	400
MCOE Indirect	9,400	9,400	
Total F5 Operations (Resource 9300)	108,485	109,703	1,218
Miscellaneous			
F5 Association Dues	3,163	3,163	
Fiscal Audit	6,000	10,000	4,000
Mono County Counsel	1,000	1,500	500
Total Miscellaneous	10,163	14,663	4,500
Total Expense	697,722	940,466	242,744
Net Ordinary Income	(6,141)	(6,141)	

First 5 Mono County
Profit & Loss Year to Date
July 2018 through Dec 6, 2018

	Jul 1 - Dec 6	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Prop 10 Tax Revenue	21,956.24	85,191.00	-63,234.76	25.77%
Small County Augmentation	-4,053.29	264,809.00	-268,862.29	-1.53%
SMIF (Surplus Money Inv Fund)	0.00	65.00	-65.00	0.0%
IMPACT	9,000.00	83,462.00	-74,462.00	10.78%
Region 6 T&TA Hub	-150.00	130,059.00	-130,209.00	-0.12%
CDBG Administration	1,115.39	5,000.00	-3,884.61	22.31%
CDBG	0.00	40,000.00	-40,000.00	0.0%
CAPIT/CBCAP (Home Visiting)	9,230.00	33,000.00	-23,770.00	27.97%
Peapod Program (Prop 63 Funds)	9,056.05	40,000.00	-30,943.95	22.64%
Misc Inc	0.00	1,000.00	-1,000.00	0.0%
Interest on F5 Mono Fund Bal	2,898.52	8,995.00	-6,096.48	32.22%
Total Income	49,052.91	691,581.00	-642,528.09	7.09%
Gross Profit	49,052.91	691,581.00	-642,528.09	7.09%
Expense				
Home Visiting (Resource 9037)	61,673.40	170,330.00	-108,656.60	36.21%
School Readiness (Resource 9310)	8,412.35	86,853.00	-78,440.65	9.69%
Peapod (Resource 9039)	16,264.28	40,000.00	-23,735.72	40.66%
Child Care Quality	64,965.27	224,021.00	-159,055.73	29.0%
Oral Health (Resource 9038)	1,348.32	4,370.00	-3,021.68	30.85%
Safe Kids Coalition	0.00	7,000.00	-7,000.00	0.0%
CDBG Admin Expense	1,801.02	5,000.00	-3,198.98	36.02%
CDBG-ESUSD	42,974.73	40,000.00	2,974.73	107.44%
Evaluation	0.00	1,500.00	-1,500.00	0.0%
F5 Operations	45,039.72	108,485.00	-63,445.28	41.52%
Miscellaneous	9,163.00	10,163.00	-1,000.00	90.16%
Total Expense	251,642.09	697,722.00	-446,079.91	36.07%
Net Ordinary Income	-202,589.18	-6,141.00	-196,448.18	3,298.96%
Net Income	-202,589.18	-6,141.00	-196,448.18	3,298.96%