THE L.A. TRUST BOARD OF DIRECTORS MEETING

Thursday December 14, 2017 | 4:00 pm - 7:00 pm
Elizabeth Learning Center
4811 Elizabeth Street, Cudahy, CA 90201
Agenda

1. Welcome & Introductions
2. Tour of Wellness Center
3. Organizational Structure
4. Consent Agenda
5. Executive Director Report

BREAK

6. Committee Reports
7. Adjourn
Mission

- It is our mission to improve the quality of life for the diverse communities of South Los Angeles and Southeast Los Angeles County by providing affordable and comprehensive health care and education in a welcoming and multicultural environment.

- We aim to lead the way in health care in South Los Angeles, as the premier provider and employer of choice offering comprehensive, high quality, affordable, efficient and culturally responsive services.

About Us

- 36 years of providing healthcare service to geographically and economically underserved individuals and families.

- Received Federally Qualified Health Center (FQHC) status in 2002.

- At the forefront of addressing healthcare disparities in a competent and linguistically appropriate manner.

- SCFHC has more than 184 staff members of which 28 are clinicians who provide the direct medical services, treatment and care to patients.
Need in SCFHC Service Area

- Health & Access Indicators 2015 Los Angeles Health Survey, found that out of 32,942 people in the SCFHC service area, 12.6% children aged (3-17 years old) were not able to afford dental care & check ups in the past year.

- January 2017, LA County Dept. of Public Health Needs Assessment ascertained that 56.9% of adults in SPA 6 and 46.9% in SPA 7 were not able to see a dentist or have a dental visit in the past year. 10.4% of children in SPA 6 and 11.5% in SPA 7 were not able to afford dental care in the past year either.

- In 2013, 0.8% of total SCFHC patients accessed dental services introduced that year, 30% of total patients accessed dental services in 2017.

  - Lack of access to dental care continues to be burden on low income population of SCFHC service area.
Achievements @ SCFHC Clinic Sites

- SCFHC Dental Care Center, Wellness Center at Jefferson High School, and SCFHC Huntington Park clinic offer dental care services
  - Huntington Park clinic has four dental operatories, patients requesting dental care from E.L.C. are seen here
- #1 service requested at the Wellness Center at Jefferson High School is Dental work
  - Two dental chairs
- Children have been missing less school since the opening of our school-based clinic sites
Achievements @ SCFHC Clinic Sites

- Opened Dental Care Center at 4415 S. Central in October 2017
  - 6 new dental operatories doubled SCFHC’s overall dental capacity
- SCFHC Dental director Dr. Ryan Huang is doing collaborative work with seven elementary schools in LAUSD to do dental screenings for children in Kindergarten - 1st grade, as part of new mandate for children to have a dental screening prior to enrollment
Wellness Center @ E.L.C.

- Clinic opened in August 2016
  - Currently open three days a week, seeking to expand hours of operation as full-time license is acquired
- Women’s and Men’s Health, Primary Care, Pediatrics, Mental Health, and Family Planning Services
- Serves and engages nearly 2,000 students, including teachers
  - Students are able to access by having written consent from parent or guardian
- Student Engagement is maintained through The Health Governance Club
- Partnership with Padres Lideres and First 5 LA for a Health Education Alliance

- Wellness Center hosts weekly parent-yoga classes, in 2016 the classes only had 3 participants. 20 participants in 2017, showing an 83% increase
- 133 patients were seen between Aug. and Nov. 2016; 250 patients were seen between March and May 2017
  - Patients are seen by physician, nurse practitioner, and receive managed care

Outreach at W.E.L.C.
- Yoga Classes
- Event Tabling
- Enrollment Advice
- Student tours
- Stress management
Events

- National Health Center Week Celebration, August 9, 2016
  - Over 300 attendees

- Holiday Event and Toy Giveaway, December 21, 2016
  - 130 bags were given to parents who provided their contact information, and approximately 300 Ella Fitzgerald Foundation books to children

- Elizabeth Learning Center Health Fair and Spring Fest, April 4, 2017
  - 56 attendees: 20 mothers, 36 children, with 12 appointments made
The L.A. Trust for Children’s Health

Board Only Briefing
December 14, 2017

Organizational Design
June - December 2017
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<td>Other Recommendations</td>
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Organizational Design Project Overview

Project Purpose
Enhance organizational effectiveness, impact, and sustainability by recommending changes to the organizational structure and staff practices that will meet current and anticipated need.

What We Did
- Gathered and analyzed data:
  - Conducted 1:1 interviews with all 16 staff members
  - Shadowed team meetings/retreat
  - Gathered input from Board at Board retreat
  - Job descriptions, strategic plan, grant obligations, organizational chart, and vendor agreements

- Based on data analysis and current and anticipated organizational needs, created:
  - Summary of interview findings for Executive Director and Program Directors
  - The L.A. Trust Theory of Change 2.0
  - Maps of needed organizational capabilities according to capability type and ownership by leadership position; conducted a capability gaps assessment
  - Updated and restructured organizational charts for Oct-Dec 2017, Jan-Mar 2018, after March 2018, and after June 2018

Assumptions and Constraints
- In our analysis and presentation of recommendations, we operated within these constraints:
  - Our primary charge was to optimize the structure and roles of current staff
  - We did not assess the competency of individual staff
Interview Key Findings
Related to organizational structure and practices

**Related to Strategic Capabilities**
- Organization is heavily reliant on Maryjane—need to engage in *succession planning and delegation* of some responsibilities centralized in ED
- Confusion and frustration among staff about The L.A. Trust’s *theory of change and program model*—is The L.A. Trust a backbone organization, direct service provider and/or best practice developer? Need to clarify for staff which current activities are for short-term sustainability and which are part of long-term approach to achieving desired impact

**Related to Programmatic Capabilities**
- Need full-time supervision and in-person/increased oversight of staff and day-to-day operations to support early-career staff and increase accountability, efficiency and modeling
- Lack of program management ownership and oversight of program budgets decreases efficiency and demands too much involvement by ED in day-to-day programmatic/grant management (e.g., pre-approval of small purchases)
- Staff working on *student engagement* have questions about the effectiveness of the current approach

**Related to Enabling Capabilities**
- Lack of clear and realistic expectations for *fund development and grants management* roles and capacity, including division of responsibilities throughout grant cycle between Development and Program staff
- Need to evaluate *vendors* for efficiency, effectiveness, and cost (including TeamCFO, HR consultant)
- Day-to-day *administration and IT* tasks are taken on by various staff, and sometimes fall through the cracks. Sustainability plan needed for administrative and IT support—as appropriate, build into staff responsibilities and/or outsource when particular expertise needed
Theory of Change
Healthy, college and career-ready students & Healthy families, schools, and communities

Data systems are aligned throughout Networks and tracking impact

LAUSD grads run community-responsive Wellness Centers and Networks

Policymakers, policies, & insurance/managed care providers support and invest in Wellness Networks

Wellness Center and Wellness Network operations model is sustainable

Wellness Centers and Networks are being used by students & communities

Wellness Centers and Networks are operating using best practices, including responsive care delivery based on evidence, national standards, and a population health approach

School communities champion wellness and Wellness Networks

Students, families, and communities in areas of highest need have access to physical, mental, and oral care, preventative strategies, and supportive services

**Lead and Convene**
- Collect and analyze data to link student health & achievement
- Facilitate learning & knowledge sharing
- Conduct research and evaluation to identify best practices
- Mobilize funding and partnerships
- Advocate for policies and resources that address systemic barriers to health

**Support Wellness Centers and Networks**
- Support physical WC sites as centers of integrated, trauma-informed care
- Cultivate support for WCs from health insurers, providers, and other funders & stakeholders
- Co-develop and co-implement programs to develop best practices

**Engage, Educate, and Collaborate with Communities in Areas of Highest Need**
- Engage students & local communities to promote & advocate for student health, community health & access to care, provide education, & collect feedback
- Build public will (communities, policymakers, funders)
- Co-develop career pathways for LAUSD students
Capability Maps
Capabilities Mapping

Defining Terms

What are capabilities?

- Think “capacity + abilities”
- Required to fulfill vision/theory of change/strategy
- One leader ultimately responsible for each
- At organizational level: Delivered through people (employee/vendor/in-kind) with individual competencies but describe what organization as an entity is able to do
- Must be mapped before charting structure

Defining the 3 types of capabilities:

<table>
<thead>
<tr>
<th>Strategic Capabilities</th>
<th>Needed to chart the course of the organization and secure highest level resources</th>
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</thead>
<tbody>
<tr>
<td>Programmatic Capabilities</td>
<td>Needed to deliver specific programs/services/products</td>
</tr>
<tr>
<td>Enabling Capabilities</td>
<td>Needed to provide the infrastructure for other capabilities</td>
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</table>
### Which Organizational Capabilities Does The L.A. Trust Need?

**Dictated by Strategic Plan & Business Model**

<table>
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<td><strong>Governance</strong></td>
<td><strong>Advocacy: District Policy</strong></td>
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<td><strong>Partnership Cultivation &amp; Management</strong></td>
<td><strong>Advocacy: Local/County Policy</strong></td>
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<td><strong>Collective Impact: Backbone &amp; Coordination</strong></td>
<td><strong>Collective Impact: Convening &amp; Shared Learning</strong></td>
<td><strong>Student Health Advocate Development</strong></td>
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<td><strong>Best Practices: Development and Delivery</strong></td>
<td><strong>Parent &amp; Campus Engagement</strong></td>
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<td><strong>Grants &amp; Contract Management</strong></td>
<td><strong>Human Resources</strong></td>
<td><strong>Wellness Center: Sustainable Model Development</strong></td>
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<td><strong>Talent Management</strong></td>
<td><strong>Development: Individual &amp; Major Gifts</strong></td>
<td><strong>Career Pathway Development</strong></td>
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<tr>
<td><strong>Finance, Accounting &amp; Bookkeeping</strong></td>
<td><strong>Technology Maintenance &amp; Support</strong></td>
<td><strong>Legal</strong></td>
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**Note:**
Detailed capabilities for each are in subsequent pages. For example, HR includes: recruiting, compensation & benefits. Talent Management includes onboarding, training, performance management.
# Detailed Core Capabilities:

## Strategic

### Strategic Visioning & Planning
- Long-term visioning & theory of change articulation
- Strategy articulation
- Strategy implementation planning
- Managing and reporting implementation progress

### Governance
- Board & committee structure
- Board recruitment & development
- Financial & investment oversight

### Advocacy: District Policy
- Policy goals/agenda
- Advocacy strategy
- Ally cultivation & relations
- Policymaker relations (Board of Education; LAUSD & SHHS leadership)

### Advocacy: Local/County Policy
- Policy goals/agenda
- Advocacy strategy
- Ally cultivation & relations
- Policymaker relations (County Board of Supervisors & Deputies; City of LA)

### External Communications & Public Relations
- Marketing & communications strategy
- Brand development & integrity
- Crafting narratives & storytelling
- Online presence, including social media

### Partnership Cultivation & Management
- Partner identification, qualification, cultivation (SHHS, LAUSD, FQHCs, insurance providers, other nonprofits, funders)
- Relationship development
- Relationship management

### Advocacy: State & Federal Policy
- Policy goals/agenda
- Advocacy strategy
- Ally cultivation & relations (coalition participation)
- Policymaker relations (through coalitions)
## Detailed Core Capabilities: Programmatic

### Collective Impact: Backbone & Coordination
- Guide collective vision & strategy
- Support aligned activities among partners
- Establish shared measurement practices
- Support efficiency, capacity & communication
- Mobilize & direct funding for shared initiatives

### Collective Impact: Convening & Shared Learning
- Convene partners
- Facilitate, track & build capabilities for reflection & knowledge-sharing
- Increase quality, efficiency, capacity & capability thru knowledge-sharing
- Increase collaboration
- Recognize partners’ achievements

### Student Health Advocate Development
- Student engagement programming
- Teach & build advocacy skills, health & public health knowledge
- Support student-led efforts

### Parent & Campus Engagement
- Up awareness of health issues & services
- Collect input from parents/campus stakeholders
- Build trust & supportive relationships with parents/campus communities
- Support partners’ community engagement to up support & action

### Wellness Center: Sustainable Model Development
- Support providers to maximize billing & reimbursement
- Mobilize funding
- Develop systems & practices to maximize efficiency
- Develop profitability model with/for providers

### Career Pathway Development
- Co-develop career pathway opportunities with partners & stakeholders
- Support student training relevant to career pathways

### Data Systems & Analysis
- Shared metrics
- Shared data systems development & management
- Reporting & data analysis to show impact

### Best Practices: Development & Delivery
- Design & deliver programs to hone best practices
- Work with & learn from other providers to identify best practices
- Utilize best practice research
- Document & update model of school-based health

### Program Research & Evaluation
- Conduct research into existing WN programs to measure impact & inform continuous improvement
- Mobilize funding for research & evaluation
- Set desired, program-specific metrics & use to evaluate

### Oral Health Prevention Services
- Sustain & enhance treatment services & education
- Expand reach
- Evaluate services & report on learning, outcomes, impact

### Public Health & Population Health Focus
- Ensure all programs & services use a population health approach at all levels of prevention/intervention
- Provide staff with continuing education on how to apply

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Detailed Core Capabilities: Enabling

Grants & Contract Management
- Tracking of grants, grant requirements, & report due dates
- Managing fulfilment of all contract/grant requirements

Human Resources
- Recruitment
- Compensation & benefits strategy & management
- Payroll
- Operational/transitional HR
- Succession planning

Development: Foundation, Corp, & Government
- Fund development strategy & plan
- Grant & report writing
- Relationship cultivation & management
- Identification of funding streams
- Database management & analysis

Technology Maintenance & Support
- IT strategy
- Obtaining & maintaining IT infrastructure (hardware & software)
- IT support: training, troubleshooting, regular maintenance
- IT security

Legal
- Contracts & policies oversight & drafting
- Compliance

Bookkeeping, Accounting & Finance
- Financial planning & analysis
- Financial system management
- Financial risk management
- Budgeting
- Bookkeeping
- Reporting
- Taxes

Talent Management
- On-boarding
- Training & other professional development
- Supervision & support
- Performance goal-setting & review

Development: Individual & Major Gifts
- Fund development strategy & plan
- Relationship cultivation & management
- Event planning
- Database management & analysis

Internal Communications
- Internal communications strategy
- Internal meeting management
- Internal communication logistics (non-meeting)
### What Is Current Status of Each Capability?

**Solid? Some Gaps? Or Big Gaps Compared to What We Need?**

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<td>Program Research &amp; Evaluation</td>
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<td>Oral Health Prevention Services</td>
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<tr>
<td>Finance, Accounting &amp; Bookkeeping</td>
<td>Talent Management</td>
<td>Public Health &amp; Population Health Focus</td>
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<tr>
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<td>Legal</td>
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Note: We assessed status based on an evaluation of organizational capacity & individual competencies required to fulfill current strategic objectives. Solutions to gaps may require changes in structure, FTEs, staffing, training, funding etc. See following 3 slides for our evaluation, as well as how we think the proposed new structure will support solutions.

- **= Solid**
- **= Some Gaps**
- **= Big Gaps**
## Capability Gaps Assessment
### Strategic Capabilities

<table>
<thead>
<tr>
<th>Capability</th>
<th>Status</th>
<th>Why?</th>
<th>How does new structure support solution?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic Visioning &amp; Planning</td>
<td></td>
<td>Gap between desired outcomes and having a plan to get there</td>
<td>ED capacity freed up by re-delegation of ownership of key capabilities (e.g., development, finance); Director-level team will grow, increasing number of staff with responsibilities for strategic thinking</td>
</tr>
<tr>
<td>Governance</td>
<td></td>
<td>Composition of Board (e.g., Board of Education reps); Board Members not reaching service goals</td>
<td>Shifting Board composition (no more Board of Education reps) and revisiting committee structure</td>
</tr>
<tr>
<td>Advocacy: District Policy</td>
<td></td>
<td>Capacity</td>
<td>ED capacity freed up by re-delegation of ownership of key capabilities (e.g., development, finance)</td>
</tr>
<tr>
<td>Advocacy: Local/County Policy</td>
<td></td>
<td>Capacity, Lower strategic priority</td>
<td>ED capacity freed up by re-delegation of ownership of key capabilities (e.g., development, finance)</td>
</tr>
<tr>
<td>Advocacy: State &amp; Federal Policy</td>
<td></td>
<td>Capacity, Lower strategic priority</td>
<td>No change. Still not a priority for available capacity. Continue to rely on partners for capability (e.g., State Alliance, Coalitions).</td>
</tr>
<tr>
<td>Partnership Cultivation &amp; Management</td>
<td></td>
<td>Capacity, Previous Director of Development focused on proposals and grant management</td>
<td>ED capacity freed up by re-delegation of ownership of key capabilities (e.g., development, finance); Growth in Development staff; Promotion to new Associate Program Director role creates capacity for more programmatic partnership development</td>
</tr>
<tr>
<td>External Communications &amp; Public Relations</td>
<td></td>
<td>Capacity; Inability to fill Communications Manager role</td>
<td>Development Director will assume ownership from ED for this capability; Communications Manager position still to be filled, temporary capacity through consultant; Communications &amp; Marketing Associate changed to Communications &amp; Development and reporting aligned under Development</td>
</tr>
<tr>
<td>Capability</td>
<td>Status</td>
<td>Why?</td>
<td>How does new structure support solution?</td>
</tr>
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</tr>
<tr>
<td>Collective Impact: Backbone &amp; Coordination</td>
<td>Capacity, Stage of implementation</td>
<td>Promotion to new Associate Program Director role creates capacity for more oversight of this capability and in-person time with network partners; Redistribution of capabilities for Program Director and Associate Director</td>
<td></td>
</tr>
<tr>
<td>Collective Impact: Convening &amp; Shared Learning</td>
<td>Capacity, Stage of implementation</td>
<td>Promotion to new Associate Program Director role creates capacity for more oversight of this capability and in-person time with network partners; Redistribution of capabilities for Program Director and Associate Director</td>
<td></td>
</tr>
<tr>
<td>Student Health Advocate Development</td>
<td>Capacity, Strategy/Challenges with Model</td>
<td>Promotion to new Associate Program Director role creates capacity for more oversight of this capability and in-person time with network partners; Redistribution of capabilities for Program Director and Associate Director</td>
<td></td>
</tr>
<tr>
<td>Parent &amp; Campus Engagement</td>
<td>Capacity, Strategy, Campus prioritized but not parents, Stage of implementation</td>
<td>Promotion to new Associate Program Director role creates capacity for more oversight of this capability and in-person time with network partners; Redistribution of capabilities for Program Director and Associate Director</td>
<td></td>
</tr>
<tr>
<td>Wellness Center: Sustainable Model Development</td>
<td>Strategy, Stage of implementation</td>
<td>ED capacity freed up by re-delegation of ownership of key capabilities (e.g. development, finance); Board to focus on this area following strategic discussion at August 2017 retreat and Executive Committee/Operations Committee to pursue ROI research</td>
<td></td>
</tr>
<tr>
<td>Career Pathway Development</td>
<td>Strategy, Stage of implementation, Capacity</td>
<td>Re-distribution of capability from ED to Program Director</td>
<td></td>
</tr>
<tr>
<td>Data Systems &amp; Analysis</td>
<td>Stage of implementation, funding</td>
<td>Development consultant to create fund development plan; Growth in development staff; Data Manager position added to staff in next fiscal year (after June 2018)</td>
<td></td>
</tr>
<tr>
<td>Best Practices: Development &amp; Delivery</td>
<td>Time, Capacity, Questions about strategic approach</td>
<td>Promotion to new Associate Program Director role creates capacity for more oversight of this capability and in-person time with network partners; Redistribution of capabilities for Program Director and Associate Director</td>
<td></td>
</tr>
<tr>
<td>Program Research &amp; Evaluation</td>
<td>Stage of implementation, funding, capacity</td>
<td>Development consultant to create fund development plan; Growth in development staff; Data Manager position added to staff in next fiscal year (after June 2018)</td>
<td></td>
</tr>
<tr>
<td>Oral Health Prevention Services</td>
<td>Funded, staffed, strategy in place, evaluation in place</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Public Health &amp; Population Health Focus</td>
<td>Capacity, funding</td>
<td>Re-distribution of capabilities to open up capacity for Program Director and Associate Program Director to oversee this capability</td>
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</table>
### Capability Gaps Assessment

#### Enabling Capabilities

<table>
<thead>
<tr>
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<th>Status</th>
<th>Why?</th>
<th>How does new structure support solution?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants &amp; Contracts Management</td>
<td>Red</td>
<td>Capacity, Service issues with TeamCFO, Poor division of responsibilities among L.A. Trust staff</td>
<td>Contracts and Grants Manager position created and filled; Development Director position created (to manage Contracts and Grants Manager); Ending TeamCFO contract; Capability shifted from ED to Development Director</td>
</tr>
<tr>
<td>Human Resources</td>
<td>Red</td>
<td>Capacity, Poor division of responsibilities among L.A. Trust staff</td>
<td>Continue to use York Holmes as contractor (for comp and benefits advice and sourcing candidates); more delegation of responsibilities related to HR among staff (e.g., Executive Assistant to support recruitment, onboarding) and clarity for staff about roles and responsibilities related to HR; Capability to shift from Executive Director to Finance Director/Controller</td>
</tr>
<tr>
<td>Development: Foundation, Corp &amp; Government</td>
<td>Red</td>
<td>Capacity, No fund development plan/strategy</td>
<td>Contracted temporary capacity for Development Director (as consultant) and Grant Writer (as consultant); Development Director, Grant Writer, and Contracts &amp; Grants Manager positions created; Hired Contracts and Grant Manager; Capability shifted from ED to Development Director</td>
</tr>
<tr>
<td>Development: Individual &amp; Major Gifts</td>
<td>Red</td>
<td>Capacity, No fund development plan/strategy</td>
<td>Contracted temporary capacity for Development Director (as consultant) and Grant Writer (as consultant); Development Director and Grant Writer positions created; Capability shifted from ED to Development Director</td>
</tr>
<tr>
<td>Technology Maintenance &amp; Support</td>
<td>Red</td>
<td>Capacity (no dedicated staff for this)</td>
<td>Short term solution: Executive Assistant to take on more responsibilities related to this capability; Capability shifted to Executive Director from Program Director</td>
</tr>
<tr>
<td>Legal</td>
<td>Green</td>
<td>All needs met by pro bono services from Davis Wright Tremain</td>
<td>N/A</td>
</tr>
<tr>
<td>Finance, Accounting &amp; Bookkeeping</td>
<td>Red</td>
<td>Capacity, Service issues with TeamCFO, Poor division of responsibilities among L.A. Trust staff</td>
<td>Finance Director/Controller and Senior Contracts and Grants Manager positions created; Executive Assistant to provide administrative support for bookkeeping; Ending TeamCFO contract; Capability ownership transferred from ED to Finance Director/Controller</td>
</tr>
<tr>
<td>Talent Management</td>
<td>Red</td>
<td>Capacity, Consistent processes &amp; practices</td>
<td>New supervision structure reduces load for ED/Directors (i.e., Associate Program Director and C4C Program Manager to take on additional managees, reducing load for Program Director, future Development Director to supervise all Communications staff)</td>
</tr>
<tr>
<td>Internal Communications</td>
<td>Yellow</td>
<td>Capacity</td>
<td>Re-distribution of capabilities to open up capacity for Program Director to oversee this capability; Executive Assistant to take on more responsibilities related to this capability</td>
</tr>
</tbody>
</table>
### Which Leader Is Now Responsible for Which Capabilities? (As of June 2017)

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<td>Partnership Cultivation &amp; Management</td>
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<tr>
<td>Finance, Accounting &amp; Bookkeeping</td>
<td>Development: Individual &amp; Major Gifts</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note:
This illustrates who owns what part of what the organization needs to do. Re-mapping the capabilities is a part of considering alternative structures.
<table>
<thead>
<tr>
<th>Executive Director</th>
<th>Program Director and Associate Program Director</th>
<th>Development Director</th>
<th>Finance Director</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic Visioning &amp; Planning</td>
<td>Collective Impact: Backbone &amp; Coordination</td>
<td>External Communications &amp; Public Relations</td>
<td>Finance, Accounting &amp; Bookkeeping</td>
</tr>
<tr>
<td>Governance</td>
<td>Program Research &amp; Evaluation</td>
<td>Parent &amp; Campus Engagement</td>
<td>Human Resources</td>
</tr>
<tr>
<td>Advocacy: District Policy</td>
<td>Collective Impact: Convening &amp; Shared Learning</td>
<td>Oral Health Prevention Services</td>
<td>Development: Foundation, Corp &amp; Government</td>
</tr>
<tr>
<td>Partnership Cultivation &amp; Management</td>
<td>Data Systems &amp; Analysis</td>
<td>Public Health &amp; Population Health Focus</td>
<td>Development: Individual &amp; Major Gifts</td>
</tr>
<tr>
<td>Advocacy: Local/County Policy</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wellness Center: Sustainable Model Development</td>
<td>Internal Communications</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legal</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Talent Management</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technology Maintenance &amp; Support</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Talent Management</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Which Leader Will Be Responsible for Which Capabilities? (To Be)
Organizational Charts
Organizational Charts
Summary of Phased Updates

- **General Corrections to Org Charts**
  - All consultant roles changed to orange boxes to denote contractor role (see key)
  - FTEs and spans of control added for each role (see key)
  - Non-supervisorial reporting/accountability relationships added (dotted lines)

- **PHASE 3 After June 2018 (at earliest): Add Associate Director as Chief of Administration and Programs**
  - Associate Director (new #2 position) created
  - Staff Data Manager created

- **PHASE 1 NOW October 2017-March 2018: New professional staff for key enabling capabilities currently juggled by ED/Vendors**
  - TeamCFO to be phased out. Replaced by Finance Director/Controller and Contracts & Grants Manager
  - Development Consultant and Grant Writer hired on 6-month contract
  - Continue search for Communications and Marketing Manager
  - Communications and Marketing Associate position title change to Communications and Development Associate (as of January 1, 2018)
  - Create Associate Program Director position to increase in-person supervision; transition to single Program Director (Senior Program and Research Manager (Rosario Rico) promoted to Associate Program Director; will manage 5 individuals as of January 1, 2018)
  - Research Associate Robert Renteria promoted to Program Manager (as of January 1, 2018)
  - Supervision of Health Educator Esther Yepez shifted to C4C Program Manager

- **PHASE 2 After March 2018: Consolidate program leadership; build and refine internal Development team**
  - Eliminate Student Engagement Director position
  - Staff Development Director and Grant Writer positions created (to take over for consultants)
  - Development Director takes over supervision of Communications and Marketing Manager and Communications and Development Associate
Add Associate Director as Chief of Administration and Programs

Executive Director [2]

Associate Director [3]

Development Director

Finance Director/Controller

Program Director

Data Manager
(Reporting relationship TBD)
The L.A. Trust Organizational Chart—Board approved changes for October 2017-March 2018*
New professional staff for key enabling capabilities currently juggled by ED/Vendors

*6 month timeframe is because that is the length of the contract for the Development Consultant

**Line Key**
- Reporting relationship
- Informal reporting relationship

**Box Key**
- Blue: The L.A. Trust Staff
- Orange: Contractor/Consultant
- Brackets next to job title = number of supervisees exclusive of contractors

**Executive Director [4]
(1 FTE)
Maryjane Puffer**

**Executive Assistant
(1 FTE)
Ruth Mercado**

**Finance Director/Controller
(1 FTE)
OPEN**

**Board of Directors**

**HR Consultant
York Holmes**

**Program & Research Associate
(1 FTE)
Kelly Bui**

**Senior Program & Research Manager [1]
(1 FTE)
Rosario Rico**

**Research Associate
(1 FTE)
Robert Renteria**

**Program & Research Associate
(1 FTE)
Krystle Gupilan**

**Communications & Marketing Associate
(1 FTE)
OPEN**

**Contracts & Grants Manager
(1 FTE)
OPEN**

**Development Consultant [1]
(1 FTE)
Michele Broadnax**

**Grant Writer
(.8 FTE)
Amanda Yang**

**Database Developer Consultant
Nishu**

**Program Director [5]
(1 FTE)
Sang Leng Trieu**

**Oral Health Program Manager
(.2 FTE)
Frances Walsh**

**Oral Health Program Manager
(1 FTE)
Hani Tajsar**

**Health Educator
(1 FTE)
Esther Yepez**

**Student Engagement Director [3]
(.65 FTE)
Jeanne Aguinaldo**

**Project Coordinator
(1 FTE)
Nina Nguyen**

**Student Engagement Program Associate
(1 FTE)
Christian Beauvoir**

**Communications Consultant
(.5 FTE)
OPEN**

**Open**
Recommendations for:

- Shifts in Processes and Practices
- Implementation of Organizational Design
Improving Strategies, Processes, and Practices

Recommendations

- **Strategic Visioning and Planning**
  - Delve deeper with staff and board into collective impact and role of a backbone (understanding of these core concepts is low/confused for many)
  - Explore whether interventions focused on influencing individual wellness behavior change should be part of The L.A. Trust’s Theory of Change
  - Downsize, eliminate or pause the summer internship program (which takes significant staff time and isn’t directly related to The Trust’s strategic plan or theory of change)

- **Governance**
  - Develop a policy for use of reserves (Board task)
  - Succession planning (Board task)

- **Internal Communications**
  - At the end of all conversations and meetings: confirm action plans and mutual understanding
  - At the end of Directors’ meetings, review: Who else (who is not in the meeting) needs to know what? Who will tell them? By when?
  - Streamline staff-to-Board progress reporting process (tracked in Smartsheet at the time our assessment was done)

- **Talent Management**
  - Increase in-person oversight of staff at the office and on location; maximize co-location of supervisors and staff
  - Conduct 360 reviews (for ED and Directors, if not all staff)

- **Contracts and Grants Management**
  - Whenever starting a new grant, have a meeting with all relevant staff (including development team and program team members) so all are on the same page about roles, responsibilities, requirements, due dates, budget, etc.
  - Give more budget oversight and ownership responsibilities to Directors/grant-funded project leaders
Job Descriptions
Recommendations for Amendments

Note: these recommendations are based on discrepancies that arose during interviews with staff in August 2017. Some may no longer be relevant based on shifts in responsibilities.

Executive Assistant (Ruth Mercado)
- On JD but not doing:
  - Managing the strategic plan
  - Many of the financial duties listed
- Not on JD but doing it:
  - Doing more Board stuff than it says

Research Associate (Robert Renteria)
- Not on JD but doing:
  - All SBIRT work
  - Work for small grant at 2 campuses

Senior Program & Research Manager (Rosario Rico)
- Not on JD but doing:
  - Database exchange system—supporting, giving insight
  - Asthma—School environmental asthma committee (statewide)

Student Engagement Associate (Christian Beauvoir)
- On JD but not doing:
  - Website
  - Charitable giving campaign
- Not on JD but doing:
  - Backup for other WCCs
  - Travel with students—e.g., LB for statewide conference, NC, DentaQuest
  - Supplemental survey workgroup
  - Being part of adult ally redesign, access workgroups
  - Webinars and trainings as assigned
  - Video project for career pathways

Program & Research Associate (Kelly Bui)
- Not on JD but doing:
  - Student engagement data
  - Y2Y planning
  - Running Internship program

Note: these recommendations are based on discrepancies that arose during interviews with staff in August 2017. Some may no longer be relevant based on shifts in responsibilities.
## Implementing Change

### Recommendations for Pacing Implementation

<table>
<thead>
<tr>
<th>Oct-Dec 2017</th>
<th>Jan-April 2018</th>
<th>May-June 2018</th>
<th>After June 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Begin transition from TeamCFO</td>
<td>▪ Complete transition from TeamCFO</td>
<td>▪ Onboarding for Development Director, Grant Writer, Communications and Marketing Manager</td>
<td>▪ Sang shifts to Data Manager role. Program Director role filled by Rosario or another individual</td>
</tr>
<tr>
<td>▪ Begin transition planning for staff changes</td>
<td>▪ Maryjane and Sang provides training and mentorship for Rosario in new role</td>
<td>▪ Assess readiness for promotion to Program Director for Rosario</td>
<td></td>
</tr>
<tr>
<td>▪ Focus on creation of fund development plan and sourcing new more sustainable funding</td>
<td>▪ Recruitment for Development Director, Grant Writer, Communications and Marketing Manager</td>
<td></td>
<td></td>
</tr>
<tr>
<td>▪ Onboarding and integration for new hires (e.g., Contracts and Grants Manager)</td>
<td>▪ Onboarding and integration for new hires (e.g., Finance Director/Controller)</td>
<td>▪</td>
<td></td>
</tr>
<tr>
<td></td>
<td>▪ Implement transition plans for staff responsibilities based on org structure shifts, including responsibilities related to student engagement work, IT, Board support</td>
<td>▪</td>
<td></td>
</tr>
<tr>
<td></td>
<td>▪ Support staff to process organizational changes and ensure smooth transitions of responsibilities to ensure minimal disruption and ongoing high-quality work</td>
<td>▪</td>
<td></td>
</tr>
<tr>
<td></td>
<td>▪ Update job descriptions as needed</td>
<td>▪</td>
<td></td>
</tr>
</tbody>
</table>
Rise Up to Your Vision!
Consent Agenda

- Minutes of June 2017 Board Meeting
- 2018 Slate of Officers
- New Members
Executive Director Report

- Staffing Update
- Strategic Plan Update
- Clifford Beers Housing
  - MOTION
- Satterberg Foundation Site Visit
## FY 2017-18 Strategic Goal Status through September 2017

### 1.1 Optimize Wellness Phase 2

<table>
<thead>
<tr>
<th>Phase One (Started)</th>
<th>Phase Two</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Drew Middle School</strong> LAUSD  <strong>Feb 2018</strong></td>
<td><strong>Fremont High Expansion WC</strong>  <strong>Feb 2018</strong></td>
</tr>
<tr>
<td>Holmes ES LAUSD  <strong>Summer 2018</strong></td>
<td><strong>Birmingham LAUSD</strong>  <strong>Jan 2018</strong></td>
</tr>
<tr>
<td>Telfair LAUSD  <strong>Summer 2018</strong></td>
<td><strong>MacClay Middle School</strong>  <strong>New WC</strong>  <strong>Jan 2018</strong></td>
</tr>
<tr>
<td>Jefferson High  <strong>Modernization WC</strong></td>
<td><strong>Mendez High</strong>  <strong>New WC</strong>  <strong>Feb 2018</strong></td>
</tr>
<tr>
<td>Manual Arts Expansion WC  <strong>Feb 2018</strong></td>
<td><strong>Roosevelt High</strong>  <strong>Modernization New WC</strong></td>
</tr>
<tr>
<td>Santee High  <strong>New WC</strong>  <strong>Summer 2018</strong></td>
<td></td>
</tr>
<tr>
<td>Hyde Park ES  <strong>New WC</strong>  <strong>Feb 2018</strong></td>
<td></td>
</tr>
</tbody>
</table>
## Strategic Plan & Org. Updates

### 1.2 Expand Access

<table>
<thead>
<tr>
<th>Status</th>
<th>Description</th>
</tr>
</thead>
</table>
|        | • New partnerships established with Healthy Start & 40 schools targeted for Kinder Screening  
|        | • Healthy eating active living program @ 10 sites  
|        | • 1050 community members provided comprehensive Sex Ed training  
|        | • 32 LAUSD staff trained on child health insurance enrollment |

### 1.3 Improve WC Performance

<table>
<thead>
<tr>
<th>Status</th>
<th>Description</th>
</tr>
</thead>
</table>
|        | • Established new sets of Wellness Center best practice priorities for 2017-2018  
|        | • Substance use prevention and treatment training (SBIRT)  
|        | • Student Advisory Board Inventory completed |
## 1.4 Foster a population health focus

<table>
<thead>
<tr>
<th>Status</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• 3 parent and student seminars on asthma prevention provided at Carson’s Back to School Night</td>
</tr>
<tr>
<td></td>
<td>• Health Educators conducted 273 SPARK Physical Education classes across 8 sites, delivered physical activity equipment to 9 schools and conducted 8 ReThink Your Drink Lessons.</td>
</tr>
<tr>
<td></td>
<td>• Pre/post surveys indicated 45% increase in moderate to vigorous physical activity and 41% increase in walking behaviors amongst students</td>
</tr>
</tbody>
</table>
### 2.1 Advocate for legislative policies

<table>
<thead>
<tr>
<th>Status</th>
<th>Description</th>
</tr>
</thead>
</table>
|        | • Conducted 4 legislative visits to advocate for school-based health centers, and reauthorization of CHIPRA and protection of the ACA repeal efforts  
• Presented to the CA Dental Society to improve partnership for Kinder mandate and advocate for special event coverage  
• Working with Blueprint for Wellness Committee  
• Multiple partner sign on letter supporting child health, women’s reproductive rights and DACA |

### 2.2 Develop student health advocates

<table>
<thead>
<tr>
<th>Status</th>
<th>Description</th>
</tr>
</thead>
</table>
|        | • Reassessing Student Engagement programs; inconsistent level of commitment on SAB participation and Adult Ally retention  
• 4,125 students reached through local SAB STD prevention and awareness campaigns |
### Strategic Plan & Org. Updates

#### 3.1 Develop centralized database

<table>
<thead>
<tr>
<th>Status</th>
<th>Description</th>
</tr>
</thead>
</table>
|        | • Phase 1A completed with 4 Wellness Center sites submitting their data for the dashboard uploads  
        | • Data xChange demonstration to key stakeholders and funders took place August 29, 2017  
        | • Data xChange Phase 1B kick off was held on September 21st with an informational webinar led by Nishu Varma |

#### 3.2 Develop marketing & promotions as shared services across WCs

<table>
<thead>
<tr>
<th>Status</th>
<th>Description</th>
</tr>
</thead>
</table>
|        | • Communications & Marketing Manager VACANT  
        | • Communications and Marketing workgroup is in the process of investigating Wellness Center schools and their website promotion of the Wellness Center  
        | • Website development is being finalized with an improved user experience  
        | • Creation of Wellness Center advocacy profiles |
3.3 Administrative Infrastructure

<table>
<thead>
<tr>
<th>Status</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Hiring of Contracts and Grants Manager</td>
</tr>
<tr>
<td></td>
<td>• teamCFO transition beginning</td>
</tr>
<tr>
<td></td>
<td>• Finance Manager/Controller being recruited</td>
</tr>
<tr>
<td></td>
<td>• Audit underway</td>
</tr>
<tr>
<td></td>
<td>• Org Redesign begun and advancing</td>
</tr>
<tr>
<td></td>
<td>• Grantwriter and Fund Development Consultants hired</td>
</tr>
</tbody>
</table>
Sheikh-A-Thon Beautification Day
Committee Reports

1. Finance Committee Report
2. Audit Committee Report
3. Fund Development Report
4. Operations Committee Report
5. Policy Committee Report
6. Nominating Committee Report
Finance Committee Report

- Approval of 2017-18 1st Quarter Financials
  - MOTION

**Purpose:** Ensure that The L.A. Trust abides by best practices in financial management and holds high standards for fiduciary responsibility
Purpose: To ensure that The L.A. Trust abides by best practices in financial management and is free from audit exceptions.
Presentation of 2017 Audit Results
AGENDA

- The Audit Team
- Scope of Engagement
- Audit Strategy
- Summary of Audit Results
- AU 380 Auditors’ Required Communication to those Charged with Governance
- Recently Issued Accounting Standards
AUDIT TEAM

Gilbert R. Vasquez
Managing Partner

Linda Narciso
Engagement Partner

Arlene Cembrano
Concurring Review Partner

Jonathan Agot
Audit Manager

Bill Melendez
Staff Auditor
SCOPE OF ENGAGEMENT

Financial Statements Audit of Student Health Support SVCs Fund dba The Los Angeles Trust for Children’s Health
AUDIT STRATEGY

Phase I
- Familiarize ourselves with the operating environment
- Perform risk assessment procedures
- Perform preliminary analytical review
- Develop audit plan
- Discuss and agree on financial statement format
- Evaluate the progress of the audit and make any changes to audit approach and procedures (if necessary)

Phase II
- Internal Control Evaluation and Testing
  - Assess internal control environment
  - Perform SAS 99 (fraud evaluation procedures)
  - Identify internal control strengths and weaknesses
  - Evaluate design and implementation of selected controls
  - Test controls over financial reporting
  - Understand accounting and reporting activities
  - Draft internal control management letter comments

Phase III
- Substantive Testing
  - Plan and perform substantive audit procedures
  - Conduct final analytical review
  - Consider audit evidence sufficiency
  - Conclude on critical accounting matters
  - Discuss issues with management as they arise

Phase IV
- Completion
  - Perform completion procedures
  - Draft audit report. Evaluate the financial statements and disclosures
  - Draft management letter
  - Conduct exit conference, including discussion of proposed audit adjustments, internal control and compliance findings and management letter
  - Issue auditors’ reports and management letter
Summary of Audit Results
UNMODIFIED OPINION

- Audit performed in accordance with auditing standards generally accepted in the United States of America
- The financial statements fairly present, in all material respects, The L.A. Trust’s:
  - Financial position
  - Results of operations
  - Changes in net assets
  - Cash flows
- Vasquez & Company LLP assisted in the preparation and word processing of the financial statements; The L.A. Trust management reviews, approves, and accepts responsibility for those financial statements
## Audit Focus Area Risk/Concerns Findings

<table>
<thead>
<tr>
<th>Audit Focus Area</th>
<th>Risk/Concerns</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>• Misappropriation of assets.</td>
<td>We confirmed material bank balances as of June 30, 2017. We performed test of bank reconciliation statements as of June 30, 2017. We performed test of controls over cash receipts and disbursements. No material exceptions were noted.</td>
</tr>
<tr>
<td>Grants receivable</td>
<td>• Receivables/revenue are recorded in the proper period.</td>
<td>We confirmed selected grants receivable as of June 30, 2017. For non-replies, we examined the supporting invoices performed tests of subsequent receipts, as applicable. No material exceptions were noted.</td>
</tr>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>• Material unrecorded liabilities</td>
<td>We selected disbursements after June 30, 2017 to test whether expenses pertaining to FY 2017 were properly accrued. There were no material unrecorded liabilities noted.</td>
</tr>
</tbody>
</table>
## AUDIT AREAS OF EMPHASIS

<table>
<thead>
<tr>
<th>Audit Focus Area</th>
<th>Risk/Concerns</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net assets</td>
<td>▪ Improper classification of the net assets as to restrictions.</td>
<td>On a test basis, we obtained and reviewed contributions and grant agreements for proper revenue recognition. No material exceptions were noted.</td>
</tr>
<tr>
<td>Expense allocation</td>
<td>▪ Improper method to allocate costs.</td>
<td>We reviewed the schedule of functional expense’s allocation and determined that the method for allocating costs to programs were reasonable and appropriate for its size and operations. No audit adjustment was recorded to The L.A. Trust general ledger as of June 30, 2017.</td>
</tr>
</tbody>
</table>
Statements of Financial Position

<table>
<thead>
<tr>
<th>ASSETS</th>
<th></th>
<th></th>
<th></th>
<th>2017</th>
<th>2016</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Amount</td>
<td>%</td>
<td></td>
</tr>
<tr>
<td>Current assets</td>
<td></td>
<td></td>
<td></td>
<td>2017</td>
<td>2016</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$882,060</td>
<td>$639,797</td>
<td>$242,263</td>
<td>38%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Short-term cash investments</td>
<td>203,025</td>
<td>202,313</td>
<td>712</td>
<td>0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants receivable</td>
<td>840,589</td>
<td>1,068,039</td>
<td>(227,450)</td>
<td>-21%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other current assets</td>
<td>-</td>
<td>-</td>
<td>873</td>
<td>0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Total assets</td>
<td>$1,926,547</td>
<td>$1,910,149</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2017</td>
<td>2016</td>
<td>Variance</td>
</tr>
<tr>
<td>LIABILITIES AND NET ASSETS</td>
<td></td>
<td></td>
<td></td>
<td>2017</td>
<td>2016</td>
<td></td>
</tr>
<tr>
<td>Current liabilities</td>
<td></td>
<td></td>
<td></td>
<td>Amount</td>
<td>%</td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>$229,264</td>
<td>$435,578</td>
<td>(206,314)</td>
<td>-47%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>31,084</td>
<td>-</td>
<td>31,084</td>
<td>0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Total liabilities</td>
<td>$260,348</td>
<td>$435,578</td>
</tr>
<tr>
<td>Net assets</td>
<td></td>
<td></td>
<td></td>
<td>2017</td>
<td>2016</td>
<td></td>
</tr>
<tr>
<td>Unrestricted</td>
<td>644,618</td>
<td>522,126</td>
<td>122,492</td>
<td>23%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td>1,021,581</td>
<td>952,445</td>
<td>69,136</td>
<td>7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Total net assets</td>
<td>$1,666,199</td>
<td>$1,474,571</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Total liabilities and net assets</td>
<td>$1,926,547</td>
<td>$1,910,149</td>
</tr>
</tbody>
</table>
## Statements of Activities

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Temporarily restricted</th>
<th>Total</th>
<th>Unrestricted</th>
<th>Temporarily restricted</th>
<th>Total</th>
<th>Amount</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues and support</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td>$ 1,248,429</td>
<td>$ 1,425,397</td>
<td>$ 2,673,826</td>
<td>$ 2,176,120</td>
<td>$ 918,000</td>
<td>$ 3,094,120</td>
<td>$ (420,294)</td>
<td>-14%</td>
</tr>
<tr>
<td>Interest and other income</td>
<td>6,122</td>
<td>-</td>
<td>6,122</td>
<td>3,404</td>
<td>-</td>
<td>3,404</td>
<td>2,718</td>
<td>80%</td>
</tr>
<tr>
<td>Special event (net of cost of $42,587)</td>
<td>13,178</td>
<td>-</td>
<td>13,178</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>13,178</td>
<td>0%</td>
</tr>
<tr>
<td>Release from restriction</td>
<td>1,356,261</td>
<td>(1,356,261)</td>
<td>-</td>
<td>861,993</td>
<td>(861,993)</td>
<td>-</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total revenues and support</strong></td>
<td>2,623,990</td>
<td>69,136</td>
<td>2,693,126</td>
<td>3,041,517</td>
<td>56,007</td>
<td>3,097,524</td>
<td>(404,398)</td>
<td>-13%</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program services</td>
<td>2,255,342</td>
<td>-</td>
<td>2,255,342</td>
<td>2,764,672</td>
<td>-</td>
<td>2,764,672</td>
<td>(509,330)</td>
<td>-18%</td>
</tr>
<tr>
<td>General and administrative</td>
<td>218,912</td>
<td>-</td>
<td>218,912</td>
<td>231,794</td>
<td>-</td>
<td>231,794</td>
<td>(12,882)</td>
<td>-6%</td>
</tr>
<tr>
<td>Fundraising</td>
<td>27,244</td>
<td>-</td>
<td>27,244</td>
<td>64,644</td>
<td>-</td>
<td>64,644</td>
<td>(37,400)</td>
<td>-58%</td>
</tr>
<tr>
<td><strong>Change in net assets</strong></td>
<td>122,492</td>
<td>69,136</td>
<td>191,628</td>
<td>(19,593)</td>
<td>56,007</td>
<td>36,414</td>
<td>155,214</td>
<td>426%</td>
</tr>
<tr>
<td><strong>Net assets at beginning of year</strong></td>
<td>522,126</td>
<td>952,445</td>
<td>1,474,571</td>
<td>541,719</td>
<td>896,438</td>
<td>1,438,157</td>
<td>36,414</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Net assets at end of year</strong></td>
<td>$ 644,618</td>
<td>$ 1,021,581</td>
<td>$ 1,666,199</td>
<td>$ 522,126</td>
<td>$ 952,445</td>
<td>$ 1,474,571</td>
<td>$ 191,628</td>
<td>13%</td>
</tr>
</tbody>
</table>

**Vasquez & Company LLP**

Certified Public Accountants and Business Consultants

An independently owned member RSM US Alliance
AU 380 - Auditors’ Required Communication to Those Charged with Governance
REQUIRED COMMUNICATIONS

- **Auditors’ responsibilities** – Our responsibilities have been described to you in our engagement letter dated October 27, 2017.

- **Overview of planned scope and timing of financial statement audit** – We have issued a separate communication regarding scope and timing of our audit.

- **Accounting principles** – Management has primary responsibility for the accounting principles used, including their consistency, application, clarity and completeness.

- **Accounting policies and practices** – We find that The L.A. Trust’s significant accounting policies and practices are appropriate and management has applied its policies and practices consistently with prior periods in all material respects.

- **Unusual Transactions** – We noted no transactions entered into 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.

- **Estimates** – Receivable is the only account subject estimate of realizability. We found management’s estimates to be reasonable and based on knowledge and experience about past and current events.

- **Audit adjustments** – There are no proposed audit adjustments.
Disagreements or difficulties with management – None

Consultations with other accounting firms – Management has advised us that there were none.

Significant issues addressed with management prior to retention – None

Significant difficulties encountered in performing the audit – None

Irregularities, fraud or illegal acts – No irregularities, fraud or illegal acts involving senior management, or that would cause a material misstatement of the financial statements, came to our attention as a result of our audit procedures.

Independence – We confirm that we are independent of The L.A. Trust within the meaning of the independence, integrity and objectivity rules, regulations, interpretations, and rulings of the AICPA, the State of California Board of Accountancy, the Government Auditing Standards, and other regulatory agencies.

Management’s Representations – Management will provide us with a signed copy of the management representation letter.
## RECENTLY ISSUED ACCOUNTING STANDARDS

<table>
<thead>
<tr>
<th>ASU NO.</th>
<th>TITLE</th>
<th>EFFECTIVE DATE FOR NON-PUBLIC ENTITIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017-07</td>
<td>Compensation – Retirement Benefits – Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost</td>
<td>TBD</td>
</tr>
<tr>
<td>2017-05</td>
<td>Other Income – Gains and Losses for the Derecognition of Nonfinancial Assets – Clarifying the Scope of Asset Derecognition Guidance and Accounts for Partial Sale of Nonfinancial Assets</td>
<td>Fiscal years beginning after December 15, 2018</td>
</tr>
<tr>
<td>2017-04</td>
<td>Intangibles – Goodwill and Other – Simplifying the Test for Goodwill</td>
<td>Fiscal years beginning after December 15, 2021</td>
</tr>
<tr>
<td>2017-02</td>
<td>Not-for-Profit Entities – Consolidation: Clarifying When a Not-for-Profit That Is a General Partner or a Limited Partner Should Consolidate a For-Profit Limited Partnership or Similar Entity</td>
<td>Fiscal years beginning after December 15, 2016</td>
</tr>
<tr>
<td>2017-01</td>
<td>Business Combinations: Clarifying the Definition of a Business</td>
<td>Fiscal years beginning after December 15, 2018</td>
</tr>
<tr>
<td>2017-00</td>
<td>Statement of Cash Flows: Restricted Cash</td>
<td>Fiscal years beginning after December 15, 2018</td>
</tr>
</tbody>
</table>
### RECENTLY ISSUED ACCOUNTING STANDARDS

<table>
<thead>
<tr>
<th>ASU NO.</th>
<th>TITLE</th>
<th>EFFECTIVE DATE FOR NON-PUBLIC ENTITIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016-17</td>
<td>Consolidation: Interests Held Through Related Parties That Are under Common Control</td>
<td>Fiscal years beginning after December 15, 2016</td>
</tr>
<tr>
<td>2016-16</td>
<td>Income Taxes: Intra-Entity Transfers of Assets Other Than Inventory</td>
<td>Fiscal years beginning after December 15, 2018</td>
</tr>
<tr>
<td>2016-15</td>
<td>Statement of Cash Flows: Classification of Certain Cash Receipts and Cash Payments</td>
<td>Fiscal years beginning after December 15, 2018</td>
</tr>
<tr>
<td>2016-14</td>
<td>Not-for-Profit Entities: Presentation of Financial Statements of Not-for-Profit Entities</td>
<td>Fiscal years beginning after December 15, 2017</td>
</tr>
<tr>
<td>2016-12</td>
<td>Revenue from Contracts with Customers: Narrow-Scope Improvements and Practical Expedients</td>
<td>Fiscal years beginning after December 15, 2018</td>
</tr>
<tr>
<td>2016-10</td>
<td>Revenue from Contracts with Customers: Identifying Performance Obligations and Licensing</td>
<td>Fiscal years beginning after December 15, 2018</td>
</tr>
<tr>
<td>2016-08</td>
<td>Revenue from Contracts with Customers: Principal versus Agent Considerations (Reporting Revenue Gross versus Net)</td>
<td>Fiscal years beginning after December 15, 2018</td>
</tr>
</tbody>
</table>
CONTACT INFORMATION

Linda Narciso, Audit Partner

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Telephone : (213) 873-1700 ext. 243

Jonathan Agot, Audit Manager

Email : jagot@vasquezcpa.com
Telephone : (213) 873-1700 ext. 248
THANK YOU FOR YOUR TIME AND ATTENTION

- MOTION
Purpose: To set the vision for and manage the overall fundraising strategy.
The Los Angeles Trust for Children’s Health

Introduction to Pay For Success
What is Pay for Success?
A PFS Feasibility Study is a journey.

We understand the destination, which is positively impacting the trajectories of LAUSD Students.

The PFS Feasibility Process enables us to map the best path towards achieving that goal.

Let the findings provide direction. We need to understand how to measure that impact both in terms of outcomes and cost-effectiveness.

We can't do it alone. We need to engage and empower communities and key stakeholders to help drive this project.
PFS Process

2. Service provider has solution. (In this case, Wellness Centers or components of Wellness Centers)
3. Philanthropy/Impact Investors provide upfront capital
4. Intermediary manages project
5. Evaluator measures success. Success metrics can include health and educational outcomes.
6. Government repays investors from savings if results are met. (In this case, State of CA, LAUSD, City/County of L.A.)
1. What is the need?
Identify a targetable, high-need population that is aligned with the end-payer’s priorities.

2. Who needs to be engaged?
Convene, educate and empower local leaders and help them engage with national experts.

3. What is the solution?
Develop an economic model to determine value to the end-payors and lenders involved in the project.

4. Can we verify that success occurred?
Assess whether necessary data is available to track the success of the intervention over time.

5. What does success look like?
Identify an evidence-based intervention that can be rigorously evaluated and implemented with program fidelity.

6. How can we fund it?
Investigate whether sufficient government and commercial/philanthropic funding exists to finance the project.

Prerequisites of a solid PFS project
<table>
<thead>
<tr>
<th>1</th>
<th>Target Population in need</th>
<th>2</th>
<th>Front-End Payor</th>
<th>3</th>
<th>Intervention with Evidence Base</th>
</tr>
</thead>
<tbody>
<tr>
<td>The people served. Identified through intensive qualitative and quantitative analysis</td>
<td>Willing to fund the intervention, assuming a reasonable chance of success. Usually an “impact investor” or philanthropy</td>
<td>Strong enough to reasonably project the likelihood of success on a specific target population</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Measurable Outcome</td>
<td>5</td>
<td>Rigorous Evaluation</td>
<td>6</td>
<td>Back-End Payor</td>
</tr>
<tr>
<td>That is meaningful to the back-end payor (government)</td>
<td>To verify that success was attributable to the intervention</td>
<td>Usually government. The entity that “pays for success”</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Components of a Traditional PFS
PFS HAS CLEAR **BENEFITS.**

**INCREASED ACCOUNTABILITY**

Transparency in public procurement, government values, and decision-making processes.

**GOVERNMENTS AND DONORS ONLY PAY FOR WHAT WORKS**

Payments are made only if outcomes are successfully met.

**OUNCE OF PREVENTION**

With upfront funding, working capital is available more quickly and helps drive resources to prevention rather than remediation.

**FUNDING STABILITY FOR PROVIDERS**

Service providers are guaranteed funding for a period of years to run the program.

**STRONG EVALUATION METHODS**

PFS projects build the field of education through rigorously evaluating programs—we're finding and driving resources to "what works."
Nominating Committee Report

- New Directors’ Commitments
- Bylaws changes:
  - Liaisons
  - SHHS Director Designee
  - Governance Committee
  - The Brown Act
  - Sweep and delegation to Executive Committee

Purpose: Support the Board in identifying and developing new board members to advance The L.A. Trust’s work
Thank you!

Announcements

- February 10, 2018: The Tooth Fairy Convention
- June 21, 2018: Summer Solstice

HAPPY HOLIDAYS!