



## [First 5 Sacramento Commission – Sustainability Planning FAQ](#)

### **What are we trying to achieve with Sustainability?**

Beginning in the new 3 year Strategic Planning period July 2021 through June 2024 funding levels are set at over \$14.9 million annually. Through contract negotiations with our funded partners, we will establish a baseline of what core services and milestones can be achieved with this level of funding. In July 2024, as things stand now, funding will be reduced to \$12.4 million which is around a 17% cut. It is the goal of First 5 to work with our contractors over the next 3 years to develop a sustainability plan and identify ways to keep core services and milestones at 2021 baseline levels in spite of reduced funding in 2024.

### **How is Sustainability Achieved?**

Sustainability can be achieved any number of ways. This includes through a cash match, in-kind match, grants, fund raising, improved efficiencies, collaborative partnerships, and other sustaining strategies. Also, a key tool in achieving sustainability is developing a Sustainability Plan. First 5 has dedicated resources, which includes staff to provide technical assistance to our contractors with their sustainability planning and monitoring. First 5 is also considering hiring a Sustainability Consultant to assist and guide contractors.

### **Will we be punished if we are not able to achieve the sustainability goal by the end of the 2021 Strategic Plan period?**

The simple answer is, no. We want to work with contractors in a positive way and would only ask that organizations put forth a good faith effort to work toward these goals. However, when contract terms are not met it is always a consideration for corrective action, contract modification and/or cancellation.

## **First 5 Definitions**

*Below are terms often used when discussing sustainability and have come to take on a different meaning depending on how specific industries have come to define them. In order to reduce confusion and misunderstanding, Staff has defined these common terms and how they are used when discussing First 5 programs and services.*

**Core Services:** are considered to be all levels of service, milestones, capabilities, goals, objectives, or other deliverables expressly contained in the First 5 contract.

**Sustainability:** is the ability to maintain core services at a consistent level, particularly when resources are declining.

**Cost Sharing:** is the total cost make up to provide core services where a portion of costs are funded by First 5 and the remaining portion is funded by contractor through matching funds or in-kind match.

**Matching Funds (also called Cash Match):** is the portion of core services paid for by contractor with funds other than First 5 funds.

*Examples:*

- Contractor assigns paid staff to provide program services (not claimed to First 5).
- Contractor rents a conference room to hold weekly classes (not claimed to First 5).
- Contractor pays for 5,000 flyers to advertise program (not claimed to First 5).

**In-kind Match:** Is the portion of program costs covered (typically) by third party donation of goods or services where the donation is fairly assigned a value.

*Examples:*

- Volunteers who provide services for the program.
- A local business donates its conference room so the program can hold weekly classes.
- A printing company donates 5,000 flyers to advertise the program.

**Leveraged Resources:** is the sum of all resources provided in project. This could include value added services above and beyond the core services.

*Example:* Contractor provides a contracted vision screening and gives the child a back pack donated by the local office supply store.

**Leveraging:** is a strategy that uses one set of resources to encourage additional resources to be invested.

*Example:*

- Contractor partners with a toy store to provide one free toy under \$5 coupon to children receiving a health screening.

**Value Added:** is an enhancement to a core service a contractor provides, is not required by the contract, and is not funded by the contract.

*Example:* Contractor provides vision screenings and value adds a free pair of prescription glasses for kids needing glasses.