

SUMMARY ACTION MINUTES

APPROVED: 04-08-10

FIRST 5 LA

SUMMARY ACTION MINUTES
Commission Meeting
March 11, 2010

COMMISSIONERS PRESENT:

Commissioners:

Nancy Au
Jonathan Fielding
Neal Kaufman
Alma Martinez
Gloria Molina (Chair)
Marvin Southard (Vice Chair)
Evangelina Stockwell
Carolyn Wilder
Harriette Williams

Ex-Officio Commissioners:

Deanne Tilton
Harriette Williams

COMMISSIONERS ABSENT:

Commissioners:

Jane Boeckmann (Excused)

Ex-Officio Commissioners:

Duane Dennis (Excused)

STAFF PRESENT:

Evelyn V. Martinez, Executive Director
Carol Baker, Director of Public Affairs
Yolanda Bosch, Director of Grants Management
& Legal Compliance
Tracey Hause, Finance Director
Armando Jimenez, Director of Research & Evaluation
Teresa Nuno, Director of Planning & Development
Maria Romero, Executive Assistant

LEGAL COUNSEL:

Craig Steele, Attorney-at-Law

CALL TO ORDER / ROLL CALL:

1. Chair Molina called the meeting to order at 1:47 pm. Quorum was present.

Chair Molina reported that the Commissioners met in a Closed Session prior to the Commission meeting. There was no action to report.

Chair Molina extended her congratulations to Commissioner Boeckmann on becoming a grandmother.

CONSENT CALENDAR: (Items 2 – 3)

2. Approval of Commission Meeting Minutes – Thursday, January 14, 2010
3. Approval of Monthly Financials – December, 2009

M/S (Marv Southard / Nancy Au)

APPROVED AS RECOMMENDED

ABSTENTION: Jonathan Fielding

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COMMISSION: (Items 4 – 10)

4. Announcements by the Commission Chair

RECEIVED

Commissioner Kaufman announced that he has been appointed as Chair of the Policy Committee for the LA Partnership for Early Childhood Investment.

Chair Molina asked that First 5 LA provide a link onto the website for the LA Partnership for Early Childhood Investment.

5. Executive Director's Report

RECEIVED AND FILED

Commissioner Williams introduced Patricia Curry, the newly elected Chair of the Los Angeles County Commission for Children and Families.

In addition to the written report, the following items were highlighted:

- **State Budget** – State legislators did not approve the Governor's proposal to divert First 5 funding and include Prop. 10 funding redirection as a proposed budget solution during the recent special session called by the Governor. Legislators also chose not to include most of the massive cuts to health and social service programs proposed by the Governor and the Legislative Analyst's Office. This means that Prop 10 funding will not be placed on the June ballot.

Executive Director Martinez thanked Supervisor Molina and others who have written letters to legislators on behalf of First 5 LA, including grantees and parents who participated in the postcard campaign to communicate with their elected officials about the value of First 5 LA-funded programs to their families.

- **Oral Health Community Development Projected (OHCD)** – Over a 100 letters were sent to water agencies, City Managers and City Council Presidents advising them of the OHCD funding opportunity. To date, only one response has been received respectfully declining the opportunity to apply for funding currently available through First 5 LA.

6. Approval of Roll-Over of Allocated Non-Contracted Best Start LA Funds into Unallocated General Funds

In the FY 2004-2009 Strategic Plan, the Commission allocated \$105 million to the Prenatal through Three (P-3) Focus Area. In November 2005, the Commission approved an additional \$20 million for a total allocation of \$125 Million. To date, approximately \$55 million has been contracted for both the planning and implementation of Best Start LA (renamed in February 2008).

At the August 2009 BSLA Liaison meeting, Commissioners directed staff to move forward with a recommendation that Best Start LA (BSLA) building blocks and demonstration communities be expanded through the FY 2009-2015 Strategic Plan. In

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September 2009, staff presented this recommendation to Commissioners at the Joint Planning Committee Meeting. Commissioners present at the meeting agreed with staff's recommendation and directed staff to move forward with joint planning, as well as determining how current BSLA activities can be transitioned into the strategic planning activities.

Staff is recommending that the BSLA expansion be formalized by rolling approximately \$70 million in allocated, non-contracted funds into the general fund effective July 1, 2010 to be used to further the vision of Best Start LA through the strategic plan.

The Best Start LA outcomes and strategies closely align with those approved in the FY 2009-2015 Strategic Plan and the strategic plan drew heavily upon BSLA's planning and implementation. Further, expanding Best Start LA through the Strategic Plan will avoid the confusion of First 5 LA implementing two place-based approaches simultaneously.

The dollars currently expended and contracted within the Best Start LA allocation, include contracts for planning consultants, workforce development, family place libraries, baby-friendly hospitals, Welcome Baby!, two demonstration communities, community-based action research (CBAR), communications and data systems. All of the funding for these existing contracts will remain in the Best Start LA allocation.

Commissioner Fielding asked for clarification of the origin of the funds being rolled over into the unallocated general funds. In his recollection, not all of the P-3 funding was necessarily allocated. He said he was not sure that a full review of options had taken place. Furthermore, Commissioner Fielding expressed concern about rolling all funding into the next strategic plan with the assumption that this funding will now be used for the place-based funding approach. When the P-3 funding allocation was approved, it was decided that Best Start LA was going to be a critical component.

It was clarified that by rolling the money back into the general fund, it did not mean that all of the funding would be used for place-based funding as these funds would be subject to the same percent allocations, approved by the Commission in February.

Commissioner Au commented that when the decision was made for the P-3 focus area, with an allocation of \$125 million, in the process of planning and initial implementation, Commissioners agreed that it was going to be a place-based approach. Commissioners also agreed to start with five demonstration communities, Magnolia Place being one of them. In the course of planning and implementation, the effort was branded as Best Start LA. In the process of implementing Best Start LA, the Commission then engaged in the strategic planning process and it became clear that there was a major overlap with Best Start LA efforts. It made sense for the Commission to have a single focus and for staff to begin looking at the strategic planning process for the implementation of Best Start LA.

Commissioner Fielding commented that he did not recall the Commission making an explicit decision that all P-3 funding should be used for place-based efforts.

Commissioner Au commented that Best Start LA was strictly place-based. There was recognition that there was going to be a county-wide component because in order for the Commission to effect changes intended with Best Start LA, it was clear that a county-

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wide component was needed. This was the foundation of many conversations that added to the planning of the next strategic plan.

Vice Chair Southard commented that rolling over this funding was a way to free up funds that had been allocated in a strategic plan that expired to a strategic plan that would be ongoing. This would get accessibility to the \$70 million that had been allocated but unspent.

Commissioner Fielding commented that while he was fully supportive of a place-based strategic plan, he also thought that the Commission has not done a good a job in reaching out to things that affect every child in a positive way. He believed that the current strategic plan, other than through policy, allowed the Commission to do this. Commissioner Fielding said he would rather see this funding placed under a separate piece under the new strategic plan that looked at what could be done broadly county-wide to improve the health of every child and which may touch a greater number of people than could be reached with Best Start LA. This could be forming partnerships to draw down federal funding.

Staff provided clarification on how county-wide strategies are not focused on just supporting place-based efforts.

M/S (Nancy Au / Marv Southard)

APPROVED AS RECOMMENDED

7. Approval of Recommendations of the Ad Hoc Committee on Governance

Chair Molina commented that Commissioner Boeckmann has requested that this item be continued to the April Commission Meeting, as she was not able to attend today's meeting.

Chair Molina commented that she had no objection to honor a Commissioner's request, especially since Commissioner Boeckmann was a member of the Ad Hoc Governance Committee.

Chair Molina did remind Commissioners that the April Commission meeting had major items on the agenda – Oral Health & Community Development, Presentation of the Strategic Planning Transition Plan, and Selection of Communities for the Placed-Based Funding Approach. Given these three major issues that are going to take a lot of discussion time, she thought that the recommendations on governance should move forward.

Commissioner Kaufman also commented that Commissioner Dennis, also a member of the Ad Hoc Governance Committee, was not able to attend today's meeting. He suggested that the presentation and discussion move forward without an expectation for taking action. Commissioner Kaufman commented that he felt uncomfortable not hearing from Commissioners Boeckmann and Dennis prior to taking any action on the recommendations being brought forward.

Commissioner Tilton inquired about moving forward with the presentation but delaying the vote on this item until the May Commission meeting. She did not feel an urgency in taking action on this item.

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Commissioner Stockwell commented that she did not agree on postponing this item. She felt that the Ad Hoc Governance Committee had done a lot of work and was in favor of having a discussion on this item today and voting next month or at the May Commission meeting.

The Commissioners reached consensus on having a discussion but also placing this item on the agenda for a vote at the May Commission meeting.

Commissioner Tilton stated that the Ad Hoc Governance Committee was formed in November, 2009 and tasked to address the governance issues that were identified in the course of the strategic planning process during 2008-2009. Some of the issues of focus were the role and responsibilities of Commissioners, code of conduct, working relationships between Commissioners and staff, a self-assessment process, structure of the Board of Commissioners, the selection of Committee chairs, the Initiative Liaison structure, and the role of ex-officio members. The Ad Hoc Governance Committee met twice to develop recommendations that have been provided to all Commissioners.

The recommendations reflected the input of all Commissioners who served on the Ad Hoc Governance Committee. Commissioner Stockwell stressed that the consultants, TCC Group, only facilitated the discussions but did not provide any direct input. She wanted to make sure that all Commissioners understood that the consultants were not telling Commissioners what to do.

The TCC Group presented an overview of the recommendations. Vice Chair Southard asked if terms of office for Committee Chairs under the new structure would allow for election to a subsequent term given the small number of Commissioner eligible to serve as Committee Chairs. Specifically, Vice Chair Southard asked if after a hiatus, could a Commissioner be re-elected to a Committee Chair position. Commissioner Tilton commented that this issue had not been addressed by the Ad Hoc Governance Committee. Commissioner Stockwell suggested that the Commissioners have a discussion on this issue.

Vice Chair Southard clarified that as the Commission has evolved, the role of ex-officio Commissioners has also evolved. The ex-officio Commissioners have the same level of input as regular Commissioners with the exception of not being able to vote. Vice Chair Southard also clarified that this was based on County legislation. He asked if beyond voting, were there any other issues pertaining to the role of ex-officio Commissioners. Commissioner Tilton commented that a sense of exclusion seemed to exist with the proposed membership of the Executive Committee. She felt that if these meetings were to be open meetings, with sensitive issues being handled in a closed session, then ex-officio Commissioners could be able to attend.

Commissioner Stockwell asked what was the legislation that outlined the role of ex-officio Commissioners. Chair Molina commented that ex-officio members were appointed to the Commission by the Board of Supervisors to assist with input in the creation of the organization. However, the Board of Supervisors did not want to create a situation where bureaucrats were making decisions. Chair Molina stated that Brown Act regulations were part of State legislation.

Commissioner Kaufman asked if ex-officio Commissioners could serve as Committee Chairs under the proposed Committee structure. Legal Counsel Steele commented that

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there was no law pertaining to the role of ex-officio Commissioners, other than the Los Angeles County Ordinance which says that there shall be four ex-officio members and states who they are. The ex-officio member is a creature of the Roberts Rules of Order.

Commissioner Kaufman interjected and asked if the Commission's bylaws could state that ex-officio members could serve as Committee Chairs. Legal Counsel Steele responded that Commission bylaws could be changed whenever the Commission deemed it appropriate. There is no law that says that an ex-officio member cannot be a Committee Chair because there is no law about ex-officio members. Furthermore, Legal Counsel Steele commented that if the Commission was going to have ex-officio members, then the Commission could decide what the role of ex-officio members can be.

Commissioner Fielding asked about the fiduciary responsibility of ex-officio members. Since ex-officio members were making decisions, Commissioner Fielding specifically asked if there could be any liability issues. Legal Counsel Steele responded that the assumption of all Commission actions is that the only body authorized to make decisions on behalf of First 5 LA is the Commission. The Committees are not making final and binding decisions for the Commission. The Committees are making recommendations or giving direction to staff as to how to shape information that is coming before the Commission. The only official actions of the Commission are those that take place at full Board of Commission meetings.

Commissioner Fielding asked for clarification on the roles and responsibilities of the proposed Executive Committee. It is not clear if the Executive Committee will be making recommendations on behalf the Commission. Based on the information presented, it seems like the Executive Committee will be making decisions for the Commission.

Commissioner Stockwell commented that the Executive Committee would be taking action on information requests made by the Commission. The Executive Committee would meet on critical issues that come up to provide input to the Commission Chair or Executive Director. The Executive Committee would also handle issues of closed session. Legal Counsel Steele reiterated that the Executive Committee is just an advisory body and is not a group that makes decisions on behalf of the Commission. The Commission cannot delegate its decision-making authority to a Committee. The purpose of a Committee is to provide input and make recommendations to make more efficient the operations of the Commission.

Commissioner Fielding commented that the responsibilities of the Executive Committee outlined in the presentation such as providing leadership on the Board on matters related to policy, planning and governance; conducting the annual review of Executive Director; and, appointing an Ad Hoc Audit Committee to oversee the annual financial audit of the organization, all seemed actions that should be carried out by the full Board of Commissioners. Commissioner Fielding asked that the responsibilities of the proposed Executive Committee be further refined.

Chair Molina suggested that the Executive Committee provide a monthly report as part of the Commission meeting to report on any critical issues that may emerge in between meetings of the full Board of Commissioners. In her interpretation, the role of the Executive Committee is to make recommendations to the Commission for ratification.

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Commissioner Martinez suggested that all the recommendations be brought back to the Commission in 60 days for approval. This would allow for Legal Counsel Steele to develop the Code of Conduct that the Ad Hoc Committee has requested. She said it would make sense to approve all components of the proposed new structure at the same time. The TCC Group clarified that the recommendation was for the Commission to first approve the concept of a Code of Conduct and then giving Legal Counsel Steele 60 days, from the day of the vote, to develop the Code of Conduct.

As he was not a participant of the Ad Hoc Governance Committee, Legal Counsel Steele asked what was meant by the development of a Code of Conduct beyond a conflict of interest policy.

It was the consensus of the Board of Commissioners to have Legal Counsel to begin drafting an outline for a Code of Conduct so that it can be presented at the May Commission meeting.

Commissioner Kaufman also asked for clarification on the issue of formalizing a process through which Commissioners could offer their expertise on program development, implementation, and evaluation without actually directing staff members to carry out specific assignments or assess them on their performance.

Commissioner Fielding agreed with Commissioner Kaufman's inquiry for clarification on Commissioner-staff interaction and relations. He felt that including this issue in a Code of Conduct seemed very restrictive. Commissioner Stockwell commented that during the beginning phase of strategic planning, the consultant at the time, The Sandoval Group, identified Commissioner-staff interaction and relations as an issue to be addressed based on a series of interviews of both Commissioners and staff. Chair Molina asked that the report generated by The Sandoval Group be made available to all Commissioners as a refresher.

Commissioner Kaufman commented that having a Program Committee, as a Committee of the Whole, was not really a Committee. This is basically another public meeting. He personally believes that there should be a Program Committee composed of three or four Commissioners to discuss issues and provide guidance on programmatic issues. Commissioner Kaufman stated that he did not understand the logic of setting up a Committee structure for Public Affairs but not for Programs.

Executive Director Martinez commented that the proposed Program Committee is a mere substitute the current Planning Committee where all Commissioners may attend meetings without limitation and the public can provide input. Commissioner Kaufman commented that he was supportive of this concept but felt the Program Committee should be a smaller group, per Brown Act regulations, to provide input on programmatic issues. Chair Molina commented that a smaller Committee would be able to take more ownership of issues.

Commissioner Williams asked that the Ad Hoc Governance Committee further clarify its recommendation of abolishing the Initiative Liaisons and the function previously played by those in this position be incorporated into the Program Committee. In addition, Commissioner Williams asked that the Board of Supervisors be asked to clarify what they understand the role of ex-officio Commissioners should be on the First 5 LA Board of Commissioners.

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8. Selection of Program Models for the FY 2009-2015 Strategic Plan

In June 2009, the Commission approved its FY 2009-2015 Strategic Plan. At that time, the Commission approved a place-based approach to better integrate its current investments and to leverage and sustain its impact within specific communities. The place-based approach includes Intensive Family Strengthening strategies, which include Home Visitation, Case Management, Parent Education and Family Support in Integrated ECE settings. The ability of this approach to achieve its outcomes is interdependent on the broader set of strategies within the strategic plan, primarily the Community Capacity Building strategies.

Staff has contracted with national expert, Dr. Deborah Daro of Chapin Hall, to assist in developing key policy recommendations for the Commission to guide the design and operationalization of these strategies. Dr. Daro is a Chapin Hall research fellow with more than 20 years of experience in evaluating child abuse treatment and prevention programs. She is a national expert in the field of home visitation with extensive experience in the realms of policy development, program design and evaluation. She has been influencing Federal policy in the areas of home visitation and child welfare programs for twenty years. She has conducted research on evidence-based systems of home visitation at the federal, state and local level in over a dozen localities and has testified to Congress on multiple occasions. Most recently, in the summer of 2009, she testified before the U.S. House of Representatives Income Security and Family Support Subcommittee about the benefits of home visitation programs. She has directed some of the largest multisite program evaluations completed in the field and has lectured and published widely. Most recently, Dr. Daro's research and written work has focused on developing reform strategies that embed individualized, targeted prevention efforts within more universal efforts to alter normative standards and community context.

An initial review of *Welcome, Baby!* by Dr. Daro has yielded a number of questions and that will be key for the Commission to both observe and consider if including this program in a continuum of more intensive home- and community-based family support programs. Considerations include the efficiency of the program in linking families to additional services, as needed and the overall effectiveness of the program in meeting its outcomes. Further, specific attention must be given to learning what primary family needs are being discovered and whether or not additional services in the community are being developed in response to these needs. Further, issues related to staffing the impact of consistency and quality on the participant-level outcomes and satisfaction.

The recommendations for Program Models will be presented for discussion in May. The final recommendations for Intensive Family Strengthening strategies will be included in the Implementation Plan to be submitted for Commission approval in June 2010.

During Public Comment, it was asked when the roll-out of the *Welcome Baby!* Program would take place in Central Long Beach. Director Nuno responded that the roll-out timeline for Central Long Beach was being aligned with the strategic planning communities so that the Central Long Beach community could benefit from the lessons learned from the first community applied through the strategic plan. The timeline would be implemented immediately after the Strategic Planning Implementation Plan is approved at the June Commission meeting.

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Commissioner Au commented that staff will need to clarify that the Commission will be having a discussion about the transition component of strategic planning. The Commission's intention is not to disrupt its investments. Commissioner Au commented that the Commission is cognizant of the number of initiatives that are slated to be technically sunsetted. Part of the process includes looking at existing initiatives that are going to play a critical role moving forward with the new strategic plan approach. Commissioner Au commented that the Commission will do what it needs to do in order to not disrupt its community investment.

Commissioner Kaufman asked for clarification regarding the sunseting of programs. He stated that he thought the Commission had a six-month policy on sunseting programs. Executive Director Martinez commented that Commissioner Kaufman was correct on the previous sunseting policy. However, she reminded Commissioners that as part of the discussions for strategic planning, a Transition Plan is going to be presented in April that will take into account the programs that technically are ending but now have recommendations on how they fit into the new strategic plan.

Commissioner Kaufman expressed that his concern was that programs were only being given a month's notice because staff typically begin leaving three months prior to the end of a contract, if they know that the contract will not be renewed. Commissioner Kaufman stated this is why there was a six-month sunseting policy in place. The fact that the Commission has a zero-year planning process still should not have changed the sunseting policy. Executive Director Martinez commented, that based on discussions at Planning Committee meetings, the sunseting policy notification was suspended and every program that was sunseting would be included into the Transition Plan.

Commissioner Kaufman commented that he did not recall voting on suspending the sunseting process. He commented that going back to the January Commission meeting, where allocations were to be discussed, the sunseting process could also have been discussed. The fact that this did not happen, there is now a grantee that has four months left in their contract and whose staff is already looking for jobs. It seems that by moving the presentation initially scheduled for January, which would have looked at financing options and would have also touched upon the sunseting process, we now have to wait until April for a discussion on the Transition Plan and possibly a vote.

Commissioner Au commented her understanding was that the sunseting process was being suspended pending the new strategic plan. The Commission is currently in a holding pattern until the Transition Plan is officially approved. She further commented that she has seen the initial draft of the Transition Plan and it is a very sensitive process. Even those initiatives that are not going to be part of the new strategic planning approach, they are still going to have in the transition period a cushioning phase where they can downsize. The transition period will be more generous to grantees that what has been in place.

Commissioner Au commented that when she inquired about the potential fallout of not having the discussion on allocation at the January Commission meeting, she was assured nothing horrendous was going to occur with grantees. She said that she was holding staff accountable to the assurance that was provided.

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Commissioner Kaufman commented that if he was a grantee, he would like to know six months in advance that he would no longer be funded. He felt this is why the sunseting process had a six-month window of time for notification.

Executive Director Martinez commented that grantees have had more notice than six months because they each have a specific contract for a specified period of time.

Commissioner Kaufman commented that if grantees are sunseting in July or August, grantees would not be given a six-month notification per the sunseting policy. Commissioner Au directed staff to have this conversation with grantees and say to them that the Commission is on funding hiatus because it has not made a decision on the Transition Plan. Director Bosch commented that every grantee has been told that initiatives are being ended on the dates stipulated in their contracts. Based on the strategic plan, there are strategies that may be funded but there will no longer be funding as it currently exists.

Chair Molina requested that a special briefing meeting be scheduled to brief Commissioners on the strategic plan and the transition.

Commissioner Williams asked projections on what is being planned in Central Long Beach to get a feel for what will happen in April with community selection.

Director Jimenez commented that Commissioners have been given a briefing on the Transition Plan. Staff have always been very cognizant of timelines and clearly linked with the decisions being made with regard to community selection. This is why the April recommendations were coupled, Community Selection and Transition Plan, which will deal with all the initiatives that will be sunseting during the strategic planning process. All initiatives involved will be very clear with a detailed level of specificity.

9. UPDATE: LAUP Performance-Based Contract

In June 2009, the Commission approved the first performance-based contract between LAUP and First 5 LA. The contract outlined performance targets, metrics and process milestones for FY 09-10 as well as a reporting framework and payment structure to incentivize overall performance. The seven outcomes approved include the following:

- Outcome 1: Opportunities for the target population to participate in a quality preschool experience are maximized thereby increasing the access and availability of preschool to as many children as possible
- Outcome 2: Children are enrolled and actively attending their preschool
- Outcome 3: Child, family and community outcomes that promote children's readiness and success in school are achieved.
- Outcome 4: Cost-effective quality preschool services are provided to maximize the number of children served
- Outcome 5: LAUP investment strategies reflect evidenced-based research and evaluation lessons learned
- Outcome 6: LAUP maintains expense to revenue targets to ensure funds are prioritized on direct services. LAUP achieves funding match targets as established in the June 2008 First 5 LA Board motion to sustain program levels as First 5 LA funding decreases

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- Outcome 7: LAUP works towards changing public will and public policies to further the goal of universal preschool.

LAUP has completed the first two quarters of the new contract. As of the end of December 2009, LAUP reported providing preschool for 9,377 4-year olds in LA County with a capacity to serve 9,986, for a utilization rate of 94%. The capacity breaks down as such: 7,214 LAUP created and fully funded spaces; and, 2,666 spaces that are enhanced through the support of LAUP. They are on track to meet the goal of having 11,195 funded spaces with an annual enrollment of 90% or higher by the end of FY 09-10.

LAUP has also made strides toward operationalizing a referral protocol with the Los Angeles County Office of Education Head Start/State Preschool Division as a way to improve utilization of existing system capacities. First 5 LA and LAUP staff have jointly created a research agenda which will be the basis for our collaborative work in the field of early childhood education regarding preschool. First 5 LA and LAUP jointly worked to develop and submit questions related to public will for preschool that will be used in the next biennial LA Health Survey.

An area of note is LAUP's funding match target. As of December 2009, LAUP reports non-First 5 LA matching funds of \$6,333,114. In addition, approximately \$4.7 million, were carried forward from FY 08-09 for a total amount of approximately \$11 million. LAUP has surpassed their target of \$7.67 million and will carry forward the overage into FY 10-11. The majority of this matching funding (over 90%) comes from the Power of Preschool (PoP) funding from First 5 California which is monitored by First 5 LA. LAUP has been successful in managing their costs such that they are able to save these funds. In addition, LAUP is projected to receive their PoP reimbursement for the current fiscal year (FY 09-10) as well as bridge funding for FY 10-11 for a total of almost \$13 million.

One area of concern has been the implementation of LAUP's new attendance tracking system concerning Outcome 2. The milestone for this outcome was to pilot the system beginning July 1, 2009, rollout the attendance tracking system to all providers starting in September 2009, and to have the system fully implemented and operationalized by June 30, 2010. LAUP is currently piloting the system with 61 classrooms (15% of the 412 total classrooms). In their second quarterly report, LAUP provided an updated timeline for implementation and indicated that they anticipate that the system will be fully operational by June 30, 2010. During contract negotiations for the current fiscal year, it was jointly agreed by staff and Liaisons from First 5 LA and LAUP that the target for FY 10-11 would be 85%, which is consistent with current Head Start standards.

Staff from both agencies will continue to work collaboratively to reach agreement on the necessary modifications for the FY10-11 contract. First 5 LA staff will bring the performance based contract for FY 10-11 to the Commission for approval at the June meeting.

In an effort to place into context the 11,195 spaces funded by LAUP, Commissioner Martinez asked what was the need in the community for preschool. Director Jimenez commented there were approximately 154,000 four-year olds in Los Angeles County. Approximately 60% to 70% of this population will attend a formal preschool setting.

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Commissioner Martinez asked for clarification on the 2,666 enhancement spaces. LAUP provides quality enhancement funding to existing preschool spaces who may also be receiving funding from HeadStart or other local programs. LAUP is providing an additional incremental investment above and beyond another public or privately funded agency.

Commissioner Stockwell commented that she was not satisfied with the rating scale for each outcome; specifically with the “in progress” rating. Commissioner Stockwell would like for information to be provided in statistical form. Gary Magioficio, LAUP CEO, commented that an “in progress” rating meant that the goal has not been completed but the way the outcome has been written, it cannot be measured at this point other than with a subject estimate. Commissioner Fielding suggested that quarterly reports be presented rather than just annually.

Commissioner Stockwell commented that she wanted to know where there were areas of concern, especially if any corrective action is needed. Dr. Mangioficio reminded Commissioners that a performance-based contract had been agreed to avoid any intermediary attempts at micro-managing LAUP. Based on this, all goals were given a June 30th deadline.

Commissioner Stockwell asked why the enrollment percentage being recommended was less than the current year’s enrollment percentage. She said it did not make sense to decrease it from 94% to 90% percent. In her view, this percentage should be at 95%. Dr. Mangioficio commented that the leap to 95% is too significant of an increase in enrollment. Currently, the percentage is at 91.5% and LAUP is suggesting 93% for next year. Legal Counsel Steele commented that the Commission is not being asked to make a decision. This will be a contract stipulation that will be brought to the Commission for approval in June.

Commissioner Martinez asked how the PoP funding was different from funding received from First 5 LA. Dr. Mangioficio replied that PoP funding is received directly from the State Commission through the local First 5 County Commission. As it pertains to LAUP, the contract is handled by First 5 LA with the funding going to LAUP minus an administrative fee.

Commissioner Martinez pressed for clarification on the use of PoP funding and First 5 LA funding. Dr. Mangioficio responded that the PoP funding was being used to augment First 5 LA funding. In his view, the dollars are being stretched farther and more kids are being provided services.

Commissioner Martinez asked that if the State of California wanted an audit on what PoP funding was spent, could this information be documented. Dr. Mangioficio commented that not all PoP funding was being utilized. LAUP programs costs and internal operations have been cut as a way to preserve funding because of the required annual funding matches that LAUP is responsible for each year. Approximately \$8 million has been spent this year with an anticipated surplus of \$12 million.

Commissioner Martinez commented that she found it problematic that \$12 million in PoP funding, provided by the State Commission for the augmentation of services, was being used for purposes of matching First 5 LA funding. Commissioner Martinez

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specifically asked if the State Commission was aware of this. Dr. Mangiofico acknowledged that the State Commission was aware of this.

Commissioner Martinez expressed greater concern on how the State Commission viewed the use of the PoP funding, especially in the current political climate where First 5 County Commissions are being targeted for having excess idle revenue in accounts. Dr. Mangiofico commented that the PoP funding was considered a disbursement from the State Commission and it did not impact the State Commission's revenue holdings in this scenario.

Commissioner Martinez also expressed concern on how the PoP funding was designated for the enhancement of services and such services were not being provided. Dr. Mangiofico commented that PoP funding would be sustain a future child's opportunity to preschool.

Commissioner Martinez understanding of the use of PoP funding was to provide services at the local level; however, according to Dr. Mangiofico, PoP funding is collecting interest in an account and not touching a child. Dr. Mangiofico reiterated that while not all funding has been disbursed, some it has been used to augment services, with the remaining balance projected to be disbursed at a future date.

Commissioner Martinez stressed that PoP funding needs to be disbursed as it was initially intended.

Director Bosch commented that First 5 LA was not aware that the State Commission had agreed for PoP funding to be collecting interest in an account.

Executive Director Martinez provided context to the issue of PoP funding. When the State Commission initially offered PoP funding, there were many issues of criteria that had not been thoroughly defined and there was no clear direction. As a result of this, the First 5 County Commissions of Los Angeles, Alameda and San Diego opted not to participate. In return, the State Commission approached First 5 LA and asked that it participate. The primary issue with PoP funding is that the State Commission has no formal contract or Memorandum of Understanding with First 5 LA. The State Commission simply issues a check to First 5 LA which is then issued to LAUP. The only place where conditional requirements regarding PoP funding could be stipulated is in the contract between First 5 LA and LAUP. First 5 LA has tried to get the State Commission to provide a formal agreement on their expectations of PoP funding but has been unsuccessful.

Commissioner Martinez expressed concern over First 5 LA's fiduciary responsibility of PoP funding as the recipient and directed staff to get direction on the use of PoP funding and expectations from First 5 California.

8. Public Comment

Janice French, LA Best Babies Network
Lynn Kersey, Material & Child Health Access
Gary Mangiofico, LAUP
Hilda Maravilla, LA Best Babies Network
Terri Nikoletich, City of Long Beach Department of Health & Human Services

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ADJOURNMENT

The meeting adjourned at 5:13 pm.

The next regularly scheduled Commission meeting will be on:

April 8, 2010 at 1:30 p.m.
Multi-Purpose Room
750 N. Alameda Street
Los Angeles, CA 90012

Meeting minutes were recorded by Maria Romero.