

SUMMARY ACTION MINUTES

APPROVED: 07-08-10

FIRST 5 LA

SUMMARY ACTION MINUTES
Commission Meeting
June 10, 2010

COMMISSIONERS PRESENT:

Commissioners:

Nancy Au
Jane Boeckmann
Jonathan Fielding
Neal Kaufman
Alma Martinez
Gloria Molina (Chair)
Marv Southard (Vice Chair)
Evangelina Stockwell
Carolyn Wilder

Ex-Officio Commissioners:

Duane Dennis
Deanne Tilton
Harriette Williams

STAFF PRESENT:

Evelyn V. Martinez, Executive Director
Carol Baker, Director of Public Affairs
Yolanda Bosch, Director of Grants Management
& Legal Compliance
Tracey Hause, Director of Finance
& Information Technology
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 1:06 pm. Quorum was present.

CONSENT CALENDAR: (Items 2 – 3)

2. Approval of Commission Meeting Minutes – Thursday, April 8, 2010

The minutes were amended to correct a typographical error in Item 5 – Executive Director's Report under the bullet heading of "Promise Neighborhoods." The word "county" was replaced with "country."

M/S (Marv Southard / Jonathan Fielding)

APPROVED AS AMENDED

3. Approval of Monthly Financials – March, 2010

M/S (Marv Southard / Jonathan Fielding)

APPROVED AS RECOMMENDED

COMMISSION: (Items 4 – 11)

4. Announcements by the Commission Chair

NONE

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5. Executive Director's Report

RECEIVED AND FILED

- **State Budget** – Governor Schwarzenegger's May Revise budget proposal does not include a massive redirect of First 5 funding via a ballot initiative. Instead, the Governor is requesting that \$81.4 million be directed to the Healthy Families Program and that \$50 million in Proposition 10 funding go towards the Department of Disability Service's Early Start program. The First 5 California Commission has already approved the \$50 million for DDS's Early Start program. The Democrats' budget proposals do not mention Proposition 10 funding, but as negotiations with the Governor begin, it is entirely possible that First 5 funding will be part of the discussion.

6. Approval of Target Communities for FY 2009-2015 Strategic Plan Place-Based Efforts

Executive Director Martinez commented that two items on the agenda, Community Selection and Strategic Plan Implementation Plan, represents the culmination of two and one-half years of work by staff and Commissioners. Executive Director Martinez reminded Commissioners that when the strategic planning efforts were started, it was determined that the Commission's experience and lessons learned of the last 10 years would be applied from a programmatic perspective, organizationally and in partnership with others. Most importantly, the work has been focused on identifying the ways the Commission can have the most significant impact on children in Los Angeles County. The Commission has an opportunity to solidify the commitment to its vision and strategic direction by approving the communities that will be targeted with a place-based approach and approving the overall implementation plan reflecting both the place-based and county-wide activities.

Executive Director Martinez commented that this was a bold move on the part of the Commission and recognized that it was not easy. She further commented that this was an important milestone in the Commission being able to move forward. The work will require the support and leadership of the Commission in working with communities in a new and exciting way.

Director Nuno commented that staff is recommending that the Commission approve 14 target communities under the new strategic plan. The place-based funding approach represents the most effective way for the Commission to change and address deeply rooted social problems and other conditions that will change the outcomes for children in Los Angeles County. The place-based funding approach allows the Commission to benefit and contribute to local, state and national efforts. Deciding to target funding using this new approach was difficult.

A presentation was made on the selection process by Diana Marie Lee, Consultant, and a team of staff. The presentation provided the demographic and geographic criteria that were used in make the selection of the recommended 14 communities.

Commissioner Fielding inquired about how non-geopolitical units were viewed as coherent communities. Staff responded that zip codes and high school feeder boundaries were being used as a first attempt at defining community boundaries. More will be done in these types of communities with the expectation that some of the current boundaries may change based on community feedback. It is a common part of place-based investing

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that once the implementation phase is begun, work is then done with communities to ensure that the defined boundaries really resonate and are meaningful to them.

Commissioner Fielding asked what kind of synergy is expected from those communities that are adjacent to each other and if this was factored into the funding allocation. Staff responded that feedback from the focus groups alluded that there are communities in the South LA region, for instance, that share and work together.

Commissioner Fielding further asked if there would be any future requirement for future matching fund requirements of these communities for sustainability. Director Nuno commented that capacity building was being addressed in the Strategic Planning Implementation Plan.

Commissioner Au commented that based on her recollection of earlier conversations regarding the place-based funding approach, staff needed to take into consideration the fact that part of the reason for moving in this direction was that the Commission would need and require an effort to leverage funding. At some point, the Commission's funding will diminish but the expectation, as part of outcomes, was that the community would become so healthy and cohesive that they would need less external kinds of input. The communities would have an internal process by which some of the community challenges could be addressed. Mechanisms for tracking progress include the dashboard and kiosk.

Commissioner Fielding complimented the staff in sorting through all of the various elements of community selection. He was pleased with the well developed portfolio.

Commissioner Stockwell echoed Commissioner Fielding's sentiments regarding the work of staff. She thanked the staff for their hard work as well as Executive Director Martinez for her leadership.

Commissioner Southard commended staff on their outstanding work on such a difficult task.

Commissioner Kaufman also commended staff for their extraordinary effort. He stated that staff did an amazing job and had no problem taking a vote on the issue.

Commissioner Wilder commended staff for a job well done.

Commissioner Martinez expressed her support for the staff recommendation. She felt that staff had done a good job in elevating communities so that everybody in Los Angeles County could share in the wonderful project. Commissioner Stockwell also commented that this was a catalyst for those communities who were thinking about applying for a Promise Neighborhoods grant.

Commissioner Williams thanked Executive Director Martinez for her leadership. She thought the process of getting where the Commission is currently was exciting because of the community support behind it.

Commissioner Dennis cautioned the Commission about the place-based efforts nationwide that have been successful. These efforts have been successful because they have been more than just a five-year investment. He urged the Commission to take this into consideration as it moves into implementing the place-based funding approach. Commissioner Dennis also thanked the staff for their work.

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Chair Molina commented that the Commission was on the brink of a very bold move. While there is much work to be done, the coordinated collaboration of comprehensive services will help to empower these communities so that they can take control of how to enrich and have more prepared children in the future.

M/S (Carolyn Wilder / Neal Kaufman)

APPROVED AS RECOMMENDED

7. Approval of the Implementation Plan for FY 2009-2015 Strategic Plan and of the FY 2010-2011 Programmatic Budget in the Amount of \$55,387,000 Authorizing Staff to Negotiate Contracts and Grants Necessary for Implementation

Director Nuno commented that the implementation plan reflects the activities that will be carried out at the County-wide level as well as the activities that will take place within and across the target communities.

The implementation plan represents the best possible opportunity to change the outcomes for children.

A presentation was made on the implementation plan by Gwen Walden, Consultant, and a team of staff. As part of the implementation plan, a programmatic budget for FY 2010-2011 was included.

Commissioner Fielding inquired about the proposed allocation of \$11 million for resource mobilization. He expressed concerns over this amount as he felt it had not been fully discussed. Director Nuno commented that this allocation had been discussed in great detail at the last Strategic Plan Special Planning Meeting. It was part of the discussion surrounding the County-wide activities and investments. The \$11 million allocation is a starting point and is modeled after current leveraging efforts with the Oral Health and Nutrition portfolio as well as ARRA Project.

Commissioner Fielding commented that it was hard for him to tell what this allocation was going to be used for from the staff report. The report on this specific allocation does not have the clarity and detail he felt was necessary to fully understand the activities of the allocation.

Executive Director Martinez commented that the allocation was being proposed for leveraging activities that would maximize the Commission's investments in the communities. During the last strategic plan, approximately \$156 million were leveraged. These leveraged dollars would help the Commission in achieving its desired goals and outcomes.

Commissioner Fielding reiterated that he did not have any problems with resource mobilization. He felt it to be a critical component. However, Commissioner Fielding commented that he was not in favor of placing \$11 million without any reporting mechanism to the Commission. Executive Director Martinez reiterated that no decisions would be made without the Commission being informed and pledging support.

Commissioner Dennis expressed concern over the reduction in the workforce development allocation. Director Nuno commented that after the discussion at last month's Strategic Plan Special Planning Meeting, the allocation was reduced based on the feedback received. The current proposed allocation of \$3 million will support the activities in the implementation plan.

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Executive Director Martinez also commented that the State Commission is going to be coming out with funding for a CARES+ Program. While the State Commission is just in the discussion phase, it is looking for County Commissions who can apply for this funding with a matching requirement. This is why the \$3 million allocation is being included in the implementation plan. Director Nuno commented that the goal of the CARES+ Program is to support the professional development and preparation of the early childhood education workforce through the provision of incentives, academic support, higher education articulation, and web-based registry. These broad goals complement the efforts of the Commission's current initiative.

Commissioner Dennis reiterated that workforce development is a critical issue with regard to the prenatal to five population. He felt that \$3 million for County-wide initiatives was too limiting.

Commissioner Au commented that she felt that the FY 2010-2011 programmatic budget was an initial budget that would anticipate tweaking as necessary. Ultimately, the goal is to have a successful launch and new focus for the Commission. Commissioner Au commented that she was not supportive of approving allocations and then having to be forced to spend the allocation.

Commissioner Stockwell commented that she was supportive of staff's cautious approach to budgeting during the initial year.

Commissioner Kaufman complimented staff on the implementation plan. He did express that the proposed programmatic budget still had paltry amounts. In his view, the Commission should be spending approximately 20 percent, per year, of its projected revenue for the next five years. Personally speaking, Commissioner Kaufman commented that the Commission should be spending about \$160 million per year. He suggested that a timeline of 90 days should be attached to the County-wide strategies to explore ways to augment allocations.

Commissioner Kaufman suggested that an Ad Hoc Committee be established to: (1) ensure an understanding of goals and objectives of the community-wide activities; (2) define outcomes for County-wide strategies; (3) explore whether the existing investments should be expanded; and (4) revisit the allocation percentage range for place-based funding and County-wide strategies.

Vice Chair Southard commented that a measure-based approach was probably the prudent way to move forward rather than make generalized allocations.

Commissioner Martinez stated that she was interested in the Ad Hoc Committee being proposed by Commissioner Kaufman. However, she wanted to make sure that parameters were established so that County-wide strategies did not morph into funding those organizations that were not part of the implementation plan.

Commissioner Tilton commented that she needed more clarity on how the investments were going to make children be safer. She expressed concern that the Commission might overlook the unique opportunity to make an impact County-wide on the survival, safety, health and education of children and families by just focusing on the 14 targeted communities. Commissioner Tilton said that there were other ways of impacting children and families without making long-term investments.

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Commissioner Williams commented that a budget was a dynamic instrument as it is not set in stone. She suggested that the Planning Committee take this issue up in a planning session rather than creating an Ad Hoc Committee to address this issue.

Commissioner Martinez commented that since the Commission is going through a re-organization as part of the implementation plan, she asked that a new RFP be issued for those contracts that have not gone through a recent bidding process such as auditing and legal services. She felt that there may be new opportunities available to the Commission. Executive Director commented that a report could be presented to the Commission at the July meeting on the status of contracts.

Commissioner Kaufman commented that he had no problem with the Planning Committee taking up this issue as long as there is a report to the full Commission within 90 days.

Commissioner Au commented that 90 days was too soon for the Commission to determine what additional expenditures may be necessary. She suggested that the Commission approve the staff recommendation.

M/S (Neal Kaufman / Jane Boeckmann)

APPROVED AS RECOMMENDED

Vice Chair Southard commented that if the Commission is to move forward with adding additional investments, there needs to be a thoughtful process because there are many different viewpoints within the Commission about what the priorities should be for additional expenditures.

The Commission reached consensus on having the Planning Committee be the forum for having the discussion on additional investments and returning with a report to the full Commission in 90 days, at the September Commission Meeting.

8. Approval of the FY 2010-2011 Operating Budget and Administrative Cost Percentage of 2.5%

Director Hause reported that First 5 LA has realized a reduction in revenues over the last few years as a result of three factors. Tobacco tax revenues have been declining primarily due to the decrease in sales of tobacco. Further, there has been a decrease in the birth rate in Los Angeles County. The State Board of Equalization has also increased their administrative fees resulting in lower revenues.

Due to a number of economic concerns, an operating budget that is one percent less than FY 2009-2010 is being proposed. Budgeted salaries and benefits have increased as a result of a recommended two percent cost of living adjustment. Operating expenses have been reduced by approximately 12 percent from the previous years primarily due to a reduction in professional and consulting services.

Commissioner Kaufman asked if the proposed budget included the cost of the additional staff to be hired as part of the new strategic plan. Executive Director Martinez responded that the cost of new staff hires were included in the implementation plan allocation.

M/S (Neal Kaufman / Nancy Au)

APPROVED AS RECOMMENDED

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9. Approval of the Long-Term Financial Plan for the Period of July 1, 2010 Through June 30, 2015

M/S (Marv Southard / Neal Kaufman) APPROVED AS RECOMMENDED

10. Approval of the LAUP Performance-Based Contract for FY 2010-2011 Including the Budget in the Amount of \$62,455,045

Based on lessons learned during the initial year of performance based contracting, as well as feedback from the Liaisons and the full Board of Commissioners, staff from First 5 LA and LAUP have worked collaboratively to determine the appropriate modifications that need to be incorporated into the performance based contract for FY 2010-2011.

The most significant addition to the contract for FY 2010-2011 is the process milestones related to establishing an updated sustainability plan for LAUP. These process milestones relate to the development, analysis and presentation of alternatives and options with the goal of implementing the recommended plan in FY 2011-2012.

Commissioner Fielding commented that he was pleased with the progress that has been made regarding the performance-based contract.

M/S (Marv Southard / Neal Kaufman) APPROVED AS RECOMMENDED

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

Charles Fernandez, TCC Group Consultant, reviewed the proposed recommendations regarding roles and responsibilities, committee structure, and terms of office for Committee Chairs.

One of the key recommendations from the Ad Hoc Governance Committee was to have closed meetings for the proposed Program Committee, with the understanding that periodically, public meetings may need to be scheduled depending on the programmatic issue to be discussed. Legal Counsel Steele interjected and stated that the Commission could not have a committee that chooses whether a meeting is open or closed. Committee meetings are governed by the Brown Act. This is not up to the committee to decide.

Chair Molina commented that there are specific requirements for closed sessions of committees. A committee cannot decide on its own whether a meeting is closed meeting or not.

Executive Director Martinez clarified that the proposed Program Committee would not have closed sessions. The membership of the Program Committee mirrors that of the current Public Affairs Committee in that it has three members and is not required to have Brown Act meetings. Legal Counsel Steele commented that those choices could not be made on an item by item basis.

Chair Molina stated that any committee can ask for a public hearing. However, if there are more than five Commissioners attending the meeting, then the meetings must be public meetings.

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Commissioner Tilton asked for clarification on committee membership as it pertains to the Brown Act. Chair Molina commented that any Commissioner could attend a committee meeting. However, the Commissioners who are not members of the committee could not vote. Legal Counsel Steele further clarified that Commissioners could not give their opinions on any issue being discussed. The level of participation would be limited to listening to the committee discussion.

Executive Director Martinez clarified that in what was being proposed, there is no Planning Committee. There is a Program Committee but it limits the membership to four Commissioners. This was based on feedback that the Ad Hoc Governance Committee received from the Commissioners at the March Commission Meeting. At the time, Commissioners had expressed that the Program Committee membership should be limited to four Commissioners.

Chair Molina reminded Commissioners that if the proposed recommendations were to be approved, the Planning Committee would not longer be in existence.

Commissioner Stockwell commented that, initially, the Ad Hoc Governance Committee proposed a Program Committee structure that would allow for public input but also provide a forum for a smaller group of Commissioners to discuss specific programmatic issues.

Legal Counsel Steele commented that the current structure of the Planning Committee is an effective way to have Commissioners participate and to get public input.

Regarding the question of whether an Ex-Officio Commissioner could serve as Committee Chair, Legal Counsel Steele commented that it was dependent upon what responsibilities were delegated to the specific committee. For instance, in the proposed Executive Committee, if responsibilities are delegated that can only be carried out by voting members, then only voting members could serve as the Chair of the Executive Committee.

Chair Molina then commented that if this was the case, then only voting members could be Committee Chairs as they would be required to vote in the Executive Committee.

Commissioner Kaufman asked for clarification on the duties the Executive Committee as it was his understanding that the Executive Committee would make recommendations to the full Board of Commissioners. Legal Counsel Steele commented that under the current proposal, the Executive Committee was being delegated with broader duties than the current structure, none of which would be decisively voted on by the committee. The Executive Committee would make recommendations to the full Board of Commissioners.

Chair Molina clarified that if the delegated authority was removed from the Executive Committee, then Ex-Officio Commissioners could be members.

Commissioner Au inquired what would be helpful in terms of the operation of the organization. She asked if it was better to have an Executive Committee that is only empowered to make recommendations versus an Executive Committee that is able to make decisions. From her experience, there are sensitive issues involving grantees and contractors that have been dealt with in the current Operations Committee.

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Commissioner Kaufman commented that the Executive Committee may have to deal with issues that the full Board of Commissioners may need to see such as grantee audits. The Executive Committee would discharge this as an administrative responsibility of the Executive Director.

Legal Counsel Steele reiterated that the current Operations Committee does not have decision-making authority on behalf of the full Board of Commissioners. The Operations Committee provides direction to staff and recommendations to the full Board of Commissioners.

NOTE: Chair Molina excuses herself from the meeting. Vice Chair Southard begins to chair the meeting.

Executive Director Martinez commented that from a management perspective, there have been sensitive issues that have been brought to the Operations Committee that should not be discussed in an open meeting that have to do with grantee compliance issues. Staff does go to the Operations Committee to obtain direction on how to deal with such issues. There needs to be a body where feedback can be obtained from Commissioners without having to discuss such issues in a public meeting.

Legal Counsel Steele stated that the Operations Committee is an advisory committee, appointed by the Commission Chair, rather than a formalized structure as is being proposed with Committee Chairs being members of the Executive Committee.

Vice Chair Southard suggested that Committee Chairs could be elected by the Commissioners and the Commission Chair could make appointments to the Executive Committee.

Commissioner Fielding suggested retaining the Operations Committee in its present structure. Commissioner Boeckmann agreed.

Charles Fernandez reminded Commissioners that the Ad Hoc Governance Committee never discussed the role of the Ex-Officio Commissioner as Committee Chairs. The question was raised as it came about through the strategic planning process and was being raised for discussion.

Commissioner Kaufman commented that he, personally, felt that the Program Committee and the Executive Committee should have a membership of four or less Commissioners with the option of calling a public hearing. Commissioner Kaufman also expressed that a public planning meetings could be scheduled on a monthly basis.

Regardless of how the Committee Chairs are elected, he felt it was not a good idea to have Committee Chairs be automatically on the Executive Committee. If this was done, then the work would only be done by a handful of Commissioners. Based on the proposed recommendation, a Commissioner could serve up to four years as a Committee Chair and a member of the Executive Committee. While this allows for continuity, it does not allow for diversity of opinions.

Commissioner Kaufman proposed the following:

1. Form a Program Committee made up of four Commissioners, elected by the full Board of Commissioners including the Committee Chair.

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2. Form a Public Affairs Committee with a membership of up to four Commissioners, elected by the full Board of Commissioners.
3. Form an Executive Committee made up of the Vice Chair of the Commission and three other Commissioners, elected by the full Board of Commissioners.
4. Committee terms should be one year terms with the option of renewing for a second, one-year term. The Committee Chair terms should be staggered for continuity.

Vice Chair Southard asked the members of the Ad Hoc Governance Committee that if the recommendations being made by Commissioner Kaufman were consistent with their intentions. Commissioners Boeckmann, Dennis and Tilton commented that they were in favor of Commissioner Kaufman's proposed recommendations.

Commissioner Au asked for clarification on why the proposed Program Committee would have closed meetings in lieu of the current Planning Committee that hold public meetings.

Vice Chair Southard commented that this was not the type of discussion to be having in a public meeting and suggested that perhaps the Ad Hoc Governance Committee should further address this issue.

Commissioner Fielding attempted to summarize the discussion. There are two committees that will be elected by the full Board of Commissioners: (1) Program & Planning Committee and (2) Public Affairs Committee. The Program & Planning Committee would follow the Brown Act. There will also be an Executive Committee which does not have delegated responsibility from the Board of Commissioners to take action on behalf of the Board but acts as a sounding board, and makes recommendations to the Board of Commissioners as well as coordinates the evaluation of the Executive Director. The Committee assignments would be for one year terms, renewable for a second, one-year term with a sitting out period after the second term. More clarifying language regarding the duties of the Executive Committee is needed given that the Committee would serve in an advisory capacity.

Legal Counsel Steele recommended that the Program & Planning Committee maintain the same structure of the current Planning Committee.

Commissioner Au asked Legal Counsel Steele to review the proposed recommendations and provide a legal opinion on each recommendation.

Legal Counsel Steele also reminded Commissioners that adopting these recommendations would also required that the bylaws be amended.

It was the consensus of the Commission to direct Legal Counsel Steele to review the concepts presented, formulate the Commission bylaws changes that need to take place, and bring the final concept and draft revised bylaws to the Board at the July Commission Meeting.

Legal Counsel Steele reminded the Commissioners about the process for changing the bylaws, committed to having a draft of the proposed changes for the July Commission Meeting with formal action to be taken at the September Commission Meeting.

It was also the consensus of the Commission that the Executive Committee would be open to all Commissioners for membership and would have no delegated authority.

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Commissioner Kaufman commented that he believes the Commission should have a Planning Committee that is open and governed by the Brown Act. Further, Commissioner Kaufman also stated that he felt a Program Committee was needed that had the capacity to work alongside staff in greater detail. Otherwise, all the intricate details were being delegated to staff with no Commissioner input.

Vice Chair Southard suggested that the Program & Planning Committee be governed by the Brown Act with the option of setting up workgroups that could deal with specific issues.

Commissioner Williams commented that Commissioner Kaufman's proposal would be limiting the role of the Liaisons.

Legal Counsel Steele commented that as part of Commissioner Au's request for an analysis on the proposed recommendations, alternative language would be provided for consideration.

12. Approval of the 23 Recommended Applicants in COF Cycle 4 in the Amount Not-to-Exceed \$3,324,263

Staff recommended approval of 23 applicants for organizational capacity building projects. The funding requests total \$3,324,263. Fifteen of the 23 recommended applicants, representing \$2,125,583 of the total funding recommendation, have not received First 5 LA funding in the past.

M/S (Alma Martinez/ Nancy Au)

APPROVED AS RECOMMENDED

13. Public Comment

Laura Avila, Parent
Celia C. Ayala, Los Angeles Universal Preschool (LAUP)
Deborah Brownstone, The Help Group
Jeffrey Capertoa, People Coordinated Services
Ellen Cervantes, CLRC
Leticia Chacon, Human Services Association
Sandy Chiang, The California Endowment
Vina Crum, Drew CDC
Jaya P. Egan, The Children's Center of the Antelope Valley
Maria Garay, Para Los Niños
Rene Gonzalez, Los Angeles Unified School District (LAUSD)
Kathryn Icenhower, SHIELDS for Families
Mike Jackson, Drew CDC
Rae Jones, Black Infant Health - Great Beginnings for Black Babies
Carrie Miller, County of Los Angeles
Joyce Palacios, Los Angeles Unified School District (LAUSD)
Annie Park, Community Health Councils
Rosie Ramos, Human Services Association
Charles Sidneyfields, The California Endowment
Paula Starr, Southern California Indian Center Inc.
Toni L. Watson, Black Infant Health - Great Beginnings for Black Babies
John Whitaker, Children's Bureau

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ADJOURNMENT

The meeting adjourned at 4:51 pm.

The next regularly scheduled Commission meeting will be on:

July 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.