CALL TO ORDER / ROLL CALL:

1. Mayor Michael Antonovich called the meeting to order at 1:42 pm. Quorum was present.

COMMISSION: (Items 2 – 14)


   M/S (Jonathan Fielding / Neal Kaufman) APPROVED AS RECOMMENDED

3. Announcements by the Commission Chair

   Mayor Michael Antonovich presented Commissioner Marv Southard with a token of appreciation for having served as the Commission Vice Chair in 2009 and 2010.

   Mayor Michael Antonovich welcomed Dr. Antronette K. Yancey, as the newly appointed representative for Supervisorial District 2. Commissioner Antronette Yancey has a distinguished career. She is a Professor at the UCLA Department of Health Services and
previously served in the Los Angeles County Department of Public Health. Currently, Commissioner Antronette Yancey serves on the Institute of Medicine Standing Committees on Childhood Obesity and Prevention, and the National Physical Activity Plan Coordinating Committee.

Mayor Michael Antonovich congratulated Vice Chair Jonathan Fielding on being appointed by President Barrack Obama to a panel charged with devising the nation’s strategy to improve preventive care.

Mayor Michael Antonovich commented that he, in his prior month’s remarks, outlined his priorities of improving child safety and well-being through successful public-private partnerships, inter-agency service delivery, and County-wide direct service provisions that would prevent child abuse, or neglect, or prevent children from entering the County’s supervision. He emphasized a focus on quality, early education and care, along with proper physical, nutritional, dental, eye and mental health habits. Mayor Michael Antonovich highlighted that the best investment was a very proactive investment from birth to age five rather than a reactive approach when dealing with jails, homelessness, institutionalization, incarceration, and long-term public assistance. Remembering that Commissioners are stewards in loco parentis of children and are also the stewards of an extraordinary fund with a clear mission and goals, he has resolved, for the coming year, to use the fund in ways that build on past successes, leverage meritorious investments that have already been made, and expeditiously respond to the unmet needs of all young children and their families by eliminating the unnecessary delays.

Mayor Michael Antonovich further stated he was resolving to turn the Governor’s proposal to recapture First 5 LA funds into an opportunity to challenge Commissioners to set aside personal, philosophical or political differences and to focus on innovative solutions to obligate First 5 LA’s existing and future resources to meet those needs of children in Los Angeles County as efficiently as possible in accordance with the First 5 LA goals and objectives.

In 2010, the Commission approved the FY 2009-2015 strategic plan, a place-based strategy, and various countywide augmentation proposals. The bulk of these revenues under the new strategic plan were appropriated to a place-based strategy having the greatest impact possible. It now requires that Commissioners invest resources to help all young children with particular emphasis on the most vulnerable. Ninety percent of the children in Los Angeles County reside outside of the 14 communities. The Commission cannot improve the health and safety of all children by disproportionately focusing on a small minority. Therefore, Mayor Michael Antonovich welcomed the countywide investments, initiated by Commissioners, to address what may be considered an imbalance in Commission allocations. Regarding the countywide augmentation proposals such as universal assessment of newborns, Commissioners recognized that following assessment, some families will require linkage to support child development or the strengthening of family. Mayor Michael Antonovich further remarked that, undoubtedly, through previous investments, First 5 LA had identified vendors, non-profit providers, and school districts capable of exemplary support services. Rather than re-inventing the wheel from an economy efficiency standpoint, the Commission needed to consider using countywide augmentation funds to expand existing meritorious contracts or to fund capable providers that have proven themselves in existing efforts. Mayor Michael Antonovich requested that at the next meeting, Commissioners needed to have a staff assessment and recommendations on the effectiveness and the abilities of existing programs, including Partnerships for Families, Healthy Births, and the Best Babies Collaborative, all of which complement universal assessment.
Mayor Michael Antonovich urged the Commission to be nimble and flexible in implementing the Commission’s new strategic plan by ensuring that contracting, contract monitoring, and accounting processes be responsible and transparent. He said the Commission needed to not be timid. The Commission needed to be bold in reaching out to the most vulnerable families—the children of Los Angeles County, foster and probation youth who are aging out of County supervision without permanency or a connection to an adult, and families in mental health or substance crisis who have constantly abused or neglected their young children. Mayor Michael Antonovich stated these were the children for whom the return on investment would be the greatest dividend that could be received.

Mayor Michael Antonovich said these were the children who have no voice, who may or may not be viable to mandate reporters due to their delicate young age, and who are the most likely to be seriously injured or killed as is read about almost daily in the newspapers. These are the children for whom the Commission must set aside their differences by working together and remembering this in what is planned and done in the coming weeks and months, as Commissioners communicate and collaborate and cooperate while determining the best use of financial resources, particularly as it applies to the Governor’s budget proposal. Mayor Michael Antonovich reminded Commissioners, again, that the most precious resource that the Commission has may actually be time. He urged Commissioners not to waste that time as there were service gaps to fill with service innovation designs and the implementation of public-private partnerships to inform and sustain and possibly seek legislative reform. Mayor Michael Antonovich stated that more importantly, the Commission needed to work for these children so that the concerns that will be discussed later in the meeting regarding the Governor’s attempt to take Commission funds will not be an excuse to have the State confiscate funding for their needs.

NOTE: Mayor Michael Antonovich amended the sequential order of the agenda items. The following reflects the order in which items were discussed.

6. Approval of Motion Regarding Children’s Oral Health

Mayor Michael Antonovich introduced his motion regarding children’s oral health and nutrition expansion. He stated that the Los Angeles County Board of Supervisors unanimously proclaimed February 2011 as National Children’s Dental Health Month. During February, the Department of Public Health and partners such as community-based organizations, dental schools, local schools and health providers were coordinating a preventive dental care program, treatment services and education to the thousands of children in Los Angeles County. Mayor Michael Antonovich stated that it could be so much greater if the Commission could work to accomplish these goals. He also stated that was why he filed the motion.

Mayor Michael Antonovich amended his motion due to a conflicting item entry between the Commission’s November and December 2010 financials related to the Oral Health and Nutrition Initiative. The November 2010 Statement of Net Assets reflected a total allocation of $10 million with a remaining balance of $7.7 million. However, the December 2010 State of Net Assets reflected a total allocation of $16.9 million with a remaining balance of $14.5 million. Based on the reconciled accounting provided by the First 5 LA staff, the available funding for future oral health and nutrition projects is $12,873,258.
The amendment that Mayor Michael Antonovich suggested was that an amount no less than $12.8 million in remaining oral health and nutrition funds be contracted in accordance with the directives set forth in the motion.

Commissioner Neal Kaufman supported the amended motion made by Mayor Michael Antonovich. Mayor Michael Antonovich invited Madeline Hall, Director of the Los Angeles County Education Foundation and Chair of the Los Angeles County School Health Center Policy Roundtable to address the Commissioners.

Ms. Hall commented that she was pleased to see the possibility of allocating additional resources to oral health. She has been in contact with a number of school nurses and physicians that serve children in Los Angeles County as well as, school-based clinics and the community clinic association of Los Angeles County. Ms. Hall stated that it was very clear that adult oral health issues are the impact of long-term neglect of oral health, particularly as it occurs prenatally and up to age five. Furthermore, Ms. Hall commented that this seemed like a ripe opportunity to look at the possibility of full service partnerships given that what happens in dental care is that referrals are made but people do not attend to. She also commented that there may be an under appreciation by parents of all levels of class and ethnicity that oral health is a very important thing to do right from the point of infancy. Ms. Hall said there was certainly an understanding that many pediatricians do not really comprehend the importance of being able to see and recognize that children’s oral health was something that they need to look at during well baby visits. Ms. Hall encouraged Commissioners, on behalf of the School Health Center Policy Roundtable at the County level as well as, the Los Angeles County Education Foundation and Los Angeles County Office of Education to try to look at this in a different way, in a population-based way, and to try to look at the expansion of oral health access as a major goal for the First 5 LA Commission in the coming months.

Commissioner Duane Dennis commented that this seemed like an issue of the last fiscal year—the focus on oral health and being able to expend the allocation. As he understood it, there were problems with getting cities and municipalities to work cooperatively with First 5 LA. He asked if this motion included a different type of strategy as far as outreach, access and penetration that obviously was not used before because this has been an ongoing issue.

Commissioner Alma Martinez commented that the prior issue was with the fluoridation of water. This motion was different and focused on direct dental services.

CEO Evelyn V. Martinez commented that there were two different oral health initiatives. One was Oral Health and Nutrition, which was introduced by Mayor Michael Antonovich the last time he was Commission Chair. There was also a separate initiative for Oral Health Community Development, which focused on the fluoridation of water.

Commissioner Nancy Au commented that she was confused about the dollar amount but also about implementation. She commented that the Commission had been aware of the difficulty in coming up with matching funds and that this had been one of the stumbling blocks in being able to implement this initiative.

CPO Antonio Gallardo commented that as Mayor Michael Antonovich had reported, the dollar amount before the Commission of $16.9 million included the transfer allocation from
the Oral Health Community Development for $6.9 million. The amount of $12.8 million is what was left to be used. CPO Antonio Gallardo commented that the Commission was supportive of Mayor Michael Antonovich’s efforts to elevate the importance of children’s oral health by both educating communities and the general public. Furthermore, CPO Antonio Gallardo commented that the general activities presented in the motion introduced by Mayor Michael Antonovich were in line with the direction staff has taken in modifying the implementation based on lessons learned during the past several years. Staff was also incorporating the Commission’s feedback from the January Commission meeting and likewise, staff was re-examining the previously approved guidelines to look for ways that would increase flexibility in the application of the process. CPO Antonio Gallardo commented that staff was pleased to see the proposed motion incorporated the changes in the oral health nutrition implementation strategies that were shared with the Board of Supervisors’ Children’s Deputies in December 2010. At this meeting, a two-prong approach was proposed. One of the approaches was to issue a solicitation where there was no match requirement because it was learned this was a major challenge. The other approach was a strategy that would support and leverage oral health related provisions within the Patient Protection and Affordable Care Act. CPO Antonio Gallardo mentioned that the work on these projects was moving quickly in order to expend the funds during the current fiscal year. Per the Commission’s request, staff would be happy to provide an update on the progress of this work.

Commissioner Angie Stockwell asked that under the full service pilot, one of the items listed that she needed further clarification on was increasing the number of dentists who treated children age 0 to five. She asked how this would come about.

Ms. Hall responded that the dollars available were just beginning conversations. UCLA and USC have initiatives in their dental schools about trying to help general service dentists understand the needs to of children 0 to five. Ms. Hall said this was an ongoing engagement of the dental schools, building on the reports that universities issued related to the poor oral health of children in Los Angeles County. What was being proposed, thanks to Mayor Michael Antonovich, was to look at expanding the resources of staff to develop a collaborative approach that involved First 5 LA dollars and other dollars as well by looking at full service partnerships, looking at a referral system where kids would actually get services, helping parents be engaged, and helping to increase those numbers of dentists who are sensitive to zero to five issues. As a result, gains at the back end will begin to be seen when these children become adults.

CEO Evelyn V. Martinez reminded Commissioners that First 5 LA had previously funded a program where dentists were trained in pediatric dentistry and it was quite successful. If this is one of the strategies to be employed, then First 5 LA had prior experience.

Ms. Hall commented that it seemed to be right time since there were a growing number of volunteer dentists who were coming into school-based clinics and community clinics.

CEO Evelyn V. Martinez also reminded Commissioners that as part of Healthy Kids coverage, oral health services were included. She suggested working with LA Care Health Plan to ensure that parents were taking advantage of this insurance benefit.

Commissioner Angie Stockwell asked if there was something in the program that targeted and reached out to the cultural community. Ms. Hall responded there were some County
partnerships that were currently doing this but this would be something that First 5 LA staff, the Community Clinic Association, and School Health Policy Roundtable needed to develop a plan.

Commissioner Alma Martinez commented that she felt the motion was very timely and expressed appreciation for Mayor Michael Antonovich bringing this forward. Furthermore, Commissioner Alma Martinez stated that if there were problems encountered with matching funds then it was incumbent on staff and leadership to let the Commissioners know that there was a problem, so that the Commission could eradicate any ties to obstacles. If something was created with good intention but really was not achieving the desired goal, then staff should make the Commissioners aware so that if can be resolved. 

Commissioner Alma Martinez also commented that if the need and space was identified, she asked how quickly dental chairs would be made available to the community. Ms. Hall commented that there were other options such as portable facilities. In short, Commissioner Alma Martinez asked if the motion was approved today, when children would be able to walk into First 5 LA funded chairs or mobile units. Ms. Hall commented that there were pilot programs and partnerships that could be built upon. Commissioner Alma Martinez pressed for a general timeframe, such as the end of the year.

CEO Evelyn V. Martinez asked if the Commission was willing to allocate funds for capital improvement because First 5 LA had been negotiating well over six months with the Department of Health Services to renovate MacLaren Hall. There was a provider ready to provide dental care to foster children. The problem that has been encountered was with the Department of Health Services seeking bids and the cost associated with renovation of the site. If the Commission was willing to fund capital improvements, then staff would take direction. 

Commissioner Alma Martinez proposed creating another fund for capital improvements as the motion seemed to be intended to fund direct services. She expressed that she would like to see the Commission be committed to creating another account that took care of capital improvements.

Vice Chair Jonathan Fielding commented that he agreed entirely that dental needs were the most common needs and health problems among children in Los Angeles County. There was no question that there was a lot of unmet need. The real issue for staff was how these dollars could best be allocated and whether some small portion could be used for renovation. In his view, it was up to staff. Vice Chair Jonathan Fielding commented that it would be appropriate to spend whatever was necessary for the provision of services in places that were ready. He did caution that renovations should not be what takes up most of the funds being allocated. Vice Chair Jonathan Fielding also commented that he assumed that part of the allocation would also be used to train other dentists to the degree they were interested given that one of the primary obstacles has been the lack of pediatric dentists. If the Commission was flexible with these three bundles of funds, staff could decide how the allocation could be best utilized while keeping the Commission informed.

Commissioner Duane Dennis commented that he supported the remarks made by Vice Chair Jonathan Fielding. The $12.8 million should be used in any possible way as mentioned by Vice Chair Jonathan Fielding to move forward with this project.
Commissioner Duane Dennis also stated that discretion should be given to staff to use the $12.8 million to do what was necessary to get services to children.

Commissioner Marv Southard commented that he agreed with Vice Chair Jonathan Fielding and Commissioner Duane Dennis because of the acuity of the need but also because of the timing of the current fiscal situation. He stated that allocating funds quickly served everyone, especially the community interests.

Commissioner Nancy Au commented that since the additional $2.8 million came from the community development component of the oral health piece, which was actually for building fluoridation capacity and then transferred into the initial $10 million allocation for direct services, perhaps the $2.8 million could be looked as a possible funding allocation for capital improvements. This would leave $10 million specifically for direct services.

Commissioner Nancy Au echoed Commissioner Alma Martinez’s comments about this project taking too long to be implemented since the project has encountered a number of obstacles. Commissioner Nancy Au applauded staff’s efforts in trying to implement this project based on the direction provided by the Commission but also stated that staff needed to inform the Commission when obstacles were being encountered. The Commission, as a whole, could address these issues formally. She commented that staff needed to keep the Commission informed because the Commission’s principles are to learn from those ‘lessons learned’, have an ability to be flexible, and to change direction as needed to accomplish the desired outcomes.

Commissioner Nancy Au also commented that if it was helpful to staff to set aside the $2.8 million for capital improvements, then it should be done.

**REVISED MOTION:**

The First 5 L.A. Commission directs staff to report back orally in 30 days and quarterly thereafter, during the March, June, September and November 2011 First 5 LA Commission meetings, on the progress of re-programming the remaining $12.8 million dollars of the Oral Health and Nutrition Project, of which $2.8 million is allocated for capital improvements, as necessary, with the goal of having the funds fully obligated by December 30, 2011; and fully expended no later than December 30, 2014, as stated in the full text of the motion.

M/S (Michael Antonovich / Neal Kaufman) APPROVED AS AMENDED

7. Approval of Motion to Improve Nutrition and Reduce Obesity Epidemic in Children Ages 0-5 and Their Families Countywide

At the November Commission Meeting, Commissioners Nancy Au, Duane Dennis, and Evangelina Stockwell introduced a motion on nutrition. The lack of good nutrition and opportunities for physical activities are contributing to an epidemic of childhood obesity; and, this is an issue that the Commission needs to be upfront on.

Commissioner Angie Stockwell reported that this item was asking for an approval of an allocation of slightly more than $6 million for a period of four years to improve the nutrition, physical activity and environment in licensed and license-exempt childcare
settings. This proposal would impact the First 5 LA strategic plan goal of children maintaining a healthy weight and the intermediate goal of children having a healthy weight and receiving adequate physical activity. Nation-wide there have been many initiatives aimed at obesity prevention and which promote healthy eating and greater physical activity. Paramount to addressing the obesity prevention is the need for strong public and private partnerships which are essential to overcoming this public health and early childhood problem. Locally there are many initiatives in place regarding the major obesity problem of young children. Since we know that Los Angeles County is so large, more is needed.

The proposal also responded to the 2008 assessment of nutrition and environment in licensed childcare facilities in Los Angeles County that was conducted by the Public Health Foundation Enterprises. The study recommended that local policy makers identify public resources to support training in menu planning and nutrition education of license-exempt childcare providers. The proposal also provides opportunities to leverage and apply ‘lessons learned’ from previous First 5 LA investments such as the Sesame Street Healthy Habits for Life Pilot Study. The proposal also incorporates the Nemours Best Practice Healthy Eating Kit, which is the largest evidence-based nutrition and physical activity curriculum for childcare providers, and aims to strengthen the nutrition and physical activity in licensed and license-exempt childcare programs by providing and improving the quality of food and beverages served and increasing the physical activity that took place in those childcare providers. The proposal supports the strategic plan strategy of family strengthening and it provides training and technical assistance to providers; and supports the development of high quality workforce, particularly in this area. The proposal also provides training and curriculum on obesity prevention for children in childcare programs.

At the November 15th workshop, a further review was requested of the proposal and two questions were raised:

1. How would license-exempt childcare providers be accessed?

   There is a direct line through organizations that provide training and technical assistance to existing networks or license-exempt providers. There are also several agencies and organizations that First 5 LA has funded and can provide access. The ECE Workforce Development Initiative can help generate additional access to license-exempt providers. Particularly, for the Sesame Street Pilot Project, staff was able to access 53 license-exempt providers. Currently, there are 32 higher education facilities widely spread throughout the Los Angeles County that are offering childcare development courses and that would be conduits for accessing the license providers.

2. Are the pilot goals feasible?

   The Sesame Street Pilot Project demonstrated that goals were feasible. The positive results of the pilot study were reported. The findings of the Sesame Street Pilot Project demonstrated the potential efficiency of the kit among license-exempt providers. Specifically, some of the key findings included childcare providers finding the resource kit helpful. This information came about through focus groups. Providers who use the kit significantly improved childcare practices with respect to nutrition and physical activity. Providers who used the kit significantly improved
individual lifestyle behaviors around physical activity. These findings and trials concluded that the kit provided long-term benefit in knowledge and behavior around nutrition and physical activity among those employees in the childcare providers. These findings were based on a five-month follow-up test. This is why it was determined that changes that took place in these childcare providers were significant and sustained. Additionally, providers discussed the benefits in nutrition and physical activity more often with children under their care. Some of the secondary findings were that the providers, themselves, changed the way they lived at home with their own children and that parents of those children, who were participants, also changed their own behavior at home.

Commissioner Duane Dennis asked staff to discuss the interconnection between this proposal and the motion submitted by Mayor Michael Antonovich regarding nutrition and obesity. Commissioner Nancy Au commented, from her understanding, that the two proposals truly complemented each other because it was clear the Commission had learned from prior ‘lessons learned’ that just one intervention was not enough. She felt that a multi-prong approach was needed to change the culture, the thinking of food, and the whole obesity issue.

Conrado Barzaga, Senior Program Officer, commented that this would be an important component to complement the work Mayor Michael Antonovich was proposing in his motion. This would allow families to live in an environment that was going to be more conducive to healthy eating and physical activity. As staff was proposing to modify the policy and procedures at child care settings, it is also important that families have continuity in access to healthy foods at home and in the community where the children live.

Commissioner Antronette Yancey commented that she whole-heartedly supported the effort and agreed that in fact, according to the White House Childhood Taskforce Report, the zero to five population was actually becoming sort of a fifth pillar of the Let’s Move Initiative. She said the Commission was certainly in concert with the national efforts. In terms of the implementation, she suggested the Commission might want to focus a little bit more attention on physical activity because most of the programs were much stronger in nutrition and yet, when objectively measuring physical activity, it was really the combination that helped to support decreases in obesity. On the implementation side, there might be an opportunity to further strengthen it.

Mr. Barzaga commented that the proposal addressed nutrition as well as the physical activity environment. The Nemours Guidelines for Healthy Eating as well as the Sesame Street Healthy Habits for Life, both included physical activity components. The research that was completed with the Sesame Street Pilot Project showed an increase in the physical activity of children under the childcare providers. Commissioner Antronette Yancey commented that the information was self-reported and it was very unreliable. There tended to be a social desirability response. She felt the proposal could be further strengthened in the physical activity component.

Director Elizabeth Iida commented that she agreed with the comments being made and the physical activity component would be strengthened in the implementation plan.
Commissioner Jane Boeckmann asked if this proposal would be included in the revision of the FY 2009-2015 Strategic Plan. CEO Evelyn V. Martinez commented that the revision to the FY 2009-2015 would include any revision of the Countywide direct service piece.

With no further discussion and no objection, Item 7 was so ordered by Mayor Michael Antonovich.

8. Approval of Motion to Improve Nutrition and Reduce Obesity Epidemic in Children Ages 0-5 and Their Families Countywide

NOTE: Due to a potential conflict of interest, Vice Chair Jonathan Fielding recused himself from the discussion of this item.

Mayor Michael Antonovich introduced his motion to improve nutrition and reduce obesity epidemic in children ages 0-5 and their families Countywide. One of the issues he has been involved is with foster care; those kids are always left behind and do not always have the best environment even under foster care. Having children who are healthy is very important.

Commissioner Alma Martinez commented how she thought it was a terrific proposal and that between this and the prior motion, approximately $41 million was being spent on the issue of obesity and nutrition, probably the greatest single contributor of funds short of the federal government. She asked that if the motion was approved, that there be a campaign for First 5 LA to get credit; and that the proper publicity around this large commitment to obesity and nutrition be known. Commissioner Alma Martinez also asked that First 5 LA use its considerable influence to talk to school districts and whoever else. She stated that the job of non-profit organizations was to provide the service and to teach and change behavior. It was the job of First 5 LA to be at the larger policy level and be the larger spokesperson on behalf of this issue and also in coming up with ways to make sure these programs would become sustainable. The non-profit organization's job was to make sure the work that was being done. She asked for staff to have this commitment.

CEO Evelyn V. Martinez said that the way the motion was written, staff were being directed to contract with the Department of Public Health. She asked CAO Yolanda Bosch if this could be done based on AB 109 requirements. CAO Yolanda Bosch said that if the Department of Public Health was uniquely qualified and was the only entity that can do the work, then an exception to AB 109 could be granted. A determination would need to be made upon careful review of the proposal.

Commissioner Alma Martinez asked what option was available if the Department of Public Health was not uniquely qualified. CAO Yolanda Bosch responded that the option would be to go through an RFP process. CEO Evelyn V. Martinez commented the Department of Public Health would be eligible to apply.

Commissioner Neal Kaufman was very excited about the proposal. He had two fundamental issues. The first had to do with the target population being birth to five and not including prenatal and inter-conception. The second issue had to do with physical activity.
Commissioner Neal Kaufman commented that all of the evidence suggested and proved that the in utero (mother’s womb) environment where a fetus gestates (grows) impacted the long-term obesity risk and the risk for diabetes. It is known that nutritional status of a woman prior to pregnancy and during the pregnancy is critical to the fetus’ development. Furthermore, Commissioner Neal Kaufman stated that it was important that women get WIC but for them to also understand the importance of appropriate weight gain of pre-conceptional rate as these are the same women who were going to be feeding their children when born. He thought the proposal was well thought out and nicely balanced but needed to consider how the issues prior to pregnancy and during pregnancy would be addressed. Without this component, one of the greatest leveraging opportunities would be lost for improved nutrition.

Commissioner Nancy Au agreed with Commissioner Neal Kaufman. She also commented that obesity could not be addressed in terms of a single thrust. The Commission needed to be a lot more comprehensive. Commissioner Nancy Au also addressed the issue of access. As an example, people who live in Ramona Gardens do not have access to supermarkets or farmers’ markets. The ability to access healthy food is tremendously limited. Even if the Commission would like to support families in this neighborhood, it would be tremendously daunting for them act upon this.

Commissioner Neal Kaufman commented the ARRA Project RENEW got $32 million for Los Angeles County to look at issues being raised by Commissioner Nancy Au. The ARRA Project RENEW sets the environmental context and this motion sets the behavioral and the campaign context. The two proposals working together would be quite powerful. Commissioner Neal Kaufman suggested adding language to the proposed motion such as “working on the existing environmental approaches to lowering obesity.”

Commissioner Neal Kaufman invited Paul Simon, Director of Chronic Disease & Injury Prevention with LA County Department of Public Health, to address the Commissioners. Mr. Simon thanked Mayor Michael Antonovich and the Commissioners for considering this proposal. This is an incredibly important issue and there is a current gap for service. Some of the really important strategies being described in the proposal are already being done. The most critical need and where the gap currently exists is with direct nutrition education that reaches deep into the community. The proposal was specifically worded to emphasis that the program would be complementary to other efforts including pre-conception health. Ms. Cindy Harding, from the Material Child Adolescent Health Department, already has some funding, but probably not enough funding for the service gap. This department would like to embrace the broader vision as well, definitely trying to incorporate physical activity both through direct training and policy to expand the focus.

Commissioner Neal Kaufman suggested that perhaps that at another meeting, Mr. Simon could come back and tell the Commission what the $32 million is being used for to get a better understanding how the two proposals inter-digitize and do not duplicate efforts. Commissioner Neal Kaufman commented this would be very useful to the Commission.

Commissioner Neal Kaufman commented that there was an energy balance that had to do with obesity. Certainly, a person can never burn all the calories of over eating through exercise. Commissioner Neal Kaufman said that physical activity was critical as it is one of the only long-term outcome measures that if physical activity is maintained, weight loss is maintained. The first proposal introduced prior to this proposal had this component;
whereas the current proposal focuses on nutrition. In his view, the campaign needs to be balanced between nutrition and physical activity and felt that, in this motion, physical activity had not been given its fair due.

Mr. Simon commented that the physical activity component was in the initial draft of the motion. He also said that the physical activity component seemed too diffused. Furthermore, Mr. Simon recognized that a lot of the efforts among school-age kids centered around physical activity. Given this, Mr. Simon thought there was a good case for trying to expand the scope of the proposal.

Commissioner Neal Kaufman stated that if other Commissioners agreed, and if this motion passed, the intent was to look at the pregnant women population to see how physical activity would get included with a follow-up report to the Commission at a later time. Commissioner Neal Kaufman stated these two components seemed like glaring omissions.

Commissioner Nancy Au stated that along with the physical activity component, the Commission had already funded toddler parks. If the Commission talked about access to healthy foods, the Commission also needed to look at the ability of families to access areas in which they can take their babies, children and toddlers for them to have that space for activity. Commissioner Nancy Au said this spoke toward a comprehensive approach to make sure all these components were included. Although there was an investment made, the desired outcomes were not achieved because other important pieces were not addressed.

Commissioner Antronette Yancey stated that as it related to physical activity, there was a burgeoning area in inactivity physiology. It was not only kids not getting the 60 minutes a day of moderate to vigorous activity but it was also that kids were sitting for prolonged periods of time. One of the things that could be addressed, research has already been done at UCLA in concert with some other universities across the country, was demonstrating that just like there was too much advertising for sugary beverages and fast foods in low income communities and communities of color, there was also similarly too much advertising for television shows, films, video games that are sedentary. Commissioner Antronette Yancey stated that this could be one opportunity within the structure of what the Department of Public Health was suggesting to really emphasis this issue in the public education campaign. This might also give the Commission a chance to distinguish itself. Furthermore, Commissioner Antronette Yancey commented that oftentimes, the synergy between healthy eating and physical activity is looked at. In fact, in the school models, there is a concept called “recess before lunch” because it has been determined that there is less plate waste. In other words, kids are more likely to drink water and eat fruits and vegetables if they move around before they are fed.

Commissioner Antronette Yancey commented that there are federal dollars from the USDA through the Network for a Healthier California that goes to the State Health Department. California gets the lion’s share of this funding. With the Child Nutrition Re-Authorization Act, there will be some changes but if the Commission commits to the proposed allocation, there might be the possibility of drawing down more federal funds. California is going to get about $137 million this fiscal year from this fund.

Commissioner Marv Southard asked what the nature of the matching requirement was. Commissioner Antronette Yancey commented that out of $100 non-federal funding, 50
percent is eligible for drawing down. Fifty percent goes back to the State Health Department to run the State-wide programs and 50 percent comes into Los Angeles County.

With no further discussion and no objection, Item 8 was so ordered by Mayor Michael Antonovich.

9. Approval of $20 Million for the Parent-Child Interactive Program

Mayor Michael Antonovich commented that this motion had been initially introduced by former Commissioner Carolyn Wilder and had been approved in principal at the February Commission Meeting.

This Parent-Child Interactive Training (PCIT) Component Proposal was part of the bundled $74 million allocation which was before the Commission for final approval.

Commissioner Antronette Yancey commented that it was her work with children and adolescents in foster care that motivated her transition from clinical medical care to public health and preventive medicine. She said she was delighted to re-introduce this motion that was initially introduced by her predecessor, Commissioner Carolyn Wilder. It was envisioned as an amendment to the Universal Assessment of Newborns Proposal.

The PCIT model proposes to identify higher-risk new parents, including teen parents, parents with criminal history, transitional age youth and first time kinship caretakers, and refer them to a provider trained in PCIT to address behavioral related concerns. The PCIT provider acts as a parent coach and uses a headset with the caretakers of the children with challenging behaviors, usually behind a two-way mirror, giving the caretaker tips on how to respond in real time to these behavioral challenges. It has been shown to be very successful in coaching parents, keeping children safe, and avoiding unnecessary placements in foster care. Across the population of low income children, these children tend to get a lot more negative messages and a lot fewer positive messages than do middle income children, which is associated with educational outcomes. For a very vulnerable population, this is even more important. The Washington State Institute for Public Policy also found that PCIT had a $6 return on investment for each dollar spent by reducing further social costs and improving societal benefits. The program was analyzed by First 5 LA consultants as a standalone program because it targeted higher risk parents of young children rather than the universal home visitation approach. This motion continues alignment with the prevention intent of the Universal Assessment of Newborns Proposal and needs to be coupled with it. In other words, it is a channel for referral sources for children who are identified through the home visitation program.

The proposal seeks to approve a $20 million allocation to address the limited capacity of this evidence-based therapy to address serious behavior problems including aggressiveness, defiance, temper tantrums, and oppositional behavior amongst high-risk families because this where the gap exists. This proposal can address the limited capacity that exists. If approved, there would be an effort to build upon best practices that are already under way by Los Angeles County providers including the Department of Mental Health to improve parenting skills and manage challenging and disruptive behavior. Funding would expand the number of trained Mental Health Therapists that are certified in PCIT. This would be quite a substantive process. Funding would also increase the number of locations where PCIT services are offered. A portion of the funding would be used to retrofit facilities for
delivering services such as cameras and two-way headsets and mirrors that are needed. The proposal also increases the feasibility of providing the intervention at locations including federally qualified health clinics and other community centers that are accessible to communities that are being identified. First 5 LA’s investment to expand to PCIT services in Los Angeles County could be further sustained by the State Mental Health Services Act, prevention and early intervention image in HSAPEI funds as well as, funds for early periodic screening, diagnosis and treatment EPSDT funds, both of which have supported existing programs in LA County.

Commissioner Antronette Yancey reported that there are states with models to modify Medi-Cal guidelines to cover the direct service component so that more dollars could be used to cover the infrastructure components. PCIT has proven effective in reducing the incidence of low to moderately severe physical abuse and the outcome directly relates to First 5 LA’s Priority Goal #3 which is to ensure children are safe from abuse and neglect.

Commissioner Duane Dennis commented that he was very supportive of the motion. Being a professional in the early childhood field, he has seen a lot of mental health issues with young children in childcare settings. To the degree to which professionals can address this issue is limited because the subsidy dollars received for non-Head Start or non-early Head Start care is used to subsidize the care of the child and not for the comprehensive mental health issues that come to bear.

Commissioner Duane Dennis asked for clarification on the targeted population in the proposal. The proposal states that the target population is two to seven years and First 5 LA’s target population is zero to five years. He asked, to what degree will this proposal, if funded, impact six and seven year olds.

Commissioner Duane Dennis also asked how effective would a mental health assessment for a two year old child be. Commissioner Marv Southard responded that for very young children, the mental health assessment really needed to be considered didactically. It is the relationship between the small child and their caregiver. This is one of the strengths of this model which is really improving the bond and the reaction by the caregiver to problematic behaviors that the kid may have. In that area, Los Angeles County has a federal grant for Project ABC where a number of efforts are being implemented to improve the outcomes for kids with mental illness and challenges. The mistake has always been to only try to deal with the child and the not the caregiver. The strategy of investing as early as possible including zero to three is really good thing. The science is there.

Commissioner Antronette Yancey commented that in terms of the six and seven year olds, was there a staff member who could address this issue. Commissioner Marv Southard responded that in terms of the application of the model, it was the use of these funds. A program could be operated without enrolling six and seven year olds or another funding source could be used for this age group. Either of these strategies could keep the model and the funding pristine.

Commissioner Duane Dennis asked if the allocation was based on a strategy for the two to seven year population. He also asked if the allocation would be impacted by only serving a target population of zero to five years. Commissioner Marv Southard stated that the $20 million allocation would not go toward meeting the County need in any case; this was really
a down payment on the overall need. If six and seven year old children were not provided services, then more five year old children would be provided services.

Commissioner Nancy Au commented that she just saw a brilliant piece on McNeal Lear News Hour on Proposition 63 and the NHSA. The story featured a young man from the Bay area who suffered from psychosis and how early intervention was provided to this person. The segment spoke highly about California voting in this provision to fund early identification of mental health issues and prevention.

Commissioner Nancy Au commented that she was vaguely aware of Project ABC but was more familiar with the MHSA model and the change that was occurring within the mental health community; and the difficulty being encountered with access to qualified training for the providers within the system. She asked how PCIT integrated or facilitated access to qualified training or if it would add to the burden and challenges of accessing training, in terms of the feasibility of implementing this proposal in a relative short amount of time.

Commissioner Marv Southard commented that this was not his proposal but as he understood it, the model was to increase the number of trained professionals as quickly as possible, and draw as broadly in the community, but particularly to minority communities to increase the number of people who are trained. The existing employee network was already stressed.

Commissioner Nancy Au commented that when talking about EPSDT, being that she was a mental health provider prior to retirement, one of the difficulties in operating within EPSDT system was that only children that qualified for Medi-Cal were able to access EPSDT funding. It was highly limited in some ways because there were many children, especially from the undocumented communities, that presented providers with extreme challenges in providing these necessary services. She also asked about the matching fund requirement about EPSDT.

Commissioner Marv Southard commented that the government was currently proposing to realign EPSDT in the State General Fund portion which was up to 45 percent of the cost. The current proposal aimed to realign payment with a sufficient revenue source to support it in the long run. Conditionally, if there was enough revenue allocated to take care of the State General Fund portion, then there would be enough funding to expand. Also, it would be a good segway presuming that health care reform is implemented, as there would be a boarder population with access to coverage. However, it does not deal with the problem of the undocumented populations who still would not have a payor source for anything as is the case now.

Commissioner Deanne Tilton commented that she supported the proposal. She asked whether the proposals had to be mutually approved because they targeted two different populations – newborn babies and two through five year olds. In reading the proposals, there was a gap in referral services between these populations. From experience, she said the program was very successful.

Commissioner Neal Kaufman commented that initially both proposals were linked but at the February Commission Meeting, the proposals were voted on separately. The Universal Assessment of Newborns was approved and the PCIT proposal was approved in principle pending additional analysis.
Commissioner Harriette Williams expressed her support for the motion. She asked if this allocation would impact a significant number of children in foster care. Commissioner Marv Southard commented that through Medi-Cal, the children in foster care will be covered.

Vice Chair Jonathan Fielding asked if there would be any planned evaluation to see how children have been impacted. Although this was an evidence-based intervention, it would be helpful to have data to see how children will be impacted and for others to benefit from this experience. Vice Chair Jonathan Fielding asked that records of impact be maintained for future assessment.

CEO Evelyn V. Martinez stated that it was clear to staff that every program that was funded had an evaluation component. What was not always clear was whether the funding in Research and Evaluation was sufficient for all of the proposals. What staff has done, based on Commission policy, was to take five percent of the total allocation to be used for research and evaluation. So having an evaluation component was standard.

Commissioner Marv Southard commented that he would like for the evaluation of this proposal to be integrated with the evaluation that is being done with Project ABC. The infrastructure would already be in place. Based on these comments, Vice Chair Jonathan Fielding commented that less than five percent should be allocated for research and evaluation of this specific proposal.

CEO Evelyn V. Martinez commented that the target population of this proposal should be amended to children age two through five years to be in compliance with Proposition 10 legislation.

Commissioner Harriette Williams commented that it was her hope that between specific proposals and the overall research and evaluation allocation in the strategic plan, that there be sufficient funding for evaluation activities.

Commissioner Duane Dennis asked that an outreach piece be included as part of the program to reach out to those families that were isolated—those children in license-exempt care, those children in family childcare.

**With no further discussion and no objection, Item 9 was so ordered by Mayor Michael Antonovich including all the suggestions made.**

10. Approval of up to $13.1 Million to Fund a Family Literacy Program

Mayor Michael Antonovich commented that this motion was initially introduced by Commissioner Alma Martinez and was continued at the February Commission Meeting for further suggestions.

Commissioner Alma Martinez reported that the motion was before the Commission last month in relation to the WIC-One Step Ahead Program. At that time, it was determined that WIC-One Step Ahead Program be a stand alone effort, although that proposal did have a literacy component which was how this motion was introduced. A portion of the WIC-One Step Ahead Program gave out vouchers to families for reading books. At that time, the
Commission decided that it might be interesting to look again to see how the Commission could boost the One Step Ahead Program efforts since the Commission was now making an investment to work very closely with the WIC community.

Staff went back and looked at possibilities. There was an existing model that the Commission has supported and which has had incredible results with respect to actual improvement in school readiness and has also been substantially supported by science and evidence-based research. This was one of Commission’s efforts which has gone away as a result of moving toward place-based initiatives. Commissioner Alma Martinez felt that it was important to reintroduce this program to see if it could be supported in a Countywide level and to see if there was a way to take what has been learned before. The idea was to try to create support and models that might be able to take that kind of program to a higher scale and see what the Commission could draw from the intensive experience.

There are two models in the motion. One is Model A for a hub resource element and the other is for what is the traditional Family Literacy Support Network (FLSN) type of network model. Commissioner Alma Martinez withdrew Model A from the motion. She thanked staff for being broad in their approach but there was no evidence-based data available for this model. What she endeavored to do at the meeting was to support the eight-year investment that the Commission had made to family literacy.

Vice Chair Jonathan Fielding supported the withdrawal of Model A from the motion as proposed by Commissioner Alma Martinez.

Additionally, Commissioner Alma Martinez clarified that this was not a family literacy program but rather an initiative with a family literacy component model that really put its arms around the whole family structure so that children are getting ready for school and parents are provided with an opportunity to advance themselves. If this motion was supported, Commissioner Alma Martinez asked that the Commission not give up on what it has invested for the past eight years.

Commissioner Alma Martinez invited Liz Guerra, FLSN Director, to address the Commission. Commissioner Alma Martinez also stated that Liz Guerra would be applying for the funding available through the motion; but, since Mr. Paul Simon addressed the Commission during the discussion of the motion to improve nutrition and reduce obesity epidemic in children ages 0-5 and their families countywide, and his department was also going to be applying for that funding, she thought Liz Guerra should have the same opportunity.

Commissioner Angie Stockwell commented that she was glad that Commissioner Alma Martinez recognized that calling this motion a family literacy program was a misnomer. According to the federal government’s definition, what has made the current Family Literacy Program, funded by the Commission, successful was that it had the four components as defined by the federal government. In addition to this, what has made this program so successful has been two variables—the variable of intensity of the program and the variable of durability. The Commission knows that behavior changes and attitudes and beliefs are not changed overnight. Commissioner Angie Stockwell commented that Model A would reach a larger population but Model C was more intensive and took into account three of the four components of family literacy as defined by the federal definition. She would like for the Commission to add the element that was left out.
Stockwell also asked that a parent component be included and for the Commission to extend the program beyond the proposed eight to 10 weeks.

Director Armando Jimenez clarified that from a policy perspective, the Commission did approve an allocation percentage of five percent for evaluation. Director Jimenez commented that the Family Literacy Initiative started in 2002. A lot of the issues presently being faced by the Commission such as scalability, sustainability, and how to make sure that as many kids in the County could get these services are the same issues from 2002. One of the things that had been looked at intensely had to do with what was going on with the federal government. In 2002, the Even Start funding allocation was about $250 million. At that point, there were a lot of indications that funding percentage was going to increase. Much of what the Commission did with family literacy was in terms of the Commission’s measures. The structure was modeled after the Even Start Program so that family literacy programs in Los Angeles County would eventually be positioned to be able to get Even Start funding. At this point, the allocation for the federal government is less than $50 million. There has been a significant reduction and the plans to have family literacy become a part of a larger network of funding were faced with budget cuts.

Evaluation of family literacy has been done since 2002. The American Institute for Research (AIR) was contracted by the Commission to perform the evaluation and they partnered with the UCLA School of Education. One of the key components of interest was child and as well parent outcomes. What has been most significant has been that the outcomes have been maintained both at the child and parent levels. There have been increases in knowledge, reading ability, letter recognition, and word recognition among children. The most significant piece has been the gains that parents have achieved in their reading and their parental practices that have been sustained over time.

Compared to other Even Start Programs, the parents in the family literacy programs do much better. This particular outcome relates to one of the more fundamental outcomes that the Commission struggles with. This is economic self-sufficiency for families to be able to understand how to navigate systems because they can read. For families to be able to access services because they can actually communicate with a service provider is significant. One of the things that has been found with research, and with many of the projects that are funded by the Commission, is linguistic isolation. This has been a limiting factor for families getting services in Los Angeles County among other places in the State. The Commission has seen those changes and they have been significant and sustained over time. One of the other things that has been evaluated is the investment in a quality technical assistance structure such as the Family Literacy Support Network where the relationship between investing in the FLSN and children outcomes was assessed. What was found was that FLSN efforts did increase the quality of the program which lead to better child and parent outcomes. Oftentimes, these kinds of studies only assess whether an agency has improved the capacity of another agency to do their work.

The issue for this particular program has been the efforts to try to scale this program to other and larger groups of families because it is very intensive and it requires a major time commitment for parents. It also requires a major time commitment for providers and the support network to be able to bridge and integrate all services. One of the things currently being evaluated is the linking of program participants with school district data to be able to see the relationship between their participation and test scores. This is one of the ultimate goals to see to what extent this has had on an influence on test scores.
Liz Guerra commented that FLSN is hoping that because family literacy is the fourth component intensity model that it would be included in the Best Start Communities along with the School Readiness Initiative Projects that also work. In addition to the outcomes reported by Director Jimenez for parents and children, the Commission was building capacity and infrastructure. Many of the sites have been turned into licensed sites. Many of the sites are operated by paraprofessionals. Coupling the paraprofessionals with the parent piece allows for significant outcomes that are being achieved. The urgency for many of these programs is now because funding will end in June 2011.

CEO Evelyn V. Martinez clarified that the implementation plan approved by the Commission may have been confusing but the motion was that funding would continue through June 2011 or through the end of the planning period for Best Start Communities. The timeline for communities to submit a proposal is December 2011. Those grantees that are in the target communities would have funding extended through December 2011.

Vice Chair Jonathan Fielding commented that he has been a strong supporter of family literacy in concept but was very concerned about the very high cost and the fact that only a very, very tiny percentage of those who could benefit are ever going to be able to take advantage of the program because of the high cost.

Vice Chair Jonathan Fielding asked what the cost per family under the existing program was and what would the cost be under the new program which was being proposed as being more cost effective and accessible to more potential families.

Director Jimenez commented that the family literacy cost per family was $3,800. The cost per child was $3,000. The assumption was that the majority of the cost was for early care education. The recommendation would be that the family literacy pieces should be linked with funded preschools—Head Start, State preschool and LAUP. The other pieces would be substantially less as there were adult education and other programs that could potentially reduce costs.

Testimony was heard from current Family Literacy Support Network participants.

Commissioner Antronette Yancey asked for clarification on the criteria to be used for the selection of hubs. With the level of detail provided, it was difficult to make a decision. She felt that more information was needed to have a better understanding of how the gaps were being identified and filled to better understand whether or not this was going to have the kind of impact that the Commission would like to have. Commissioner Alma Martinez responded that for these reasons, she had asked to remove Model A from consideration.

Commissioner Neal Kaufman commented that this program made sense but so did the four-part model. He wondered if the proposal could be approved and then in the future, no later than a month or two because June is coming quickly for the out of area programs, that an analysis be brought back of what it would take, and under what circumstances, would the Commission allow the existing family literacy to expand to a larger benefit. Otherwise, the existing programs are in limbo and they do not know what is happening.

Commissioner Neal Kaufman asked that in March, if possible, but no later than April, that a discussion and motion of whether or not, from current funding or additional funding, the
four-point model with a longer period of time be funded beyond what is now June, 2011 for the out of area programs and December 2011 for the in area programs.

Vice Chair Jonathan Fielding expressed concern since sometime in the next 60 days, there will be a better idea of how much the total resources were going to be available to the Commission going forward. He did not think that family literacy should be prioritized over anything else. He felt that everything should be looked at that point, with an understanding of the constraints on resources and the amount of money that has been allocated overall. Commissioner Jonathan Fielding stated that he was not against reviewing family literacy but thought there would come a time in which such review would need to be done in a larger context.

Commissioner Nancy Au commented that Vice Chair Jonathan Fielding’s remarks applied to all allocations at the present moment as the Commission was proceeding with the hope that the State budget impact on First 5 LA will be optimum.

Commissioner Alma Martinez supported the remarks made by Commissioner Nancy Au and reminded staff that the Commission just approved $41 million in funding to potentially go to the Department of Public Health on a program that was not owned by Commission. In contrast, family literacy was a Commission program with an eight-year investment. If the Commission should be funding anything, it should be programs that have proven results. If it becomes a question of this, then Commissioner Alma Martinez would take back her vote on the nutrition and obesity proposals because these were new programs and funding should go toward established Commission programs.

Vice Chair Jonathan Fielding said he was concerned with how many kids were being reached and appreciated how many more children could be reached with other programs. He felt it was “depth vs. breadth” when funding programs that would reach out to as many children as possible. He also said that he was very impressed with the family literacy program and was also very impressed that it reached a very small percentage of those who could potentially benefit from the program.

Commissioner Nancy Au commented that part of the targeted approach was that the Commission was supposed to be able to do this analysis. Because they are multiple kinds of programs and projects that the Commission was going to be targeting within the target communities and family literacy would be one as well as Welcome Baby! There are various interventions that would be in play and the Commission’s projection, at this point, was a 20 percent penetration rate from the current two percent rate. There was going to be a rippling effect with each of the projects and programs within the targeted community.

M/S (Alma Martinez / Marv Southard) APPROVED AS AMENDED

Following the vote on Item 10, Commissioner Neal Kaufman asked for the following motion reconsideration of Item 8.

Reconsideration of motion of Item 8 to include the formal approval of the Universal Assessment of Newborns proposal which had been coupled with the PCIT proposal and approved in principle at the February Commission Meeting.
With no objection, the reconsideration of the motion for Item 8 was so ordered by Mayor Michael Antonovich including all the suggestions made.

11. Approval of Building Improvement Project

CAO Yolanda Bosch reported that approval was being requested for a building improvement project on the first and second floors for an amount not-to-exceed $500,000, authorizing staff to begin contractual obligations.

Vice Chair Jonathan Fielding commented that having reduced resources as a result of the State budget crisis would have implications for staffing and expressed concern about spending $500,000 now without knowing what the fiscal condition would be for the Commission in 60 days. He commented that it seemed a bit premature.

CEO Evelyn V. Martinez mentioned that the allocation would be coming from a $7.5 million balance that was accumulated savings of previous years’ operations.

Commissioner Angie Stockwell stated that staff was asked to do an unbelievable amount of work, particularly after adding Countywide augmentation proposals. She felt this was not an unreasonable request.

With no further discussion and no objection, Item 11 was so ordered by Mayor Michael Antonovich.

12. Approval of Contract Amendment and Supplemental Funding Request for the City of Torrance Municipal Water

Director Elizabeth Iida requested an approval of the contract amendment and supplemental funding request made by City of Torrance Municipal Water (TMW) for a $51,005 increase resulting in a new total of $175,125 and a contract extension through June 30, 2012. After a thorough review of the project and analysis of all bid elements, the Project Engineer determined that equipment costs had been under-estimated due to the complexity of the system control element. The revised project cost estimate for the capital equipment and construction cost of fluoridation treatment facilities ultimately resulted in the need for increase in their contract.

The city of Torrance Municipal Water would develop and issue a formal public bid in the spring, review the bids and select the contractor by the second quarter of the current year, and commence construction in the third quarter.

M/S (Neal Kaufman / Michael Antonovich) APPROVED AS RECOMMENDED

4. Chief Executive Officer’s Report

RECEIVED AND FILED

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

- **State Budget:** In order to help fill a $25 billion budget gap, Governor Jerry Brown has proposed deep cuts to health and human services as well as a major seizure of Proposition 10 dollars. The budget proposal would redirect $1 billion of Proposition 10
dollars to Medi-Cal, and in future years the state would siphon off 50 percent of all new Proposition 10 revenue and direct it to the general fund. The $1 billion in current Proposition 10 revenues would come directly from existing fund balances of First 5 California and the 58 county commissions.

While the Governor’s budget proposal indicated that the First 5 State Commission was to be responsible for $234 million of the total $1 billion the State is eyeing for the next budget year, the State commission may in fact be tapped for much less. This is because, at the Governor’s request, the State Commission voluntarily gave $126 million to the Department of Developmental Service’s Early Start program and the Healthy Families program to cover current budget gaps. This left the State’s Commission’s fund balance significantly reduced. First 5 LA could be responsible for the largest chunk of the $1 billion, one-time grab since Los Angeles County has the most revenue, which is apportioned based on our large population of children, and we have the largest fund balance.

The Governor’s budget solutions include major cuts to other services, including Regional Centers, In-Home Supportive Services, Healthy Families, and Redevelopment Agencies, and are generating passionate opposition from advocates and clients who would be affected. More than 40 Proposition 10 grantees, parents, and stakeholders, including about a dozen from Los Angeles County, testified at an Assembly budget hearing last week, urging lawmakers to reject the Governor’s proposal, which ultimately would have to be approved by voters. Supporters testified earlier last month at a similar hearing on the Senate side.

First 5 LA staff this past month advocated against the governor’s proposal with a number of legislators, including Assembly Speaker John Pérez, Assembly Budget Chair Bob Blumenfield, and Budget Subcommittee Chair on Health and Human Services Holly Mitchell.

In addition to cuts, the Governor’s plan includes an extension of soon-to-expire taxes. Anti-tax legislators have vowed not to place revenue solutions on the ballot, preferring to see an additional $12 billion in cuts. Also slated for the June ballot is a tobacco-tax increase to fund cancer research.

Commissioners will be kept informed of the ongoing budget discussion via email and through verbal reports at the monthly Commission Meetings.

5. Monthly Financial Report; Discussion Regarding Fund Balances, Encumbrances and Allocations; Direction to Staff Regarding Encumbering Allocated Funds

Finance Director Tracey Hause presented the financial reports as of December, 2010. She reported that the Governor’s budget proposal was targeting a $1 billion take away from County Commissions. Finance Director Tracey Hause distributed a document with an anticipated fund balance of $605 million as of June 30, 2011. This figure did not include $194 million that was obligated to LAUP under a long-term contract that extends through FY 2015-16, nor did it include an additional $173 million that was obligated to Healthy Kids, Baby Friendly Hospitals, Partnership for Families, and other smaller grants. When
considering the programs that are currently in operation, First 5 LA's remaining total fund balance is $240 million in unobligated funds.

Commissioner Deanne Tilton asked if funds were obligated and contracted before the take away is done, would these funds be considered untouchable. In other words, she asked if the Commission hurried up and got contracts negotiated on the programs that had been approved was the money safe from being taken away.

Legal Counsel Craig Steele responded that there was no answer to this question. The language of the legislation was unknown. The traditional thought was that there should be as much under contract as possible so that those entities that have a contract could also express to the State that such money could not be taken away. The State Department of Finance was very weary of quick contracts that looked like money was being sheltered in the short-term prior to a ballot measure. Staff was looking at the long-term commitments in trying to protect as much of the fund balance as possible.

Commissioner Deanne Tilton said it seemed like a good idea to move quickly on the contracting process for the initiatives and programs that have been approved. This was not a quick decision as these have been discussed and have been in the planning prior to knowing about the State budget crisis. She asked what could be done to protect what has already been voted on, even though the public may not vote on the initiative.

Mayor Michael Antonovich said that an offensive approach needed to be taken to protect resources because First 5 LA had the most to lose and the most children in the State of California. To do this, First 5 LA needed to be aggressive in adopting and allocating those funds before the Governor could take them away from First 5 LA. The most current financial balance sheet showed First 5 LA's balance to be $605 million but this did not include monies already contracted to grantees during the current fiscal year. The $605 million did not include $194 million that was obligated to LAUP through FY 2015-16 nor did it include the additional $173 million to the Healthy Kids insurance program, the Baby Friendly Hospital, Partnership for Families, and many other smaller grants. When considering those commitments, which are programs already in operation, the fund balance is $240 million in unobligated funds. Mayor Michael Antonovich introduced an amendment to Item 5 stating that because the Governor recently released a budget that included a projected deficit of over $25 billion over the 18 months, to address the problem the proposed budget offers a variety of solutions—one is the use of Proposition 10 reserves and future reserves to fund health services for young children, posing a threat to current and future funding of State and local First 5 Commissions. If the proposal was to be adopted as currently written, the Commission would lose nearly $500 million of its current reserves and approximately $50 million annually for future year revenues.

Mayor Michael Antonovich further stated that First 5 LA ought to be able to retain money it has already legitimately committed to spend and reserve funds for programs that have already been approved for specific contracts given that First 5 LA may also be faced with reduced resources in the future. He said it was critical that the available resources be used for appropriate investment expenditures, in the most cost-effective manner. A quarterly and independent verification of First 5 LA's available funding and those funds reserved for its contracts would prevent legally committed funds from potentially being considered as available for transfer to the State; thus assisting the Commission in its ability to continue improving the lives of County children from birth to age five and their families.
Mayor Michael Antonovich moved that the First 5 LA Commission form an ad hoc committee comprised of the Commission Chair, Vice Chair, First 5 LA counsel in consultation with the County Auditor of Los Angeles to hire an independent auditor to conduct a complete financial audit providing monthly progress reports on findings which would include a determination of the total amount of Commission funds currently available, the amount that are legitimately and legally committed to be spent as well as, funds available for future spending, and authorizing the expenditure of resources necessary to conduct that complete financial audit.

CEO Evelyn V. Martinez reminded the Commissioners that the Commission has an independent audit firm to perform audits. CEO Evelyn V. Martinez asked for clarification if it was the intent to get a separate firm or if the Auditor-Controller would perform the audit. Mayor Michael Antonovich said that an auditor in consultation with the County's Auditor-Controller, Wendy Wanatabe, would be hired to conduct the audit.

Commissioner Alma Martinez asked if there was an existing audit process. CEO Evelyn V. Martinez reiterated that the Commission goes through an audit process every year.

Mayor Michael Antonovich said that doing an independent audit would strengthen the Commission's ability in negotiating with the Governor and the State Legislature relative to Commission funds and protecting these funds and investment already being made with these funds today and in the future.

Commissioner Nancy Au said that in her view, the Commission had made some decisions based on a number of proposals and had authorized the allocation of a number of dollars for each of those projects. Since many of those projects were on a multi-year basis, she asked if this would be a reflection of the items that would be taken into account in order to determine what were the actual remaining dollars, if there are any remaining dollars. The auditors are looking at dollars that have actually been written into a contract with a provider and that there are some that have a multi-year commitment based on future revenue projections.

Mayor Michael Antonovich stated that he was proposing to look at the finances differently in taking into account these commitments that have been done as a Commission.

Commissioner Marv Southard asked if the intention was to put the Commission in a strong bargaining position. Mayor Michael Antonovich responded that the Commission had to be tough with the Legislature right now since what it was trying to do with Counties and cities was criminal; giving Counties and cities all the responsibilities and all the liability that comes with all those responsibilities. The Commission has a source of revenue, it is dedicated for children, and it ought not to be confiscated for other purposes.

Commissioner Duane Dennis asked how this motion changed the current business practices in place. He asked how would this motion make anything different. He said that he would assume that this was what was being done currently. Commissioner Duane Dennis asked how going through an annual audit and looking at finances, the dedicated monies, reserves and would change current business practices to achieve the goal just described.
Mayor Michael Antonovich stated that an independent audit would strengthen the Commission’s ability that it did not “cook the books.” The auditor would confirm the actual dollars and if those dollars were to be taken, then these a list of programs that were to be eliminated would be provided.

CEO Evelyn V. Martinez stated that with all due respect, the Commission did have an independent audit that the Board approved in October for the fiscal year ending June 30, 2010 and that it had only been six months since the new fiscal year began.

Commissioner Harriette Williams said that her interpretation of the motion was that an independent auditor, someone outside First 5 LA, was to be hired to conduct an audit of a specific time period. She said the Commission was looking at a slice of the financial budget and procedures. She saw both of these concepts as strong points in protecting the Commission.

Vice Chair Jonathan Fielding commented that he took this as an opportunity to negotiate based on the Commission’s actual fiscal position, not knowing exactly what the Governor and Legislature may have in mind. This provided some flexibility and real time information that had been audited as opposed to once a year. He was not suggesting that there was anything wrong with the year-end audit that the Commission had approved.

Commissioner Antronette Yancey stated that this made a lot sense. She asked if the Governor was to take funds that were encumbered would this generate a legal liability at the State level.

Legal Counsel Craig Steele commented there was a right that every party had to funds that were under contract.

Commission Nancy Au said that the spirit of the proposed motion was to demonstrate what programs would be impacted if funding was taken away in LA County.

Commissioner Neal Kaufman said that he completely agreed with Mayor Michael Antonovich in that the Commission would be in a more powerful bargaining position, if in addition to staff describing the fiscal impact of the take away, an independent auditor stated that he had talked to staff, had looked at what staff are talking about, and presented the true facts. The independent auditor would be an advocate outside the Commission.

Commissioner Neal Kaufman did not care what was done six months ago. He said an audit was needed, whether by the same auditor or a different one, who could be able to say he had looked at the issue, had seen what was a fund balance and what was allocated and awarded, and could vouch for the Commission when negotiating in court or with the State. The expertise of the County-Auditor Controller would be helpful because this was both economic accounting and political. To him, it made a lot of sense to do this.

Commissioner Alma Martinez wanted to make sure that staff work on the current programs and approved proposals would not be halted as a result of the audit.

CEO Evelyn V. Martinez commented that staff would be available, as requested, by the auditors. In these instances, their workload would be impacted. The parameters of the audit were unknown and it was for the ad hoc committee to make this determination.
Commissioner Deanne Tilton stressed the importance of issuing contracts on approved programs. CEO Evelyn V. Martinez stated that staff would continue to do everything humanly possible as has been the ongoing practice.

Vice Chair Jonathan Fielding commented that he was confident that staff was already triaging the prior approved proposals to move forward with issuing contracts.

**With no further discussion and no objection, Item 5 was so ordered by Mayor Michael Antonovich.**

13. Approval of Revision to FY 2009-2015 Strategic Plan

CPO Antonio Gallardo reported that a revision to the FY 2009-2015 strategic plan Countywide activities was required to include direct services beyond the place-based activities. State law requires that County Commissions submit to the State Commission any revisions made to the strategic plan submitted in June 2010. By approving the Countywide augmentation projects, the Countywide activities portion of the plan was changed. Staff is reflecting that countywide activities did shift to include both system activities and direct services beyond the place-based activities. Following approval, the State Commission will be informed of the revision.

Commissioner Neal Kaufman said that the fundamental revision is that some of the Countywide activities might have direct services when the interpretation of the original plan was that direct services would not be funded.

**M/S (Antronette Yancey / Michael Antonovich) APPROVED AS RECOMMENDED**

12. Public Comment

Leticia Callejas, El Camino Real-Reseda Family Literacy Program  
Lorena Diaz-Oliver, El Camino Real-Reseda Family Literacy Program  
Nikki Edwards, California Food Policy Advocates  
Gloria Figueroa, HSA Pasitos  
Ana Flores, El Camino Real-Reseda Family Literacy Program  
Heng L. Foong, Urban & Environmental Policy Institute  
Jose Gomez, CSU Northridge  
Amy Grodzienski, El Camino Real-Reseda Family Literacy Program  
Madeline Hall, Los Angeles County Education Foundation  
Pat Jakle, Shenandoah Family Literacy Program  
Lloyd Kajikawa, LTSC Little Tokyo  
Patrick Kennedy, SHIELDS for Families  
Roberta Lanterman, Long Beach Unified School District  
Maria Mardrigal-Discua  
Blanca Maldonado, El Camino Real-Reseda Family Literacy Program  
Fatima Mezeta, LTSC Little Tokyo  
Rick Overdorf, Wilson FLP  
Ivette Pineda, North Valley Caring Services  
Sharon Polkinghorn, Shenandoah Family Literacy Program
SUMMARY ACTION MINUTES

Elias A. Ramos, CSU Northridge
Aracely Rosas
Tonbiu Sandoval, HSA Psitos
Dipa Shah-Patel, Network for a Healthy California

ADJOURNMENT

The meeting adjourned at 5:10 pm.

The next regularly scheduled Commission meeting will be on:

March 10, 2011 at 1:30 pm
Multi-Purpose Room
750 N. Alameda Street
Los Angeles, CA  90012

Meeting minutes were recorded by Maria Romero.