COMMISSIONERS PRESENT:
Commissioners:  
Michael Antonovich [Chair]  
William (Bill) Arroyo [Alternate]  
Jonathan Fielding [Vice Chair]  
Neal Kaufman  
Evangelina (Angie) Stockwell  
Antronette Yancey

Ex-Officio Commissioners:  
Duane Dennis  
Deanne Tilton

COMMISSIONERS ABSENT:
Commissioners:  
Jane Boeckmann [Excused]  
Alma Martinez [Excused]  
Marvin (Marv) Southard [Excused]

Ex-Officio Commissioners:  
Harriette Williams [Excused]

STAFF PRESENT:
Evelyn V. Martinez, Chief Executive Officer  
Carol Baker, Director of Policy  
Yolanda Bosch, Chief Administrative Officer  
Antonio Gallardo, Chief Program Officer  
Tracey Hause, Director of Finance  
Elizabeth Iida, Director of Program Development  
Teresa Nuno, Director of Community Investments  
Randi Wolfe, Director of Best Start Communities  
Maria Romero, Executive Assistant

LEGAL COUNSEL:  
Craig Steele, Attorney-at-Law

CALL TO ORDER / ROLL CALL:
1. Mayor Michael Antonovich called the meeting to order at 1:40 pm. Quorum was present.

COMMISSION: (Items 2 – 16)
2. Approval of Commission Meeting Minutes – Thursday, April 14, 2011

M/S (Jonathan Fielding / Michael Antonovich)  
APPROVED AS RECOMMENDED

Mayor Antonovich announced that Vice Chair Fielding and he were leaving the meeting early. Vice Chair Fielding would chair the meeting from the point Mayor Antonovich left up
until his own departure; upon which Commissioner Kaufman would take over the meeting at interim Commission Chair.

Mayor Antonovich announced that the Commission Meeting would adjourn in memory Commissioner Southard’s mother who passed away. Mayor Antonovich announced that Commissioner Arroyo was attending the meeting on behalf of Commissioner Southard.

**NOTE:** The agenda items were discussed out of order. The following represents the order in which items were discussed during the meeting.

4. Announcements by the Commission Chair

As part of the annual evaluation process for the Chief Executive Officer, legal counsel will be distributing materials to each of the Commissioners via email. Mayor Antonovich asked Commissioners to complete the materials and return them no later than the end of May for consideration by all Commissioners under the agreement of last year.

Mayor Antonovich also reported that in closed session on April 14, 2011, the Commission joined other counties in challenging AB99 and the legality of the State taking Proposition 10 funds. Mayor Antonovich asked legal counsel for the status of the lawsuit against the State for trying to confiscate AB99 funds.

Legal Counsel Steele reported that the Commission authorized his office to file a lawsuit challenging AB99. The lawsuit has been filed with the Los Angeles Superior Court. An action was filed seeking declaratory relief that AB99 was a violation of Proposition 10 and that it was amended in violation of the provisions of Proposition 10. The lawsuit also seeks a writ of mandate to direct the State Department of Finance not to require the payments that are purported to be required under AB99. The case assigned Joanne O’Donnell of the Los Angeles Superior Court in Department 37 as the judge. There is no hearing date but when a date is assigned, Legal Counsel Steele will notify the Commission.

Legal Counsel Steele has been in close communication with counsel for the other Counties that have filed lawsuits in Central California, Northern California and also in Orange County. All of the County Commissions anticipate that the Attorney General will seek to have those lawsuits consolidated in one County. The counsels for the First 5 Commissions that have filed are coordinated and have a strategy to respond to this motion by the Attorney General. The relationships with other County Commissions have been productive. The Commission will continue to be informed as the lawsuit progresses.

Mayor Antonovich asked if there was any idea as to which County may be selected by the Attorney General for the consolidation of the lawsuits. Legal Counsel Steele commented that counsel among the County Commissions have agreed on how to respond to the Attorney General when the consolidation of lawsuits takes place.

Mayor Antonovich asked if CSAC had a role in this process. Legal Counsel Steele commented that once the case gets through the trial stage and on to the Court of Appeals, this is the point at which the Commission would asked CSAC, the First 5 Association of California and other advocacy groups to get involved as friends of the court.
Commissioner Nancy Au asked if there was an automatic stay of the implementation of the legislation with the filing of the lawsuit. Legal Counsel Steele responded this was separate legal procedure. There was no automatic provision and because the payment was not required until June 2012, it was unlikely that a court would issue some type of automatic stay or injunction. Part of the lawsuit was seeking an order to the State Department of Finance not to collect money.

9. Approval of Motion for an Annual Allotment of Funding to Address Systematic Challenges Facing Families with Autistic Children Under Age 5 and to Also Identify Both Current as well as Additional Opportunities for the Commission to Address the Autism Epidemic

Mayor Antonovich reported that the Board of Supervisors on April 26th passed a motion by Supervisors Don Knabe and Mark Ridley-Thomas, on a unanimous vote, relative to the funding of a program that First 5 LA would consider an annual allotment to both current and additional funding to address challenges facing families with autistic children.

The recent census indicates that one out of every 110 children have a clinical diagnosis of autism. Last week a new study was released relative to the rate of autism spectrum disorder in which one in every 38 children in South Korea, including high functional children, have a mild symptom called Asperger Syndrome. This population, not to be ignored, Mayor Antonovich said he was pleased that First 5 LA had investments as documented in the meeting packet. In 2009, First 5 LA had a partnership with the Pasadena Unified School District. Mayor Antonovich commented that he had invested a significant portion of his Fifth Supervisorial District funds from LAUP for a demonstration project to fund an innovative inclusion preschool at Alta Loma Preschool in Altadena. Aside from one-time capital costs, LAUP’s ongoing funding covers 3½ hours of high quality preschool for 40 children of whom eight are diagnosed with autism. Pasadena Unified School District’s funding adds another 1½ hours of special education for the 80 autistic children. By 2012, this model preschool would be fully sustained through the Pasadena Unified School District offering training opportunities for around the State. The Board of Supervisors’ request comes at a difficult time when First 5 LA is faced with AB99 planning because it is unknown how the courts will interpret this law. The Board of Supervisors’ cover letter to the motion informed First 5 LA about the motion. Mayor Antonovich urged the Commission to support Board of Supervisors’ request within the AB99 budgetary framework.

Commissioner Dennis asked if there were any numbers with regard to the number of children diagnosed or with autism between zero and five years. Staff reported that this information was not known.

Commissioner Stockwell commented that in the information packet where contractors were listed, there were three contractors that were not of general nature. Three contractors specifically targeted autistic children. One of the contractor sites was scheduled to close in February, 2010. Commissioner Stockwell inquired if the site had actually closed. Secondly, Commissioner Stockwell asked if it was possible for the grantees that were more special education of a general nature, if they could be asked to include the autistic piece in their programs.

CEO Martinez commented that anything was possible. The issue always is at what amount of funding and whether, in fact, this would be an area of their specialization because if it is
not, it would be unfair to ask the contractors to do something for which they do not have the specialized skills.

Commissioner Kaufman reported that he completely agreed that autism, autism spectrum, and other development abnormalities in children were critical. He said that he had trouble understanding what the Board of Supervisors was asking from the First 5 LA Commission; or, perhaps how to implement or operationalize their request. When the term “annual allotment of funding” is used, it means to First 5 LA a bucket or a sub-fund or some amount of money as has been allocated to oral health.

Commissioner Kaufman commented that he was not sure how this should be added to the equation of what the Commission was doing. The Commission has spent a large of amount of money in preschool, early childhood education, and medical care that helps address the needs of kids with autism. There is no specific funding stream because early identification may be for a range of different conditions—motor as well cognitive or behavioral. Yes, the Commission should be caring about kids with autism and should make sure that it can help those systems. And, yes, the Commission should make sure that people are referred to regional centers. Yet, Commissioner Kaufman commented that he was not sure how the Commission should operationalize this request. He did not mind having a vote of principle that says it important but does not know how it would translate to funding.

Commissioner Arroyo commented that before the Commission embarks on allocating a certain level of funding given the new fiscal landscape, he stated that all funding streams should be notified that are currently being used for this population to see if there was some leverage strategy the Commission could initiate. For example, certainly PSDT funding, regional centers, special education and a whole host of agencies have funding for these young kids. If anything, the Commission might want to establish some kind of taskforce that could identify all these streams and then come up with a proposal that would leverage the different funding streams.

Mayor Antonovich stated that Commissioner Yancey was on her way to the meeting and had an amendment to the motion.

In response to Commissioner Dennis’ specific question, CEO Martinez commented that while the information is not presently available, this information would be gathered and shared with the Commission.

NOTE: This item was tabled until the arrival of Commissioner Yancey. The discussion moved onto the next agenda item.

NOTE: Upon completion of the discussion and vote of Agenda Item 10, discussion resumed on Agenda Item 9.

Commissioner Yancey proposed that the investment be doubled and $900,000 be allocated to County-wide toward six mini-grants of $150,000 each, to specifically address these systemic challenges that face the families that are dealing with autism and support the direct services that are already being provided by First 5 LA. She asked for staff to report back at the June Commission Meeting with some thoughts on a more detailed budget or opportunities to couch these dollars within an already existing initiative that was currently on the table. For example, it could be an opportunity to gear some of the RFPs within the
policy advocacy grants, under the Community Opportunities Fund, toward these efforts. Additionally, Commissioner Yancey recommended that staff facilitate a presentation to the Best Start Communities on the importance of addressing the systemic challenges to families with children with autism in order to empower them with the information to more effectively address this issue.

Commissioner Au commented that the issue of autism and Asperger Syndrome affected her whole family personally. Her oldest sister has four grandsons who all have been diagnosed. This issue is clearly close to her heart. She believed that in the County-wide augmentation, the program that would be doing universal assessment was also part of this. She was really pleased about this and felt this was part of the effort to address the issue of autism as one of the components of challenges for families. There are other funding opportunities beyond the capacity of First 5 LA such as MediCal, regional centers, and the Department Mental Health. Commissioner Au proposed that First 5 LA looked at funding mechanisms to see if there was a need for policy changes, and to identify a mechanism for First 5 LA to tap into this funding and align it to support this community.

Commissioner Dennis would like more information on the children that are zero to five years in this population. He also would like to know what services were being provided to these children. Commissioner Dennis requested a report from staff on the number of children, the services provided, and some type of gap analysis. The Commission needs to be strategic in leveraging funding. Perhaps the Commission may not need to do a lot in terms of developing new programs or projects. It might be an issue of just leveraging some funds and making sure that the right folks are talking to each other as the Commission deals with these issues. There are many different entities throughout the County in mental health, early childhood education, and public schools who are dealing with children with special needs. Commissioner Dennis asked that information gathering be done before determining allocations.

Commissioner Kaufman stated that he wanted to be very sensitive to both children and families affected by autism and to the Supervisors’ suggestion that First 5 LA focus on it. Commissioner Kaufman felt the Commission was focusing on this issue and that it may not be in just one bucket. From his perspective, he was not sure what was needed or what should be done. He felt the Commission could be respectful to the Board of Supervisors by hearing them, agreeing with their request, and looking into seeing how this fit into the range of County-wide activities. The real question was how to implement this request. Its seemed that the Commission should accept the suggestion, figure out a way to look into the issue by staff or a consultant, and come back with a policy program, County-wide or place-based approach, that made sense around autism and other developmental issues.

Commissioner Au asked that Director Nuno’s department address this issue as part of resource mobilization.

Commissioner Arroyo commented that it was already known how challenging it was for families with autistic children and was not sure if additional funding was needed. These families could provide this information.

Commissioner Yancey commented that this information was not all in one place or bucket so that it would be easy for people to understand. The idea was to try to get something a little more consolidated and figure out whether there was a way to identify additional
resources or funding for families. There was some level of organization that needed to occur to get these families the best services.

Commissioner Arroyo said that there are a number of agencies that already had the responsibilities to serve these kids. He believed forming a taskforce would be the best practice in identifying what were the challenges. Commissioner Arroyo was not in favor of having an RFP process. He felt it could be done much more efficiently and cheaper with a taskforce.

Commissioner Au commented that the Commission has already invested in EDSI. She suggested expanding and enhancing the EDSI component to address autism in a deeper manner. Commissioner Au would be supportive of this rather than going through an RFP process. The staff resources required for an RFP process is horrendous. She would rather build upon what has already been done.

Commissioner Stockwell commented that the Commission should use some of the existing agencies to gleam the information needed rather than create new agencies to provide information that already exists.

Vice Chair Fielding commented that it seemed everyone was in agreement on identifying the gaps and what could be done. He expressed concern over how long it takes to get information based on Commissioner Yancey’s proposal. Realistically, it would take up to a year under the current proposal. The Commission would like quicker action. Having some process to assess where there are current gaps, it might lead to those pilot projects.

Commissioner Yancey stated that she would accept as a friendly amendment the allocation of funding to figure out the best way to support these families and address the systemic issues.

Vice Chair Fielding suggested having staff to come back and state what level was necessary. He was in favor of allocating funding but needed to know for what. In general, the Commission was supportive.

CEO Martinez commented that staff would come back in June with a very preliminary report and recommendation for the Commissioners to consider.

Without further objection, Mayor Antonovich so ordered this item as amended.

Public Comment

LaShonna Grant, UCLA-EDSI
Brian Prestwich, Keck School of Medicine
Marni Roosvelt

10. Approval of Motion Extending Funding for the School Readiness Initiative (SRI) Grantees

Commissioner Kaufman commented that he felt it was important for the Commission to continue funding SRI for some length of time to be able to transition the existing SRI programs, both in the Best Start Communities and outside, to be infrastructure for building, whether they are place-based or community-wide programs. Commissioner
Kaufman commented that the motion before the Commission basically recommended: (1) SRI be maintained within the Best Start Communities for one year totaling $6.8 million; (2) SRI be maintained outside the Best Start Communities for six months totaling $2.5 million; and, (3) formally instruct the staff to work with the SRI grantees to see in what way these grantees may be part of the Best Start Communities or other County-wide activities to generate revenue and become self-sufficient as Commission funding decreases.

Vice Chair Fielding commented that he did not think SRI was a program. The State decided that it could not evaluate SRI because it was different in different places. It was not a specific program. He said this was not bad but it was a lot of different things that people, locally, have decided were important to have put them together in different combinations. Vice Chair Fielding commented that if a menu of possibilities was going to be provided in place-based, the Commission needed to decide what would be part of that menu. While he did not know what should be on the menu, he did feel that it should not be everything. Vice Chair Fielding expressed his concern for including SRI on the menu list as it would be different in different places. He also expressed concern over the program effectiveness as well its cost-effectiveness.

Vice Chair Fielding further commented that he felt it was important to allow the communities to look at these types of programs and decide if these were programs they wanted to adopt in their current form or some other form. Vice Chair Fielding commented that he was willing to vote for this motion for these reasons but also with misgivings about the reproducibility of this “program.”

Commissioner Dennis agreed with Vice Chair Fielding that SRI was not a program. He stated that SRI was a bunch of projects throughout the County. There was not a set SRI program in Los Angeles County. He had seen several SRI projects with no comparability from project to project. Commissioner Dennis stated that he believed there was no mechanism to compare the effectiveness of one project versus another project because no two projects were the same.

Commissioner Au commented that all Commissioners had a fundamental understanding of SRI as it had been implemented in Los Angeles County but State-wide. This was the basis by which the State could not come up with a mechanism to truly track impact and outcome. There were millions of dollars invested in an initiative that the Commission could not say definitely what the impact had been. Commissioner Au expressed concern about funding the SRI grantees. The Commission was being asked to make some tough decisions about funding early childhood, early learning versus place-based versus child abuse prevention.

Commissioner Au commented that SRI was not the Commission’s initiative. This was an initiative started at the State-level which the Commission joined because of an equal match requirement and to show support. In terms of choosing between Family Literacy, which also had similar kinds of outcomes being sought, and SRI, she would support Family Literacy because this a Commission initiative. The difference being that Family Literacy had an evaluation component in it and the Commission knows what the impact has been versus SRI.

Commissioner Stockwell commented that being an educator, she was aware of what SRI programs could do and some were excellent. Unfortunately, at the State-level, there was no wisdom to standardize SRI to get real data because some programs have done extremely
well. Commissioner Stockwell commented that she had trouble with the amount. Originally, SRI had requested an allocation of $20 million. Her concern was that if the allocation was being split between $6.8 million and $2.5 million, was the Commission watering down the program. To her, this amount would not allow SRI to put forth an efficient and strong program.

Commissioner Kaufman explained how he arrived at the requested allocation. He felt that starting with 35 percent of funding was an adequate start for SRI to continue to offer key components. Commissioner Kaufman felt this was a way to recognize the reality of the timing. The intent was to provide a sort of bridge funding while it was decided what to be done with place-based and County-wide strategies.

Commissioner Dennis clarified that his comment about SRI being various projects did not mean that such projects were bare. In fact, there were some very good SRI projects. Commissioner Dennis asked if this motion took into consideration the motion being recommended by the Executive Committee for the funding reduction or will the Commission need to increase the percentage in the reduction motion if the SRI motion was approved.

Commissioner Kaufman commented that staff prepared worst-case scenarios with the assumption that this motion, Healthy Kids and the Family Literacy motions were approved and included within the final allocation of the respective buckets.

Commissioner Dennis restated that the Executive Committee’s motion, which will be dealt with later, took into consideration these motions.

Commissioner Au commented that while the numbers of these motions were immaterial to the overall allocations to each of the buckets, it did have an impact to the overall allocation to the County-wide projects.

Vice Chair Fielding commented that these motions would be immunized against further cuts from the respective bucket, once the Commission decided what percentage was to be cut.

Commissioner Kaufman commented that if public comment speakers were to show support for his motion, with all due respect, unless there was new information to answer a question, it was not going to change anybody’s mind because what was being said had been heard before and would be heard again. Commissioner Kaufman stated that members of the audience had a right to public comment but due to the length of the agenda, he was looking for a way to move along the agenda.

CEO Martinez commented what was not included in the motion was the cost of staffing. Currently, there is temporary staff through June 2012. If this motion was going to go forward, CEO Martinez requested $500,000 be allocated for staff to retain them for an additional year. This would include four Program Officers, one Administrative Assistant, and a Staff Accountant.

Commissioner Kaufman accepted the staffing cost as an amendment to his motion.
Vice Chair Fielding expressed concern over immunizing this program against cuts when everything else was on the table. He said that he was willing to vote for it if this funding was placed in the same bucket and be potentially susceptible to the same cuts as any other program. This did not mean that it would get cut because the Commission was not going to cut every program within each bucket to the same degree. The Program & Planning Committee would be looking at this issue. He felt strongly about not immunizing this program against cuts as the Commission looked at programs within each bucket.

Commissioner Kaufman accepted not immunizing the SRI funding against potential cuts within the bucket as a friendly amendment to his motion.

Commissioner Yancey proposed an amendment to SRI. Her amendment proposed the operational effectiveness of the SRI grantees be measured based on the reduced funding during a period of six months prior to extending funding for those grantees in the Best Start Communities. She asked that all grantees be extended for six months, through December 2011 and be assigned to the County-wide bucket.

Commissioner Kaufman stated his understanding of Commissioner Yancey’s amendment—staff would need to certify that at the lower level of funding, those grantees in the Best Start Communities could capably and effectively use the last six months of those funds. Commissioner Kaufman accepted this friendly amendment to his motion.

Vice Chair Fielding asked staff if it was reasonable to asked SRI staff to be honest brokers in trying to help individual communities decide what was best in those communities because they would come with a programmatic bias based on their experiences. While this was not necessarily bad since there was a benefit to using those individuals already in the community rather than using consultants, Vice Chair Fielding wanted to understand the staff perspective.

CEO Martinez asked for clarification on Commissioner Yancey’s request of staff for the first six months of funding. Commissioner Yancey asked that staff assess whether grantees were capable of actually delivering services at such a reduced rate of funding. She wanted to know if the proposed 35 percent of funding would accomplish what the Commission was trying to do.

CEO Martinez commented that without having to do an analysis, the answer would be no. The grantees would not be able to provide services. CEO Martinez suggested that once the discussion had concluded and staff was to go back and determine operational effectiveness, all of the different factors would be reviewed to see if a common thread could be found that for the next 12 months, perhaps everyone would agree to work with. This may be an impossible situation given that there are 42 SRI grantees doing 42 different things. It seemed that the easiest solution was to let them do what they have been doing because it would take an inordinate amount of staff resources to figure out what the SRI grantees would be able to do in the next six months. This would take staff 90 days to figure this out.

Commissioner Yancey asked if it would make sense to extend the Best Start Communities grantees until June 30, 2012 or did it make more sense just to extend everyone just until December 30, 2011.
CEO Martinez suggested extending grantees one year because even those grantees that the Commission had currently funded through December 2011, she could guarantee that come October or November, there was going to be a request for an additional six months of funding because the communities would be submitting their proposals in December and then there would be a six-month gap where there would not be any services. It would be her preference that if the Commission was to make a funding decision, that it be made through June 30, 2012.

Vice Chair Fielding clarified that this applied only to the SRI grantees within the Best Start Communities.

Commissioner Au commented that she was feeling very uncomfortable. With SRI, there was no way or mechanism in place for the Commission to measure impact and outcome. She believed the Commission had made it one of its decision-making principles that all of First 5 LA projects and initiatives would have that component. Part of the Commission’s fiduciary responsibility was that it understood that when an investment was made, that some impact was going to be made on the goal areas. What was being asked and considered was funding a project, each of the 42 projects being very different, with no mechanism in place to determine each project’s effectiveness. The Commission was going to be caught in having to make some really tough decisions about initiatives and projects that the Commission had invested and which have mechanisms in place to know how effective they have been.

Commissioner Kaufman commented that he was not in agreement with the categorical nature of the statement. When there was a model that was very finite and described, impact could be theoretically measured. Even in a highly regimented intervention, this was a big challenge. Commissioner Kaufman commented that it was true that SRI did not have an overall impact evaluation on the same metrics across 42 settings because they were not set up that way. Each was set up quite differently with some starting at birth through five years while some started at five years and moving down to four years, doing a range of things. Although there was not an overall evaluation, the Commission did know what worked in certain parts and components. The skilled professionals would pick those continuation things that have the best evidence and best return on investment because they also know those are the ones the communities, Best Start or County-wide, are going to want to pick up.

Director Jimenez commented that with all of the Commission’s initiatives, improvements in participant outcomes have been seen. This was very different from Los Angeles County or community-level impacts. This has not been with the Commission initiatives because the reach, scope and depth of the programs were not large enough to have an impact at the County level. Based on First5 LA’s own SRI evaluation, not State mandated, outcomes were better when programs were more comprehensive. There was a difference within the assortment of school readiness programs in terms of comprehensive programs. Some of the programs were not as comprehensive, some do not have evidence-based model that they employ. The programs that do and the ones that are comprehensive get better outcomes. There are some SRI projects that are producing good outcomes while others have not. The SRI grantees have done everything that the State Commission has asked them to do based on community assessment. There was never a clear outcome that the State Commission wanted to achieve with this initiative.
Vice Chair Fielding commented that SRI was not a Commission program. This did not mean it was not a good program. What SRI and Family Literacy reflected were shining lights of a failed strategy. This was a strategy that the Commission decided to move away from because it was very good for a very small number of kids and families. The Commission decided to look at community-wide and County-wide impact. Vice Chair Fielding asked how these grantees who have done good work with a limited number of kids and families, in a way that was not scalable at all financially, and had not shown sustainability, now become the focus within communities of a community-wide approach when, in fact, this was not the approach that had characterized SRI. Vice Chair Fielding asked the Commission to be realistic in what was possible for SRI grantees.

Vice Chair Fielding commented that if the motion was to be approved, he expected SRI to reinvent themselves because the current work of SRI would not get the Commission to where it needed to be in place-based strategy.

Commissioner Yancey commented that she agreed with Vice Chair Fielding. She said that she did not understand the rationale to separate out the Best Start SRI grantees from the rest of the grantees rather than just extending all grantees the same length of time and putting them in the County-wide bucket because the strategies were different from place-based.

Vice Chair Fielding commented that SRI does not belong in a County-wide bucket as it was not scalable, not something that could be done at the County-wide, and not something that could reach most kids within the Commission’s resources.

Commissioner Yancey commented that SRI was also not really place-based. When talking about place-based, the Commission was talking about strategies that allowed the creation of synergies and the scaling of things at a community level. She stated that she did not see the rationale, at this point, to separate the SRI grantees as there was no data for the different groups.

Vice Chair Fielding commented that the rationale for continuing to fund the SRI grantees was that they could be the knights for the place-based efforts. This was the rationale that Commissioner Kaufman proposed. Based on this rationale, he did not see any reason to continue the SRI grantees that were not in the Best Start Communities more than another six months.

Commissioner Yancey clarified that she was speaking about continuing all of the SRI grantees for a period of only six months.

Commissioner Dennis commented that it seemed like the Commission was backing into a spending framework through different motions, starting with autism and now with the SRI motion. He asked whether the Commission should be looking at Agenda Items 7 and 8, initially, and dealing with those two motions because they dealt with the reduction framework. It seemed that the Commission was going about this the wrong way. Maybe the Commission should be looking at Agenda Item 7, the investment allocation decision and then Agenda Item 8, the allocation of remaining Commission funds. Then, if the Commission wanted to deal with other initiatives, it should. Commissioner Dennis stated he did not understand this process. In a way, the Commission was backing into a framework. In his view, the framework was there and the Executive Committee should
brief the rest of the Commissioners on it with some of the major assumptions. Included in this assumption, SRI, autism and Family Literacy, if part of this framework, should then be discussed.

Commissioner Au commented that she found herself being pushed toward being a compulsive person because of the very difficult decisions the Commission was having to make. It was clear that the Commission did not want to make those difficult decisions because the Commission kept “namby-pambying” around. Another consideration was that the Commission had funded approaches that were core, oftentimes driven by the Commission’s goals. There was a service model or framework, a model of change, which really grounded on the family strengthening model. As she heard the SRI presentation, it sounded like the SRI grantees were also grounded in that particular model as well. This was a good thing but she was trying to be cautionary because of the fiscal realities the Commission was having to deal with. She did not want the Commission caught up in supporting silo funding. Oftentimes, replicable funding, in terms of the service that was being provided. There is Family Literacy, SRI and PFF. All are laudable programs but the core piece to all of this was that they are grounded in the family strengthening model—resiliency. These are the programs the Commission has supported until the place-based planning. There is a pot of money that has been set aside for the County-wide piece that was to support the place-based work. This came out of the Commissioner Kaufman’s fertile mind in terms of community capacity building.

Commissioner Au challenged the Commission to go back to those fundamentals again in terms of making these types of decisions.

Commissioner Arroyo commented that he was somewhat lost. He asked for clarification. Commissioner Arroyo stated that SRI was a program that had been funded for eight years according to the packet materials, and yet there were no clear demonstrable results of its effectiveness; and, the Commission was willing, in this new fiscal climate, to spend more money to possibly not get any demonstrable results about its effectiveness.

Commissioner Kaufman stated this was not a fair characterization of the SRI program.

Commissioner Arroyo asked that the data be provided. Director Jimenez commented that there was data on individual programs and projects. The hope was to make change at the County level. Of this, there was no evidence in support because the numbers of kids that were able to participate through school readiness were such a small percentage of the kids that could potentially benefit from the program. This was a statement that was true among all of the Commission’s initiatives because they were developed in such a small pilot demonstration project fashion which, in fact, school readiness originally was done when the State created it.

Commissioner Kaufman commented that he agreed that there is no systemic County effect; and this was a significantly large amount of money as transition and bridge funding to the next stage we are trying to get. Commissioner Kaufman commented that he did not propose this for four years or at a 100 percent funding because he did not think it made sense. This motion was proposed as relatively modest compared to the original State and County collaborative. This funding would allow SRI agencies who are running a range of programs, each of which are effective, to transition into the Commission’s new reality and the world’s new reality of decreased funding, place-based, and County-wide strategies.
While Commissioners may disagree, the theory was a transition as the Commission brought together place-based, whatever survived the new discussion, as well as the County-wide.

Commissioner Yancey commented that she did not know where the Commission was at. She proposed an amendment that funded all SRI grantees through December 30, 2011 because she does not see any evidence that the Best Start Communities SRIs were going to be necessarily poised to be the launch points for the Best Start efforts. While she was not criticizing the SRI grantee, there has been some wonderful work done, but the description of being able to serve intensively a small number of families did not seem to be the same model that the Commission was talking about when referring to a place-based strategy. As far as Commissioner Yancey was concerned, she was persuaded by Commissioner Kaufman’s idea that you could always get the evidence to look a certain way for everything, she did not see any reason to pull out the Best Start Communities and say those were going to be the knightus for something that was inherently very different. The Commission needed to evaluate this at that time.

Commissioner Kaufman commented that he would never use them as a knightus or the anointed leader of the Best Start Communities. He felt this was for the communities to decide. Commissioner Kaufman stated almost all of the SRI grantees have been part of the conglomeration of individuals working on Best Start. It costs about $567,000 per month to extend the extra six months which equals $3 to $4 million. If the Commission was to follow Commissioner Yancey’s recommendation, approximately $3.5 million would be taken off the total. To Commissioner Kaufman, this was a penny wise and a pound foolish because the Commission was taking programs that would very quickly and soon be important partners to the Best Start Communities. Without funding, these SRI grantees would lay off their staff. To Commissioner Kaufman, it made sense to give these SRI grantees, within the Best Start Communities, a skeletal staff to be able to be prepared to move into the next phase with Best Start.

Commissioner Arroyo commented he would be in favor of looking at those sites which have produced good data, good outcomes, and consider those for extended funding. Those SRI grantees who have not demonstrated anything should not be considered for further funding.

Vice Chair Fielding restated Commissioner Arroyo’s comments—basically divide the SRI grantees into three buckets. The first bucket are those SRI grantees outside the place-based communities that would sunset at the end of the year. The second bucket were those SRI grantees who staff looks at and determines that these grantees have the potential to be a knightus in the communities even though they are direct service providers and receive an additional six months of funding after the first six months. The third bucket are those SRI grantees that are evaluated and determined not to be the best knightus and then provide funding for three months for them to finish their work.

Commissioner Yancey commented that was the intent of her amendment but that it would require some effort on the part of staff to sort out between those SRI grantees within the Best Start Communities.

Vice Chair Fielding commented that the staff assessment of the SRI grantees did not have to be done all at once.
Commissioner Kaufman accepted this friendly amendment. He asked for CEO Martinez to come back at a future meeting with the amount of staff work needed to be able to decide which of the three buckets each of the SRI grantees fit in. His guess was that it was not going to be hard and that it could be done. Commissioner Kaufman’s intention was not to fund entities that have done work at a sub-standard level.

CEO Martinez commented that the only way to come up with some of those decisions was to have specific criteria that would need to be applied to each of the 42 grantees. Those SRI grantees that were recommended for lower funding would be contacting their elected representatives who would then call her. CEO Martinez said that she would be happy to do what the Commission requested of her but also reminded Commissioners of the political realities that they seemed to be skirting.

Commissioner Kaufman said this was an excellent point. However, the bottom line was that this needed to happen now, six months from now, or 12 months from now. When Best Start rolls out, the same dynamic was there. He stated that it was in the Commission’s best interest to come up with the standards, the expectations, the criteria for continued funding, and to be able to do this would be very helpful.

Commissioner Stockwell commented that if the Commission went ahead and funded these motions, that it should consider taking away any transition funding (proposed as part of the implementation process of the strategic plan) to save money. If a grantee was funded for an additional six months, then they do not need the transition funding.

Commissioner Arroyo asked if the Commission was willing to continue to fund something in whatever community that had already been ongoing for eight years and had not shown anything. Was the Commission willing to do this where there were no good outcomes? Did the Commission still want to pour money into this?

Director Jimenez commented that there have been demonstrated gains in certain program outcomes. The design of the State Commission allowed communities to create programs that reflected a needs assessment. SRI grantees have been able to build stronger relationships between the school and community. This, in fact, they have done extremely well. The SRI grantees were asked within the school to create a stronger orientation toward early childhood development which, in fact, was one of the main issues of transition. In many cases, there was not an effective transition between preschool programs and K-6 in elementary schools. Many of the SRI grantees have done an effective job of that transition work. These are two strong aspects of SRI that unifies all 42 grantees. This was a benefit that could potentially unify the County-wide and place-based efforts.

Commissioner Au commented that it boiled down to what the Commission was going to fund and what it would not be funding. She had already been asked to put as a priority the other major investment, which was preschool for four-year olds and wanting to shift some resources so that the Commission could ensure that preschool slots or availability was not reduced to such a dramatic level. Because SRI was early learning, did the Commission fund an initiative that had not established clear outcomes in a way that the Commission was measuring outcomes in the four goal areas? Did the Commission make a firmer commitment to the other investment, the major investment over the last six years, of preschool for four year olds? At some point, the Commission would need to recognize that it cannot do it all and some tough choices would need to be made.
Vice Chair Fielding commented that if SRI grantees outside the Best Start Communities were extended for another six months, then those communities would come back to the Commission to state why there should be continued funding for them. He asked if, perhaps, a final three months of funding be provided to those ending.

Commissioner Kaufman commented the reason for six-month funding was because it has been done prior for other programs. Those that were out of area may provide support to a Best Start Community that may not be in their geographical area. This seemed reasonable, symmetrical and logical.

Vice Chair Fielding commented that he felt badly for grantees that come month after month with some hope of continued funding; some get it and some do not. As a Commission, there was the responsibility, as difficult as it may be, to fund programs that were sustainable. This was now an important criterion which would become more evident in the future. The worst example was LAUP but SRI was the next example, through no fault of them, because of how the State Commission designed the program.

M/S (Neal Kaufman / Michael Antonovich)  
MOTION FAILED  
(4-1-2)

Roll Call Vote:

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<td>Michael Antonovich</td>
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<td>Angie Stockwell</td>
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<td>Antronette Yancey</td>
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Public Comment

Magaly Campos  
Leticia Chacon, Human Services Association  
Elvira Gonzalez  
Paula Kaplan, Vista Del Mar  
Lorna Milman, The Village Ready for School  
Ana Rosa Najera, Drew Child Development Corp  
Delmy Orellana  
Delmy Pereira  
Erika Marmolejo Razo  
Edwin Rosales, The Village
11. Approval of Motion Extending Funding for the Healthy Kids Program in the Amount of $9 Million Per Year Through June 2015

NOTE: Due to a potential conflict of interest, Vice Chair Fielding recused himself from participating in the discussion and vote of this agenda item.

Mayor Antonovich reported that he was introducing this motion on behalf of Commissioner Jane Boeckmann who was not able to attend the meeting.

Commissioner Stockwell asked how the $9 million would be allocated—how was it divided, where did it go, how much really went toward enrolling kids.

CEO Martinez commented that it was her understanding that approximately $4 million was allocated for paying premiums. There has been a decrease in the number of children who were eligible for the Healthy Kids package. Interestingly enough, when First 5 LA started this program eight years ago, there were a higher number of children availing themselves of the health care package. Most of the children being born in the County are citizens so they are eligible for either Medi-Cal or Healthy Families. The remaining $5 million was for outreach enrollment and retention services through the Department of Public Health who subcontracts with various community agencies.

Commissioner Au asked if the $5 million was for the support piece. Commissioner Stockwell was surprised that more money was going out for outreach than actual insurance for children.

CEO Martinez reiterated that there were fewer children that are having to take Healthy Kids as insurance.

Commissioner Kaufman commented that nine years ago, the Commission made a commitment that all children zero to five years in Los Angeles County would have health insurance coverage and recognized that a small proportion of those who are low-income would need the Commission’s services. Healthy Kids was the stop gap. At the time, the Commission also recognized that children six to 18 years had a similar challenge though the Commission’s funding could not go toward this population. Given this, the Commission took a several prong approach. One prong was money from First 5 LA to cover the premium for those children who could not quality for Medi-Cal or Healthy Families. The second prong was how to improve the effectiveness of health care delivery for populations of underserved children zero to five years, to really look at how to improve the services they received, the timeliness of those services, and how they integrated with other things around healthcare. The Commission needed to make sure that it was still the safety net provider of premium coverage through LA Care. The results have been phenomenal. The kids have had improved health, improved access to health care, and are better evaluated than other programs. The real question is whether the Commission would continue to be the safety net coverage for this population of kids. As a side note, Commissioner Kaufman commented that the Commission sent a letter to LA Care that Healthy Kids was funded through the end of the strategic plan. The expectation was that each year there would be an allocation with the agreement that First 5 LA would continue to pay the premiums until 2015.
The reason why there was a Healthy Kids motion was that the Commission voted for a one year program, just like LAUP. Commissioner Kaufman was open to reconsider the $5 million for outreach if the Commission felt it was too much money. He proposed approving the motion as presented and have staff make sure that the premium was covered and then figure out what should be the appropriate amount for the other component.

Commissioner Yancey commented that with the volatility as it relates to the Commission’s own budget, the funding for five years did not make much sense. She did not understand why the proposal was not for two years or one year as everything else seems to be up in the air.

Commissioner Kaufman commented that the Commission could do year-to-year allocations which have been done in the past. The motion was to extend Healthy Kids to the end of the strategic plan which was the agreement the Commission voted on a year and a half ago. A vote can be done every year and he would not be offended by this action.

Commissioner Stockwell asked for clarification on how the premium was paid. Commissioner Kaufman commented that the premium was paid by quarters. As long as a child still met eligibility criteria, First 5 LA would provide the money to LA Care to cover the premium fee until the child turned five years of age. At five years, the child no longer had First 5 LA as their financial backer. LA Care generates other revenue to cover part of the premium for the six to 18 year olds.

Commissioner Stockwell commented that she was not in favor of voting for a motion with the amounts listed. She proposed amending the motion so that staff could make sure that the premium was covered and assess what would be an appropriate amount for the outreach. In her view, a greater amount needed to be allocated to the insurance category and less to outreach.

Commissioner Dennis asked if the numbers have depreciated over the nine years of the program. Commissioner Dennis commented that some proportion had decreased on an annual basis. He suggested using an average or percentage for outreach based on the number of program participants.

Commissioner Tilton commented that some children were not accessing what was available to them. This may translate to needing more marketing and outreach than what was currently being provided. She asked that the motion be approved as presented with an amount of up to $9 million and have staff report back on the recommendation of the ratio to child participant to marketing and outreach efforts.

Commissioner Kaufman stated that retention was where biggest cost is. It was reasonable to ask staff what would be the cost of marketing and outreach efforts.

Commissioner Yancey asked if the amendment to do a yearly contract for Healthy Kids was accepted. Commissioner Kaufman said that as a Commission, yearly contracts are approved. However, this contract renewal should be done sooner than May and no later than February to abide by the law where a 90-day notice of termination is required to be provided to participants.
SUMMARY ACTION MINUTES

Public Comment

Suzanne Bostwick, Department of Public Health  
Brooke Fox, National Health Foundation  
Maria Peacock, Citrus Valley Health Partners  
Celia Valdez, MCH Access  
Barbara Wilson, LACOE

REVISED MOTION:

Allocate up to $9 million for the Healthy Kids Program with staff coming back to the Commission with a recommendation for outreach enrollment efforts to be subcontracted with the Department of Public Health. Assuming each year is passed on an annual basis and no later than February, preferably the January Commission Meeting, this issue is to be brought back to the Commission for approval and determine if the program will be continued.

M/S (Neal Kaufman / Nancy Au)

APPROVED AS AMENDED

8. Allocations of Remaining Commissioner Funds Within Each of the Five Approved Funding Strategies

Mayor Antonovich announced that this item would be continued to the June Commission Meeting.

NOTE: Mayor Antonovich leaves the meeting. Vice Chair Fielding assumes leadership of the meeting.

12. Approval of Motion for the Family Literacy Initiative

Commissioner Stockwell reminded the Commission what the Family Literacy Support Network (FLSN) was about. The Commission has been committed to assisting and supporting its grantees to strengthen their organizational capacity and improving their abilities to deliver quality services to the families of Los Angeles County. Family Literacy Support Network was created by LACOE with Commission funding. The Commission initially approved $2 million to fund training and technical assistance for school readiness providers. Because it was deemed that FLSN was doing such a great job, the Commission in 2005, went back and allocated $4 million for a period of five years and asked FLSN to increase their capacity building services to an additional 10 sites, making it a total of 24 sites.

The number served by FLSN was reported based upon Commission criteria. However, the actual number of individual served is double. In a recent poll, it was indicated that an increasing number of families that were served go unreported because of First 5 LA’s limitations on the initiatives. This is one initiative that has gleaned excellent and outstanding results through the American Institute of Research. After presenting various statistical information relating to the achievement and impact of FLSN on the community, Commissioner Stockwell further stated that the Commission had provided training, support
and capacity building to FLSN and other grantees. Because of this, Family Literacy has also provided extensive and ongoing assistance and training to all grantees throughout the life of the initiative in the area of sustainability.

Family Literacy demonstrated considerable ability to leverage local, state and federal resources to provide greater benefits for children, programs and their communities. For example, seven grantees are state funded through EvenStart; four grantees collaborate with HeadStart; three grantees have received grants from the National Barbara Bush Foundation; and two grantees have received grants from the National Center for Family Literacy. These two foundations promote and support programs that have the comprehensive four-component model.

Commissioner Stockwell reported various percentages on the impact of Family Literacy on Commission projects. Of importance, Commissioner Stockwell reported that Family Literacy had been able to leverage First 5 LA dollars by generating $585,182,000 from 2006-2010. Sustainability and leveraging have come about many different ways in Family Literacy.

Commissioner Stockwell introduced her motion to provide the opportunity for those grantees in the Best Start Communities to build upon their programs. For those grantees not in the Best Start Communities, the motion provided time to look for other funding opportunities such as federal funding. Commissioner Stockwell also recognized that funding was tight and federal funding opportunities have decreased. She urged the Commission to look at Family Literacy as an educational model that was comprehensive including mental health, health and education.

Commissioner Dennis commented that he did not understand the allocation amount. He asked what the total request was.

Commissioner Stockwell commented that the motion requested $900,000 for the place-based grantees until June 2012. There were 10 grantees in the Best Start Communities. The motion requested $405,000 for the nine grantees that were not in the Best Start Communities. The total requested allocation was $1.9 million.

Commissioner Arroyo asked what was going to happen at the conclusion of the extension, if approved. Commissioner Stockwell commented that the Best Start Communities would be provided with real data and sample programs that the Best Start Communities may want to include.

Commissioner Au asked for the age breakdown of children accessing services through Family Literacy. Liz Guerra commented, from the audience, that it changed from year to year. In 2002, it was three, four and five year olds. As there were repeat pregnancies, infants and toddlers were then accessing services. As of right now, the participants were from zero to three years.

Commissioner Au asked if any of the Family Literacy providers were LAUP providers as well. Some of the current providers do have LAUP classrooms; these were only two or three.
Vice Chair Fielding asked how many grantees were SRI providers. He asked if there was an overlap. Ms. Guerra responded that there was a handful that had an SRI site, mostly the school district sites. Vice Chair Fielding asked how many sites were in the target communities. There were 10 sites within the Best Start Communities.

Vice Chair Fielding commented that he believed Family Literacy was very cost ineffective. When he looked at how much money had been spent, about $2.5 million a year over seven years totaling $17.5 million, and the number of children served, the cost was about $6,000 per child. Vice Chair Fielding commented that although Family Literacy was about family not only children, the cost was too high.

Director Armando clarified that expenditures for FY 2009-2010 only totaled $1.1 million for Family Literacy. Vice Chair Fielding then asked why the motion was requesting double of the amount that had been expended. Furthermore, Vice Chair Fielding commented that if the cost per child was $3,000 per child, the model was still not sustainable, although it was a wonderful program. Director Jimenez clarified that expenditures for Family Literacy for FY 2009-2010 was $2.7 million and not $1.1 million as previously stated.

Commissioner Au appreciated the approach that Vice Chair Fielding was taking with the Family Literacy motion, but to be fair, if the Commission was going to look at what it took to implement and support children, the same kind of approach needed to be applied for other kinds of funding. Commissioner Au specifically referenced the $5 million that was spent for outreach efforts in Healthy Kids compared to the $4 million used to pay premiums. Commissioner Au asked how many children were in enrolled in Healthy Kids.

CAO Bosch reported that in March 2010, there were 2,362 children enrolled in Healthy Kids with a $72 per child cost per month. The cost of outreach per child was $165 per month. Commissioner Kaufman clarified that the outreach enrollment retention for Healthy Kids was for all children zero to five years, who were low-income and uninsured. Most of retention efforts helped to enroll children in Medi-Cal or Healthy Families, which saved premium funding for First 5 LA.

Commissioner Dennis commented that the HeadStart models cost $6,700 per child which was inclusive of the comprehensive assessment and intervention with the family. When looking at comprehensive programs in early childhood education nation-wide, all of the programs cost were similar—between $5,000 and $8,000 per child. HeadStart, being the premium program, cost about $7,000 per child.

Vice Chair Fielding commented that there have numerous discussions at the Commission level about programs reaching out to such a small percentage of the population. For instance, LAUP does this. It was his understanding that the Commission wanted to do things that were community-wide or County-wide. The Healthy Kids Program was County-wide. Vice Chair Fielding stated that Family Literacy was a good program but did not fit into the County-wide and place-based efforts of the Commission due to high participant cost.

Commissioner Dennis stated that the cost of the program was legitimate. However, whether this program fit into the Commission’s investment strategy, then this was a different issue. Vice Chair Fielding commented that Family Literacy was not a scalable program and consistent with the Commission’s new direction.
Commissioner Kaufman restated Vice Chair Fielding position—Family Literacy was an effective program and reaches out to targeted individuals who benefit from the program; however, it was not scalable due to cost.

Commissioner Dennis commented that the Commission should try to reach as many people as possible with current funding and then look at incubating certain programs that show promise with certain families.

Vice Chair Fielding thought that the rationale for the motion was to allow Best Start Communities to decide if this was the kind of service they wanted to adopt within their area. He said that financially, this was not a model that could be adopted with any constraints the Commission may have, regardless of how large the buckets are.

Commissioner Stockwell said it would be up to the individual communities to see what they could tweak. She stated the Commission needed to have flexibility to allow for both approaches. If the Commission wanted sustained change, then programs that were intense and had durability must be looked at. This was the federal model and why Family Literacy had been successful. Commissioner Stockwell stated that she did not believe it was out of place for the Commission to say that Family Literacy was a program that reached a few individuals because it did not as it continued to give after the Commission’s initial investment.

Commissioner Kaufman, in his opinion, stated that the role of the Commission was to identify promising practices at the population or personal level to incubate them and to prove that they work so that government, communities, businesses and families would sustain them and bring them to scale. For example, LAUP. The goal was to take a small number and prove that this model worked so that somebody else’s money would take it to scale, such as an initiative although it did not pass. Commissioner Kaufman commented that the Commission was an incubator, the R&D wing of government, communities, businesses and families to prove what works and go to scale. Regarding Family Literacy, Commissioner Kaufman compromised his principle and believed the Commission should fund Family Literacy because, in all due respect, they have not shown how to bring the program to scale. The Commission incubated Family Literacy, helped them to increase sites, the program was effective, there was a recession and there was no good strategy for either making it less expensive per child or having some else pay for it.

Commissioner Kaufman also stated that he felt Commissioner Stockwell’s theory was worth testing, though skeptical, based on how the Best Start Communities were funded. Commissioner Kaufman said that he was willing to give Family Literacy a chance to see if it would emerge with new money or if the communities that were selected chose Family Literacy over somebody else.

Vice Chair Fielding asked what efforts have been made over the last seven years to obtain external funding and to what extent have these efforts been successful. Ms. Guerra commented that a number of agencies have become State funded because this was the original intent of First 5 LA. Some of the sites have become licensed and new sites have been acquired. Most of the Commission funding goes toward coordination, support services, date collection and not for instructional staff.
Commissioner Au asked if Commission funding was to disappear, what was the probability of the agencies under Family Literacy assimilating and integrating the concepts and the components of Family Literacy that would be sustained. Ms. Guerra commented that about 80 percent of the agencies would remain with their doors open in some fashion with the adult education component, if sun-setting took place on June 30, 2011. The child component would potentially no longer be provided. Each individual agency would have a couple of the components to stay in place but with no coordination or staff development.

Commissioner Au asked if there was an opportunity within LACOE at the possibility of being able to make Family Literacy a vital component of their operation so that the funding of the coordination would become part of LACOE’s general budgeting. The reality was that it was hard to predict where the Best Start funding would be allocated and there was going to be a major reduction in the funding that Best Start would be receiving based on the recommendation from the Executive Committee. According to Yolanda Benitez, LACOE Assistant Superintendent, LACOE will be using the Family Literacy model for the HeadStart delegate agencies.

Vice Chair Fielding commended Family Literacy and reiterated that the Commission was not being critical of the program achievements and benefits; rather, the question was more about the Commission being able to continue to provide funding.

Commissioner Tilton commented that literacy was very important and felt that the $8,000 per child cost was worth it in the long run.

M/S (Neal Kaufman / Michael Antonovich) APPROVED AS RECOMMENDED (5-0-1)

Roll Call Vote:

Nancy Au Yes
Jonathan Fielding Abstain
Neal Kaufman Yes
William Arroyo Yes
Angie Stockwell Yes
Antronette Yancey Yes

Public Comment

Yolanda Benitez, LACOE
Jenni Kuida, LTSC
Liliana Martinez, Rowland First 5 LA Family Literacy Program
Fatima Mezeta, LTSC Family Literacy Program
Anilu (Mezeta) Gutierrez, LTSC Family Literacy Program
Carolyn Montoya, Long Beach Family Literacy
Sharon Polkinghorn, Shenandoah Family Literacy
Sharon Salazar, Elizabeth Learning Center
NOTE: The following discussion took place immediately following the vote on the Family Literacy Motion.

Commissioner Kaufman asked for guidance from the Commissioners in terms of the Program & Planning approach that would be slightly different since Agenda Item 8 has been continued.

Originally, the Commission had planned to talk about the buckets at today's meeting, identifying the approximate or exact amount of the total allocation during the strategic plan to these buckets. Staff was then was going to be given these approximate amounts in each buckets for them to work through a methodology of their choosing to help Commissioners identify within those buckets where the Commission would spend various parts of it.

This recommendation would then be brought forward to a public Program & Planning Committee Meeting where the Commission would engage in discussion with the Committee coming to agreement on an approach to report back to the full Commission, two weeks later at the June Commission Meeting for either discussion or action where the bucket size would be finalized. Without having the number for each of the buckets and an approval for that approach, the Commission had two options:

1. Ask staff to do their best using the buckets that the Executive Committee had suggested, knowing that there may be differences, and come to a Programs & Planning Committee for discussion.

2. The discussion and decisions will not be done by June and will have to take place in July. The way of getting this done by July is by having another meeting prior to June without as much specificity but a more general discussion of the Program & Planning Committee; then have the meeting in June to decide what are the actual bucket amounts and come back in July for a vote.

The real fundamental guidance that Commissioner Kaufman was seeking was whether a vote in June on what the actual bucket size and allocations in each bucket would need to take place or if this vote could take place in July. If the Commission’s consensus was that of taking care of this in July, then Commissioner Kaufman would work with staff to figure when and how a meeting would take place.

Vice Chair Fielding stated that he did not see how the Program & Planning Committee could make a decision without understanding the constraints or recommendations in terms of how much was in each bucket unless this was well determined. He said that he would much rather have the vote take place in June.

Commissioner Kaufman commented that if the assumption was made that the buckets would exist, that the numbers were going to be +/- 15 percent from what has been suggested, approximations could be made.

Vice Chair Fielding said another option would be to look at the principles for cutting and trying to make some decisions about the decision rules within these buckets that could be then operationalized. There would be a more general discussion in June.
Commissioner Au commented that the more informed Commissioners were with more specificity, the better the decision-making would be. She said that staff had been charged to look at all of the Commission’s funded programs and see if there was an opportunity for the Commission to consolidate those programs and still know that the investment would yield desired outcomes. She stated that she had not seen that report of as yet.

Commissioner Au also commented that the buckets were somewhat broad. There were essentially five buckets with two buckets being a given—Administration and Research & Evaluation. The remaining three buckets (County-wide, place-based, early learning) needed further refinement because categorizing and classifying was difficult. As a Commission, more specificity and more understanding of projects was needed to truly make informed decisions.

Vice Chair Fielding asked that staff provide better project descriptions and suggestions for where staff thinks there is synergy and overlap in the buckets. CEO Martinez responded that staff was already finalizing the report requested by Commissioner Au and could also provide the additional information request. Commissioner Kaufman stated that this information could be presented at a Program & Planning Committee Meeting.

CEO Martinez asked Director Hause if a programmatic budget was required by the State to be in place by July 1, 2011. Director Hause commented that it was not required as long as the Commission was operating in accordance with its strategic plan. She would follow up on this issue.

Commissioner Arroyo commented if the framework of guiding principles was already in cement. He feared that if the framework of guiding principles was not in place, the discussion might bridge on being chaotic.

Commissioner Kaufman summarized what he heard—a Program & Planning Committee would be scheduled prior to the June Commission Meeting at which time the criteria and guiding principles would be discussed. Staff would report on the components of the various programs that existed, whether there were synergies and possibilities for savings or amalgamations of programs conceptually. Staff would also report on which programs were staff generated within the Commission’s operation. The Programs & Planning Committee would then present at the June Commission Meeting for discussion, revision and acceptance of the guiding principles and buckets. A second meeting of the Program & Planning Committee would be scheduled between June and July to develop a recommendation for a vote at the July Commission Meeting.

Director Hause clarified that staff was planning to present the operating budget in June.

14. Receipt and Acknowledgement of the 2009-2010 Annual Report From First 5 California

    M/S (Neal Kaufman / Antronette Yancey)
    APPROVED AS RECOMMENDED

3. Approval of Monthly Financials – March, 2011

    M/S (Neal Kaufman / Angie Stockwell)
    APPROVED AS RECOMMENDED
5. Chief Executive Officer’s Report

CEO Martinez submitted her report as presented. In addition, CEO Martinez provided the following verbal update.

- **State Budget:** Assembly Republicans released a new set of solutions for the budget crisis. Among them was a proposal to take additional funds from Proposition 10 and Proposition 63. It is unclear how much they want to take from their budget description, but a Sacramento Bee report indicated they wished to sweep the entire Prop 10 fund balance and capture future revenue.

15. UPDATE: Countywide Augmentation – Data Partnership with Funders Project

This item was continued to the June Commission Meeting.

13. Approval of the LAUP Revisions to the Performance Matrix and the Performance Incentive Fund Agreement; and Approval of the LAUP Budget in the Amount of $59,971,199

Director Iida reported that staff was recommending the approval of LAUP’s revisions to the performance matrix and the performance incentive fund agreement, as well as the LAUP’s budget for the next fiscal year. LAUP performance matrix and the agreement were part of LAUP’s performance-based contract.

The revision to the performance matrix was the existing performance-based contract between LAUP and First 5 LA. This was originally executed June 2009 and last approved and renewed in June 2010 for the current fiscal year. The contract had a performance matrix with seven outcomes. LAUP is required to meet these performance outcomes every year in order to maintain its annual funding from First 5 LA.

Changes to four of the seven outcomes were now being requested for the next fiscal year’s performance-based contract. The first outcome related to preschool spaces that were first reduced in November of last year to 10,695 but now it have been increased to 10,760 for the next fiscal year. The second outcome related to annual enrollment. There was going to be an increase by one percent from 92 percent to 93 percent for the next fiscal year. Outcome #4 was a new outcome and related to measuring and reporting on child, parent and community-level outcomes. Outcome #5 was the funding match target that was originally established in June 2008; and, at the November 2010 Commission Meeting, staff provided an update that LAUP would not be able to meet its funding match target for this fiscal year and was given approval to jointly develop with LAUP a sustainability plan.

A summary of the proposed performance matrix with key metrics, performance targets as well process milestones for the next fiscal year were presented to the Commissioners. The revision to the performance incentive fund agreement governs how LAUP would be advanced funding from First 5 LA for any budgeted, unexpended funds from the prior year, provided that LAUP achieves certain performance measures. The proposed changes to the performance matrix required changes to this agreement for next year. The nature and extent of the changes to the performance fund agreement were presented to the Commissioners.
Staff also recommended approval of LAUP’s budget in the amount of $59,971,199 for FY 2011-2012. This amount was $2.48 million less than LAUP’s current fiscal year budget.

LAUP has made considerable progress in developing plans for long-term sustainability, however given the fundraising challenges they face, LAUP intends to rely on the success of a ballot initiative to continue their current model and network size through 2016 and beyond. The LAUP Board selected a focus on revenue generation through the pursuit of a ballot initiative when presented with three possible approaches to address the organization’s long-term sustainability. These included reducing the number of children served, transforming LAUP’s core operations, or the selected option of avoiding reductions in services by seeking new revenue through a ballot initiative.

Simultaneous to planning for an initiative in 2012, LAUP is implementing sustainability strategies to address short-term needs and to prepare in the event that an initiative is not successful. Additional strategies being implemented include cost containment and network redesign. Cost reductions were implemented beginning this fiscal year, including a reduction of over $1 million through changes in internal operations. Network redesign will include changes to the STAR rating system and the continued reduction in spaces through provider attrition.

Revenue generation is primarily anticipated through the proposed ballot initiative, with smaller amounts being raised from fundraising and the restructuring of provider payments. Because of the current restrictions of First 5 California’s Power of Preschool (PoP) program, LAUP is unable to directly increase parent investment fees for the majority of providers (only 9% of LAUP providers are not supplemented by PoP dollars). Therefore, LAUP’s proposed strategy for provider revenue is to increase provider reimbursements by 10 percent in FY 2012-2013 and five percent more each year thereafter. Providers will be given autonomy regarding the preferred strategy for reaching reimbursement requirements (e.g., fundraising, parent tuition, or cost containment).

Implementation of LAUP’s sustainability plan will achieve a balanced budget for LAUP through FY 2012-2013, with deficits expected to begin in FY 2013-2014. In the short-term, prior to the potential ballot initiative, LAUP is relying on accumulated savings to supplement its budget. Carryover savings are primarily available because First 5 LA has dedicated PoP funds to LAUP. These PoP dollars are provided by First 5 California and are available to supplement local Commission funding. During the last year, First 5 LA and LAUP restructured the contract to more accurately reflect the PoP funding and require expenditure of PoP funds in the year allocated. First 5 LA allocations and PoP exceeded annual funding requirements creating a short-term carryover. The available carryover is supplementing First 5 LA planned allocations and supports sustainability, along with the cost-reductions and service restructuring.

A PowerPoint presentation was made to the Commission by Celia Ayala, CEO of LAUP, and Christine Altmayer summarizing LAUP’s sustainability plan.

Commissioner Dennis asked LAUP to be cautious when proposing to collect and/or increase a parent investment fee because of the budget cuts to child care throughout the State. He hoped that these fees would not lead to losing families, especially low-income families who would not be able to pay the 10 percent fee. In response, Ms. Ayala commented that LAUP was exploring various alternatives including subsidies.

Commissioner Dennis asked for LAUP to set a fundraising goal as a 501(c)3 organization. Ms. Ayala replied that LAUP had an internal fundraising goal of $1 million.
Commissioner Dennis also commented that he disagreed with using the full Endowment for LAUP. He suggested that part of this Endowment could be allocated to LAUP but there was a whole system of care dealing with the zero to five population and he would like the Endowment to be accessible to all of the zero to five population within early childhood education. Ms. Altmayer commented that it was her understanding that LAUP could borrow up to 25 percent of the balance of the Endowment with repayment within two years; and, that any use of the Endowment fund would need to come back to the Commission for approval.

NOTE: Commissioner Fielding leaves the meeting. Commissioner Kaufman assumes leadership of the meeting.

Commissioner Au asked about means testing and whether the preschool providers had the capacity or mechanism to do this. Ms. Ayala commented that one of the reasons LAUP went to zip codes was to avoid the burden and documentation that would be required if individual means testing was done.

Commissioner Dennis asked what was the average cost per child at a LAUP site. The average cost is about $5,000 per child. Nationally, it ranges from $3,000 to $11,000 in New Jersey. Comparatively speaking, LAUP’s program is the equivalent of New Jersey’s $11,000 program.

Commissioner Kaufman commented that he supported the proposed budget for the upcoming fiscal year. He challenged some timing issues regarding LAUP’s future funding. The only way for LAUP to lower their budget in any significant way is to cut the number of seats. If LAUP is spending $60 million and want to reduce its budget to $50 million, approximately 2,000 spaces will need to be eliminated to save $10 million. Commissioner Kaufman requested that LAUP come back in November and provide an update on the initiative and force the Commission to either give LAUP additional funding or lower the preschool seats by 2,000 for each $10 million, if the initiative fails. Ms. Ayala said this was fair as the Commission was allowing LAUP to implement some of the pieces of the initiative and have a better understanding of LAUP’s position.

M/S (Neal Kaufman / Nancy Au)
APPROVED AS RECOMMENDED


NOTE: This item was continued to the June Commission Meeting but Commissioners made the following comments.

Commissioner Stockwell asked that staff review the minutes for the Special Workshop Meeting of the Commission held on April 27, 2011 and list the commonalities across all three buckets.

Commissioner Kaufman clarified that Commissioner Stockwell was asking for guiding principles. He commented that this information would be presented in draft form at the Program & Planning Committee.
Commissioner Au also said that what might be helpful is for staff to do a presentation on where Best Start implementation is at the current moment at the Program & Planning Committee Meeting because it also feeds into the conversation where the Commission will need to make hard decision given the change in landscape.

CPO Gallardo commented that a revised version of the survey was posted on the agenda. To date, 134 responses have been received—40% of the responses are from non-profit organizations and address the goal of children being ready for kindergarten. Those same respondents have stated that in the early learning initiative funding, LAUP and workforce development should be the first priority.

16. Public Comment

Arlene Arnold, SRI Parent
Magali Campos, SRI Parent
Elvia Gonzalez, SRI Parent
Salvador Guevara, SRI Parent
Delmi Orellana, SRI Parent
Denmi Pereida, SRI Parent
Teresa Ramolejo, SRI Parent

ADJOURNMENT

The meeting adjourned at 6:03 pm.

The next regularly scheduled Commission meeting will be on:

June 9, 2011 at 1:30 pm
Multi-Purpose Room
750 N. Alameda Street
Los Angeles, CA 90012

Meeting minutes were recorded by Maria Romero.