CALL TO ORDER / ROLL CALL:

Vice Chair Southard called the meeting to order at 1:44 pm.

CONSENT CALENDAR: (Items 2 – 3)

1. Approval of Commission Meeting Minutes – Thursday, May 14, 2009

Commissioner Fielding commented that he had requested a revision of the prior meeting’s minutes and wanted to be sure that his comments were clearly stated. What he got back was not only what he had added to the minutes of April 9th but also a refutation by staff of what he had said. This did not make any sense to him as Commissioner Fielding was just asking for his comments to be noted in the minutes. He was not asking for rationale of staff as to why or why not the issue being discussed may have been a good idea. Commissioner Fielding commented that this was not what the minutes are for and also commented that he would certainly be happy to discuss with staff at any time, any issues. Commissioner Fielding commented that he wanted to be sure that what he asked to be included in the minutes was actually there.

Per Commissioner Fielding’s comments, the prior meeting minutes will be amended to reflect his remarks.
SUMMARY ACTION MINUTES

M/S (Nancy Au / Evangelina Stockwell)  APPROVED AS MODIFIED

2. Approval of Monthly Financials – April, 2009

M/S (Nancy Au / Evangelina Stockwell)  APPROVED AS RECOMMENDED

COMMISSION: (Items 3 – 13)

3. Announcements by the Commission Chair

Mark Alvarado representing the Government Finance Officers Association (GFOA) presented the Certificate of Achievement for Excellence in Financial Reporting to First 5 LA’s Finance Department for its comprehensive annual finance reports for FY 2007-2008. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting.

4. Executive Director’s Report

RECEIVED AND FILED

In addition to the written report, the following item was highlighted:

Special Election Results: This is the first Board of Commissioners meeting since the May 19th election. Proposition 1D was defeated by the voters. It failed 65.9% to 34.1% statewide and 66.5% to 33.5% in Los Angeles County with less than 25% of the electorate participating in the election.

Since the election, there has been plenty of speculation about what message, if any, voters were sending to the governor and State Legislature. A tremendous amount of work was done to effectively educate voters on the significant impacts Proposition 1D would have upon First 5 LA grantees, Los Angeles County, and the local First 5 infrastructure developed around the State.

Commissioners, staff members (on their own time), grantees, and supportive community members put in an extraordinary amount of time and effort to educate and change the perception of voters during the short election cycle. When Proposition 1D was initially proposed, with its misleading language, likely voters were leaning toward approving it. We came a very long way in a very short period of time. I want to say thank you and take the time to applaud everyone's efforts.

The Governor’s current budget proposal to plug the state’s $24.3 billion dollar shortfall is based on the elimination of safety net programs like CalWorks and Healthy Families. Cuts to Medi-CAL, state pre-school, childcare, and regional centers are all on the table. Local government programs in the city and Los Angeles County will be heavily impacted as well. Any program that is not federally mandated is being looked at for cuts or elimination.

Senate Pro Tem Darryl Steinberg has responded to the Governor’s proposal by announcing his plan to resolve the State’s financial crisis. Democrats want to use up to $4 billion of California’s $4.5 billion reserve to pay for health, welfare, and college aid programs, including Healthy Families and CalWorks. But deep shortfalls still remain in
public education and health and human service programs funding. Assembly Speaker Karen Bass has spoken about raising revenues to help close the budget gap.

The threatened budget cuts naturally are causing a great deal of concern in the health care and early childhood education communities. Grantees and community partners like the CHI’s, the Maternal Child and Adolescent Health programs, and Preschool California are reaching out to legislators, the media, and their clients to advocate for a fair solution that does not disproportionately impacted the poorest in our county and state. Agencies we support and fund, no doubt, will be modifying their service delivery.

(Supervisor Don Knabe arrives and assumes charge of the Commission meeting.)

The First 5 Association called an Executive Committee meeting recently to discuss how to best impact the budget process. It was determined to be most appropriate for local County Commissions to work with their Board of Supervisors to assist with local planning and to keep the local safety net as secure as possible. First 5 California did not attend the meeting, but the hope is that it would be the first Commission to step up to assist the State in easing the budget crisis.

Chair Knabe commented that the Commission needed to be vigilant and observant about its activities. First 5 County funding is still being considered as a revenue source to alleviate the State’s budget crisis. If all budget cuts are approved, Los Angeles County will suffer a $1.8 billion loss in State funding.

Conflict of Interest: In the FYI packet, a couple of articles concerning conflict of interest issues by Commissioners at First 5 San Diego and First 5 Riverside were included for review. The articles focused on conflict of interest issues that have been raised by the local media concerning funding decisions made by those County Commissions.

5. Receipt and Acknowledgement of the 2007-08 Annual Report from First 5 California

The California Health and Safety Code stipulates under Sections 130150 (2) and 130150 (c) that the State Commission shall:

a) Prepare a written report that consolidates, summarizes, analyzes, and comments on the annual audits and reports submitted by the all of the County Commissions for the preceding fiscal year. This report by the State Commission shall be transmitted to the Governor, the Legislature, and each county commission.

b) Make copies of each of its annual audits and reports available to members of the general public on request and at no cost. The State Commission shall furnish each County Commission with copies of those documents in a number sufficient for local distribution by the County Commission to members of the general public on request and at no cost.

First 5 LA has received two copies of the 2007-2008 First 5 California Annual Report submitted to the Legislature and Governor.

The report is available on the First 5 California website (www.ccfc.ca.gov) under the Media/Publications section and on the First 5 LA website (www.first5la.org).
6. Approval of FY 2009-10 Proposed Operations and Administrative Budget and Maximum Administrative Cost Percentage

Director Hause reported that the Operating Budget is divided into three sections: 1) introduction, 2) summaries, and 3) detailed budget recommendations from each department. The Introduction Section included a listing of the Board of Commissioners and senior staff and the Letter of Transmittal. The Summary Section presented the detailed financial data included in Section 3 in a summary format for quick reference to total expenditures by operations, programs and evaluation. This section also included a schedule of authorized positions within the organization. In Section 3, each department provided proposed expenditures for the upcoming fiscal year, narratives that provided the assumptions supporting the ensuing year’s budgeted estimates including variances from the prior year’s budgeted expenditures, an update of the status the FY 2008-09 Goals and Objectives and Goals and Objectives for FY 2009-10. This budget document was prepared on the basis of accounting consistent with the Generally Accepted Accounting Principles (GAAP). Department Directors have prepared expenditure estimates for the FY 2009-10 based upon the anticipated operating, program and evaluation activities for the next fiscal year.

First 5 LA has adopted a Strategic Plan for fiscal years 2004-2009 detailing the continuing commitment to partnering with the Los Angeles County community to improve the lives of expectant parents, children from prenatal stage through age 5 and their families through the allocation of $850 million. In addition to the $850 million allocation previously noted, an allocation of $42 million was made for the School Readiness Initiative and $20 million for the Oral Health Community Development Project during FY 2007-08.

The current maximum administrative cost budget is limited to 5% of the total annual budget. The total annual budget is defined as the total of the budgeted/estimated grantee and contractor expenditures, the budgeted operating program costs and budgeted operating evaluation costs. The projected total annual budget for FY 2009-10 is estimated at $195.3 million providing for a maximum administrative budget of $9,765,000. The proposed budget for administrative cost for FY 2009-10 is $4,871,157 or 2.5 percent.

The Operations Committee reviewed the proposed budget at their regularly scheduled meeting on May 4, 2009 and is recommending approval.

M/S (Jonathan Fielding / Marvin Southard) APPROVED AS RECOMMENDED

7. Approval of First 5 LA’s Long-Term Financial Plan for the Period of July 1, 2009 through June 30, 2015

Director Hause reported that the Board of Commissioners has historically adopted or updated a Long-Term Financial Plan annually at the beginning of the new fiscal year. The Board of Commissioners’ last action was July 10, 2008 when the updated July 1, 2007 through June 30, 2014, plan was reviewed and approved.
The Long-Term Financial Plan for FY 2009-10 through FY 2014-15 is proposed in concurrence with the proposed FY 2009-15 Strategic Plan. The framework for the Strategic Plan has been developed and the Board of Commissioners has previously given approval for a one-year implementation planning phase that will occur from July 2009 through June 2010.

A financial allocation framework will be finalized during the implementation planning phase of the strategic planning process. As a result, the Long-Term Financial Plan currently addresses unallocated funds available at June 30, 2009, and estimated financing resources that will be available through June 20, 2015. This Plan will be updated prior to FY 2010-11 to incorporate the program allocations developed by the Commission during the implementation planning phase of the Strategic Plan. The Long-Term Financial Plan outlines financial planning assumptions and principals that are utilized as part of the long-term planning process.

M/S (Jonathan Fielding / Nancy Au) APPROVED AS RECOMMENDED

8. Approval of the Strategic Plan for FY 2009-2015

Executive Director Martinez commented that it was exciting being at the stage of a final approval of the strategic plan today. It has been an 18-month planning process with everyone working hard to make this a better focused strategic plan and overall direction for First 5 LA over the next six years.

Executive Director Martinez extended her appreciation to the lead staff team and staff workgroups across the organization that supported this work, and to all the Commissioners for their participation in the planning sessions. Executive Director Martinez also thanked the TCC Group for their technical guidance on the critical decision points that emerged from early internal and external assessments and interviews with Commissioners, strategic partners/grantees including staff.

Furthermore, Executive Director Martinez commented that there is much work ahead in the implementation phase in community selection, program model selection, sustainability, additional cost analysis, and other issues which will continue to be discussed at implementation meetings and come later, as appropriate, before the full Board for further discussion and approvals.

In addition to program and fiscal considerations in the strategic plan implementation efforts, there will be follow up on the organizational development and governance points raised throughout this process. The discussion will include staffing resources, internal structural needs in light of the place-based approach as well as consideration for the Commissioner Liaison and governance structure.

Over the last seven months, staff and Commissioners have discussed and worked on the following:

- **First 5 LA Lessons Learned**: Discussion of internal and external assessment of findings on governance, initiative development, grant monitoring and grantee support, and research and evaluation
• National and Local Environmental Scan: Reached understanding of environmental threats and opportunities related to budget crisis, national research, and local efforts relative to the goal statements
• Goal Statements: Identified and approved goal statements and priority measures
• Programmatic and Fiscal Parameters: Discussion and agreements on the scope of the strategic planning budget and prioritization of a place-based approach to funding.
• Strategies Framework: Discussion and approval of prioritized strategies within communities and across the county
• Allocations Framework: Discussion and approval to develop final allocations based on proposed framework during implementation planning.

The strategic planning themes that have resulted include:

• Building on and improving integration of the Commission’s current investments.
• Desire for focused impact upon families in LA County.
• Ability to tell the “First 5 LA story” in a concise and compelling way.

Through this process the Commission reached the following milestones:

1. Approval of goal statements and related priority measures.
2. Approval of a prioritized place based funding approach.
3. Approval of Strategies and Allocations Framework.

Based on the process to date, the following recommendations are presented for approval:

• FY 2009-2015 Strategic Plan Narrative
• Roll-over of $52,257,275 into general funds
• Release of $500,000 for implementation activities
• Approval of $535,000 for Marketing and Communications for FY 2009-10.
• Approval of $612,500 for the First 5 LA TA Institute for FY 2009-2010

Estimate of projected funds for the next six years include:

• Total anticipated revenue plus interest earnings is estimated be $680 million. However, continued threats to this money exist and the potential of other tobacco taxes that may infringe on this amount.
• Projected unallocated funds remaining from the current strategic plan is $137 million ($ in the bank, not allocated)
• Final line item represents allocated, but non-contracted dollars that staff is proposing be rolled into the general funds.

M/S (Marvin Southard / Jonathan Fielding) APPROVED AS RECOMMENDED

9. Approval of the Los Angeles Universal Preschool (LAUP) Performance-Based Contract

Director Bosch reported that consistent with the June 2008 First 5 LA Board action, Altmayer Consulting has been working with staff and Board members from First 5 LA and LAUP to develop a performance based agreement. The purpose of the performance-based agreement is to prioritize the key outcomes intended to be achieved through the First 5 LA agreement with LAUP. The Board has previously approved several aspects of
the performance based contract including the target population and key outcomes and process milestones for FY 09-10. The target population was defined as:

Four year olds living within school catchments in which at least 50% of the third grade students read below the national average for grade level as measured by the reading proficiency tests.

At the April 2009 Commission meeting, the Board approved eight outcomes to be achieved through the LAUP Performance Based Contract. Subsequently, at the May 2009 Commission meeting, the Board approved the performance targets, metrics and process milestones to be achieved as part of the LAUP performance based contract in FY 09-10. The key outcomes and process milestones to be achieved in FY 09-10 were determined to be:

- At least 85% of children in LAUP programs represent the target population
- LAUP maintains an average annual enrollment of 90% or higher
- Increase available fully funded half-day spaces by 400 for FY09-10, thereby increasing the total number of funded spaces to 11,195 by the end of FY09-10
- The average score across all LAUP providers is at or above the "good" level of 5.0 on the ECERS/FDCRS quality rating score.
- 95% of providers have child: staff ratios consistent with the LAUP operating guidelines and Star rating system
- 95% of LAUP classrooms use one of the approved curricula listed in the LAUP Curriculum checklist by the end of FY09/10
- Development of fully operational attendance system by end of FY09/10
- Development of child outcome measures for future contract years
- Development of parent engagement metrics for future contract years

New outcomes and process milestones will be agreed to by First 5 LA and LAUP annually.

At the May 2009 Commission meeting, the Board also supported the recommendation by staff to combine Outcomes 4 and 5 into one outcome which from this point forward is referred to as Outcome 4: Cost-effective quality preschool services are provided to maximize the number of children served. LAUP maintains expense to revenue targets to ensure funds are prioritized on delivery of quality preschool services.

Staff from First 5 LA and LAUP have worked collaboratively to develop a draft grant agreement incorporating the performance targets, metrics and process milestones; a reporting calendar; and a payment structure to incentivize overall performance.

LAUP has submitted to First 5 LA for approval an overall budget of $67,640,909 for FY 2009-2010; this amount includes the $51.61 million allocated for FY 09-10 in the June 2008 Board motion as well as $3.75 for demonstration projects in each supervisorial district, the $6.7 million remaining in the capital contingency fund, and $5.5 million in carryover funds which the Commission previously approved LAUP to use to fund summer school.

Both agencies have agreed that LAUP will be responsible for regularly reporting on the achievement of key outcomes and process milestones. If an outcome target or process milestone is not achieved, LAUP will be responsible for submitting to First 5 LA a corrective action plan detailing the steps to be taken to ensure performance. If corrective
action does not result in successful achievement during two reporting periods, the Board will be notified and will instruct staff on further action to be taken.

In order to further incentivize performance against the outcome targets and process milestones, the consultant and staff propose the creation of a performance incentive fund. This incentive fund will contain unspent First 5 LA monies from LAUP’s annual budget. Money from the incentive fund may be accessed by LAUP in future fiscal years if designated outcome targets and/or process milestones have been achieved. If any unspent funds remain at the end of FY09-10, these monies will be available to LAUP in FY10-11 pursuant to the following:

- 50% of the funds will be released if LAUP achieves the 90% enrollment target
- 50% of the funds will be released in 1/7th portions based on the achievement of the seven process milestones previously approved at the May 2009 Board meeting

New outcome targets and process milestones will be identified annually for the release of Incentive Funds in future fiscal years.

M/S (Don Knabe / Jonathan Fielding) APPROVED AS RECOMMENDED

10. Approval of the Best Start LA Communications Budget of $9.7 Million

The implementation of the Best Start LA focus area is taking First 5 LA in a new direction. The Commission has encouraged First 5 LA staff to take a “high engagement” approach in how the various elements of Best Start LA roll out, including the consistent and appropriate use of the First 5 LA and Best Start LA brands in all components. To this end, in February 2009, the Commission approved the hiring of a Marketing Coordinator whose primary role and responsibility is coordinating the marketing and communication activities associated with Best Start LA. In addition to approving this position, the Commission had previously allocated, in August 2007, $500,000 from the Best Start LA (then called “P to 3”) allocation to be used for public education. As of June 1, 2009, approximately $350,000 has been spent or committed for Best Start LA public education.

Several contractors are already in place to support Best Start LA’s programmatic efforts, both for Demonstration Community #1 and across all five demonstration communities. Currently the contracts or Scopes of Work for these contractors do not include any dollars for marketing, communications or the creation of any promotional materials.

Per the direction of the Best Start LA liaisons, in order for the creation of any communication materials and the implementation of any social marketing strategies to commence, the Commission must approve an additional allocation from the Best Start LA budget. This document is to serve as the basis for a proposed marketing and communications allocation from the $125 million Best Start LA budget. Once the Commission approves an allocation, a Request for Qualifications will be released for a Best Start LA Marketing and Communications consulting firm.

Best Start LA is a multi-dimensional focus area, which includes a wide range of strategies in various sectors. In order for these strategies to be effectively implemented, each requires a variety of communications efforts — from large events involving the entire Best Start LA community to tailored informational brochures given to each of the
60 providers working within California Hospital explaining the benefits of having their clients participate in the Welcome Baby! home engagement program.

This proposal addresses the wide range of public education activities that Best Start LA requires within each demonstration community and the county at large, as well as the communications needs of specific components of the focus area. It articulates what we believe to be the best approach to a marketing and communications plan that promotes Best Start LA’s messages and programmatic goals, and the budget necessary to achieve these goals. It is based upon our initial learnings, thoughts and assumptions about how Best Start LA will roll out in each community and across the county over the next seven or eight years. As the Best Start LA program unfolds, the First 5 LA Public Affairs department, along with our Best Start LA partners, will become more knowledgeable about the tools and techniques that are most effective in building public support around creating communities that are baby and family friendly. Based upon this knowledge, we will adjust the tools, specific budget allocations and the materials needed to best serve the communications needs of each demonstration community.

Chair Knabe inquired if Board approval was required once a potential contractor had been identified. He expressed concern over the general approval of such a large amount of funding without having Board approval of the contractors.

Legal Counsel Steele commented that typically the process has been for the Board to approve an allocation with a not-to-exceed amount. The Board has previously approved a contracting policy and a bidding policy for contracts of this type. Legal Counsel Steele stated that if the Board wished, it could ask that all potential contractors be presented for approval.

Executive Director Martinez further clarified that staff usually requests Board approval to issue an RFP/RFQ, select the contractor, and negotiate the contracts based on previously approved Board protocols and policies. While Chair Knabe understood the process, he still was hesitant about approving a general amount without knowing which contractors would be selected.

Chair Knabe stated that he did not have a problem with the recommendation; but as a responsible member of the Commission, he felt that such a large amount to be awarded should require Board approval.

Commissioner Kaufman suggested that it would be useful for Commissioners to receive information on the criteria used for an RFP or RFQ. He suggested that perhaps standardized language could be developed to include in future motions.

AMENDED MOTION:

Approval of the Best Start LA Communications Budget in an amount not to exceed $9.7 million, authorizing staff to release an RFQ, and submitting for Board approval the potential contractors being considered for the awards.

M/S  (Don Knabe / Jonathan Fielding)  APPROVED AS AMENDED
Commissioner Fielding suggested that a standard approach should be for Commissioners to be provided with information on the vetting process utilized in selecting the potential contractors.

Executive Director Martinez commented that this information had been previously provided to the Commission at the request of Commissioner Kaufman. For future staff reports, the vetting process will be included to show Commissioners how a potential contractor was selected using the previously approved contracting policy.

11. Adopt the Resolution of Intention to Approve a Contract Between the Board of Administration of the California Public Employees’ Retirement System and the Los Angeles County Children and Families First-Proposition 10 Commission

Executive Director Martinez reported that if approved would contract with CalPERS to provide a defined benefit plan for First 5 LA employees. Fundamentally, this is an equity issue for First 5 LA employees. Commission employees have always been eligible for the defined benefit plans that other public servants receive. Parity is being sought in this area with other County employees and with employees of most First 5 Commissions throughout the state. A special effort has been made to make sure that the financial cost to the Commission would not be excessive. In addition, the Commission does have the option of withdrawing participation in CalPERS if the future funding is not available.

Human Resources Director Martinez reported that most public employees in the United States receive their primary retirement benefits through a defined benefit plan. Furthermore, most public entities are retaining their defined benefit plans because of their value as recruitment & retention tools. Offering CalPERS would open desirable pools of experienced employees who already enjoy the benefits of a defined benefit plan and are unwilling to explore employment opportunities with an organization that does not offer one.

First 5 LA’s declining revenue source and highly publicized threats to its funding creates challenges in attracting and retaining employees. Candidates have often articulated concerns about declining revenue streams in job interviews. Offering the security of a long-term benefit would ameliorate some of the perceived risk in making a long-term commitment to First 5 LA.

Finance Director Hause reported that the average yearly increase of the CalPERS is 2.2 percent. Chair Knabe inquired what was the full funding percentage of CalPERS. Finance Director Hause responded that it fluctuated between 90 and 110 percent.

Chair Knabe expressed his concern over the defined benefit plan as it is currently under scrutiny given the present political and economic climates. Furthermore, he inquired if employees were fully aware that they would no longer be contributing to Social Security and that they would lose their Social Security benefits if the vesting obligation for Social Security had not been met. Finance Director Hause responded that employees were fully aware of this issue.

Commissioner Williams advocated for support of the CalPERS program. She commented that she was strongly in favor of having this plan for employees as it is very stable in spite of an economic downturn.
Commissioner Southard asked if the cost of the first year was greater than in subsequent years because time is being bought back for employees to receive credit for prior service years. Finance Director Hause responded that there was a higher rate for the initial year of the program with a lesser rate thereafter.

Commissioner Kaufman asked for clarification on the Commission’s option to withdraw from participating in CalPERS at a future date. Specifically, he wanted to know the impact upon employees. Human Resources Director Martinez responded that those employees who would be vested would retain the employer contribution as well as their own contributions. For those employees who were not vested, they would only retain their employee contributions.

Commissioner Fielding commented that he was supportive of adequate staff compensation. However, he did have a concern that the recommendation has come from the staff, who would directly benefit from it, without any outside third party review. He found the process to be bothersome yet understandable. As a fiduciary, Commissioner Fielding stated that to not have the Commission retain someone who can review this in a broad context, is premature. Commissioner Fielding would feel more comfortable about this issue if the Commission could contract with an outside entity to review the recommendation.

Commissioner Fielding also commented that the Commission was not part of County government, so the correlation and comparison to the County is not accurate. In addition, while he understood the benefits of a defined plan for recruitment and retention issues, staff did not accept a position at First 5 LA assuming a defined benefit plan would be part of the benefits package. He also thought that a three-year vesting threshold was too short given that the County has a 10-year vesting threshold. Commissioner Fielding reiterated his concern about voting for the recommendation without having a third-party review.

Commissioner Kaufman stated most of his concerns mirrored those of Commissioner Fielding. However, his primary concern focused more about needing to know the context of the recommendation as it related to the Commission’s salary structure.

Executive Director Martinez commented that most of the issues being raised were addressed in the last compensation study presented to the Operations Committee at which time it was referred to legal counsel for a third-party review since members of the Committee felt that the consultant had been influenced since the consultant had been hired by internal staff. Executive Director Martinez commented that Legal Counsel Steele had reported to Operations Committee last month that the methodology used for the compensation study had been deemed appropriate. To date, she has not received any formal feedback from Legal Counsel Steele regarding the report submitted by the consultant hired to do the third-party review.

Commissioner Dennis suggested that this issue be referred back to the Operations Committee for further clarification and a recommendation to the Board. Commissioner Dennis stated that staff input should be taken into consideration but that the recommendation should come from the Operations Committee.

Chair Knabe stated that LACERA attorneys could be contacted as the third-party reviewer. Executive Director Martinez commented that First 5 LA had attempted to contact LACERA on several different occasions but had received no response. Chair
Knabe commented that he would get in touch with his contacts at the LACERA office for a timely response.

Executive Director Martinez asked for a timeline so that closure could be brought to this issue. Chair Knabe stated that the timeline would be to have a recommendation possibly for the Commission meeting.

**CONSENSUS:** The Commission referred this item to the Operations Committee for further analysis and discussion. An independent review should be conducted to validate the current recommendation.

Commissioner Southard stated that the timing of the independent review may delay a recommendation from the Operations Committee.

12. Approval of up to $1 Million to Provide Matching Grants to Organizations Receiving ARRA Grants to Serve Young Children and Their Families

Director Bosch reported that at the May Commission meeting, the Board further requested that staff return to request funding for matching grants for organizations within Los Angeles that were successful in receiving ARRA dollars. Given the upcoming deadlines for many of the ARRA grant opportunities (most proposals are due by early July), staff is recommending a matching grants allotment. The approval of this funding is intended to strengthen applications from LA County organizations and leverage federal dollars to increase and improve program support. Staff will develop criteria and a funding mechanism to solicit and select eligible organizations that are applying for stimulus funding that will have a clear impact on one or more of the 2009 – 2015 Strategic Plan’s priority measures. A commitment of matching funds would serve three important purposes: (1) Strengthening local applications and increasing probability of successful applications benefiting families in LA County; (2) Incentivizing use of funding for young children and families; and (3) Highlighting First 5 LA as a key source of flexible local funding.

Staff will continue to track the success of applicants that are awarded either technical assistance or matching grants by First 5 LA. Given the highly competitive nature of ARRA funding, it is certain that such assistance will be appreciated and fully utilized by organizations within Los Angeles County serving young children and families.

Staff recommended the approval of up to $1 million from the general fund to provide matching grants to current grantees as well as other local agencies, municipalities and community-based organizations in LA County receiving ARRA grants to serve young children and their families. In addition, staff also recommended authorization to award matching funds contingent upon successful application for an ARRA grant, with an average match to be between $25,000 and $250,000 depending upon federal award amount and specific grant program requirements. The total of all matching grants to be no more than $1 million.

Executive Director Martinez suggested that the Board place a cap on the maximum amount of matching funds given the limited amount of funding available. Most of the match requirements average 25 percent.
Commissioner Fielding inquired how grantees would be made aware of this matching fund opportunity. Given that the recommendation is only for $1 million, a greater demand may be generated than available funding.

Director Bosch responded that criteria would be established to make sure that funding is available to agencies that are in alignment with the Commission’s priorities.

The staff recommendation is an estimate based on the potential number of applicants and possible matching percentage of funds.

Given the short timeline, Commissioner Southard suggested that the recommendation be approved in concept as the details are worked out.

Commissioner Kaufman commented that it made sense for the Commission to provide matching funds to the Early Headstart, Strengthening Community Fund, and the Family Connections Discretionary grants.

Commissioner Au commented that it would be wise to approve an allocation that would provide enough matching funds for all applicants, knowing that approximately 20 percent of applicants would most likely be funded.

Commissioner Fielding suggested that staff be authorized to match up to $4 million in grants.

Commissioner Dennis added that staff could come back to the Board and request additional funding should there be a need for more matching funds beyond the $4 million.

**AMENDED MOTION:**

Approval of up to $4 Million to Provide Matching Grants to Organizations Receiving ARRA Grants to Serve Young Children and Their Families

M/S (Jonathan Fielding / Nancy Au) APPROVED AS AMENDED

12. Public Comment

   Santos Cortez, D.D.S., Children’s Oral Health Task Force

**ADJOURNMENT**

The meeting adjourned at 4:34 pm.

The next regularly scheduled Commission meeting will be on:

   July 9, 2009 at 1:30 p.m.
   Multi-Purpose Room
   750 N. Alameda Street
   Los Angeles, CA  90012

Meeting minutes were recorded by Maria Romero.