CALL TO ORDER / ROLL CALL:

1. Mayor Antonovich called the meeting to order at 2:17 pm. Quorum was present.

Legal Counsel Steele reported that prior to the meeting, the Commissioners met in Closed Session regarding the public employee evaluation of the Chief Executive Officer. The Commission took no action in Closed Session and voted to continue the evaluation process to the next two meetings in September and October.

COMMISSION: (Items 2 – 17)

2. Approval of Commission Meeting Minutes – Thursday, June 9, 2011

Commissioner Kaufman made a general comment regarding the minutes. He had more trouble with these minutes, trying to understand exactly what the motion was that was voted upon. He suggested that when it made sense, right before voting on something, the motion should be restated. If it is not clear from the discussion, then a way should be figured to do this. Commissioner Kaufman commented that if he had read the minutes
alone and had not attended the meeting or could not remember the discussion, he did now know what was voted on by Commissioners in some of the areas.

Supervisor Antonovich commented that the minutes would reflect the language of the item that was voted on.

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

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

5. Chief Executive Officer's Report

Mayor Antonovich reported that CEO Martinez was out of town. This item would not be discussed.

4. Announcements by the Commission Chair

Referencing a motion that had been introduced by Commission Yancey at the request of Supervisor Ridley-Thomas, Mayor Antonovich reported that as noted in page 31 of the revised June 9th meeting, he requested that the issue of autism be placed on the agenda today, which he did not see.

He was encouraged to see that in his review of the Chief Executive Officer’s Report, an Ad Hoc committee on Autism and Developmental Delays had been formed to identify gaps in the autism program. However, he did not see in the Chief Executive’s Report a reference to last month’s discussion regarding UCLA’s Early Development Screening Initiative. Mayor Antonovich requested that in September, staff is to provide an overall progress update on the Ad Hoc Committee on Autism and Developmental Delays which is to also include the assessment related to University of California, Los Angeles EDSI.

Commissioner Yancey commented that her concern was that in the original conceptualization, the Commission just wanted to make sure that the process of disbursing the funds would be open. Whether it was a RFA or RFQ, it did not really matter. The Commission was not trying to burden the staff; but there was the understanding that there may be contractors who are as good or better at delivering services. The Commission just wanted a chance to reissue that RFA or RFQ, get it out to the public again, and see who was going to be able to deliver the best services.

WITH NO FURTHER DISCUSSION OR OBJECTION, THE MOTION WAS SO ORDERED

Commissioner Au commented that she asked this same question because she had some questions regarding this arena. Commissioner Au recalled a conversation with CPO Gallardo.

CPO Gallardo commented that it was staff’s understanding that by assembling the Ad Hoc Committee with experts on autism, the committee would be made aware of all previous investments that First 5 LA has made, including EDSI among others. The committee could
then come back and recommend to the Commission, with full knowledge of the previous investments, what they still thought was the best way to invest those dollars.

3. Approval of Monthly Financials – May, 2011

WITH NO FURTHER DISCUSSION OR OBJECTION, THE MOTION WAS SO ORDERED

4. Announcements by the Commission Chair

Mayor Antonovich reported that as part of the Rethink, Your Drink campaign, First 5 LA was going to be honored by the cities of El Monte and South El Monte for its efforts.

7. Motion to Continue Discussion and Action on Allocations of Remaining Commission Funds Within Each of the Five Approved Funding Strategies

As a result of the June meeting, the Commission has postponed all AB 99 implementation planning and approved all operation budgets based on last year’s level, eliminating any increases for six months that anticipated new program growth. In June, the Governor signed a State budget without diverting the proposed $1 billion from First 5 Commissions state-wide; yet, also without repealing the state law—AB 99—which remains law.

Mayor Antonovich asked Legal Counsel Steele to provide an update on the legal actions regarding the challenge of AB 99. The Governor did not divert First 5 funding, yet the law remains in effect.

Legal Counsel Steele reported that AB 99 has not been repealed. The requirement to make the payment from First 5 County Commissions to the State Controller by June, 2012 was still existing law. The County Commission lawyers believe that the strategy of the Governor’s Office is to leave AB 99 in place and hope that the litigation succeeds for the State’s benefit and that bill is ratified. The $1 billion accounted for in AB 99 will help to provide some of the $4 billion in extra revenue that the budget counts on in order to balance the budget. Legal Counsel Steele said this was a little bit of a shell game or a slight of the hand situation. The Governor’s Office did not account for the money in the actual budget but the County Commissions’ lawyers believe this is part of the $4 billion that the budget anticipates coming in from unidentified sources.

Mayor Antonovich asked if AB 99 had a sunset clause. Legal Counsel Steele responded that it did not.

Mayor Antonovich stated this was a sword that was hanging over the County Commissions until the legislation was successfully challenged. Legal Counsel Steele stated that another option would be for the law to be repealed by the State Legislature. To date, the State Legislature has given no indication that they plan to do this.

Legal Counsel Steele reported that the lawsuit was going forward. As stated at the last Commission meeting, the hearing has been consolidated in Fresno County. Two main briefs on behalf of all of the First 5 Commissions have been filed in a concerted effort with Fresno County. The briefs will be on the Commission’s website for Commissioners to look at by Monday, July 18th. The judge has set the hearing date for August 29th. This will be the full legal issues hearing. The State will have briefed its position by that point. Currently,
the Commissions are currently engaged in discussions with the State Attorney General over discovery issues. The State Attorney General's Office does not want to comply with discovery that the County Commissions have served.

Legal Counsel Steele will be updating the Commission in writing if there is a result in the case prior to the next Commission meeting.

Mayor Antonovich asked that a report on the hearing be placed on the agenda for the September 8th Commission Meeting.

8. Approval of Integration of Countywide Nutrition Projects

In November 2010, Commissioners Angie Stockwell, Nancy Au and Duane Dennis introduced the initial motion on child nutrition. The goals were to focus on children’s nutritional and physical activity needs. Subsequently, Mayor Antonovich introduced a second motion in February 2011 on the goals which would focus on direct services as well as environmental and policy level changes to impact reductions in childhood obesity County-wide. This was to include performance targets and that led to the proposal.

Director Iida reported that the memo that staff has prepared has been done so in response to Commissioner suggestions for staff to think creatively as they begin to implement many of the new investments that the Commission has made. Therefore, staff is seeking, in the memo, approval of the integration of two projects that both aim to address childhood obesity in Los Angeles County. These projects also nicely share First 5 LA’s strategic goal of maintaining healthy weight. Staff saw the opportunity for these to come together as a way for staff to be able to really enhance each project’s potential to impact the County’s children and also broaden its reach County-wide. The projects have very similar but yet complementary strategies in addressing childhood obesity. Both are also share a common strategy in terms of addressing the environmental factors that influence dietary practices and physical activity.

Staff is proposing to integrate the two projects in a way that would allow staff to broaden the reach, create a more comprehensive program; and yet, to build upon each other’s strengthen and be able to, at the same time, fill a project that if it were to be implemented individually, would not be able to make a broad impact as if done in combined ways.

Commissioner Yancey asked if there was going to be some savings in terms of administrative costs given the merger of the two projects. If this was the case, Commissioner Yancey asked how those funds would be used. In other words, as a result of this merging, Commissioner Yancey asked if the Commission would provide more benefits for the children.

Director Iida responded that even if the projects were going to be merging, the original intent of each project was going to be retained. The cost savings would be in terms of the administration of the project since the larger project proposes to have one large entity to serve as a project manager and administrator. In essence, having that role would provide the cost savings for the smaller project. If the smaller project was to be implemented individually, the project would have to be able to carve out some of the $6.2 million of that investment and apply it toward the administrative cost for managing the project and evaluation.
Commissioner Yancey stated that assuming there was a cost savings, she asked how would that cost savings be directed back into project and how this decision would be made in terms of how the savings are utilized.

Director Iida commented that staff was envisioning that for the smaller project investment, the cost savings would go toward the childcare centers. Through this, the Commission would be impacting the policy institutional changes that the smaller project was intended to make and also provide enough resources for the childcare providers to be able to make those changes—serve the children and the families.

Commissioner Yancey commented that staff anticipated having a larger dollar amount to be able to go to the childcare centers. She asked if staff anticipated being able to serve any more childcare centers.

Director Iida asked if Commissioner Yancey was referring to more childcare centers than originally planned due to the savings. This would be the case when looking at the overall investment in all the categories that have been planned for these two projects. The Commission is going to provide more resources for the childcare providers. One of the intentions of merging the two projects was to finding efficiencies in a way to enhance each other’s activities. When staff started working on these two projects, which were presented at different times by different Commissioners, staff looked at how these two projects were going to affect the overweight and obesity prevalence of children in Los Angeles County. Staff tried to identify the best way to make them work together. Looking at the resources that exist nationwide, staff looked the CDC recommendation for community-based intervention and looked at the six category groups that they recommend. Staff saw how these two projects touched upon those different categories in different ways. By merging these two projects, staff was going to be touching upon each one of those category groups and making that integration would have a better outcome results for the Commission’s investment.

Commissioner Yancey asked how this merger, in essence, would affect the data analysis process. She asked if this larger entity would take on the function of evaluation. Director Iida responded in the affirmative and also stated this was where the administrative savings would into play.

Commissioner Martinez asked if DPSS became the granting entity. Director Iida stated this was not necessarily true. Although DPSS was identified in the proposal, staff have a rigorous test which all grantees have to comply with internally, whether it is this project or any other project. Staff still has to go through this internal vetting process but is certainly looking for a large entity that has many of the capabilities to be able to implement this project as proposed. This includes having the infrastructure, the network, the demonstrated experience, the expertise in the subject matter, and all of the relationships throughout the County. The original proposal that Mayor Antonovich introduced was really based on building a County-wide private-public partnership. This was one of the key elements that staff would be looking for—such an entity that would be able to hold that position.

Commissioner Martinez asked if the CDC community transformation grants were going to be one of the priorities of whoever the lead was. Staff anticipates that this is one of the
leverage points that will happen. Staff will look at resources that may come to Los Angeles County that by virtue of this work and which can be leveraged upon. The work that is being done to address obesity in children is going to make the Commission look from the federal government standpoint, as a County that is doing significant work and may help get more funding approved for interventions.

Commissioner Martinez asked if the target date to release this money was still in September or October. The release of the funding is dependent upon what funding mechanism staff is going to utilize. As soon as approval is granted to merge these projects, staff will comply with all AB 109 requirements and move forward.

Commissioner Stockwell asked that regardless of the agency that would oversee this project, would First 5 LA still maintain a strong oversight so that the integrity of both projects are full blown.

Director Iida commented that like in any other project, staff will go through the normal rigorous contract negotiation process, especially for a project of this scale because ultimately when these two projects are merged, the investment for nutrition and physical activity was going to increase to $42 million.

**WITH NO FURTHER DISCUSSION OR OBJECTION, THE MOTION WAS SO ORDERED**

9. Approval of Modification of Peer Support Groups Project

Mayor Antonovich stated that this motion was originally introduced by Commissioner Fielding. Staff performed an analysis and brings forth their recommendation for funding for the proposed goals.

Commissioner Harding commented that this was originally introduced as a proposal by Commissioner Fielding; and, over the last few days since the agenda was released, she has had the opportunity to have conversations with staff. She thanked staff as those conversations have been very helpful. Commissioner Harding stated staff have done a superb work on trying to pull this recommendation together; but, sometimes what happens when you have an idea of what a proposal is and how it gets translated, things get lost.

There were several concerns that Commissioners Fielding and Harding have about the way this proposal was being brought forward in today’s staff report. Therefore, Commissioner Harding asked for more time to have more conversations with staff about the proposal and moved that the Commission vote in September because there are several concerns with the way the proposal is laid out, no fault of the staff. She reiterated how much she appreciated staff’s work on this and all of the incredible work that has taken place to date.

Commissioner Harding made the motion to continue the approval of the modification of Peer Support Groups Project to the September Commission meeting.

**WITH NO FURTHER DISCUSSION OR OBJECTION, THE MOTION WAS SO ORDERED**
10. Approval of the Enhancement of the Cal-Learn Project

Mayor Antonovich commented that this project reflected a motion that Supervisor Molina and Mayor Antonovich had passed unanimously by the Board of Supervisors. The Commission approved $2.9 million in one-time bridge funding to continue serving the high-risk teen parents with children ages birth to five years participating in the Cal-Learn Program. There is a proposed enhancement to the Cal-Learn Program to provide technical assistant for case managers on the First 5 Kit for New Parents.

CPO Gallardo reported that an approval of up to $50,000 was being requested to enhance the Cal-Learn Program with training and support for the utilization of First 5 Kit for New Parents. The kits are available in English and Spanish. CPO Gallardo was very pleased to report that a contract with DPSS had been signed and the Cal-Learn Program would continue to provide services to high-risk teen mom and pregnant teens. The bridge funding has brought a great deal of good press to First 5 LA as the announcement was made to many local newspapers. As background information, it is important to highlight that this program was approved by the Commission last month.

When DPSS learned that the State was suspending payments to Cal-Learn for FY 2011-12, the Commission mobilized swiftly to ensure these vital services stayed in place for a very vulnerable population. Because this is a very high need population that needs as much support as can be provided, staff recommends an enhancement of the program by adding a component that has proven to be very effective—the First 5 Kit for New Parents. In helping to provide the highest quality service possible, staff recommends integrating the use of the Kit for New Parents into the intensive case management and education that DPSS staff will provide to the Cal-Learn clients. This investment, which is a one-year project, will make training and technical assistance available to Cal-Learn case managers on the use of the First 5 Kit for New Parents. Through this project, staff expects to build a case manager’s capacity and incorporate a tool that is free of access once this project is over.

Under this project, the Cal-Learn Program case managers and its contractors will incorporate didactic activities and information resources for the Kit for New Parents into the services provided to high-risk pregnant teens and teen parents with children ages zero to five years. Upon approval, staff will issue an RFQ to select the contractor to carry out this project.

Commissioner Kaufman commented that it was good to see the Kit for New Parents coming back to the attention of the Commission. He had always been interested in getting follow up on the use of the Kit for New Parents. Commissioner Kaufman stated that he was fine with the staff recommendation but suggested that the approval be “up to” $50,000. He also stated that he had no idea if it costs $50,000 to do everything in the staff recommendation but left this up to staff to determine. Furthermore, Commissioner Kaufman also stated that he did not want to get into the detail of whether $50,000 was necessary to do what was stated in the staff report. Obviously, if the work can be done for less, it would be done as such.

Commissioner Au commented that she was assuming that staff had been tracking the impact of the utilization of these kits. With this expansion, she asked if this particular project would also be included in that evaluation process as well. Director Jimenez nodded yes.
Commissioner Martinez applauded staff’s foresight and thinking on this project while creating a synergy with something that the Commission was doing. The $2.9 million was gap financing so that the program would not go dark while the budget crisis is happening. She stated that staff saw an opportunity to be able to work with a very vulnerable and needy teen population and also advance and promote something the Commission believes in—the kit. Spending up to $50,000 was well worth it to be able to access this information for about 1,200 teen moms. This was a good opportunity for staff to be thinking ahead of the plan and seizing other opportunities to coordinate the Commission’s efforts.

Commissioner Stockwell echoed the comments of kit. She stated that the kit was bilingual, for individual who are bi-literate. She asked what help do the parents get who are not literate. She also asked if the CD in the kit had everything that was in written form within the kit. Commissioner Stockwell was concerned about parents who could not read Spanish or English.

CPO Gallardo responded in the affirmative. The purpose of incorporating the kit into the Cal-Learn Program was to strengthen the capacity of DPSS and AFLP to provide services to their clients. These two entities would be directing activities as well as providing the kits to the teenage mothers.

Commissioner Tilton commented that she had been wanting to re-establish the Kit for New Parents for a long time. She clarified that the kit was only going to go to teen parents in the program and that it was not going to be distributed to all new parents as was the case originally.

Conrado Barzaga, Senior Program Officer, addressed the Commission from the presenter’s table and stated that with this particular program, the kit would only be distributed to program participants. There were other programs that were integrating the kit. What was different about this particular project was that the population is very high-risk and the case managers that are providing intensive case management will include didactic activities that are included in the kit as well as monthly activities with the teen mothers and pregnant teenagers. The kit continues to be distributed through other programs and hospitals participating in the baby-friendly hospital initiative.

Commissioner Tilton asked who decided what goes into the kits. There was great information but some things were missing. CPO Gallardo commented that it was his understanding that the State Commission (First 5 California) decided what was included in the kit. Commissioner Tilton asked if it was possible to add other items to the kit. For example, the kit would be a great tool for disbursing information on the infant safe sleeping initiative. The current material in the kit about safe sleeping was okay. She strongly urged that the Commission’s brochure on safe sleeping be included in the kit in addition to any other materials developed through the Safe Sleeping Campaign.

CPO Gallardo commented that the State Commission would need to be contacted to see what opportunities were available for providing feedback and kit enhancement.

Commissioner Tilton commented that the kits would need to be opened and filled with the additional materials.
CPO Gallardo commented that the State Commission would be open to incorporate enhancements to the kit for future releases.

Commissioner Tilton commented that she would have other colleagues look at the kits to see what other things could be incorporated.

**WITH NO FURTHER DISCUSSION OR OBJECTION, THE MOTION WAS SO ORDERED**

6. **Approval of the First 5 LA Programmatic Budget for FY 2011-2012**

Mayor Antonovich commented that the proposed programmatic budget for FY 2011-2012 included a 36 percent increase of over last year’s budget mainly for Commission approved transition funding for existing programs carried over from the previous strategic plan, programs in the new strategic plan, and proposed increases in resource mobilization. While LAUP is the largest contractor, its one year funding is included in the 2011-12 programmatic budget but its overall allocation through 2016 was not included in the strategic plan as an early learning category of spending.

The budget should be presented in full context instead of partial. Mayor Antonovich said that staff was clarifying addendums based on Commissioner questions that were going to be submitted today for consideration. He said more time was still needed for review of the programmatic budget to have an accurate picture as to which direction the Commission was going to take, and to make any additional corrections or additions.

Last year, the budget process was handled in two steps. The first meeting was done in May and that involved the type of budget discussion which the Commission was going to be engaged at today meetings. During the second meeting in June, the budget was finally approved. Mayor Antonovich recommended that last year’s schedule be replicated and have a two-step process to allow the Commissioners to consider the new information, recommend changes, and allow any necessary time to receive requested information. Mayor Antonovich would made the following information requests.

   a. What was the estimated total value of available resources for FY 2011-12 and include the starting budget balance of July 1st plus the anticipated revenues.
   b. Within the Commission’s estimated total available resources, provide line item details of how much was contractually obligated through existing programs and initiatives, noting any increases or decreases over the last year’s budget and distinguishing previous programs from the new strategic plan programs.
   c. How much was reserved through documented Commission action, noting those which solicitations or strategic partnerships are in process and how increases proposed in the programmatic budget correspond to increase proposed in the operations budget. For example, those related to administration and how many contracts are to terminate during FY 2011-12 without additional extension or alternative financial sustainability and anticipating unforeseen contract extensions that would further impact the proposed budget. What will be the ending fund balance on June 30, 2012 representing the Commission’s unreserved funds.

Commissioner Au commented that she also had questions having to do with more details in the budget presentation because in some ways it was too general, especially with the lump sum amount being rather jarring until you get into the detailed information. She did not
want to be making a decision without having this further clarity because the decision would not be quite an informed decision on her part. If this clarity could be provided, it would be helpful.

Commissioner Au also concurred with Mayor Antonovich that there was a two-step process to the budget approval last year. Imbedded within that process was a briefing of some kind by staff so that Commissioners were able to get more of the budget details. She suggested having briefings this year as well.

CPO Gallardo commented that the objective of staff in this section of the meeting was to support the Commission in understanding the elements that were proposed in the programmatic budget. As part of the process, he would start framing the context that lead staff to the preparation of the budget. Each of the program Directors would be providing a brief three-minute summary highlight on the major areas that they would be working on for the fiscal year and then an opportunity would be provided for the Commissioners to ask any clarifying questions that staff may answer.

CPO Gallardo stated staff would be using two sets of documents associated with the budget. One of the documents was the memo that was contained in the Board packet, Item 6, page 58. The other document was included in the FYI folder. The memo contains all the details that staff considered would inform the Commission about the programmatic activities that are being planned to be executed this fiscal year. The complementary packet in the FYI folder contains additional information that some Commissioners, after receiving the meeting packet, thought it would be useful to have for the meeting. The recommendation is for the Commission to approve the programmatic budget and authorize staff to negotiate contracts and issue grants necessary for implementation. The memo follows the format approved as part of the strategic plan. The budget is therefore, presented using the four major categories approved in the strategic plan—County-wide; place-based; research and evaluation; administration. Additionally, staff included figures associated with prior strategic plan investments as well as with LAUP. This budget request of $221.8 million represents an increase of 36 percent or $58.9 million with respect to the previous year’s fiscal budget of $162.9 million. This increase comes mainly from three categories: (1) $28 million from the County-wide direct services that have been approved since November, 2010; (2) about $21 million from the extensions approved for the transition grants at the County-wide and place-based levels; and, (3) about $10 million from an increase in resource mobilization efforts. As of June 30, 2011, there was an estimated fund balance close to $800 million, about $787 million. This budget request represents about one quarter of that balance. The exact figure will be provided when the close of fiscal year reports are issued in mid-September.

As a reference, pages 58 and 59 of the memo include three tables associated with the approved budget categories in the implementation plan. The first table on page 58 is included as a reference for the Commissioners to see an estimated allocations approved in the strategic plan. The table at the bottom of the page shows the allocations approved to date. On page59, it represents the same budget categories and how the allocations will look like if the budget being presented today is approved. CPO Gallardo further commented that it was important to mention that in the case of the place-based investments, the figure reflects yearly approvals while in the case of the County-wide investments, in addition to yearly approvals, it also contains approval for multi-year projects. Also per Commission request, staff has included in the budget both expenditures for approved allocations as well
as a request for new allocations. The breakdown is provided in the FYI folder. Starting on page 72, staff has provided additional details for the budget line items that were aggregated in Table 1.

CPO Gallardo pointed out that with the exception of CARES+ and P-5 competencies, all the other items listed in Attachments A through E correspond to estimated expenditures for allocations that have already been approved. Therefore, these expenditures are not new. Staff estimated expenditures for the projects listed in those Attachments A through E using different levels of information depending on where the project was on the design process. For example, the earlier in the process that a project was, the more rounded the figure might look like because staff does not know all of the specific details about implementation as of yet. For some projects, staff knows more about the ramp up pattern than the others. This is reflected in those estimates too. In the case of resource mobilization, approving new allocations will allow staff to know the investment parameters to pursue leveraging opportunities. Not having the level of funding available to invest will prevent staff from pursuing those opportunities. There are additional details for the resource mobilization line item that can be found in the yellow tab in the FYI packet. This line item was aggregated in Table 1. The yellow table provides a breakdown among the different activities that staff is proposing to invest the resource mobilization funds.

In the blue tab, staff has included expenditures on new allocations until the end of the strategic plan or beyond that for multi-year projects that go beyond 2015. The projections start with the major budget line items. Details are provided for the aggregated items. CPO Gallardo asked Commissioners to keep in mind, that for multi-year approved allocations, staff has certainty of the total expenditures for the period under consideration. The rest of the projections were estimates. These projections were only intended to provide the Commission with a general picture of the aggregated investments over time.

As part of the budget presentation, CPO Gallardo asked the Program Division Directors to provide a brief summary of the planned programmatic activities as well as answer any questions associated with their areas of responsibility.

Commissioner Harding thanked the staff for providing the additional information on the proposed programmatic budget. However, Commissioner Harding felt it was very dense. Personally, she did not feel ready to approve the item today because of the large amount of additional dense information that had been provided. Commissioner Harding thanked the staff for the updates—some of it came through beautifully in the write-up and some of it was new. She could not capture all the information as it was presented rather quickly. There was a lot of information and as Commissioners being the stewards that they are of these funds, Commissioners needed the time to review the information carefully and thoughtfully to be able to vote on the recommendation.

Commissioner Dennis referenced page 61 of the meeting packet and asked Director Nuno about the $500,000 amount listed under resource mobilization. Commissioner Dennis specifically asked if this amount was for the County Childcare Policy Framework that was put forth to the Board of Supervisors by the Roundtable. Director Nuno replied that it was.

Commissioner Stockwell commented that approximately in six months, the Community Investments Department has been able to expend almost $8 million of the revenue and leveraged a 1:1 match of these funds.
Director Nuno also added that with the Oral Health and Nutrition strategic partnerships, these were not part of the $11 million but included cash and in-kind resources. For the most part, all leveraging activities have been a 1:1 match of funds.

CPO Gallardo commented that was also important to mention that about 90 percent of the match are for fiscal funds. These were actual dollars.

Director Nuno also commented that currently there are 10 projects and 14 new additional projects are being planned.

Commissioner Stockwell asked Director Jimenez that in research and evaluation, $3 million have already been spent out of the $10 million listed. The request is only for $6 million. Director Jimenez commented that the amounts are based on the program totals using five percent as a basis for determining funding.

Commissioner Stockwell asked for clarification regarding the practice of all the programs to be evaluated including a five percent allocation for the evaluation component. Director Jimenez clarified that in a program-by-program basis, in some cases, the evaluation component could cost significantly less than the five percent and in some cases slightly more than five percent because there may not be data available. In the past, the Commission has allowed staff some flexibility to be able to use the total five percent and make sure staff was efficient and effective in the implementation of the evaluations.

Commissioner Stockwell further asked if programs for which the Research & Evaluation Department was responsible for crafting and evaluating, whether it was an initiative outside or an investment outside, would the Research & Evaluation Department still have oversight. Director Jimenez asked for clarification if Commissioner Stockwell was referring to other programs that were being leveraged or other systems who were doing similar work to the Commission.

Director Jimenez spoke about the collective impact such as to what extent has there been decreases in child overweight and decreases in healthy births or births below a certain weight. When these questions are addressed, then the Commission can know how and why those things happen because there are several systems currently working toward these goals as well as the Commission. Commissioner Stockwell asked if there was any investment or system that the Research & Evaluation Department was not involved in. Director Jimenez commented that there was an understanding and expectation that the Commission wanted to know when an investment was made, if there was an outcome produced.

Commissioner Southard commented that there might be some idea of delaying approval of this item for a later time. He wondered if the Commission took a course of action like that, if there would be any operational impact to programs that the Commission already decided that they wanted to move forward by delaying this action.

CPO Gallardo commented that there were only two items that need Commission support—approval to continue using the funds that have been previously approved to continue operating until September and out of all the projects, there was one that would be negatively affected and it was the Welcome Baby! If the Commission waited until
September, there were not funds for this project and implementation would be delayed. These were the only two items for which support was needed.

Commissioner Southard commented that there may be other items that the Commission has previously expressed a desire to move forward with and by not approving a budget, a two-month delay would take effect in projects that were already delayed. He was not in favor of a blanket delay unless this was what the Commission wanted to do.

Commissioner Harding asked if a status quo could be approved. In essence, moving forward until Commissioners have had a chance to review this information more thoroughly and vote on the augmentations at the September meeting.

Commissioner Southard commented that the Commission could do anything it wanted to.

Commissioner Dennis commented that business could not be stopped. Some of the projects have already been approved. For example, place-based projects. There were contractors out there who expected to continue as of July 1st.

Mayor Antonovich commented that in situations such as these, the Board of Supervisors continues contracts on a month-to-month basis.

Commissioner Dennis commented that folks in the community had been waiting on project funding for nearly a year and now the Commission was going to go another quarter without approving a programmatic budget. This is a $221 million annual budget. The Commission was losing $55 million in the first quarter because the Commission did not have a budget. This may be exactly right because some things will be continued. He has been the one Commissioner to say and suggest that the Commission needed to expend the programmatic funds responsibly and efficiently. Now, the Commission was making the decision to wait more time. This was a process that could be mind boggling for those community stakeholders who are waiting and wanting of these monies, especially since a lot of those stakeholders are now in a new fiscal year and they have incurred sufficient budget cuts as a result of what is going on at the State and federal level. Commissioner Dennis said he must be of the minority opinion but did believe the Commission could move forward and revisit in September the programmatic budget issue, if needed.

Commissioner Tilton asked what would be held back if the Commission did not approve the proposed programmatic budget and by definition everything else would go forward.

CPO Gallardo commented that it was important to clarify that there were remaining funds from items that have been approved before. He has checked with the staff and the Commission could continue to move forward with those funds to the extent that those funds would last, hopefully until September. In this case, there was always a risk that the Commission might run out of funds before September and activities would stop. That aside, there was only one item in the budget that had not had any allocation before. This was the place-based component of Welcome Baby! Not having any funds in the past for this item would delay implementation by three months.

Commissioner Tilton asked again if everything else would go forward pending the review of the proposed programmatic budget in September.
CPO Gallardo said this would take place as far as the current approved funding would allow to do so. There was a certain amount of money left over, unexpended funds, and it would be continued to be used until it ran out.

Director Hause clarified that the allocations being talked about were adopted in June 2010 for FY 2010-11. These allocations were the original allocations adopted with the strategic plan. Staff would ask to be allowed to continue with what was remaining of those allocations in the next of couple of months at a minimum.

Commissioner Tilton asked for further clarification on what projects could move forward, specifically if resource mobilization could go forward.

Director Nuno commented that there are some funds that were not obligated, were approved by the Commission, and therefore, could be used to move forward.

CPO Gallardo commented that in the case of resource mobilization, there were $3 million that were left. Independently of how many opportunities came across now and September, no commitment could be made beyond $3 million.

Commissioner Tilton commented that resource mobilization has brought in a lot of matching funds which may continue to do so. This was an excellent investment.

Regarding infant safe sleeping, Commissioner Tilton asked if this project could go forward. CPO Gallardo responded yes as it was a project previously approved.

Commissioner Tilton agreed that the Commission could hold back the one initiative that had not received any funding approval and revisit it in September. She reiterated that the material was dense.

Director Hause clarified that an allocation was approved for the Infant Safe Sleeping Project but a programmatic budget for FY 2011-12 for this specific project has not been approved.

Commissioner Southard stated that the safe sleeping project would be an example of a program that would be stalled.

CPO Gallardo stated that this applied to all direct investments in County-wide activities that were approved in November.

Commissioner Southard said that this was his point. The Commission has made some commitments to County-wide projects and unless a budget was approved to funds those commitments, those project would not move forward for two months. He asked if this really was what the Commission wanted to do.

Commissioner Dennis expressed his concern about this situation. Commissioner Tilton also expressed her concern.

Commissioner Southard commented that an alternative could be to build upon Mayor Antonovich’s suggestion that the Commission fund contractors on a month-to-month basis for existing commitments plus the approved programs pending a review in September.
Commissioner Martinez asked if the East Los Angeles College Childcare Providers Program was impacted since the goal was to begin functioning in August.

CPO Gallardo commented that unless the programmatic budget was approved today, this project could not move forward.

Commissioner Martinez commented that this would mess things up for East Los Angeles College as the school was on a semester system and classes began in August. She also asked what the delay would do to the dental health RFP that was currently posted. Director Hause clarified that the OHCD funding allocation had been previously approved.

Commissioner Martinez commented that East Los Angeles College would want the project start date to coincide with the start of the semester.

Commissioner Au asked if the programmatic budget was approved, what was realistic in terms of projects being funded and out the door. She asked if the Commission still need to engage in an RFP process, a competitive bid process, and in actuality was that implementation going to take another six to 10 months. She asked for a timeframe.

Commissioner Au was also concerned similarly to Commissioner Harding and Mayor Antonovich that there are a lot more questions that needed answers. She felt it was not appropriate, at the present time, to pose these questions because she needed to be engaged in a more in-depth manner to feel comfortable with the information being presented. There was some impact as well because new programs and projects authorized by the Commission and it was agreed to move forward; but, yet approved a zero-based budget for administration. There are some concerns regarding this issue.

Commissioner Au further stated that there were a lot of ramifications. She wanted to be clear that if the Commission approved the programmatic budget as presented, what was realistic in terms of getting these projects out of the door and funded by September.

CPO Gallardo commented that it depended on where the projects were in their design. It was important to know for sure that if the programmatic budget was approved, the money would not be spent in three months. The approval would allow staff to know the parameters under which negotiations could take place with the different providers. As CEO Martinez mentioned at the last Commission meeting, not knowing exactly how much money was available does not allow staff to move forward with contract negotiations, issuing RFPs and RFQs. The approval would allow staff to move forward with the issuance of RFPs and RFQs and but the money might not be spent by September.

Legal Counsel Steele suggested a compromise in order to keep the projects moving forward which was that staff be directed that the budget was approved but not to contract for any amount in the budget that was not in the previous budget until after the September meeting. Staff could issue RFPs, issue RFQs, go forward with the design project but not actually spend the dollars until staff came back for a budget approval in September.

Commissioner Martinez commented that some of the projects did not require RFPs. These projects were ready to go but staff just needed the authority to start working on the contract so these groups can get their money. Those programs can actually start in
September if the Commission gave permission to the staff to start negotiating. It was at the last meeting where the Commission decided to continue forward until the State told the Commission that it needed to have the money. This was the day when the Commission could start re-adjusting and make cuts. This was part of why staff was asked to come back and start moving forward to begin negotiating contracts, issuing RFPs and RFQs to get a point where the Commission was ready to fund.

Commissioner Kaufman commented that he has gone on record stating that money was not being spent quickly enough. There was a Planning Committee Meeting in two weeks that could also be a full Commission meeting. In the past, the Commission has met twice a month and there was no reason that could not be done causing only a 14-day delay. His sense was that there were some projects such as the East Los Angeles College Project where it would cause significant harm if that project did not go forward. There were other projects that were about to sit on an RFP for two weeks from now and which would not come back to the Commission for another four weeks, and it would almost make no difference. Commissioner Kaufman said he was sorry staff did not array that for the Commissioners. Knowing what had to be decided at today’s meeting, the Commissioners could have spent time talking about those projects and deciding which project to fund while staff could continue to work on those projects that could wait. Since Commissioners did not really have that information and there were a number of questions, one option would be for the Commission to meet on July 28th, 2 pm – 4 pm, which was the scheduled Planning Committee meeting time.

Commissioner Kaufman commented that that meeting could become a Commission meeting and staff can be instructed on exactly what information needed to be provided to Commissioners. This would allow Commissioners a couple of weeks to understand what the issues were. He has spent hours looking at the proposed programmatic budget and multiple hours talking to staff and still does not get it. There are moving targets on the types of funding that merit answers to Commissioner questions.

Commissioner Stockwell commented that at the last Commission meeting, Commissioners talked about the consortium that LAUP was overseeing. Part of this Consortium was the merging of the East Los Angeles College Project. The Commission had a long discussion on this issue and decided to move ahead.

CPO Gallardo responded that the Director Hause had clarified that although an allocation was approved, until a programmatic budget was approved for those line items, staff could move forward with contracts.

Building upon the recommendation from Legal Counsel Steele, CPO Gallardo suggested approving the programmatic budget in concept, holding off on the contracts, and staff would bring to the Planning Committee the contracts that absolutely needed to be authorized so that projects were not held back. These contracts could be brought back at the end of the month.

For the purposes of discussion, Commissioner Southard moved a motion based on CPO Gallardo’s suggestion. The budget would be approved in concept so that the planning could move forward and, in two weeks at the Planning Committee meeting, Commissioners would take up approval of those specific contracts and actions that would be harmed by delay.
Legal Counsel Steele commented that the additional questions that Mayor Antonovich asked in his introduction would then be answered at the September Commission meeting.

Commissioner Kaufman commented that the budget would be approved in concept and have it come back in September when Commissioners would need to go through the programmatic budget with a fine-tooth comb to understand and be ready to modify the total amount that went to something other than what was going to be contracted two weeks from today’s meeting. Commissioner Kaufman stated that he did not understand what the numbers were. He was distressed by the four-year and five-year plan in terms of the way some of the numbers were presented. Those contracts and actions that would be harmed by the delay would be presented two weeks from today and a more detailed discussion would take place in September.

Commissioner Au commented that there were some presentations that she felt comfortable with and there were some that were still muddled. Perhaps instead of taking the whole kit and caboodle, it would be helpful to have the programmatic budget in parts. She said that she did not have any problems with the research and evaluation component of the budget except for, perhaps, more of a request that Commissioners get more reports on the economic impact of the Commission’s investments.

Commissioner Kaufman asked if some of these issues could be discussed at the Planning Committee meeting. Commissioner Au was receptive and also suggested a briefing.

Commissioner Kaufman commented that unless otherwise noted, the agenda items for the Planning Committee would be the contracts and actions, an update on Metro LA and an update on Best Start Communities.

Director Wolfe commented that staff was prepared to answer Commissioner questions.

Commissioner Martinez asked for an amendment to the Policy Department activities. Last year, the Commission approved the funding for a State advocate to deal with potential Proposition 10 issues that were encountered. In the language that was approved, it said that funds must first be threatened before the advocate could be hired. The last time when Proposition 10 was attacked, it was too late to hire an advocate. By the time the threat was imminent, it was too late to send out an RFP and the Commission was not able to take advantage of hiring an advocate. The money is rolling over into next year. Commission Martinez requested that authority be given to staff to immediately interview and create a pool of State advocates so when there was a crisis, an advocate can be drawn from the pool. An example of when to hire a State advocate would be to repeal AB 99.

Commissioner Kaufman clarified that the July 28th meeting would be a regular Commission meeting. Commissioner Martinez requested that Director Baker bring back this issue as one of the items needing action on July 28th.

Director Nuno stated that for clarity of the minutes, Commissioner Tilton has asked earlier how much funding had been leveraged. She stated resource mobilization had spent $8 million of which 73 percent of the $8 million has been obligated or contracted. Resource mobilization estimated that the match would be approximately $7 million.
Commissioner Yancey commented that she was struggling with the approval of the programmatic budget in concept because there were few concepts that were brought up today that she has heard for the first time. For instance, the Commission only had the capability of responsibly spending $200 million up to 2015 on the Best Start Communities. She was still spending a lot of time trying to align the strategic plan with the proposed programmatic budget. Commissioner Yancey said that she certainly did not want to hold up any projects but it sounded that there were relatively few projects that were going to be held up in any way. She did not see why the programmatic budget needed to be approved in concept if the Commission could authorize the approval of those contracts that were going to be held up at the July 28th meeting and get fully involved in the fall. It sounded like there were a lot of people who were not fully comfortable with the information presented and approving the programmatic budget in concept suggested that the way it was allocated and set up was the best understanding of what the Commission should be doing in moving forward.

Commissioner Yancey commented that she needed a lot more time to digest the information and that it was not provided far enough in advance of the meetings to be able to allocate the kind of time it takes.

Commissioner Southard commented that the idea of approving the programmatic budget in concept gave the staff the ability to move forward with the developmental process. It did not commit the Commission to taking any programmatic action which would back come at the September meeting. Approval in concept just meant that things did not have to come to a dead halt except for things that were rolled over.

Commissioner Yancey commented that according to CPO Gallardo, there were only a few things that would possibly come to a dead halt.

Commissioner Southard stated that there were a whole bunch of things that were related to the County-wide investment that would come to a dead halt that Commissioners, for various reasons, wanted to have happen. Those projects would come to a full stop until programmatic approval was granted. He said that the developmental process should move forward and if there was a major concern, such as the rate of spending for Best Start Communities, this could be dealt with in September because this would not be determined one way or another by that time.

Commissioner Kaufman stated that some of the place-based activities could not move forward such as community planning.

Commissioner Yancey was supportive of granting approval in concept with the understanding that it did not necessarily approve the larger picture allocation of the spending.

Commissioner Au commented that she was very upset. The approval process of the programmatic budget was so critical. The Commission should be avoiding any delays in implementing projects. She felt like she was being put in a very difficult position of having to make a decision when she was not comfortable with the whole package. As she previously stated, there were components in the packet that were fine but others need more of her time. Unless the Commission could come up with a decision, she really did not want
to see all the work that the workforce consortium had been engaging in to be held hostage because of nickeling questions about the budget. She said that she needed help.

Commissioner Southard stated that the Commissioners were trying to develop a compromise to deal with that specific pain shared by many Commissioners which was to move forward in concept. Moving forward in concept did not mean that the overall structure would stay but it would allow the Commission to move forward; and, particular components that were crucial for moving forward would be brought to a meeting in two weeks to seek approval so that they were not delayed longer. This would give the Commission to differentiate between immediate action items from the things that Commissioners have questions on.

Commissioner Au specifically asked CPO Gallardo if the two-week delay would impact the Consortium. CPO Gallardo commented that contract negotiations could continue in the meantime.

Celia Ayala, LAUP CEO, approached the public comment microphone and stated that there would be an impact because East Los Angeles College was not going to continue with a staff that they were already paying waiting to get this contract because of their own financial situation. There was East Los Angeles College and Los Angeles City College and other community colleges that have staff they are going to lose. If the staff is lost, then the partnership may be lost because a lot was dependent upon the plan that was approved in November, 2010, The R&Rs have suffered such huge cuts that any idea being carried out by the Consortium will hinder start-up and the continuation of services. When the staff and momentum is lost, it is a lot harder to start-up again. If at all possible, those projects approved in concept with approved budgets should move forward. People out in the field do not do anything without a signed contract in hand. She asked that the Commission maintain the momentum for the sake of the kids.

CAO Bosch commented that currently there was a performance-based contract that was being negotiated for this project. Staff felt that two weeks was not going to impact the contract. The work could continue to get the contract done but as of right now, there was no contract in place and there was no funding concern because the Commission does not pay people without a contract in place.

Commissioner Martinez asked if staff had five minutes to regroup, could they come up with a quick list of people that need to move forward.

Commissioner Martinez also asked if the contracts could be ready for signature in two weeks. CAO Bosch commented that the issue was that a performance-based contract was currently being negotiated. This process would take time. Because it was a performance-based contract, staff wanted to be timely in terms of respecting the partners’ needs and the school year. Wanting to be very clear on the outcomes being sought with this contract, more time was really needed to continue with negotiations. This was a complex contract because of the many components. Staff was going to try to respect the timelines for the partners and recognized that the partners were in a difficult position but more time was needed. CAO Bosch commented that it would take a couple of months.

Commissioner Martinez commented this was unacceptable and the contract should start in alignment with the school year.
CAO Bosch commented that performance-based contracts take time because agreement on objectives, outcomes and performance measures by all partners and all this was not going to happen in two weeks.

Commissioner Martinez asked for an estimated start date for the performance-based contract. CAO Bosch responded that it would be October.

Mayor Antonovich commented that negotiations were taking place and perhaps the contract could be finalized by the time the Commission met again on July 28th. Regardless of the two-week delay, negotiations were still taking place.

WITH NO FURTHER DISCUSSION OR OBJECTION, THE MOTION WAS SO ORDERED

Director Hause asked for clarification and stated in that the previous program budget for FY 2010-11 that was approved last June, the authority has been granted to continue spending under that program budget.

Mayor Antonovich replied in the affirmative.

Public Comment

Terri Hess, Los Angeles Universal Preschool

11. Report, Continued Discussion from Program and Planning Committee Meeting Held on June 23, 2011

Commissioner Kaufman reported two ad hoc subcommittees were appointed—PFF Sustainability Committee and Kindergarten Readiness Committee—by the Program & Planning Committee. Agencies that are present grantees or might want be perspective grantees could not serve on the ad hoc subcommittees. Recommendations from each ad hoc subcommittee will be presented to the Commission in October.

Commissioner Kaufman reminded Commissioners that items can be placed on the agenda up to 72 hours prior to the scheduled meeting; however, it would be appreciated if items could be submitted a week prior to allow staff to provide necessary background information.

17. Public Comment

Michelle Wolf, American Diabetes Association

ADJOURNMENT

The meeting was adjourned at 4:29 pm to a Commission meeting on July 28th starting at 2:00 pm.

Meeting minutes were recorded by Maria Romero.