

**FIRST 5 LA
SUMMARY MEETING NOTES
Executive Committee Meeting
May 13, 2014**

APPROVED 06/02/14

COMMITTEE MEMBERS PRESENT:

Nancy Au(Chair)
Duane Dennis
Neal Kaufman (Vice-Chair)
Sandra Figueroa-Villa

STAFF PRESENT:

Kim Belshé, Executive Director
Genie Chough, Finance Director
Maggie Martinez, Human Resources Director
Raoul Ortega, Finance Manager
Linda Vo, Executive Assistant
John Wagner, Chief Operating Officer

RECORDING SECRETARY:

Linda Vo, Executive Assistant

1. Call to Order/Roll Call

The meeting was called to order by Committee Chair Au at 2:02 pm. Committee Chair Au welcomed everyone in attendance. Roll call is completed.

2. Review of Executive Committee Meeting Notes –April 15, 2014

THE ITEM WAS RECEIVED AND FILED

3. Standing Updates

1. Review of Annual Operating Budget
2. Annual Audit
3. Review of Annual Report to the State Commission
4. Fiscal
5. Contract Compliance
6. Quality Assurance
7. Evaluation
8. Policy and Advocacy
9. Personnel and Compensation

Ms. Chough gives a brief update on the annual operating budget, which is a part of standing items in Item 3.

As part of the annual operating budget, Ms. Chough plans on taking a deeper dive into the operating budget.

Ms. Chough begins her presentation by acknowledging staff that have helped to put this budget together. In addition, she acknowledges Commissioner Browning for his very active role as the Chair of the Budget and Finance Committee.

She now gets into her presentation. She informs the Committee that although there are always refinements to the annual budget, the development of the operating budget has remained consistent over the last few years.

Ms. Chough reminds the Committee of the key activities that took place in the last year that have helped to inform the budget.

- Adoption of the Building Stronger Families Framework (BSFF) in June 2013
- Completion of the first two strands of the Listening, Learning & Leading (L3) effort
- Creation of the Organizational Transition Team (OTT)
- Approval of Long Term Financial Projection in February 2014
- Approval of the Governance Guidelines in March 2014

Ms. Chough continues her presentation and informs the Committee that programs constitute about 92% of the total budget. The breakdown of the 46 initiatives included in the program budget is as follows:

- Place-Based Initiatives
- Countywide Strategies
- Countywide Initiatives
- Prior Strategic Plan Initiatives
- Research & Evaluation

And only 8% of the total budget is made up operating expenses. The operating budget includes the following:

- Governance & Executive
- Administration Departments
- Program Departments
- Other (Medi-Cal Administrative Activities)

Ms. Chough informs the Committee that this last year of the current strategic plan represents pretty much a status quo budget with only specific augmentations.

The augmentations are as follows:

- Full implementation of the current Strategic Plan (program)
- Strengthening policy and advocacy efforts (program)
- Building the internal capacity of First 5 LA (operating)

BUDGET COMPONENT	Revised		Proposed		Variance
	FY 2013-14 Budget		FY 2014-15 Budget		
Program	\$ 213,357,559	92%	\$ 220,061,000	92%	3.1%
Operating	17,802,358	8%	19,304,683	8%	8.4%
TOTAL BUDGET	\$ 231,159,917	100%	\$ 239,365,683	100%	3.5%

Ms. Chough now highlights some important parts of the operating budget.

OPERATING COST CATEGORY	Revised		Proposed	
	FY 2013-14 Budget		FY 2014-15 Budget	
Personnel Services	\$ 14,255,804	80%	\$ 15,206,176	79%
General Operating Expenses	1,417,909	8%	1,509,250	8%
Professional Services	573,654	3%	722,846	4%
Consultant Services	1,008,437	6%	1,376,900	7%
Travel & Meeting Expenses	296,554	2%	329,511	2%
Capital Improvements	250,000	1%	160,000	1%
Total Operating Costs	\$ 17,802,358	100%	\$ 19,304,683	100%

She informs the Committee that operating costs are increasing by about \$1.5 million due to the following:

- Position change requests
- Strategic planning and organizational development efforts
- Investments in staff training and professional development
- 1.8% COLA

She breaks down the operating costs further:

- About 79% (\$15.2 million) of the total \$19.3 million in operating costs is for Salaries & Employee Benefits (S&EB)
- Of the total \$1.5 million increase for operating costs, about two-thirds (\$950,000) is driven by increased S&EB:
 - 1.8% COLA (\$171,000)
 - 1 new part-time HR position (\$21,031)
 - Extension of 9 term-limited BSFF-related positions: 7 Program Support Staff, 1 Public Affairs Officer II and 1 Marketing Coordinator (\$548,158)
 - Conversion of term-limited positions: 1 full-time regular Best Start Program Officer II, as well as 2 Best Start Research Analyst IIs included in Midyear Budget Adjustment (\$299,367)
 - Reclassification of 1 Contracts Compliance Officer from I to II (\$15,000)

Committee Chair Au comments that as part of the strategic planning process, as decisions are made on the structure of the operating budget, she imagines that this budget would be impacted since the plan is for this new strategic plan to be implemented in January 2015.

Ms. Belshé responds by stating that the new strategic plan would not be implemented until July 2015.

Committee Chair Au also asks if the implementation costs of the new strategic plan would begin right on July 2015 or if would there be an easing in into period of the implementation process.

Ms. Chough says that an easing in period is a possibility but that it is very difficult to tell as of right now if and when this would take place.

Committee Vice Chair Kaufman would like to know at a high level what is the process of deciding what conditional positions are to be added.

Ms. Chough informs Committee Vice Chair Kaufman that there are meetings with the departments to discuss needs. Three-year historicals on the department's budgets are provided to the departments so that they can see what the spending patterns have been in particular areas. If positions are being requested, Finance would inform them of how much could be spent on these potential new positions that would then go to the Executive Department for approval. Ultimately, these are the positions that the Committee is seeing.

Ms. Belshé says that the decision of adding positions is also informed by the internal capacity building that is going to be undertaken and the support that would be required to execute.

Ms. Chough informs the Committee that the budget also includes \$1.4 million for consultant services, which is 7.1% of the total \$19.3 million in operating costs. She then informs the Committee that of the total \$1.5 million increase in operating costs, about \$368,000 is driven by an increase in consultant services.

- Strategic Planning: \$185,000 for Learning for Action for strategic planning in the Executive budget
- Organization Development: \$140,000 for organizational and leadership development consultants in the HR budget
- Information Technology: \$50,000 for system integration and improvements efforts and other programming needs
- Board of Commissioners: \$33,500 for stenography services and evaluation costs for executive leadership and governing Board

Commissioner Dennis poses the question to staff as to why First 5 LA has begun to use a stenographer to create transcriptions for the meetings instead of having the traditional meeting notes that had been put together by Linda, the Board secretary. He informs staff that the transcriptions are very long and do not summarize the key information/activities that occur during the meetings. He doesn't find them very useful.

Ms. Belshé reminds the Committee that First 5 LA began using a stenographer because there were some disagreements in past meetings of what was decided during a motion and so the previous Chair (Supervisor Mark Ridley-Thomas) initiated the use of a stenographer so that disagreements like this could be prevented.

Committee Vice Chair says that the discrepancies can be deciphered via the audio recordings. One could always go back to this audio to rectify any issues that are not agreed upon. In addition, he suggests using other options to capture the meeting notes such as a webcast.

Ms. Belshé also states that another reason for using the stenographer is that it is a huge investment of time on the person who is putting together the meeting notes/minutes.

Mr. Wagner says that there are pros and cons to options such as a webcast. Currently, First 5 LA is not technologically equipped to do this. Mr. Wagner adds that staff can look into other options of providing the Commission with a shorter summary of meeting notes.

Ms. Belshé states that Public Affairs used to put together a very detailed summary of notes that was not so user friendly, but may be appropriate for Commissioners. She says that we can circulate an example at the next Executive Committee meeting for Committee members to review to see if it would be appropriate.

Ms. Chough continues her presentation and highlights key items on the professional services line item.

- Professional Services comprise about \$723,000 of total operating costs.
- Key finding from L3 and employment engagement survey is the need for organization-wide staff training and development.
- Budget includes additional funding for:
 - Content and skills-based training and development opportunities that may arise (\$100,000)
 - Agency-wide staff development in BSFF alignment (\$25,000)
 - Board development in BSFF alignment (\$14,500)

Committee Vice Chair would like to know what is the difference between these items in this section from the consultant line item.

Ms. Chough responds by informing the Committee that this budget is specifically for internal capacity building and staff development, such as signing up for online trainings that are specific to one's departmental needs.

Other categories that Ms. Chough covers as part of the Operating budget are the following:

- General Operating Expenses comprise \$1.5 million of the total \$19.3 million in operating costs.
 - An increase of approximately \$91,000 for anticipated changes in Workers' Compensation Insurance, Mileage and Parking, Equipment Rental, and Equipment Repairs and Maintenance
- Travel & Meeting costs comprise \$330,000 of total costs.
 - An increase of about \$33,000 for several departments, including funds for quarterly travel to Sacramento for one Commissioner
- Capital Improvements comprise \$160,000 of total costs.
 - A decrease of \$90,000 due to completion of one-time projects

Ms. Chough closes her presentation by informing the Committee that in response to the Harvey Rose audit, First 5 LA adopted a policy to calculate administrative costs to more closely align with other First 5 County Commissions. And by using this methodology, administrative costs are projected to be \$10.4 million, or 4.34% of the total budget.

She also informs the Committee that there are potential future changes that would include the following:

- Implementation of compensation study recommendations
 - Currently in the process of being evaluated by management
 - Recommendations will be brought to the Executive and Budget & Finance Committees and incorporated into the budget as appropriate.
- Possible modifications to the budget based on the direction of the new Strategic Plan, to be approved no later than November 2014
- Continued assessment of the following:
 - Biennial budget
 - Early budget adoption (April)

- Mid-term program budget adjustments

Next steps with regards to the budget are as follows:

- May 20, 2014 – Budget & Finance Committee Meeting
 - If necessary, review any changes/addendums to the Proposed Budget
- June 12, 2014 – Commission Meeting
 - Action Item: Presented for Commission approval

Commissioner Dennis would like to know if the budget will be further refined given the new direction of the strategic planning process and if there will be cuts in staff. Commissioner Dennis also wants to know, with regards to permanent supportive housing, how the investment is shown and tracked in our budget. He would like to have regular updates on items like this and have them accounted for somewhere that can be documented. In addition, Commissioner Dennis would like to know if there are other investments that are similar to permanent supportive housing where money is advanced so that the Commission can be kept apprised of its spending. He comments how Craig had responded to him during the last Commission that if the funds are not expended for a program, such as the permanent supportive housing program, that they would come back to First 5 LA. At some point in time, Commissioner Dennis wants to ensure that the full Commission is kept apprised of how money is spent for programs like permanent supportive housing.

Ms. Belshé informs Commissioner Dennis and the Committee that they will plan on updating the Commission on programs like permanent supportive housing at one of its future Program and Planning Committee meetings.

Regarding personnel changes, Ms. Belshé states that they cannot yet determine what staff changes will occur given the new strategic plan and/or sunseting grants. This is a TBD item.

There is no further discussion on this item.

4. Board Roles and Responsibilities

Ms. Belshé briefly goes over the proposed changes to First 5 LA’s bylaws regarding board roles and responsibilities indicating that the Article VI has been categorized into four sections. Ms. Belshe informs the Committee that This was an item that was not discussed at the last Executive Committee meeting given the time constraints so has been carried over to this meeting.

Ms. Belshé outlines the changes that are being proposed and informs the Committee that Craig Steele, First 5 LA’s legal counsel, took the lead on making these changes.

The proposed changes are as follows:

LEGEND

<u>Insertion (New Language)</u>
Deletion
Moved from
<u>Moved to</u>

ARTICLE VI

Duties of the Commission

The Commission shall be responsible for the following primary duties:

A. Statutory Compliance:

- a. ~~A-~~ Implement the goals and objectives of the Children and Families Act and other applicable laws;
- b. Submit its adopted County Strategic Plan, and any subsequent revisions, to the State Children and Families Commission ("State Commission");
- c. Conduct at least one public hearing on each annual report prepared by the State Commission, and
- d. Comply with all applicable requirements of Health and Safety Code Section 130140, or any successor statute, as such statutes may be amended from time to time.

B. Strategic Planning:

- a. ~~B-~~ Prepare and adopt an adequate and complete Strategic Plan in accordance with Section 3.72.080 of the County Code;
- b. ~~C-~~ Periodically review the County Strategic Plan on at least an annual basis, and revise the Plan as may be necessary or appropriate in accordance with Section 3.72.080 of the County Code; and

~~D. Measure the outcomes of County funded programs through the use of applicable, reliable indicators and review that information on a periodic basis as part of the public review of the Strategic Plan;~~

~~E. Submit its adopted County Strategic Plan, and any subsequent revisions, to the State Children and Families Commission ("State Commission");~~

- c. Adopt policies and procedures that are family-friendly and inclusive to encourage broad participation at Commission meetings.

C. Fiscal Oversight and Accountability:

- a. ~~F-~~ Prepare and adopt an annual audit and report and conduct at least one public hearing prior to adopting the annual audit and report;

~~G. Conduct at least one public hearing on each annual report by the State Commission;~~

- b. Protect First 5 LA assets and provide proper financial oversight by overseeing the preparation of an annual budget and ensuring that appropriate financial controls are in place and being followed.

- c. Measure the outcomes of County funded programs through the use of applicable, reliable indicators and review that information on a periodic basis as part of the public review of the Strategic Plan, and

- d. ~~H-~~ Provide quarterly reports to the County Board of Supervisors on issues including: contracts, program implementation, accounting and budgeting, outcome measures and any other issues the Board of Supervisors deems appropriate;

D. **Governance:**

- a. Select the Executive Director and define his or her responsibilities, goals and objectives and terms and conditions of employment;
 - b. Support and evaluate the Executive Director to ensure that he or she has the tools necessary to further the goals of First 5 LA;
 - c. Engage in Commission development, training and periodic, comprehensive self-evaluation to maintain the strength and effectiveness of the Commission.
 - d. ~~I-~~ Establish such ad hoc or standing committees or working groups as are necessary to fulfill the functions of the Commission and accomplish the purposes of the Children and Families Act;
 - e. ~~J-~~ Establish such technical advisory committees as the Commission deems necessary to provide technical and professional expertise and support for any purposes that will be beneficial in accomplishing the purposes of the Children and Families Act;
- ~~K. Adopt policies and procedures that are family friendly and inclusive to encourage broad participation at Commission meetings; and~~
- ~~L. Comply with all applicable requirements of Health and Safety Code Section 130140, or any successor statute, as such statutes may be amended from time to time.~~

ARTICLE VIII
Duties and Responsibilities of Commission Members

Commission members shall be responsible for the following primary duties:

- A. When designated by the Chair (or in the Chair’s absence, the Vice Chair), serve as a spokesperson for the Commission, representing the Commission in meetings with public officials of other jurisdictions, the community, or the media. A Commission member representing the Commission in an official capacity should state the Commission’s approved policies, procedures, or positions and refrain from stating personal preferences. Expenses incurred when representing the Commission at the request of or with prior approval from the Chair or the Commission are reimbursable;
- B. When invited to participate in any forum as a Commission member, Commission members should try to confine their remarks to Commission positions. Other remarks a Commission member may need to make should be identified as personal in nature and not reflective of Commission policy. A participating Commission member should report on his or her participation at the next Commission meeting;
- C. Submit, in advance, all correspondence and/or communications written on behalf of the Commission and/or its committees to the Commission Chair for review and approval;
- D. Regularly attend the Commission’s meetings and inform staff in advance if unable to attend a meeting. Unexcused absences from more than 25 percent of Commission or committee meetings, during a 12-month period, shall constitute a violation of duty;
- E. Serve and actively participate in the work of any ad hoc committee or working group to which the Commissioner is appointed.
- F. When serving as a committee chairperson, report to the Chair any matters, which the Commission should be aware of, and recommend action when appropriate;

- G. Inform the Chair of any requests for review or assistance or any complaints, inquiries, or notice of problems, within the purview of the Commission;
- H. Refrain from assigning work to the Commission staff unless approved by the Chair or the Executive Director;
- I. Advise the Commission staff of scheduled vacations and absences; ~~and~~
- J. Provide timely notice to the Chair in writing as soon as practicable if the member plans to resign from the Commission, or if his or her employment or status no longer meets the membership criteria set forth in the Ordinance; and
- K. Participate in the selection and annual evaluation of the Executive Director.

Ms. Belshé informs the Committee that per the last Executive Committee meeting, staff will take in consideration all the suggested changes that the Committee has given prior to bringing this item before the full Commission for approval.

She refers to Committee Vice Chair Kaufman's feedbacks from the last Executive Committee meeting and asks him for clarification.

Committee Vice Chair Kaufman states that he would like some type of language that would state one of the Commission's responsibility is overseeing First 5 LA's fund balance. In addition, under fiscal oversight and accountability, he would like some language added that would hold the Commissioners responsible of investing resources in an economically sound and fiscally responsible manner.

Committee Chair Au agrees with Committee Vice Chair Kaufman's suggestion so long as the responsibility of investing resources is specific to the fund balance.

Ms. Belshe states that the change/addition will be made accordingly with respect to the aforementioned suggestion.

Committee Vice Chair Kaufman also would like the below section to be reworded because he does not feel that supporting and evaluating the Executive Department is just about having the right tools.

- a. Support and evaluate the Executive Director to ensure that he or she has the tools necessary to further the goals of First 5 LA;

He says that in supporting and evaluating the Executive Director is about establishing standards, get feedback, and things of this nature. He says that the term "tools" is ambiguous because it's not clear if it refers to computer support? Direction tools? He doesn't understand what tools refer to.

Ms. Belshé informs Committee Vice Chair Kaufman that staff would work with Legal counsel to ensure that the proper language is used to make this addition.

Committee Vice Chair Kaufman would also like a code of conduct added to the bylaws as it relates to the Commission's roles and responsibilities to ensure that there is a governance structure within the Commission.

Ms. Belshé suggests adding the following term “and adhere to” to the below sentence after “responsible for” in order to incorporate Committee Vice Chair Kaufman’s suggestion of a governance structure within the Commission that Commissioners would be required to adhere to:

Commission members shall be responsible for the following primary duties:

Staff plan on bringing back the revisions based on today’s meeting to the next Executive Committee meeting and with the Executive Committee’s approval, staff will bring forth the final revisions to the full Commission for its approval.

There is no further discussion on this item.

5. **Compensation and Benefits Study**

Mr. Wagner informs the Committee that staff is coming back to the Committee today with three goals:

1. Give updates on work done with Hay Group since the last presentation by Hay at the last Executive Committee meeting
2. Get Executive Committee endorsement on four items that staff would like to recommend
3. Bring forth another item that would inform staff recommendation

Mr. Wagner says that this compensation study has been very foundational in establishing a consistent process in compensating its employees

Mr. Wagner reminds the Committee that staff plan on making recommendations as a whole package that would include both salary as well as benefits.

Mr. Wagner says that the first thing that First LA needed to do was to establish a compensation philosophy.

The below is what First 5 LA came up with and is asking the Executive Committee to endorse:

1. **Internal Equity:** Achieve an appropriate alignment of positions in an internally fair and equitable manner
2. **External Competiveness:** Achieve an understanding of how First 5 LA’s base pay practices and benefits compare to other organizations in First 5 LA’s market for talent
3. **Alignment:** Align existing compensation practices with appropriate levels of base pay upon analysis of internal and external data, taking into account best practices
4. **Reward for performance:** Reward talented and high performing employees

Commissioner Dennis feels that there is a conflict with having internal equity and rewarding employees for his/her performance in the compensation philosophy. He feels that you cannot pay employees in an equitable manner and also state at the same time

that you would reward employees for his/her performance. This ultimately would cause an inequitable situation with regards to salary.

Committee Vice Chair Kaufman states that he doesn't have a problem with the compensation philosophy but suggests that the reorder be redone as follows that may look better visually:

1. **External Competitiveness**: Achieve an understanding of how First 5 LA's base pay practices and benefits compare to other organizations in First 5 LA's market for talent
2. **Alignment**: Align existing compensation practices with appropriate levels of base pay upon analysis of internal and external data, taking into account best practices
3. **Internal Equity**: Achieve an appropriate alignment of positions in an internally fair and equitable manner
4. **Reward for performance**: Reward talented and high performing employees

Commissioner Dennis agrees with this reordering suggestion by Committee Vice Chair Kaufman.

Committee Vice Chair Kaufman also feels that there needs to be a rewording in the External competitiveness item because it is not just about achieving and understanding the base pay practices of First 5 LA. He feels that what First 5 LA is trying to say in this item is that it would develop a compensation program based on the understanding of what it knows about First 5 LA's base pay.

Committee Chair Au asks the Committee for endorsement on this item.

Committee members are in agreement on this item, given that the proposed changes will be made prior to being brought forth before the full Commission.

Mr. Wagner now goes on to the grade structure that First 5 LA is recommending.

Description	Hay Grade
Executives	25
	24
	23
	22
	21
Functional leaders and highly seasoned professionals	20
	19
	18
	17
	16
Entry to mid level professionals	15
	14
	13
Administrative/ Support Staff	12
	11
	10

Mr. Wagner says that this grade structure will be used as the basis to determine an employee's grade structure for a consistent manner of grading employees.

Commissioner Dennis would like to know what organizations are comparable to First 5 LA in creating this grade structure.

Mr. Wagner reminds the Committee that the comparisons are not at the agency level. He states that this grade structure was created based on job content. It's about the job content that determines the grade structure. To expand even further, Hay did not even look at the job title because that is irrelevant when it comes to comparing positions. It's about what the person is actually doing in the job and finding those who are doing the same type of work, even if the job title is different and then making the comparison.

Commissioner Dennis says that he understands this concept but that it would be a harder sell to employees.

Mr. Wagner states that the Hay's comparisons did include private, public and county organizations but that the comparisons were linked at the job content level. AT the same time, Mr. Wagner also states that with this structure, if an employee were to come to HR and indicate that he/she is being categorized at a certain level but in fact they are doing more, based on his/her job content, then this grade structure becomes the foundation for reclassification; something that First 5 LA has never had before.

Committee Chair Au asks the Committee if it will endorse this grade structure.

There is a consensus by the Committee to endorse this grade structure.

Commissioner Figueroa-Villa would like to know if this study has found that some staff may think they fall into a certain category but are in fact lower in grade based on this grade structure.

Mr. Wagner says that they are still in the process of going through each position and this may be the case once they are completed with their analysis.

The final item that Mr. Wagner now covers is the salary structure that would be foundational in determining an employee's salary. He reminds the Committee that right now, when a new employee is hired, they are just given 5% above their previous pay, regardless of experience and job content.

Dollars in Thousands

Hay Grade	Recommended Structure		
	Min	Mid	Max
25	\$273.6	\$342.0	\$410.4
24	\$221.6	\$277.0	\$332.4
23	\$180.8	\$226.0	\$271.2
22	\$148.8	\$186.0	\$223.2
21	\$123.2	\$154.0	\$184.8
20	\$104.0	\$130.0	\$156.0
19	\$88.8	\$111.0	\$133.2
18	\$76.8	\$96.0	\$115.2
17	\$67.3	\$84.1	\$100.9
16	\$59.6	\$74.5	\$89.4
15	\$52.8	\$66.0	\$79.2
14	\$46.8	\$58.5	\$70.2
13	\$41.5	\$51.9	\$62.3
12	\$36.9	\$46.1	\$55.3
11	\$32.8	\$41.0	\$49.2
10	\$29.4	\$36.7	\$44.0

Staff would like to bring those staff members who are below the minimum pay (10 employees are currently below the minimum) to at least the minimum and eventually bring everyone up to the mid. The cost to bring everyone to at least the minimum would be \$36,412. And to move employees to the mid-range would cost about \$600,000. The direction towards bringing all employees to the mid is one that the Hay Group is recommending to take place over time, and not something that should take place overnight.

Commissioner Dennis says that it is difficult to say yes to this item compared to the previous two recommendations by staff because this one is connected with dollars. He says that he needs to see the benefits recommendations as a whole recommendation with the salary recommendation in order to agree to the salary structure.

Committee Chair Au acknowledges that implementing all of these recommendations will not happen overnight and that it will take some time to fully execute.

Committee Vice Chair Kaufman says that there is no way to endorse the salary ranges without knowing the total cost of what the recommendation would be that would include the benefits compensation. He says that there needs to be a point in time that staff would need to come back to the Executive Committee to go over the full recommended compensation package.

Commissioner Figueroa-Villa comments that she doesn't have a problem with the salary structure but just wants to understand it more.

Commissioner Dennis says that he also does not have a problem with it but that he recommends that the Executive Director's salary be removed from this salary structure since the hiring process is very different from all other employees.

Committee Vice Chair Kaufman notices that the range of the minimum of the salary range to the maximum range becomes greater as the grade gets higher and wants to know why is this the case.

Committee Chair Au does feel the need to approve this salary structure, understanding that the benefits piece will be coming to them for their review in the near future, She also acknowledges that in order to make decisions, each piece does have to be dealt with individually, and then looked in its totality when making a final decision.

Committee Vice Chair Kaufman does not agree that everyone employee should be at the range of his/her salary grade. For example, an entry level person should not enter his/her position at the midrange. He does believe in having internal equity but that having everyone at the median range is the way to do it.

In addition, he feels that it is important to see the distribution of all First 5 LA employees and where they currently fall in the salary structure before being able to determine if they all should be moved to the mid-range. He states that the bottom line to all of this is if we can afford the recommendations, which is why he would like to see where all the employees fall within in the salary ranges.

The Committee decides to endorse the salary structure with the following direction to staff:

- Staff must bring back the full compensation recommendation that would include both salary and benefits recommendations
- Come back with where employees fall along the minimum and mid salary ranges
- Come back with what will be the impact on staff and on First 5 LA's budget

There is no further discussion on this item.

ADJOURNMENT:

The meeting was adjourned at 4:18 pm.

NEXT MEETING:

The next scheduled meeting will take place as follows:

Monday, June 2, 2014
11:00 am – 1:00 pm

First 5 LA
Conference Room B
750 N. Alameda Street
Los Angeles, CA 90012

Meeting minutes were recorded by Linda Vo, Secretary, Board of Commissioners.