In the Matter of:
FIRST 5 COMMISSIONERS' MEETING

TRANSCRIPT OF PROCEEDINGS

October 10, 2013

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MEETING OF FIRST 5 LA

THURSDAY, OCTOBER 10, 2013

750 NORTH ALAMEDA STREET, FIRST FLOOR

LOS ANGELES, CALIFORNIA 90012

REPORTED BY:
HEATHERLYNN GONZALEZ
CSR #13646
COMMISSIONER KAUFMAN: Good afternoon, everyone.

Good afternoon. Call the meeting to order. A few of my fellow commissioners are not here. So we'll get started in two minutes. If anyone sees any of the commissioners, have them come in, please.

All right. Let's get started. Call the roll, please.

Thank you very much. I promise you we will get out at the end of this meeting. That's a big promise. I know, I got a tough one to follow.

Let's begin with item Number 2 on the consent calendar. Any comments on the past commission meeting minutes?

Hearing no corrections or comments, we'll assume that they're approved as written.

Monthly financial statements.

MS. CHOUGH: Good afternoon, commissioners. I'm here to present, under Item Number 3, the monthly financials.

We began August with a -- we began with a cash balance of nearly $728,000,000 and closed with about $727,000,000. As expected, there was very little activity
in the second month of the fiscal year. That's primarily due to the two-month lag in the revenues as we saw last month, and we anticipate a little more activity next month.

As usual, these are unaudited soft closing figures, meaning they were prepared internally. This is in contract to the item that Raoul Ortega will be presenting under Item Number 8, which will represent the hard closing audit for fiscal year 12-13 reviewed by our external auditors.

Any questions? That concludes my presentation.

COMMISSIONER KAUFMAN: Any questions on Item Number 3 approval of the monthly financial statements? Assuming there is none, they're approved.

I, actually, do need to mention we had a closed session in which no actionable item was taken. I think that's all I need to say, Craig?

MR. STEELE: That's correct. We do need to record a motion on the monthly financials. I don't think we announced who made and the motion on the monthly financials.

COMMISSIONER KAUFMAN: I need a motion.

MR. STEELE: Motion and a second to approve.

UNIDENTIFIED SPEAKER: So moved.

MR. BROWNING: Second.
COMMISSIONER KAUFMAN: Now I can say, all in favor?

COMMISSIONERS: Aye.

COMMISSIONER KAUFMAN: Opposed?

Motion passed unanimously. Thank you.

Number 4.

MS. CHOUGH: Thank you. Under Item 4, we're requesting approval of a resolution to increase both spending and contract authority in the amount of $1.4 million for three different items.

The first item is roughly $581,000 for the early current education environmental scan, or ECE environmental scan. This hopefully will provide the commission with a comprehensive picture of ECE-related activities in LA county. This scan is consistent with previous direction that you provided in July. And for your convenience, we attached the PowerPoint to the memo with this item.

You'll see that the memo also includes detailed tasks and costs as recommended by Commissioner Dennis at the last P and P meeting. So, hopefully, you'll find that helpful. And John will also be discussion this item under the -- as part of the consent calendar under Item 5, which includes detailed contract documents.

The second piece of this resolution is $820,000 for Best Start. These funds are primarily for family
strengthening, oversight entity. And that's to support the addition of seven hospitals as well as training and TA.

The last item is a $22,000 increase, and that's required for the universal assessment for newborns. There were delays in Welcome Baby training and -- in the training schedule, and that resulted in delays for purchasing equipment and supplies.

That concludes my presentation. Mabel Munoz and I are both available to answer any questions should you have any. Thank you.

COMMISSIONER KAUFMAN: Any questions on Item Number 4?

COMMISSIONER BROWNING: Motion to approve.

COMMISSIONER DENNIS: Second.

COMMISSIONER KAUFMAN: Second. There's no public comment. Any other comments? All those in favor say, aye.

COMMISSIONERS: Aye.

COMMISSIONER KAUFMAN: Opposed?

Motion carries unanimously.

Item Number 5, please.

MS. BELSHE: Mr. Wagner.

MR. WAGNER: Sorry.

MS. BELSHE: You know, Neal, if you're going to
serve as the acting chair, we need you to acknowledge the Honorable -- that's only what he pays attention to apparently.

MR. WAGNER: Good afternoon, Commissioners.

Following up on Genie's presentation, I'll be addressing the consent calendar, which is Item Number 5. And on the consent calendar for this month are seven contracts. There are five new contracts and two contract amendments. The combined value of these contracts is $6,128 million.

Funding -- just as background and context. Funding for all of these contracts had been approved as part of the FY 13-14 budget that you passed in June, plus the $1.4 million that Genie just present on and you just approved.

In addition to the three areas that Genie addressed, including early childhood education, the family strengthening oversight entity, and universal assessment, the consent calendar includes a number of additional contracts. First, there's a new $66,000 contract for printing services that helps publish the quarterly-issued family guide and posters from our public affairs department.

There's a contract for $520,000 you'll see on the consent calendar which is to build upon the work of
zero-to-three to adopt the core competencies that were a part of that original contract for professionals serving kids and families with kids zero to five and expectant parents. And it includes, as part of that contract, the alignment with the Building Stronger Families framework for Best Start.

You'll recall that this was presented to the board as an informational item last month. In addition, there is a contract for $999,000 for the University of Southern California, and this is for the USC to take over and house the LA Children's Data Network. It would provide an institutional home for LA CDN, which First 5 LA has been pretty much project managing up to this point. And USC would also be charged with developing a stability plan for the data network going forward.

The final new contract is $99,950 for the measurement group. And this is really to conduct an environmental scan looking at the early identification and screening initiatives that we have across some of our investments for developmental screenings and developmental delays.

And then the final two items are contract renewals that -- one for Dignity Hospital, California Hospital Medical Center. This is related to last month's decision to increase the 14 Welcome Baby hospitals. And
the final one is with White Memorial for implementation of
Welcome Baby and universal assessment. That's the final
contract amendment.

    With that, I would respectfully request your
consideration and approval of these items.

COMMISSIONER KAUFMAN: Thank you very much. Any
comments or questions?

COMMISSIONER DENNIS: Motion to approve.

COMMISSIONER FIGUEROA-VILLA: Second.

COMMISSIONER KAUFMAN: Any further discussion?

All those in favor?

COMMISSIONERS: Aye.

COMMISSIONER KAUFMAN: Opposed?

Passed unanimously.

Told you we were going to get out of here when we
get out of here.

Item number 6 we'll even pass. The supervisor is
unable to attend the meeting at this moment. He may be
showing up later, but -- and if he does, he'll have the
opportunity to do Item 6.

Kim, Item 7.

MS. BELSHE: Well, excellent. I've got a lot of
time to fill here.

COMMISSIONER KAUFMAN: No.

MS. BELSHE: On our annotated agenda, I think
I've allotted myself two minutes. I might take three. But there were two things I wanted to touch on. And one is, I think it's so important for us to acknowledge that last Tuesday, October 1, was an extraordinarily important day in terms of our state's efforts to open the doors of Covered California and begin what is going to be an all-hands-on-deck effort to connect millions of un- and underinsured Californians to quality, affordable health insurance.

It has been a long time in coming. Many people who have served on this board, in the audience, this organization have contributed the effort to achieve the goal of universal coverage for all children. And now we have an opportunity and we may -- and actually contributed to good progress as an organization over the years. But now we have an opportunity to insure that all families, as well as children, have access to affordable, quality health insurance coverages.

As I said at the kickoff last Tuesday, we closed a series of rallies -- kickoff rallies around the state right a walk away at Union Station. I said, you know, we are now moving from a focus on Washington and Sacramento to a focus on communities because the action no longer is really in the halls of policymaking.

It is really in a very granular way in the
community in terms of us collectively contributing to the
effort to connect millions of uninsured Californians,
families, and children to quality, affordable coverage.
And I include First 5 LA as being part of that effort to
contribute to what we call a culture of coverage where
insurance is something that is available, affordable, and
expected.

I am really pleased that we are participating in
a project that the California -- excuse me -- the
Children's Partnership is leading called the All-In
Campaign, which is a partnership of top education leaders,
schools, and child care providers from around the state
that is designed to bring the message of new options to
families and children throughout California communities.
And the intent is to help schools and child care providers
give them the help they need to work with families and
insure that they are both aware of the new options
available to them and to make their ability to access
coverage as easy and convenient as possible.

So a new day has dawned for the first time in our
state and indeed the nation. We are opening the doors to
coverage to nearly all Californians and all Americans.
And for the first time, families throughout LA county and
California communities will have the peace of mind of
knowing that, if their child gets sick or if you're trying
to insure your child does not become sick, that there are affordable choices available. So I know we'll have work to do with our contractors and grantees in supporting their ability to connect families to coverage, but just wanted to underscore that important milestone.

        And, finally, just a quick word on Best Start. We're going to spend some time towards the end of the agenda on Best Start. And I really want to commend the staff for what has been a very intensive couple of months. As this board knows and our staff knows, complex place-based change is hard. In some respects, it is easier to fund a service or to target a specific population.

        And when First 5 LA's commission in 2009-10 made the decision to move to place-based grant making as an important part of its investment portfolio, it made a hard decision. And now with the board support and movement toward the Building Stronger Families framework core results, we are putting into practice many of the critical elements to make a place-based concept something that is real in terms of building the capacities of families and communities to strengthen and improve outcomes for kids.

        So takes time. It's hard work. Our staff is learning by doing just as we are working with the partnerships to learn as we go. But wanted to commend
them for their good and intensive work. And we'll be hearing more about that at the end of the presentation.

So I'll leave it there.

COMMISSIONER KAUFMAN: Thank you very much.

Supervisor --

COMMISSIONER AU: Before you -- could I?

COMMISSIONER KAUFMAN: Yes.

COMMISSIONER AU: Knowing that the -- California has started enrolling families for health coverage, what is going to be the impact on our funding for our healthy access project? We have allocated over four and a half million dollars for that. So wanting to know if there's going to be an impact or at what point in time will we be aware of that.

MS. BELSHE: We'll certainly know more once we get a little bit of implementation experience under our belt. Again, open enrollment began October 1. And while we were delighted to see that the millions of visits and page views to our Covered California dot com, CoveredCA.com website, it shows a tremendous demand, tremendous interest in the options and affordable coverage available.

Actual coverage doesn't take effect until January 1. So there's plenty of time for families and individuals to enroll. For coverage to take effect by January 1,
people need to enroll by December 15.

So we need to get some experience under our belts. But I would also remind us that the bulk of our dollars that are now dedicated to the healthy kids initiative are focused on supporting children who likely will not be eligible even under the expanded coverage provisions of the Affordable Care Act, principally because of their immigration status.

So my expectation, Nancy, would be that that program really will become a safety net program and with our -- this organization's continued support of the children who will not be eligible even under the new rules come January 1.

Every child in the state -- in this county under age five should be connected to affordable comprehensive health care. And we will play a very important role in terms of insuring a safety net for those who remain outside of the reach of the Affordable Care Act's provisions.

COMMISSIONER AU: I guess it would be important for the commission to be kept informed though because there is clear assumption on my end that a child born in this country is automatically a legal citizen.

MS. BELSHE: Citizen, correct.

COMMISSIONER AU: So, therefore, should be
eligible to enroll.

MS. BELSHE: Absolutely. And currently, Nancy, the people we're serving -- the children we're serving who will become newly eligible come January 1, would be children who have income -- who are in families with incomes between 250 and 400 percent of poverty. Because the current threshold under current standards is 250 percent of poverty.

So to the extent -- and there's a relatively small number of children who today are income ineligible. They'll have new options come January 1. So our dollars can be repurposed to other priorities.

COMMISSIONER AU: Uh-huh.

MS. BELSHE: But the bulk of the kids we're serving are being served because they are below 250 percent of poverty but they don't have documentation in terms of the immigration status and they will not become eligible come January 1.

COMMISSIONER AU: Thank you.

MS. BELSHE: And we will definitely keep the board apprised. We just need to get some implementation experience under our belt.

COMMISSIONER KAUFMAN: Mr. Supervisor, Item Number 6, do you have any remark for us today?

COMMISSIONER RIDLEY-THOMAS: Thank you very much,
Mr. Chair.

In terms of the mission, I want to keep my remarks relatively brief. When traveling to the nation's capital last week in the midst of what has to be considered an intractable partisanship and political gamesmanship, we still did our work. While they were acting like children, we were providing for children on behalf of the children.

We met with the Secretary of Education for Early Childhood Early Learning to convey First 5's and LA county's support for the President's early education plan. The message was delivered that this county is prepared to step forward to lead. It's not a question of what we can do. It's a question of what we must do.

So the passing of the adoption of the President's initiative will hinge on what's the cost cutting issue: The intersection between autism development on the one hand and early childhood education. It's right and transcends ideology and partisanship. First 5 gets that. Others get that. And we delivered that message and it was well received. So we ought to leverage this opportunity and we can.

I gave the same message at the Children's Defense Fund Early Learning Summit convened by arguably the nation's preeminent children's rights advocate, Marian
Wright Edelman, who met with on a panel with the mayor of DC and State Senator Holly Mitchell. And we sought to emphasize the point that the political and advocacy dimension required to pass the President's early learning plan, be nothing short of that, and we ought to step up.

And we were in the midst of a very peculiar moment in time. And while they sought to shut down, we sought to stand up for these children and our agenda here at First 5 and beyond.

Executive director's already made reference to the Affordable Care Act that took effect last week. We launched an online health exchanges to enroll the uninsured across the country. Make no mistake about it, it's all the way live and people will act in their self-interest. I have no doubt about that.

The glitches are what they are. Massive undertaking. We shouldn't expect it to roll out without some challenges, but the bottom line is this: There are 2.2 million people in the County of Los Angeles who are uninsured. And 80 percent of them will be benefited by the ACA.

So the work of that -- that's been done by Covered California is not to be overlooked. It is to be applauded.

And, Madam Executive Director, we trust that you
will take that message back to your colleagues on the board with our thanks for the work that they've done and what our expectation is, our anticipation is that more will happen and it will be good. And we oughtn't let anybody tell us that night is day and up is down. We know the difference and we need to stay the course.

Insuring people is a good thing. And you know what? These children will be benefited as well. Not a small thing. It's quite in concert with the agenda of First 5 LA.

And then the final point I want to make, the thriving community -- a healthy community is a thriving community. And all of what we seek to do is in line with that sentiment.

Let me make reference to the Black Infant Health Program. It's important, it's significant. I'm pleased that we will be looking at it today. Last month I shared an article from The Times addressing black women and the black infant health matter.

The point to be made is the following: A disproportion number of preterm births and higher rates of infant mortality among African-American women is nothing short of a public health crisis. And it's our imperative to do the research and develop programs to reduce such risk factors.
I'm pleased that the First 5 LA is in line to do precisely that. I look forward to the balance of what we have to discuss to make sure that we are firing on all fronts.

Mr. Chairman, that concludes my remarks.

COMMISSIONER KAUFMAN: You're still chair, sir, as long as you're here.

COMMISSIONER RIDLEY-THOMAS: Mr. Chairman, that concludes my remarks. In other words, take it away.

COMMISSIONER KAUFMAN: Item Number 8. Raoul.

MR. ORTEGA: Good afternoon, commissioners. Item 8, staff is requesting approval of the fiscal year 2012-13 annual financial report, also known as our year-end audit. In your packet, we have included the entire report and the SAS 114 letter.

Just to remind the commissioners, the SAS 114 letter statement of auditing standards, is a required communication from our auditors that communicates clearly with those charged with the governance and the responsibilities of the auditors in relation to the financial statement audit. An overview -- it also included an overview of the scope and the timing of the audit.

I'd also like to report that we presented the draft of financial report, audited financial report, to
the budget and finance committee on September 30, 2013, for their review and endorsement for moving the report forward to the full commission.

In my presentation today, I will speak to the opinion received for the 12-13 audit, the achievements for 12 -- for 12-13, and fiscal highlights for 12-13.

For the fiscal year 2012-13 audit, I am proud to announce that we have received an unmodified opinion. This represents a clean audit. I'd like to also note that in my nine years of being here at First 5, this is the first time that no adjusting entries were required. I applaud my staff for that.

Achievements. We also received the certificate of achievement for excellence in financial reporting for our fiscal year 2011-12 audit from the Government Finance Officers Association. I'd also like to highlight that this marks the fifth consecutive year for receiving the certificate for First 5 LA.

Now, I'd like to move into some of the highlights that occurred during our fiscal year 12-13. On July 1st of 2012, the commission started with a program budget of $183.1 million. By the end of the fiscal year, June 30, 2013, and with several board-approved amendments, the overall program budget was amended to reflect $215.3 million. That's an increase of roughly $32.2 million.
This slide above you provides you a snapshot of the top four reasons for the increases.

In this slide, we represent a three-year comparison of our revenue compared to our expenditures. Focusing on revenue as indicated above, First 5 LA expenditure continues to exceed our revenue and reflects a demand and/or a drawdown on our existing fund balance. For fiscal year 12-13, the overall demand on First 5 LA's fund balance was $106.2 million. That is simply the difference between the yellow and the purple in that last column.

First 5 LA saw a decrease from $100.2 million in fiscal year 11-12 to $94.1 million in tobacco tax revenue. It's a reduction of $6.1 million or six percent. The decrease is primarily due to declining sales of tobacco products and an increase in administrative fees assessed by the board of equalization.

In this graph, we start to focus on our expenses for fiscal year 12-13. The graph reflects a cross-fiscal year comparison of our program and our administrative expenditures. The overall administrative cost in fiscal year 12-13 was $7.2 million or 3.61 percent of the total operating and program expenses of $200.1 million.

As mentioned earlier in my presentation, expenditures did exceed revenue by $106.2 million. Our
total expense increase from 139.6 million in fiscal year 11-12 to 200.1 million in fiscal year 12-13. That is an overall of $60.5 million or 43 percent. The increase is primarily related in the areas of direct program expenses that totaled $185.7 million. And primarily related to the rollout of permanent supportive housing initiative for $24.8 million, an increase in overall expenditures of $21.2 million for our contract with Los Angeles Universal Preschool, and a ramp-up of our countywide initiative investments -- our total countywide investments.

This graph depicts declining fund balance for the last three years. From fiscal year 2010-11 to fiscal year 2012-13, our overall fund balance has declined by 127.4 million or 15 percent. Here we provide the definitions that comprises of our four categories that First 5 LA classifies in the total fund balance and reflects in the following graph. We break our fund balance in four categories: Nonspendable, committed, assigned, and unassigned.

This graph depicts how the actual dollars are assigned or put in each of those four buckets. Please note that this reflects the distribution of our fund balance as of June 30, 2013. It's a specific moment of time this audit covers. It does not capture commission action taken after June 30, 2013. I highlight this to
remind us all that the commission has taken action since 
June 30 that reduces the assigned and increased the 
committed categories; for instance, resolution that was 
approved earlier today on action Item 3, I believe.

In summary, for fiscal year 2012-13, we have an 
audit. We continue to see our expenditures exceed income 
and revenue and have a significant demand on our declining 
fund balance. Moving forward, this report will be the 
foundation or the plinth for the long -- to build the 
long-term financial plan and report our monthly financial 
statements.

At this time I want to thank and acknowledge the 
hard work of my staff within the finance department. 
Specifically, I'd like to call out Teno Haneal (phonetic 
spelling), who took the lead, for the fiscal year 12-13 
audit. I would also like to thank First 5 staff and a 
special thank you to the senior management team and the 
members of our budget and finance committee for their 
support. I also thank Roger Alfaro (phonetic spelling) 
who's our partner from Vavrinek Trine Day & Company. He's 
the managing partner for this year's engagement and both 
of us are available for questions.

And if there are no questions, I turn it back to 
the chair for your approval.

COMMISSIONER KAUFMAN: Members of the budget and
finance committee, any comments? Start with you all since you don't know who they are. First, any comments from members of the budget and finance committee? You've received this and forwarded it on. It looks like a great job.

Jonathan?

COMMISSIONER FIELDING: No. I would just agree entirely. It's wonderful to see a totally clean audit and everybody deserves a lot of praise for that.

COMMISSIONER AU: I couldn't hear Jonathon.

COMMISSIONER KAUFMAN: He said good work.


COMMISSIONER RIDLEY-THOMAS: I move the matter consideration.

COMMISSIONER KAUFMAN: Second.

MS. TILTON: Great work. Really wonderful to hear. I just have a question. Why does the declining birthrate affect the declining balance? I mean, it's not like the tax on birth certificates. Why is the declining birthrate affecting the --

MR. ORTEGA: The way the tobacco tax revenue is distributed throughout all of the counties first in
California, it's based on birthrate is the trigger.

MS. TILTON: Okay.

COMMISSIONER KAUFMAN: So Los Angeles has had a proportionately greater decrease -- unquestioned greater decrease in birthrate than other counties; therefore, our total percent of the allocation has gone down a little bit.

MR. ORTEGA: Correct. That's interesting.


COMMISSIONER AU: Again, to me, it further reinforces that whole notion that we need to be a whole lot more prudent in terms of taking a look at our finances. And I'm hoping that, at some point in time, that there's a mechanism in place, as we're making our decisions about investing in other new initiative, that we -- we truly take into account the declining and decreasing revenues and -- and also begin actually communicating to the community that is reliant at this juncture on our annual expenditure of nearly $200 million and to send the message that we will not be able to sustain and maintain this. It's just -- we can't print money like the federal government, right?

COMMISSIONER KAUFMAN: If you bring in 93 and you spend 200, eventually it will be zero.

COMMISSIONER AU: Exactly. It's not fiscally
responsible. I think we need to begin communicating that
to our partners that we have invested in. And I think it
points to some of the difficult conversation we as
commissioners will have to be engaged in as we move into
the next planning phase for our -- for our organization.
You know, how are we going to continue fulfilling our
mission given the reality of the declining revenues and
the fact that we are still able to do so at some level.
But what will that look like. And so to set the stage for
that conversation.

MR. ORTEGA: I do concur. And once the
commission does approve this item, we do have a press
release that does highlight that we do have declining
revenues and a declining fund balance.

COMMISSIONER KAUFMAN: Any other comments or
questions?

MS. TILTON: Can't we just raise the debt
ceiling?

COMMISSIONER RIDLEY-THOMAS: Good try.
COMMISSIONER KAUFMAN: We have a motion on the
floor. No public comment I don't think. Okay. Any other
comments or questions?

All those in favor please say aye.

COMMISSIONERS: Aye.

COMMISSIONER KAUFMAN: Opposed?
Passed unanimously.

MR. ORTEGA: Thank you.

MS. BELSHE: Well done, Raoul, to you and your team.

COMMISSIONER KAUFMAN: Congratulations to the team.

MS. BELSHE: Thank you, Mr. Vice Chair and Chair.

Got a lot of chairs going. Mr. Acting chair and chair.

We have a couple folks who are going to be coming up. Are you guys going to tag team or are you going to sit maybe in those chairs? We'll figure it out. Okay.

We're going to spend about a half an our or so talking about listening, learning, and leading with the principle focus on the learning part of our work. This is a presentation that has been carried over once if not twice.

And I have a team of colleagues who are very eager to share with you a lot of the good learning that took place through some of the complimentary projects and products that we worked on in addition to the surveys, the focus groups, the interviews, et cetera.

So we're going to touch just very briefly on what we heard and learned from those surveys, focus groups, et cetera. And then we're going to have three of our
colleagues from the organization talk about some of the
complimentary projects that have further informed and
deepened our understanding of both opportunities and
challenges of First 5, and then close with a brief recap
of some of the activities under way and our agenda for
moving forward.

And I'm going to put all of these up because the
board has seen these before, but I do -- it's been a
couple of months when we had our initial deep dive with
the board relative to our initial learning, given what we
heard from the extensive surveys, interviews, and focus
groups that took place with staff, with the commission,
with all of our contractors and grantees -- at least we
invited them all to participate -- a series of interviews
with key informants, and so on.

So a very robust and diverse set of inputs that
really underscored a lot of what we know to be so
important and true about the strength of our mission and a
very clear consensus of support for this organization to
be successful, an acknowledgment of some important but
generally characterized as modest accomplishments to date;
a very clear and consistent recognition that we are an
organization that holds even greater promise than
evidenced to date to demonstrate greater impact that we
are, as many characterized us, an underutilized resource,
and a very consistent set of reminders that we have enormous resources.

Our staff, our commission, our incredible network of partners and grantees and contractors, but also a recognition that, while our revenues are declining, as Raoul just walked us through, we do have revenues. We do have revenues, and that is a critical asset.

Also quickly, we touched in June on what were some very, very consistent issues that were identified as representing some barriers or challenges for us relative to meeting our full expectation and potential. And notwithstanding the diversity, the inputs we received, there was extraordinary consensus and consistency in terms of what those issues and challenges are.

And the plinth, you'll recall the triangle I shared with you, the foundation. And I liked how Raoul worked plinth into the presentation. It was very nice. But at the core of our challenges is the finding that we lack strategic focus. We lack a commitment to a very clear and specific strategic direction; a recognition that, while we play a very clear role as a funder, a lot of confusion about what other roles we do play or could play, a lot of good work supported.

But given that we support 52 separate projects and initiatives -- and I would remind us one of those 52
is Best Start, and Best Start represents both Welcome Baby and home visitation as well as our place-based community investments. We are viewed as kind of scatter shot, spread very thin, having an impact across those very different programs, but not necessarily an impact that's summing and contributing toward really population countywide change. And a recognition both internally externally; that while we have a terrific staff seen as a remarkable asset, our organization has some culture and history that has contributed to some residual affects that does impact how we communicate and how well we perform as an organization.

So these are the initial what we heard and initial learning from the surveys, et cetera. We then had a number of additional inputs to further inform our understanding of this overarching question of, so how are we doing.

We're midway through our strategic plan. How are we doing? What kind of progress are we making? What impact are we having? What are we learning along the way? How do we incorporate that learning.

So we're now going to turn to a couple of our colleagues to touch on at a high level some of the key takeaways of some of those complimentary projects. The first of which is our strategic planning program
strategies and expenditures with an eye towards findings and lessons learned.

Do you need this or --

MR. SNOW: I can just press the key.

MS. BELSHE: All right. Mario Snow, research and evaluations senior associate.

MR. SNOW. Thank you very much. Being from research and evaluation, I always love to come talk about data. So you're going to hear a little bit about data today, and we're very excited about that.

Over a year ago, I came to you and talked to you about our 54-page accountability and learning report that we had that we were very excited. Today, I get to talk about our 190-page accountability and learning report that I hope you had the opportunity to skim or to read because there's been a lot of work that's gone into this, and I think there's some really great information in there that should be really informative to our board here.

I want to just first very quickly thank our consultant, Gary Resnick, who contributed largely to this product, and also our staff, Kim Hall and Gabe Dee, and our PA department who made it as pretty as it is, and definitely all the staff here at First 5 LA because it was definitely a team effort.

So what you see on here is what we established
through our fiscal year 2011-2012 accountability and learning framework. We grouped the First 5 LA investments in to seven clusters according to their outcome focus. Those clusters are: Countywide systems, perinatal support, physical and mental health, parenting support, school readiness, workforce, and Best Start.

It's important to note that these clusters were not part of the original planning for the 2009-2015 strategic plan, and as such, the planning for our investments have not naturally been guided by these clusters. Instead, these groupings were made after the fact in order to help group these products into similar outcomes to provide an easier way to communicate the findings.

These seven clusters are programs support our four goal areas of being born healthy, maintaining a healthy weight, safe from abuse and neglect, and being ready for school.

Our fiscal analysis, which we'll have right here, shows that there were a total expenditures by cluster, shows that four-fifths of the expenditures for the first three years of this strategic plan were really dedicated to school readiness, physical health, and mental health, and parenting clusters.

So in the fiscal year 2009-2015 strategic plan
was designed to build upon and strengthen existing services and infrastructures in LA county that have benefited from First 5 LA funding, and to improve their integration.

During the first three years of this strategic plan, we invested -- First 5 LA invested more than $370 million. The three investment strategies for family strengthening with a focus on providing intensive support to at-risk families, community capacity building that targets communities in which families live, and the network of formal and informal support that can protect families and children who are under stress, and countywide systems improvement with a focus on formal and informal structures through which health and human services are provided in LA county.

In developing and approving the plan to address these four goals, First 5 LA assumed it was going to take more than five years to implement. We adopted a variety of approaches with varying levels of risk. We maintained some historic commitments, including healthy kids in 211. There were many direct service investments that reflect a continued funding from the prior plan period. And the majority of our investments for these three years are focused on direction service investments.

You're going to see in this report that we've
made progress in the first three years of this plan on the health, development, and school readiness of children in LA county, and countywide systems improvement strategies have taken root. While we have seen positive impacts at program levels, these investments have not lead to an impact at a countywide level.

    We see that in the 2011-2012. There's a growing emphasis on place-based and countywide strategies. For example, we saw in the workforce development, Best Start countywide systems investments an almost three-fold increase in expenditures from 2009-10, 2011-12, despite a 15 percent overall decline in expenditures across all the clusters.

    Some of the key lessons learned that we really want to share with you are your key takeaways from this 190-page report here are: One, that there's a need to increase impact of our investments through recognizing the varying risk levels among families and matching investments to risk levels of the intended recipient.

    One really great example of that is our Welcome Baby program. You'll see within this document it talks about how initially the Welcome Baby program served all risk levels of families and with our -- our revised investment with Welcome Baby and select home visitation, those higher-risk families are going to be directed to the
more appropriate select home visitation, more intensive programs;

    Number two, the need to establish clear goals and strategies to accomplish them. During the current strategic plan, we started this and we're going to continue to strength and carry that on;

    Number three, increase the impact by better integrating and aligning our portfolio programs. Programs can learn from each other about their best practices and work together to have a greater impact;

    Fourth, maximize program implementation with high levels of fidelity. During the strategic plan period, we have done some of this, but we need to continue to do more;

    Fifth, to do more systematic program monitoring with more rigorous evaluation designs. We've begun better systematic program monitoring via our getting better data project. And with regard to more rigorous evaluation designs, I know you're going to be hearing about more of that with our Welcome Baby and select home visitation programs in the near future;

    And then sixth, to find ways to maximize participation. The greater the dosage of the services participants received, longevity and intensity, the better the outcomes.
And two great examples of those are health births investments as well as our partnerships for families programs.

MS. BELSHE: Thank you, Mario. And I'll be touching at the end of the presentations on some of the how some of this learning is being used to inform our near-term planing and actions, as well as planning for the future.

And now we'll ask Jessica Monge from Community Investments to talk about the zero to five environmental scan.

MS. MONGE: Good afternoon, commissioners. The prenatal environment -- prenatal to five environmental scan, which you can find starting on page 159, is another learning document that provides wide-ranging insights into current challenges to address and opportunities to seize for greater impact. The scan reinforces the L-3 assessment process with particular attention to better understanding how the external forces may influence our strategic focus, our investments, our role, and our partnership with others. This document is a broad survey of the landscape that attempts to capture some of the important indicators, policy changes, and trends affecting children prenatal to five in LA county.

Los Angeles county has undergone dramatic
demographic changes in the last 10 years. The number of children across almost all races and ethnic groups has plummeted. Those children who remain will take on an even greater significance in the generations ahead as they are called upon to support an increasingly aging population. Census data shows that most children in LA county are Latino, part of this increasingly stable population of native-born Californians living in the county.

A particular finding to take note of nationally is that of the 47 million new workers that are expected to enter the labor force by 2050. Eighty percent will be Latino. They will represent 30 percent of the workforce, which is double the rate today.

While data trends show positive gains in exclusive breast feeding rates and school readiness, there still remains growing needs around other early childhood issues. For example, English language learners currently make up one-third of all LA county enrollment continued to lag behind all other third graders.

A number of new studies confirm the need for investing in efforts to help children early in their lives, particularly with early childhood education and changes in approaches to help at-risk children and families. Economist James Heckman argues for a major refocus of policy to capitalize on the knowledge about the
importance of early years in correcting inequality and producing skills for future workforce. Research all demonstrates that the protective factors of strengthening families framework are predictive of improved child outcomes and empower parents to become decision makers and leaders in their child's development.

The scan provides a snapshot of current research that shows parent engagement and strengthening families improves the health, well-being, and optimizes the development of a young child.

We also see immediate public policy opportunities at the federal, state, and local level that can leverage additional resources and help advance our agenda for children in LA county.

One of the opportunities and challenges of implementation of the Affordable Care Act will be enrolling those who are eligible for health insurance, child and parent alike, into the right program.

First 5 LA has funded policy grantees to work on issues related to the implementation of the Affordable Care Act, including engaging targeted communities in the process and insuring that there is no loss in coverage and quality benefits for pregnant women.

President Obama's early education initiative sends a strong message about the importance of early
childhood education by proposing preschool for all children at or below 200 percent of the federal poverty line. First 5 LA is working with the state advocate, CalStrategies, to encourage California to meet a number of quality benchmarks linked to better outcomes for children.

As you're aware, the local control funding formula for K through 12 schools included in Governor Brown's 2013-2014 budget provides more funding to school districts that have higher number of English language learners, low-income students, and foster youth. The approach also gives district more freedom to select which programs they want to fund.

First 5 LA is working with advocacy partners to engage parents and inform districts on the need to include quality early learning programs as a primary strategy because it will result in improved outcomes for the priority populations. Despite the smaller number of young children, First 5 LA's diminishing resources continue to be insufficient to be the sole funding source addressing the needs of the prenatal to five population in LA county.

The importance of collaborating with others, sustaining outcomes of our investments, and particular prevention-oriented, strength-based interventions, early childhood education, and being a leading force in policy
change become even more significant to create lasting
improvements for children.

The highlights presented today and the more
robust findings from the complete scan allow for a better
understanding of this larger landscape which can be
helpful as First 5 LA continues to refine and further
focuses its strategic direction in the years ahead.

Thank you.

MS. BELSHE: Thank you, Jessica. And, again, I
want to acknowledge like the learning and accountability
report, this really was an organization-wide effort to put
together what really is a terrific scan. I would really
commend the commission's attention to it. Thank you,
Jessica.

Finally, we're going to finish strong with the
public awareness and brand awareness and perception study.

Larry.

MR. RENICK: Thank you very much, Kim, and good
afternoon, commissioners. Thank you for the opportunity
to discuss research.

I hope you did actually have a chance to look at
the executive summary that was in the reports.

MS. BELSHE: Raise the mike, please.

MR. RENICK: Jessica is a lot shorter than me.

There we go. Better?
I hope you had a chance to look at full -- the executive summary. This is going to be a very quick overview. For background, as part of last year's public affairs work plan, we commissioned a 360-degree perception and awareness study. It included research in internal stakeholders made up of staff, commissioners, and supervisors deputies -- and I'm glad they're here today -- external stakeholders such as grantees, community-based organizations, and community influencers, an audit of the media and, of course, parents. A study of this kind had not been done at First 5 LA since 2005.

Our goal was to learn what these stakeholders knew and thought about First 5 LA, what messages they felt we should communicate about issues concerning children zero to five, what were the best ways -- and what were the best ways to reach our various stakeholders with other relevant information.

This First 5 highlights our internal stakeholders' wish for more consistency of messaging and visual identity from our grantees, as well as our desire to expand the public's perception that First 5 LA is more than just a funder; that we can be a policy leader, an advocate for young children, and an agent of change.

Our external stakeholders expressed an appreciation for the important work first 5 LA does in LA
county. They, too, hope we would expand how and what we
fund in light of the need for more sustainable activities
and felt First 5 LA needed to better explain our impact in
the county. These thoughts were well aligned to the
findings of L-3.

With our enhanced focus on building stronger
families, understanding what parents currently know about
First 5 LA and feel about the first five years will be
critical as we develop effective public education
campaigns.

Through our study, we learn that had parents are
actively seeking help on raising their children, and see
eyear childhood as an important time in a child’s
development. But without being prompted, only a limited
number of parents could name First 5 LA as a resource.

As a relatively low numbers for organizations
indicate, parents across the county are in need of much
more information about the resources available to them.

We also investigated if diverse ethnic groups had
distinct aware -- distinct concerns about young children
as well as different levels of awareness of First 5 LA and
other resources. While a limited number of parents
indicated that they knew about First 5 LA, we dug deeper
to see what they knew and how they felt and really
understand the wide range of what we do here.
These are just a few of the key learnings that will influence our work going forward. Our goal is to insure that the public has a clear understanding of who we are, why the first five years are important, and how our community members can find the resources they need.

We will track and evaluate changes and awareness and perception through our use of our own research efforts as well as through our research partners, including PHF WIC, participant study, the Department of Public Health's LA county health survey, as well as the LA mommy and baby study.

Our next step is to work with senior management to finalize a marketing and communications plan through the end of fiscal year 2014-15. This new plan will insure that our public education campaigns, media outreach, partnership development, community engagement efforts, and the distribution of informational materials will not just support the organization's efforts, but will significantly contribute to improving outcomes for children by strengthening families and building healthy communities.

Jacky Eckert, who is with our Edelman communication partner is here to discuss any of the findings. Please let me know if you have any other questions. I thank you.

MS. BELSHE: Thank you, Larry. And I know that
was a whirlwind through three very substantive and really
terrific reports. They are -- some of them are rather
lengthy, but looking at our very large portfolio over a
period of a number of years, there's a lot to get off our
chest as I say.

So that learning and accountability report is a
very deep and detailed report that provides some important
insights to what we do, how we do it, and where we are
making some progress in terms of actually having an
impact. But as Mario noted, those seven clusters really
are artificially created.

It was an effort by us to, in some respects, I
think the quote from the commissioner in the upper right
which captured in some respects how that -- that report is
structured, is we have 52 projects initiatives and we try
to figure how, how do we make sense of it; how do we bring
greater focus and alignment to that work. So the seven
clusters were created after the fact to try to capture the
work we do.

But the challenge for us going forward is, how do
we proactively identify specific strategic goals and then
organize in a proactive way the programming around it.

What I want to touch on in closing is kind of the
of the -- the last piece here is, so what are we going to
do about it. We've learned -- we've heard a lot. We've
learned a lot.

This is the pyramid you've seen before and that I referenced a moment ago with the plinth, the foundational issue that consistently was raised across multiple informants and processes -- process inputs, was about strategic focus.

And that really undergirds everything because, in the absence of strategic focus, it's not surprising that there is not as much coordination alignment and integration across our different programs and initiatives. If there's that lack of -- if there's more of a scatter shot approach, then it's not surprising that of the learnings is, we're not clear about who our partners are and the role we play in terms of improving outcomes for children varies program by program, initiative by initiative.

Our internal systems and infrastructure, while strong in many places, it's also clear that there's a lot of work to be done to be insure that we have consistent organization-wide policies, procedures, and business systems to insure that we are a high-functioning organization to advance our mission.

So what we will do -- what we wanted to capture here is some of the activities that are already under way. With the board's endorsement of the Building Stronger
Families framework for Best Start, that provided much-needed strategic focus to our place-based work.

And over the course of the past few months, we've been endeavoring to look at the application of that strategic focus to First 4 LA's work organization-wide consistent with what we heard from L-3, what we heard from Mario a moment ago about, if we want to increase impact, we need to better align and coordinate our programs across our very broad portfolio.

We're making some small but important steps. For example, the emphasis on early childhood education as a policy priority certainly is one we proactively identified, but it was also a priority identified through our partnerships in terms of their efforts to connect families to concrete supports in times of need. That was one of the major gaps identified.

It's that kind of connection that I think has an opportunity to really help inform and drive some of our countywide system strategies.

As a part of our advocacy and policy work around early childhood education, we're partnering with families and schools to support a parent empowering, parent engagement effort to connect parents to some of the local decision making that will be occurring as a part of the local control funding formula.
So, again, an effort to try to connect our focus on parents and some of our learning in the Best Start communities preliminarily with our broader policy and systems change.

Larry talked about the work around communications. Again, with the Building Stronger Families framework focusing on parents, that's going to be a very important lens through which we think about our communications work going forward and how we can use communications to really get the word, not just about information but to help build skills in terms of the family strengthening protective factors.

On the operational front, John -- we talked about how John is our champion for organization-wide coordination. John even has a theme song. He has invoked Madonna and what's the other group?

MR. WAGNER: We are the champions.

MS. BELSHE: Queen. Thank you. So John is our cue the music -- no, I really -- maybe at an office party, but right now -- John really is our organization-wide champion.

And regardless of our strategic focus, whether we're focusing on one, four, or 52 areas, we have some fundamental needs in terms of our internal operation systems, business processes, and John is leading a lot of
very important work on a number of different fronts, a number of which are noted here.

On the issue of role, which was a very clear theme from L-3 and will continue to be an issue that we will grapple with going forward, we absolutely are upping our game with the board's direction and support relative to policy, relative to our role as a convener, relative to our role as a policy leader and advocate, not just on our phone, but in concert with other partners, organizations, and coalitions that share our policy goals and our aspirations for children. So this is just a very quick kind of snapshot. this was actually done a number of months ago.

I want to now close by talking more about where we are right now. And I don't want to linger too much on this, but this is a little impact tool that our consultant, Blue Garnet, developed which we're using to help focus our work in the near term and longer term.

The anchor in our planning efforts, in terms of taking what we heard and learned and sorting through, so what are we going to do about it, is really anchored in this question of impact. And there's a short-term piece to our work and a longer-term piece to our work. Because in the short term, what we are working through through a group we call the organizational transition team, or the
OTT, is really to take what we heard and learned from L-3 in terms of those baseline findings and translate them into concrete actionable steps.

Our priority focus -- there's a couple of goals here. But our priority focus as we say here is to strengthen implementation of our current strategic plan to have as much impact as we can in the context of 52 projects and initiatives and do what we can to finish strong in the remaining months of our current strategic plan effort.

The secondary value we see with OTT effort that's under way is to lay a really strong foundation for our strategic planning effort that Nancy touched on a moment ago that we're going to have to start at some point next year, but we're not going to be starting over. We're really going to use the L-3 learning as a foundation to focus and accelerate planning for next year.

That certainly is my hope. And we'll be coming back to the board with a concrete plan on that.

The product of the work of the OTT is what we're calling a gap analysis. Given where we are, given where we aspire to be, given what we learned from the L-3 and related efforts, what are the priorities and -- from a strategic focus perspective as well as from an organizational business processes and systems perspective.
There are two principle strands of activity I want to touch on to give you a flavor for how we're approaching this.

The first strand is around impact and strategic focus. And here our work in the near term, as I touched on a moment ago, looking at Building Stronger Families framework in terms of the family level and the community level results with an eye towards, how do we make closer, more explicit, intentional connections between the work we are now implementing moving forward with implementation in terms of the building stronger frameworks and our countywide systems work and our countywide programs.

And the goal here is to identify some very specific opportunities to apply or align that framework to our work countywide over the next 18 months, the balance of the current strategic plan.

Secondly, this -- this strand of activity is -- will be identifying and framing for staff and the board some of the key questions, considerations, and scenarios to, as I said, focus and accelerate our planning effort for next year.

The second strand of activity actual has multiple work streams under it, and this is what John is leading. But the punch line here, again, is prioritizing what are the policies and procedures in terms of our internal
operations that we really need to bring some coherence and
consistency and clarity to, as well as the business
systems that undergird our work and that really are so
critical to us being a higher performing organization.

Who is leading this work? It is our senior
management team with a few additional representatives.
John and Teresa are playing an important co-leading role
and Jessica Kazmark (phonetic spelling) actually is our
project coordinator, and we want to thank her for
dedicating a chunk of her time to that.

The timeline, as I note here, is the next couple
of months. This is an effort that is under way, but it is
also time bound. And I would submit that the measure of
the success of the OTT is really three-fold:

Number one, that we will identify some very
specific and concrete opportunities to bring more
strategic focus to our work organization-wide using the
Building Stronger Families framework as an important lens;

Number two is that we will be able to develop and
bring to the board a more concrete and focused way of
approaching strategic planning that will enable us I hope
to really focus and accelerate that work going forward
next year;

And finally, that we have clear priorities
regarding the internal systems policies and procedure
building blocks that will need to be in place over the
course of the next 18 months.

So you all have been generous with your patience
and your listening skills, which I know are activity
listening skills. And we will leave it there and invite
comments and questions. Thank you.

COMMISSIONER KAUFMAN: I'll turn to this side
first. Any comments or questions? Dan, Christopher,
Sandra, Jonathan?

I was trying to see if we could have Nancy not be
the first one to speak, but I guess everybody likes to
hear what she says.

COMMISSIONER AU: Well, I am truly impressed.
Your staff has done extraordinary work again, and I thank
you.

And I guess I'm always thinking ahead in terms of
what then will be the challenge here because I think early
on when I -- I believe was Mr. Snow, when you -- in your
particular presentation, when you talked about clearly
that we may need to begin to be a lot more targeted in
terms of what it is that -- who it is that we're going to
serve and what it is that we want to impact.

The -- the issue I think is for me, it's even
more of a challenge and even broader in some ways because
the way I frame -- I'm beginning to frame the role of
First 5 LA is that, at some point in time, just given the fiscal reality of what we're -- we're anticipating down the road, that we will need to have more clarity in the broader context of, are we going to be a prevention entity or an intervention entity because we can't do both. Our fiscal reality won't allow us to do that.

And it's, in a sense, I think, we may begin to take a look at our partnership and our relationship with the county agencies because I'm looking at Jonathan, I'm looking at Arturo, I'm looking at Phil Browning. They're almost required by law to respond to almost a reactive process that, when there is a crisis in the family, with a child in the community, with children that need to be educated, with a epidemic that -- that's looming, that they're bound by law to respond and be there to address that and ameliorate that.

With First 5 LA -- well, given that those agency also know by -- by their experience that, unless we begin to focus some resources in prevention work, that these crises will keep escalating because the core reasons for these crisis to even exist oftentimes is preventable, but resources are limited. Every year we're confronted.

Right now in Washington DC, we have a dysfunctional government. And, in fact, there's a food stamp program that's in jeopardy right now and other of
your programs are in jeopardy as this stalemate continues. But when it comes to wanting to do something on the front end, their hands are tied oftentimes.

I think First 5 LA has a really unique opportunity to take up that reign and to really take a look at how we can engage in some really effective strategy and effort to galvanize community in the way.

So I'm looking at you again, but how do we then measure by the impact of prevention? It's easier to measure when there is a problem. We bring in intervention and we get something at the end. But how do we measure the effectiveness of prevention?

My -- my positioning is that it's more of a long-term measuring process.

MR. SNOW: Absolutely. I just wanted to comment to the grand point that you're making in terms of, you know, prevention but also trained effect more systemic change in trying to look at more organizational support. We're hearing from the majority of the First 5 counties throughout the state that they, too, are diverting their dollars more from direct services and into those systemic change and organizational support dollars because they get more bang for their buck. They can have a larger impact across a larger group of people.

So I think that is definitely something that
we're going to be talking about as we look at our strategic plan for the next year and as we're looking at our fund balance declining over the next year.

MS. BELSHE: Although I note -- and if I may, the current strategic plan, at least as it was originally approved, had a very strong emphasis on prevention. The place-based worked at its heart is really about building human and social capital. It's not about intervening in response to problems that have already arisen, number one; and then number two, using that learning to help inform and drive broader systems and policy change.

COMMISSIONER AU: But the challenge is, how do we articulate the effectiveness of our work in place-based or Best Start because right now we're still applying sort of the traditional paradigm which is, you know, the notion of, if you're going to do an intervention, the expectation is that it would have an effect and it's in a relatively short period of time.

So how do we make that paradigm shift when we talk about prevention? How do we then clearly articulate that what we are doing is actually having an impact?

MS. BELSHE: And just -- and I know -- I'm sure other commissioners might have some comments. A very important part of our current strategic plan, which is very prevention-oriented is, of course, Welcome Baby home
visitation. Welcome Baby is voluntary for all births. That is an example of where there's a very significant First 5 LA investment to better understand the costs and the benefits associated with that very prevention-oriented expenditure.

So you're right, prevention is hard to get your hands around, but it's something we, as an organization, have to date and I think will continue to invest to resources to try to do.

MR. RENICK: And just quickly, Nancy, part of prevention is also just awareness. And so that is something that we can measure, putting the messages out there, making sure they're getting there in a way that's culturally significant to the people, seeing if they're responding to them, seeing what actions people may be taking. That's an important ground foundational component that you can take.

COMMISSIONER KAUFMAN: Jonathan.

COMMISSIONER FIELDING: Yeah. I think there's a continuum between prevention and, intervention and there are some activities that are very clearly remedial primarily, and there's some that are primarily prevention, but most of them are a mixture. If you take the first family partnership for Black Infant Health or Welcome Baby, they're a mixture. And some of those have very good
data associated with them.

I think in the -- in the period we're talking about, zero to five, a lot of what we're doing is prevention, whether it's trying to increase the use of park space or have more parks or whether it is to increase consumption of fruits and vegetables or increase in physical activity, all of those are prevention at heart. Most importantly, of course, the opportunity that Kim has certainly championed and we all agree is to increase our focus on policy because policy is what's going to change the determinants of health, safety, and well-being more than anything else. So that kind of focus, it seems to me, is inherently preventive.

So I don't think it's whether we want to have one or the other. It's where we want to have our portfolio and how much we want to have it weighted in general toward prevention versus intervention.

I fully agree with you. We don't have the dollars to do early intervention, but is breast feeding an intervention or is it prevention. Would I argue on that scale, it's primarily prevention even though it's intervention to try and change habits.

So I think we just have to be careful not to set up a dichotomy which may be exaggerated for -- to help us think about it. But I think in reality we're going to
have to find out where on the spectrum each of these falls.

COMMISSIONER KAUFMAN: Any other comments?

MS. BELSHE: Final note I would make is -- and we'll talk about this more in the context of implementation of Building Stronger Families framework, but the family strengthening protective factors are at its core a very evidence-based prevention focus model. It is about building and supporting certain strengths in families and supporting characteristics that support families and communities that is grounded in prevention.

So, again, I think Jonathan's point is well taken. There is a continuum. And along that continuum some investments and strategies are more or less peer prevention and more or less assessable to meaningful measurable analysis in terms of the costs and the benefit.

COMMISSIONER KAUFMAN: My only comment, very, very good work. And I didn't read every page of the report, but they were really quite -- the summaries were quite helpful.

I don't know if I want to call it a communications strategy, but it sort of is. One of the ways to judge whether or not First 5 LA is meeting its goals is not only at our outcomes and the like, but it's how many people know about what we've done and what do
they know about it at various levels and whether it's the academics who participated and then published a research paper that goes into the academic community; whether it's administrative kind of community that reads about what we do; whether it's the parents and families and et cetera.

And I just think we're sitting on a goldmine of -- of stories to tell, some of which are story like and some of which are actually data driven, et cetera. And it just seems to me that one of the learnings was, people don't know who we are, they don't know exactly what we're doing. We have to frame that more clearly.

I don't disagree with that, but I think we also have to recognize that people want to hear things in different ways about different items. And somehow our weekly newsletter, which I read every week, is really quite good, but it doesn't get all the way to what we're trying to do. We're not self-promoting. We're not telling people about what we're doing.

I really feel like in our next strategic plan or sooner a really well-defined methodology that brings those -- that piece of information out for a purposes of change public policy, change public will, change public understanding and perception, change administrative, each of those categories, each of those targeted audiences. so you're shaking your head is great. We look forward to
hearing how we can do it.

MR. RENICK. Great.

MS. BELSHE: Give just a very quick snapshot on where we are with the development of the branding --

MR. RENICK: -- and marketing plan, yeah. And it's in there. We really are doing exactly that, coming up with, what are our goals, what are our strategies, and how are we moving forward. So we actually had a preliminary conversation with Kim last week. We have another one next week I believe. So we really are looking at doing that for the next 18 months.

MS. BELSHE: But it lists some of the tensions or issues that many of you have grappled with for many years, which is so, does First 5 LA stand behind quietly its contractors and grantees, or are we more publicly out front. And that's been -- that's been a tension.

So these findings probably are not very surprising given that this organization's never really resolved that. So we're going to be coming back with some clear recommendations that, frankly, I think we have some real opportunities here, but we need to bring greater clarity about who we are, what do we stand for, what are we trying to accomplish.

And this issue of stories, Neal, you're absolutely right. It's come up in the context but also in
the context of our policy work. So in working with our
advocates, you know, they're saying -- they use different
words than we're sitting on a goldmine of stories to tell.
But it's this, how do we connect our learning and
knowledge, both the human stories as well as the
substantive research learning, with key policymakers,
Because that's -- that's where we want to -- what I shared
with the staff is, it's a three-legged stool.

We're investing in services and we're going to
have to grapple with what that looks like in the future.
But we've evaluated a lot of those investments. We have
good data and research, second leg of the stool. And then
we use that to help inform and drive a policy and
advocacy.

So those three legs are synergistic. I hate that
word, but the -- telling the story of First 5, not just
broadly, but specifically in terms of those programs we're
investing in, is a key part of our arsenal for policy
change.

MR. RENICK: We're really trying to do it in a
way that's much more -- we're looking at it more top down.
I think what we've been doing in the past is looking at
telling those various stories and hoping that they bubbled
up to tell the story.

COMMISSIONER KAUFMAN: It's got to be more
attention.

MS. BELSHE: That's right.

MR. RENICK: And it's not being effective. And so we're moving forward with that.

COMMISSIONER KAUFMAN: Nancy.

COMMISSIONER AU: What I would like to see is for us to even go back to almost the beginning of our conversation around creating Best Start communities, remember? When we start -- at first, it was going to be a pilot process, right -- a pilot project, and we had consultants come in and add -- I think it was Hershey folks that came in and came up with this whole promotional thrust with Best Start Los Angeles, Best Start.

MR. RENICK: Seal of approval.

COMMISSIONER AU: Seal of approval. Perhaps we could revisit that again and really begin to use that as maybe a basis for -- for promoting and publicizing the work that we're doing on a community-based level.

MR. RENICK: And also trying to make sure the connections between the work that we're doing for Best Start and First 5 LA. That's one of the findings as well, that people didn't understand that connection.

COMMISSIONER AU: Make that connection, First 5 LA Best Start community, whoever that community is.

COMMISSIONER KAUFMAN: Any public comment on this
item? I don't believe so.

It's now 3 o'clock. We're supposed to have an exercise break. We'll at least have a biological break. We'll go for five minutes. I say five minutes, I mean ten. So we're going to start at 3:10.

(Brief recess.)

COMMISSIONER KAUFMAN: It's time to get started again. Would everyone please take their seat?

Kim, shall we go to Item Number 10?

MS. BELSHE: Yes. Thank you, Mr. Chair. And I want to thank Celia Ayala for her flexibility because this item was supposed to be on our last agenda, and she was gracious enough to be held over one month.

So, Celia, take it away.

MS. AYALA. Thank you. And good afternoon, everybody. And I have the answer. We are the best prevention ever. So you can just invest in LAUP. So thank you very much.

Thank you so much. And I know that you here about LAUP a lot, and I'm always happy to be here because, whether we are on the agenda or not, there's always a lot of learning for us in terms of the conversations that you have.

So I'm going to try to be as brief as possible without repeating a lot of the stuff because a lot you
already know. But would I love, if you have any
questions, to be able to respond to them.

    So first of all, do I go to -- enter, right?
Okay. So just as a reminder, have you made an investment
in 2004 of $580 million. And the original contract was
from '04 to '09. Starting in '05, and the estimated
number of kids that we would have served in those five
years through that contract would have been around 70,000
children if we would have been up and running the first
day, which was unreasonable. And so the maximum we would
have served in 2009, in the original contract, would have
been 18,000 children.

    Since then, you've known that we amended the
contract, and we're here and have a contract with you
through 2016. And by the end of the contract, we will
have served over a hundred thousand children. That is in
a prevention -- no matter what study you look at, in terms
of preschool, it is a prevention to insure that the
achievement gap does not start in kindergarten.

    So what you've invested in since 2004 is an
organization that we are ecstatic and happy to share with
all of you in the room and all of our stakeholders, that
LAUP has really developed an expertise in early childhood
education; that we have been, if not one of the first, at
least one of the first five in California that has
actually implemented a quality rating and improvement system that is now the buzz across the nation in terms of really looking at quality programs for children; that we are recognized not just in LAUP -- in LA county, but throughout the nation in terms of work that we have been doing; and that most importantly that the program that you have really allowed to be implemented is replicable because we are spending less than most states spend in the regular preschool programs. So it is not something that cannot be done.

So it is with that that we developed also then expertise in talking about -- when most of you were talking towards the end of previous conversation is, really it's about public policy. We at LAUP -- and we have our board chair, Mr. David Crippens, and some of the staff that are -- we have frequent visitor passes. We come every month.

That we have developed that expertise in public policy and it is about all of us recognizing that you do have declining revenues. And I've had conversations individually with all of you.

And we at LAUP, our board of directors and the staff, recognize that you can't fund the model that we currently have forever. And that's unfortunate, but it's the reality.
So our service model currently has provided services to over 70,000 children as of last June. We have developed and expanded one of the largest in the nation a workforce initiative that has impact every year on tens of thousands of children because we are really working to improve the quality of all providers currently and future preparation of anyone who cares for or educates in the ECE field zero to five.

We also have an existing organization that has maintained staffing levels that are efficient, that all of you have known that we've reduced in terms of the administrative cost and yet we've grown in terms of our program, but that at every step we're looking annually at aligning our staffing patterns with the strategic goals that we have in place; that our board of directors has launched in August our strategic planning process and we should have in alignment with the work that you're also doing with the environmental scan and with our other stakeholders like First 5 California and other entities across the state in terms of making sure that we bring something to you that is reasonable in terms of what is LAUP going to look like beyond 2016; and that we have been diversifying our funding for the last several years.

And as I shared in July, the -- the $580 million to date have been leveraged to bring in an additional $92
million to programs and services in this county. $92 million to date.

So our strategic plan, which was launched by our board, and I'm happy to say that we have a board group, which First 5 is represented by Elizabeth Eya (phonetic spelling) in our group.

We also have an internal design team that is made up of different levels of staff in terms of what we're doing. We also have a process by which we're reaching out to stakeholders. We have had at least half of our interviews that are about an hour in length.

And I want to thank Kim and Dr. Fielding because I know that they participated in the interview.

But we've also reached out to all of you in filling out our survey and many of you that are out here. We have to date received over 300 surveys. And I encourage that, if you have haven't gotten one, let us know because we want to make sure that we hear from partners, stakeholders, parents, and people from even outside of California that we work with in terms of the Congress, the Senate, to find out what they see in terms of early education.

So I really encourage you to do that because we are revisiting our vision and our mission, and it's very important that, just like Kim said towards the end of the
previous conversation, we, as LAUP as our board of
directors and staff, need to be very clear on what
business are we in and what business are we going to be in
beyond 2016, what are our core values; to really redefine
our service model, are we doing the things that need to be
done and are they salable, is there a need. And there is
that accessibility in terms of our communities.

We are expanding our revenue streams and creating
business models. Whoops, I skipped. I can't talk and
walk at the same time. So that's what I just said.

Our strategic planning timeline began with the
discovery phase in August and it's going to go through
December. Concurrently with that, we are already
beginning to think about the ideas. So the design phase
will start really more like in December, but some of it is
already getting a head start, and we expect to complete
that in March. And concurrently in February, we will
begin to really put in place the delivery phase.

And within that delivery phase, we're looking at
our potential service models. We currently have three
major -- and Kim and I've talked about buckets of service
and you talk about buckets of money. So we've talked
about quality access in our workforce. And so we know
that there will always be that need for funding quality
preschools.
The issue is, who funds them. There's also, in terms of our workforce consortium, and we know there will be that need for continuous quality improvement and preparation of the workforce because it is a huge, huge economical contributor to this county. Almost $2 billion annually in the child care industry. And who is preparing them to care for our children zero to five.

The whole notion of parental engagement -- because as we all know, parents are the first and most important teachers of their children. But parenting, when I was a child -- and that's not that long ago -- as opposed to when my children were growing up and they were infants and toddlers as opposed to is very different. So the parental engage piece in terms of prevention or intervention is critical to avoid the remediation piece.

Then the whole aspect of technical assistance and professional development. We are currently asked, can you provide technical assistance. And so we will, for a fee. But I want to make sure that we are doing everything that we need to do that we're being asked by our funding entities before we put something out in terms of selling and having that capacity to do that. But we know that that is something that is very much being sought after in terms of rating of programs and providing technical assistance, coaching, et cetera, which leads in terms of
our quality rating and improvement system.

And in case you have -- have not become aware, the county has been very interested, the board of supervisors, for years have talked about are we rating the quality of our care system.

And so we know that the supervisors have put a motion and are working with the offices to insure that office of child care and LAUP, which are the two rating systems currently in place, which are getting money from the Early Challenge Grant, are working towards having one rating and improvement system in this county. Ultimately, it's about creating capacity and then having the capacity locally to be able to continue that improvement.

And then last but not least, unless we change the public policy of how we fund and whatever dollars we have in the county or in the state and prioritize and align the dollars to the priorities, we would be here all the time just like other grantees.

So we need to really look at, if it is important to provide quality preschool program for all four-year olds, it cannot be one commission or two commissions or three commission; it needs to be a state and/or federal program. And in the state, over 35 years ago we were in the same place with the funding of kindergarten programs. And we now know that we have kindergarten for every child
who chooses to in California. So it is about public policy.

Our board of directors is changed in membership and has expanded, and we're looking to further expand. We currently have 14 of the 15 seats that we have in our board. Remember, we used to have only 13, and we're shooting for up to 17 board members. We now have 15 spaces. We have one supervisory district that is not represented, but the other four are. We have four people that represent the field of education, including early education. We have two corporate members who represent the corporate world. And we have two people that are very knowledgeable in terms of business and program development, which is to help us raise dollars, and we're looking at two other possibilities.

This board is very different in terms of their responsibility and in terms of their mandate for LAUP today than it was when I came in 2007.

We also have a corporate counsel. I don't know if you're aware, but we reached out to the corporate community to help us in terms of what is it that we could do to better partner and to acquire some support from the corporate community.

So we have a membership of seven corporate counsel members that include from Price Waterhouse to the
CSU System to Lakeshore to Sony. And we're looking to expand and we're reaching out to AARP and other entities because we need that broad spectrum in terms of getting not necessarily regular board members, but a corporate counsel that meets on a quarterly basis.

Our revenue diversification. We all know First 5 LA is our primary funder. Our biggest other chunk of change comes from First 5 California. But I want you to know that, from 2004 to today, we've gone from a hundred percent First 5 LA funded to about 80 percent First 5 LA funded, and we're looking to further diversify.

We now are part of a federal grant. And so we are part of the race to the top. We have been part of other federal grants, such as the child disease -- no. Center for Disease Control with the county public health department. We are currently in another funding cycle with UCLA for another center for disease control funding so that we can look at health and nutrition.

We are very aggressively looking at state and federal funding and, at the same time, working with First 5 LA and other stakeholders to look at the public policy agenda to insure that, at the state and federally, it's something that is continued and becomes a reality.

We are looking at fee for services, as I stated earlier in terms of rating and providing coaching and
technical assistance. There are local cities -- we have over, I don't know, 80 cities in the county of LA, just like we have 80 school districts -- over 80 school districts. And there are opportunities for county and cities funding such as the CDBG grants, such as county grants through the Center for Disease Control and other allocations that we're working with our local organizations, because they're not only school districts in terms of our network.

They're nonprofits, for profit public school districts. But we are now working to be able to get local funding and not only the cities, county, but the state, to be able to diversify.

We have an opportunity -- I think this is one of the best things that's happened in my life as an educator for this is going on my fourth decade. Working with the county office of education. Dr. Delgado and I have invited the 29 superintendents that currently receive First 5 LA dollars through LAUP to say, if this is so worth this investment, what about you looking at in terms of local funding.

And so we're -- the superintendent is hosting us at LACOE and we're inviting one of the superintendents who is not an LAUP superintendent, Chis Steinhauser, who is kind of like the poster superintendent for ECE locally and
at the state, to be that voice because he really gets that
d investment and what they've done in Long Beach.

       We have also been aggressively and have been
   successful at acquiring foundation dollars. We have
community California -- CCF, California Community
Foundation. We have Parson's grant. We have a Kaiser
Foundation.

       We are currently in competition for Kellogg
Foundation, Riordan Foundation. So we are being more
aggressive for not only the small, but the huge dollars
because we know that all children deserve that
opportunity.

       Corporate funding, we've gotten some grants from
Sony. We've gotten some other grants, small grants. But
we are looking to expand that opportunity and ultimately
individual giving through whether it be our -- and we've
discussed a parent investment fee, however nominal, to
individuals who have contributed and they have been some
people who have given significant amounts of dollars.

       The policy agenda is very much aligned to what
First 5 LA is working on. In terms of the President's
early learning plan, the early challenge grants, the child
care and development bloc grant reauthorization, those are
all critical in terms of the services and programs that we
have in this county.
At the state, really looking at the state budget. I just met with the new CDD director on Tuesday. And trying to position programs -- LAUP programs to be eligible for further state preschool dollars, and we have quality program that we could partner with to look at workforce consortium projects across the state, being able to do that.

Looking at lowering the tax initiative in case we're not successful at public policy change, that to lower the threshold from 66 to 55 percent, and locally, as I stated, working with superintendents, local school boards, and other organizations, labor unions to understand that preschool is a great investment in terms of an opportunity for how they fund and how they use the additional dollars that have been allocated through the new funding formula.

Last but not least, to really look at opportunities throughout the counties, cities, and to analyze the local taxes that could ultimately impact generating -- revenue-generating opportunities.

Our next steps are to finish our strategic plan. We're hoping that we could come back with an update in January or February so that you could see what progress we've made to date; that we will look at focusing on -- as every year, cost effective ways of serving children and
saving additional dollars for beyond 2016 of the original 580; that we are expanding our revenue streams; that we are working not only at an aligned but some of the joint efforts between LAUP and First 5 LA; that we continue to build the public will for preschool for all children because it is truly one of the best investments that I'm aware of in terms of prevention in that achievement gap and other social issues that we have, and then coming back, as I said, to you to report.

So I will stop there and see if you have any other questions.

COMMISSIONER KAUFMAN: Thank you very much. Any questions from this side of the -- Jonathan.

COMMISSIONER FIELDING: Well, thank you very much. It's a very rich report and very comprehensive. I had a couple of questions. Of those grants that you've gotten, how many of those are sustainable as opposed to one-time funding because I know that one-time funding is great, but -- especially if it's well aligned, which it not always is, but oftentimes, you know, that's a one-time thing, it's a two-year or three-year or whatever. Can you just tell us what you've gotten as sustaining as opposed to what -- one time?

MS. AYALA: I don't mean to avoid, but just let me clarify. Sustainable for how long? As an example, the
power of preschool we started in 2006. It was going to end. It became a bridge program. It's now a signature program for First 5 California. And, currently, they're strategic plan goes through '15.

I just met with the executive director, and they are proposing as part of their next strategic plan that the signature program will continue to be part of that. So it's another five years, so sustainable for every time they have a strategic plan.

Some of the other dollars are renewable and not sustainable for -- til infinity. If we're able to acquire preschool dollars, again for how long. The issue of public policy, Dr. Fielding, needs to be that, in preschool, we've suffered or in child care. Every time there's been a budget crunch, that's one of the first things that goes. So sustainable for how long.

We have to change the public policy agenda to insure that it's part of whatever is allocated for education. So some of it is sustainable for -- renewable every two years, every three years, but I have nothing in our funding streams that is indefinite.

COMMISSIONER FIELDING: I think that's -- we're with you in terms of the need for public policy change. That's the only way we're going to get to what we both believe is fair and is going to be the developmental base
for children going forward. I don't think there's any question.

I'm just concerned that there's not that many other streams to pull that, if in fact that does not occur or if it does not occur in the time frame that we all want. Many of us thought it would occur long before now. So I think that's the principle concern.

I guess the only other question have I is, you talked about your core competencies being in part the quality rating system. Are you seeing -- at one point, that was kind of a separate cost revenue profit center, whatever you wanted to call it. Is that still part of your thinking; and if so, how has that involved, how is that part of your strategic plan?

MS. AYALA: That is one of the sources of funding that will, I believe, be part of what LAUP will be doing beyond 2016 because I don't see LAUP going away. So one of the main functions is that quality rating and improvement system, and it would be a fee for service.

We have had so much work with our network and we're -- the race to the top is one of the first things that we've actually attracted to be able do this. Because in addition to the 300 sites that we currently have with LAUP, we have over 200 now in LAUP that are benefiting at no additional cost here and is bringing that revenue for
five years.

So in addition, when that fund goes away, that grant, we believe that whether the state or locally, the county is looking at the feasibility of doing this at the county.

Now, how much is the county ready, willing, and able to commit? I don't know. But it is something that people are paying to be done. Could we be a provider? Absolutely. There are other entities, like WestEd that does provide this service and it costs -- it costs us four times to do it through them than it cost us to do it to us.

So we know that we can generate revenue locally and throughout southern California at a minimum.

COMMISSIONER FIELDING: Thank you.

COMMISSIONER KAUFMAN: Other questions?

COMMISSIONER BROWNING: Can you remind me again? I know you mentioned this once. The dollar amount and percentage that parents pay for this service.

MS. AYALA: It varies. We have a parent investment fee. The majority of our programs is like 80 we cannot charge the parents. That was one of the conditions from the original power of preschool, that it was going to be free. In the renegotiate and the new strategic plan, that's something that we are looking at in
California and being able to charge. But there are some
of our providers who charge anywhere from $50 a month to
the maximum would be like 150 has been the range because
we are in high-need areas. So it varies.

Currently, we -- we are foregoing -- if we were
to charge the parent investment fee, about a million
dollars in that parent investment fee. But we're getting
10 million from the State of California for the signature
programs.

So if we were to charge and not have the
signature programs we would be able to collect about a
million, but because we don't, ten is better than one.

COMMISSIONER BROWNING: Okay. Thank you.

COMMISSIONER KAUFMAN: Thank you.

COMMISSIONER AU: Just a question. How does the
local control funding work and what are the requirements?

MS. AYALA: Well, I'm not an expert, but I will
tell that you it is -- the Governor proposed and he passed
how to fund schools differently. And based on the number
of second language learners, special needs children,
there's different criteria that a school district has
they're funding formula, they add to it. But when they
give it to a school district, they -- the school district
can decide how they're going to allocate those additional
resources; not the state.
So as an example, LA Unified has now an advisory committee which First 5 LA and LAUP are part of. And the board is wanting to hear from stakeholders and to take recommendations to their total board about the importance of ECE and could they take a percentage of the new money to allocate to serve more children in preschool.

So every school district that is getting this money has an opportunity to say, we're going to get some additional dollars, we're going to commit ten percent and start serving more preschoolers.

If that happens, there will be more children receiving preschool services. And that's the local discretion.

Adam, am I good? Okay. And you know, Dr. Delgado can share a lot more because he's working with the superintendents. And the county office actually has a responsibility to look at the plans that come in ultimately and approve them.

COMMISSIONER AU: So Lakewood does play a role in terms of what happens in LA county?

MR. DELGADO: A big role. A big role. The guidelines are still being developed. You mentioned WestEd. WestEd is actually heading that work. To set up guidelines as to what the requirements will be relative to the types of services and the -- that have been provided
in the past and then to hold those up in light and -- as to what kind of services they'll be providing in the future.

The county offices role will be to look at their plan and see if there's effectiveness in the distribution of their monies. Where a particular group of students is left behind, for example, and we begin to see the results of those students falling behind academically or a group of students, whatever a group -- a body of students that might be, it will be the county's role to step in and say, we've noticed that there is -- there's a slip in the -- the representation of these students here, what do you plan to do to correction that. So we'll be monitoring and holding districts accountable.

The problem with it is, it's still being develop and we don't have all of the guidelines yet. And then the other piece is, it's important to remember that these monies are going to be distric ted over time. It's not -- every district is not going to have their full allocation at the beginning.

Some of them will be over time reaching a particular goal in how much they receive after seven years. Other districts are going to receive a very big kick at the very beginning depending on the type of student they have in their district.
So it's a very complex formula.

COMMISSIONER AU: Now, is there a finite number of dollars that we're talking about, or is this open ended that's maybe a backdoor way to --

MR. DELGADO: There's a baseline amount that every district will receive. So there's a baseline. So there's actually an increase for all school districts based on the formula.

However, as Celia was describing, depending on the district and the type of student that -- the needs of the student. If you have a high rate of low socioeconomic students, for example, you get an additional amount. If you have a high percentage of English language learners, you get an additional amount. If have you different types of students that have special ed, you get an additional amount. So it depend on the need of each district.

COMMISSIONER AU: But then is it open ended in terms is it a funding that is guaranteed on an annualized basis?

MR. DELGADO: It's not open ended. It's only open ended -- there's a correlation to what they get every year based on what they're reports are from year to year and the number of students and the type of students they have.

Eventually, they will reach their full amount of
allocation. After seven years, they'll reach a maximum amount. And then, between now and that seven-year period of time, it's really up to the state to develop either a new formula that will address additional charges or expenses that each district will need to be considering and then come up with a whole new funding formula.

So there's about seven years to be looking at that, whether they'll take advantage of those seven years to do that is really still not certain.

MS. BELSHE: What's so exciting is, as Art and Celia are saying, is that the very students who the research suggests benefit the most from quality preschool experience, English language learners and children of poverty, are those for whom school districts that have a disproportion number get more resources. So it's that combination of more money for those students coupled with unprecedented flexibility that provides a really important window of opportunity to make the case.

COMMISSIONER AU: Yes.

MS. BELSHE: To make the case.

COMMISSIONER KAUFMAN: Okay.

COMMISSIONER BOECKMANN: What is the youngest age a child can be admitted?

MS. AYALA: Well, it depends. In some of the state preschool programs are three. They're three-
four-year olds. If you look at the federal programs, you have early Head Start, which could be from six-weeks old to three-years old. In terms of our LAUP sites, we determined that it was for four-year olds.

So it really varies currently on the funding, but many school districts -- the ones that I've talked to -- are really looking at starting with the four-year olds to allow at least one year of preschool for every child, but it just depends on the district and what existing resources and other possibilities that they might have.

COMMISSIONER KAUFMAN: Any other questions at the end?

MS. TILTON: Hi. We had a discussion earlier today about the recognition of First 5 by various components of the community and ways in which that could be improved. So I have kind of a two-part question; one is, your media buys. You have a lot of television and radio. Your television is very compelling. I'm wondering what the cost of that is as it might relate to other projects.

And secondly, I've noted that on your TV ads you do not credit First 5 LA as you do on your radio commercials -- your radio slots. Is that -- is there a reason for that or is that just an oversight or what?

MS. AYALA: Probably the PSAs that is not -- it's
because they're 15 second and those we're not buying, they're giving them to us. So like ABC, the Ellen Laba (phonetic spelling), we're not paying a penny for it. And they really love LAUP, so they are doing this as a partnership to promote quality preschool.

Where we're paying dollars, we -- and we always put in print, you know, funded by First 5 LA, but we always have given credit. I know that in the PSAs, they only say this much, but in some of the other TV work that we've done, we always talk about being funded by First 5 LA as our primary funding being established.

But I'd be happy to look at that, number one. Number two, I don't know -- I mean, I can get you information in terms of what our media buys and we have tremendous people that have been doing this and they know the people in the world out there of television and radio.

So I don't want to misinform you, so I'd be happy to forward you some of our costs or you can call me and I can give you whatever information.

MS. TILTON: Right, and I think that they're really excellent and I know that there are a lot of people in the media world that were connected to LAUP, and so I understand that. It's just that, when we talked about the visibility of First 5 and then I saw the PSAs on TV, there was noting about First 5. I didn't time them, so I don't
know if they were 15 seconds or 13 seconds.

So but also, in terms of some of our other campaigns, the cost of television campaigning has been thought to be prohibitive. So if you have a way of achieving that without the expenditure, we'd like to learn from you. And if it's a huge expenditure for LAUP, then that's the question that I would have too.

MS. AYALA: So I don't want to be misrepresenting. We do spend dollars on media buy. In one of our matrix for the last five years have been to change public will. And one of the ways to change public will is to have a media campaign. So we do spend dollars and actually -- I mean, it's been part of our budget year after year.

I can tell that you we do spend -- and they're significant dollars, but we get a lot in terms of our negotiation in terms of value added and donated time and talent and even production. So I can -- I'd be happy to share.

MS. TILTON: I'm not arguing that that's not true. I was just curious.

MS. AYALA: No, no, no, but I don't want -- I don't want anyone to understand that we get everything free.

MS. BELSHE: And that's a good question. So
we'll follow up with Celia and her team and do background
with our full commission. And as Celia noted in next
steps, we are working with Celia and her team to develop
and implement and align policy agenda. And a part of that
is strategic communications. And it is expensive and
First 5 LA has put significant resources in support of
public will building, policy advocacy, strategic
communications work.

What we want to make sure is that we're all clear
about not only big picture, do we see the same policy
opportunities, but are we -- how are we aligning and
coordinating our work in terms of specific policy
opportunities.

A really good example is LCFF where we're working
very closely with LAUP. But they have a lot of resources
from First 5 LA to invest in just this kind of activity
because of this organization's understanding of how
important public will building and policymaking is to
extending the reach -- sustaining and extending the reach
of these quality preschool slots. But we want to make
sure that our efforts are aligned and coordinated, and
that's what we'll be coming back with.

COMMISSIONER KAUFMAN: We're going to move on in
a second. I have one -- one last question.

Can you go back to the slide that was called
potential service models? I was confused by that. I perhaps was happy by it also.

    MS. AYALA: You were confused and happy?
    COMMISSIONER KAUFMAN: I think so. Happily confused. I guess what -- let me say what I think you're trying to do, and then tell me if I heard you correctly.

    By January, you're going to come back with the next phase of the strategic plan. Within that strategic plan it's going to describe the models of services and programs that you have, which might be on this slide. Some of those services or activities could be cost centers, some could be revenue generators, some could be profitable revenue generators, and some could be offset with a little bit of revenue.

    And all of these are various kinds of services you're currently providing. There may be additional ones that you might add to this as a matrix.

    The second part you would have is, how am I going to get all of the money to be able to do those services. So in a business plan, if you're saying, parent engagement, I don't understand how that generates revenue unless that's the parent investment fee.

    MS. AYALA: Potentially is the parent investment fee.
    COMMISSIONER KAUFMAN: What I'm saying is, I
think what would be helpful is to say, here's the services that we're going to provide; some of them we're going to provide because they're revenue generators. So providing QRIS consultation to other preschool settings so they can get a higher quality rating, we're going to charge them fee for service and that's going to be a profit generator.

Give us a very good sense of what those are, what the ramp up is over the next five years or so, so you can say, here's our business this year, I project we'll have this much revenue in year two and year three, and then show us the sources of that revenue which might even be hybrids and blended from other ways.

Otherwise, I think it will be very difficult to tell what you're actually talking about in terms of what it will look like beyond '16. Is that how you see the plan?

MS. AYALA: Yes. And that is part of our plan, and we have in terms of the design phase, which is between December and March.

COMMISSIONER KAUFMAN: Right.

MS. AYALA: We want to come back to you in January or February and give you an update. We will not have everything completed. We want to come back in May with a completed. But we want to come back to let you know where we are.
COMMISSIONER KAUFMAN: So I just was a little off in the timing. What I just described would come back at the end of March or April, May?

MS. AYALA: And we'll have fleshed out business models that allude to what you just said, yes.

COMMISSIONER KAUFMAN: Sounds perfect. Thank you. Thank you very much.

MS. BELSHE: And finally, on that note of timing, Neal, that Celia was noting, there's a nice alignment between the timeline for the work that Celia just outlined on behalf of LAUP and the work that the board has supported earlier this afternoon and funded in terms of the early childhood education landscape. So that's due to be completed roughly the same time.

COMMISSIONER KAUFMAN: Not coincidentally. Thank you.

Next time is update on Black Infant Health. Armando, I guess, is going to be talking to us?

MS. BELSHE: Yeah. This was at the request of the chair to spend a little bit of time on our agenda this afternoon to give a quick update on a very important investment that First 5 LA has made over the course of the past number of years. It is a program in transition, but a compelling issue area nonetheless.

So Armando.
MR. JIMENEZ. Thank you, commissioners, Mr. Chair, members of public. Good afternoon.

Before I begin, I'd really like to express and acknowledgment a huge thank you to some staff that have really pulled together some information very quickly. Katy Falen and Arnie, Mario Snow and Arnie, Pega Fiade (phonetic spelling) and Arnie, and specifically Kelly Goods really did a tremendous amount of work to pull this together. I'd really like to thank them. I'd also really like to thank the folks from Suzanne Bostwick's team at MCH who really kind of shared and provided some expertise in helping us do this.

So today I'm just going to provide a brief overview of an update on Black Infant Health. You all have a report that was compiled by staff. It is very detailed. I won't go into that level of detail in the presentation, but just provide some overview and highlights.

What I'd like to start with is, actually, some compelling information. This is context information, but it's data that describes currently the state of low birth weight in Los Angeles county.

Low birth weight by definition are children that are born with less than 2,500 grams. For those who are metrically challenged like myself, that's less than 5.5
pounds. So one of the things that you'll see here, is that for 2000 to 2011, the overall rate for low birth weight in LA county, which is the bottom line, which is the darker line has hovered and been close to six, slightly above six percent, but hovered around six percent for that period of time. There's been a slight arch but pretty much at that point.

The top line -- and I don't want us to focus on necessarily the blips here, but the top line is the percentage of low birth weight for African-Americans in LA county. The important takeaway here is that that has -- that level has stayed at approximately 12 percent over the course of those past ten years or so, which by necessity has doubled the LA county percentage for low birth rates.

COMMISSIONER AU: How long has the Black Infant program been in place?

MR. JIMENEZ: Well, it started originally in the state in 1989; although funding through the Title V came a few years after that, but our involvement was more recent, much, much later.

COMMISSIONER AU: Do you have data that goes back to that time?

MR. JIMENEZ: Yeah, there's also data that goes back, but I think one of the important things to focus on is that this particular period of time is a time in which
most of the programs were in full implementation.

One issue that I'd like to note for all of our programs in terms of evaluating, it's very critical to evaluate and do assessment at points in which the programs are being fully implemented. So that's the -- but we can actually go back and look further back. So I don't want to dwell on this particular graph, but I do wanted to say -- want to say that the highlight here is really the disparity that exists between the low birth weight percentage of African-American women and overall birth weights -- low birth weights for LA county.

So I'd like to also go back and reintroduce a table that we presented in April 2013 commission meeting which was a breakdown of the low birth weight percentages for the 14 Best Start communities.

And you'll see there are two lines here. One line represents the Healthy People 2020 goal, which was established to -- as an aspirational goal for folks to want to get a low birth weight percentages to that point, which is 7.8 percent. If you look at the overall LA county rate, that's six percent, which is significantly better than the LA -- the Healthy People 2020 improvement goal. But there's more to the story.

If you look at aggregated low birth weight percentages across the 14 communities, that is 7.48
percent, which is higher than the six percent but it's still much -- an improvement on the Healthy People 2020 goal.

You'll notice from the bars there are several communities that have higher percentages than the Healthy People 2020 goal: Compton, Lancaster, Palmdale, south L.A, and Watts Willowbrook. In addition to that, West Athens has a higher percentage.

What I'd like to do is unpeel the onion here a little bit more and actually -- here we go. I'd like to point to this particular graph. It's a little busy, and I'd like to say that the asterisks here represent the fact that we were not able to establish reliable estimates because the number of births were so low. So we didn't want to put those and misrepresent the conditions and those things.

But what we have here is the 14 communities broken down by ethnic groups: African-American, Asian, Pacific Islander, Hispanic, White, and total. There are two columns that we want to pay specific attention to. one is Hispanic. And primarily to point to that particular column because, by and large, Hispanic Latino births drive the rate for all of LA county.

If you notice, the rates are relatively similar, ranging from 7.7 down into the 5.2 percent. But overall,
they're very similar in their percentage of low birth weights.

Now, the other thing I'd like to point out is the African-American percentages across the 14 communities. Of those that we had data that was reliable, the highest percentage of low birth weights exists in Lancaster and Palmdale at 15.2 percent, which is nearly three times as high as the LA county percentage.

It's an extraordinary percentage of low birth weight babies born to African-American women in those two communities. You'll see some others that are much higher than the 12 percent that was the average for LA county for African-American women, and those are noted in red here.

One of the things that's here with this particular chart is our investments, our investments directed at improving birth outcomes. We have currently existing an investment in healthy births to improve overall birth outcomes, Black Infant Health and Welcome Baby and select home visitation with the caveat that Welcome Baby and home visitation has a very limited prenatal encounter.

There are three prenatal visits. So it would not necessarily by itself be an intervention that would directly affect that birth outcome. But we put it on here because it has the potential of affecting subsequent birth
outcomes.

   What's important to examine here is not what's on this particular chart, but what's not on the chart. What's not on the chart are systems efforts. For example, systems improvement, systems integration, policy, public education, those kinds of strategies which, going back to the strategic plan, we identified as an area that we would place significant effort in.

   Those are the things that are not part of our First 5 LA constellation of investments to improve birth outcomes. Should they be? Definitely.

   The other thing that is not here is any links between these particular investments. There's no connections between them.

   By and large, we operate these initiatives separately. There's no linkage between them and connections between them. Should there be? Most definitely. That's definitely something that would have an opportunity to enhance our overall impact in this particular area.

   I wanted to describe what the Black Infant Health program is actually is and what it was before. Black Infant Health actually is through Title V money from the federal government through a bloc grant and distributed among the local maternal and child health departments in
the state of California.

Originally, the model was primarily case management. There was case management at what was called community health outreach workers that were actually engaged with women to provide very family-focused, community-specific, culturally-appropriate case management to meet the needs of particular families, and also to kind of assemble sets of programs around those families. So that was the model that had been in existence up until about two years ago when the state MCH changed the program design.

Although there was an emphasis on social support and empowerment, it was really about having those particular case managers engaged with those women at all levels, providing help and support, navigating health systems, navigating social systems, referrals, and actually being a social support mechanism themselves.

The new model has actually transitioned into more group intervention, which consists of ten prenatal and ten postnatal group sessions. There are case management encounters, but the emphasis of this intervention moving forward is group interventions.

The primary effort is to try to bring families or bring women together to create social connections, which, in fact, is one of the main issues or one of the main
outcomes of our Building Stronger Families frame work, is to build social connections. It's around empowering these women and trying establish connections between the women and bridging that to other support systems. They do have some casing management. But, once again, it's not as extensive as what it was previously.

So I'd like to talk a little bit about the evaluation. In fact, what we found, both our own evaluation for First 5 LA and the evaluation that was conducted by the State Health Department found there was effects.

There was actually significant improvements in areas around premature births, infant mortality, higher breast feeding initiation. There was improvements in health knowledge, parental knowledge, social support, and accessing prenatal care. What was not found -- and, again, the only difference between what we found at First 5 LA and the State found in their evaluation is they found effects with very low birth weight, differences in very, very low birth weight, which is less than 1,500 grams. What we did not find were improvements in the rates of Cesarian births and the reduction in low birth weights.

In my mind, those two issues are connected. LA county has a very significant percentage of births through Cesarian section. I think it's probably over 40 percent
if -- Dr. Fielding might -- might correct me, but -- and there was a disproportion number of African-American women that actually delivered through C-sections.

There's implications for this both for low birth weight and preterm births, but also it's an issue that inhibits breast feeding, initiating of breast feeding and bonding because the baby is not able to have that immediate skin-to-skin contact. So the effects were there.

We found that there was actually Black Infant Health worked. And it worked -- one issue that we also had struggled with is that, as a result of our evaluation, we only were able to look at aggregated data within the whole group. We did not have access to individual level data because that was actually something that the State was in possession of and we were not able to have access to it.

I would suspect that our ability to have access to individual level data would have found larger effects because we are not able to examine a dose response relationship. The aggregated amounts only allowed to us compare our averages with overall LA county averages.

There's been some additional analysis that looked at the actual average with Medi-Cal patients, and those actually effects in these areas here were more pronounced.
Overall, we found across the learnings and the things that we've done around improving birth outcomes that there have been challenges with health care service systems with the respect to the propensity to provide or to deliver through C-section, difficulty working within those systems.

We found that there really is an importance around social connections. That's critical. We found that there's systemic issues that are inherently affecting this particular population.

The final comment here is that, to address the disparity that we have and we note and we've seen over the past ten years, that particular burden should not be placed on a set of grantees that are actually receiving funding through Black Infant Health. That burden should not also be placed on medical systems and the public health department. That burden should be shared across all systems because many of the factors, the literature shows, are environmental, are social, are economic. Those are issues that affect and impact the birth outcomes as much as some of the medical issues.

There also is some of the literature showing that still today there is a significant portion of the population that does not have access to adequate prenatal care.
And there's an opportunity to make sure that, through the Affordable Care Act and efforts to kind of connect these women to these service, that that's actually something that we can actually address specifically through a partnership.

And if there are any questions.

COMMISSIONER KAUFMAN: Any questions?

COMMISSIONER DENNIS: The first question, Armando, has to deal with the movement from a individualized type of approach to the group approach, and -- and in light of the fact that we are looking at home visitation as well, it doesn't -- it seems to me that is not either/or, but it perhaps should be both and in -- I just don't understand that transition.

MR. JIMENEZ: I think that the -- from my understanding, the shift in the case management specific approach to the more group-based kind of systematic program was really a way to make sure that there was some way to have systematic programs implemented across the state.

And the early findings from some evaluation work that's being done on the development or implementation of the new approach is finding it's very difficult to get women engaged in a group setting.

And so there have been some challenges in
actually getting the women to engage in all of the sessions. I think the average or the mean is around seven sessions when -- when the full range of programming is 20.

So it's a challenge for some of these women to engage in these group sessions. The premise I think is strong in terms of building social connections, but we realize that it is a challenge to be able to create something and have the women who, again, are facing enormous kinds of factors in their particular lives.

And one of the things that's referenced in the report is that some of these women are addressing some pretty fundamental basic needs. I think about ten percent of the women, African-American women who were pregnant, were homeless.

So it's very difficult to deal with going to a session housing when you have to deal with housing, when you have to deal with basic food and clothing needs. So these are issues that are struggles for the new -- the new program design.

COMMISSIONER KAUFMAN: Nancy.

COMMISSIONER AU: I guess I'm still wanting to see the data that goes back to -- and I understand about not wanting to set up a comparison when a program may not be up and fully running, but you're talking about from 1985 to the year 2000, where your -- your graph is showing
the low birthrate. And that's 15 years. So I'm baffled
by 15 years to get a program up and running.

        MR. JIMENEZ: No, no, no. The program -- I'm
sorry. I probably didn't communicate that well. The
program was actually started in 1989, I believe.

        MS. BELSHE: Yes. Yes.

        MR. JIMENEZ: But that was operated by the State.
And we can go back and look at both the state and LA
county low birth weight percentages.

        COMMISSIONER AU: Because the thing -- again, in
wanting to take a look at this, is having sort of a
historical perspective as well. Because, when I look at
what you identified as possible risk factors, you know,
lack of health knowledge, access to health care, poverty,
racism, social isolation, environmental stressors, then I
look at the data based on the ethnicity. The ethnic group
that has the best healthy births are the Hispanic
community.

        And, historically, we had said that the Hispanic
community has pretty high poverty rate and failed to
access health effectively and so on and so forth.

        So trying to understand the disparity given the
-- just looking at the risk factors.

        MR. JIMENEZ: Well, I know that there's -- it's
an issue called kind of the health paradox because the
birth rate -- the low birth weight percentages and infant mortality percentages for Hispanics are very good despite the fact that, in many cases, these women are not -- do not have access to prenatal care. And one of the issues that has been discussed in the literature is their access to social support.

They have extensive social support within the family. And, in fact, the perspective of pregnancy in Hispanic and Latino families is a cause of celebration and also coming together.

So there's sort of a tremendous amount of social support that's available to these women that may actually be one of the reasons why we're seeing good birth outcomes for that population despite poverty, despite lack of health care.

And that is an issue that has been identified within the African-American community with regard to economic isolation and social isolation And a whole bunch of issues that limit social support.

COMMISSIONER KAUFMAN: We're going to spend about three or four more minutes on this because we have another item to go. Jonathan.

COMMISSIONER FIELDING: A few observations. First of all, we've used low birth weight as a proxy for everything bad that can happen to kids. That's
traditionally how we've done it. And what's interesting here and what's hopeful is that we find that, despite the fact that we have high rates of low birth weight, we have lower rates of defects, of infant mortality, we have higher breast feeding initiation and the like. So I think we have to be careful not to brush everything with that one indicator. That's the first thing.

Second thing is, the more we learn about this, the more we understand that this is almost an intergenerational problem and that the nutrition that a girl has growing up in critical periods may have a lot to do with the outcomes of pregnancy.

In addition, there have been a number of studies suggesting high levels of stress and looking at stress hormone have adverse impacts. We know that family structure alone can have adverse impacts.

In general, women who don't have a partner are more likely to have problems than those who do.

So and we have to go back a long way and we know, for example, that infant mortality also has a lot do with education. Much higher infant mortality in women who haven't graduated high school. We have a 60 percent graduation rate in LA.

Now, that's -- so I think we have to not overly
simplify what's a very complicated pattern. There have
been countless studies of this without clear single
factors being identified.

I think what we have here is a bunch of small
factors, but certainly issues poverty, issues of racism,
issues of housing, issues of food insecurity, all that has
to be factored in and those have not been factored in in
this analysis, nor could they have been.

But I think we have to -- so I take from this
very positive outcome not nearly what we want it to be,
but certainly directionally good for kids and families.

COMMISSIONER KAUFMAN: Any other comments?

Actually, let me just elaborate what Jonathan
said. It's not just the infant's environment. It's
actually the fetus' environment in utero, and it actually
is the mother's environment. So the grandmother's
pregnancy impacting on the grandchild because the eggs of
that mom lived in an environment. So it's really
multigenerational.

Duane, now let's finish up and go to the next
item.

COMMISSIONER DENNIS: A couple of things,
Armando. Speaking to black infant health, how about to
Jonathan's point around father engagement. To what degree
do these programs try to get, you know, dads involved and
really putting resources in -- into their involvement with regards to education, GEDs, whatever, whatever have you? Because I think that is a significant factor because I've also heard about the stressors on a single-female headed households and how that impacts perhaps low birth weights.

MR. JIMENEZ: You're right. And that is, I think, a real strong part of what they're trying to build in this particular program moving forward is engaging not only fathers, but extended family to broaden that social support network.

One comment about the -- maybe a good thing is, financially we've been swimming uphill. From 2000 to 2010, Title V dollars that are available for local MCH programs in the state of California have been reduced 48 percent.

So that's a significant reduction in funding available for these kinds of programs, yet there's still, I think, improvements that have been made. Or at least let's say the slope has not moved so high up because of that, and I think it's because of the wonderful work that's going on in these communities.

COMMISSIONER KAUFMAN: Yes.

COMMISSIONER FIELDING: But that does not mean that all of us think that this change which is largely accounted for by reduced funding is necessarily the right
COMMISSIONER DENNIS: Say that again, Jonathan.

COMMISSIONER FIELDING: I said, I'm not sure the model, the new model is one that I think has a strong base and claim and potential as the old model. I don't think it should be either/or, but I think the lack of money has made it, you know, how do you put a ceiling on the cost. We use a different model, less high-touch group model, and I'm not sure that that was the best.

COMMISSIONER DENNIS: That was my beginning statement. How do we know that this group approach is better then the individualized approach taking into consideration that our home visitation model is -- is a individual model which has proven successful and is evidenced based. So it seems like we're transitioning from what we know is successful.

MS. BELSHE: And I know we need to move on because we have some substantive items still on the agenda, but I want to underscore a really important point that Armando made that ties back to our learning and now leading through L-3, which is, we're trying to move beyond looking at specific investments in isolation and rather looking at them in a more integrate and coordinated way, not only in terms of those countywide investments, but also, as Armando was saying, systems improvement, working.
Why -- what is it about clinical practice that could be contributing to the disproportionately high levels of C-sections as an example. What are we doing in terms of policy and advocacy in the context of the Affordable Care Act implementation. I would also note, as Armando touched on, many of the key findings here are very much consistent with the Building Stronger Families framework.

So what's the relationship between the work we're investing in in the Best Start communities, both on the Welcome Baby side, as well as the community capacity building side with some of these really critical issues that are affecting outcomes for kids.

COMMISSIONER KAUFMAN: Let's transition into the next item please thank you, Armando.

MS. BELSHE: Thank you, Armando. Let's just go right in. This is an update item that is informed by our last commission meeting as well as a much deeper discussion with P and P a couple of weeks ago. And we wanted to first kind of pull back with a broad reminder of kind of where community partnerships that fit into our broader strategic plan, and then provide an update to the board on some of the implementation issues.

Marsha.

MS. ELLIS. Good afternoon. For today's
presentation, I'll be joined by two familiar faces, Leanne Lagrone and Manuel Fiero (phonetic spellings) are who are senior program officers in our Best Start communities department.

Informed by last month's commission meeting and our most recent in-depth discussion with the program and planning committee, our four objectives for today's presentation are to, again, ground the implementation of the BSF framework in the commission's strategic plan, highlight community partnerships in a broader context of the strategic plans three investments strategies, provide the board an update on BSF implementation activities with the particular focus on current First 5 LA investments that are also supporting Best Start, and review components of a business model and funding plan to support the implementation of key activities through the end of the strategic plan.

Through its investments in Best Start, the board prioritized First 5 LA resources, both human and financial, to leverage and sustain its impact through three interconnected investment strategies, and they are family strengthening, community capacity building, and systems improvement.

These three strategies are designed to work together in an integrated way to collectively and
positively impact the environments that influence outcomes for children and families. Family strengthening includes Welcome Baby and the board approved home visitation programs. Best Start communities are also supported by a broader context of countywide systems which are listed on this slide in the green circle.

The community capacity building investment strategy focuses on strengthening the following four capacities: Community engagement, leadership, infrastructures, and investments. The community partnership are an important vehicle for developing these four community capacities.

I will now turn the presentation over to Leanne who will next provide more details about the community capacity building investment strategy.

MS. LAGRONE: Thank you, Marsha.

So, as Marsha shared, I'm going to focus on -- my presentation on the community capacity investment strategy, and I'll provide an update regarding community partnerships and the initial learnings we have gained from the community -- the partnership assessment process. I will also share information about the partnerships in relationship to other community capacity building efforts and our other investments strategies.

Manuel will also provide information on
components of the data and learning needed to support the implementation of the Building Stronger Families framework. You will then see me again and I will present our best thinking regarding a Building Stronger Families framework, business model, and funding plan. And Marsha will then wrap up the presentation on Next Step.

We are aware that we're pretty far along in the agenda and that you have heard a lot more information and we are about to provide a lot more information, but the -- the implementation of the Building Stronger Families framework consists of multiple moving parts that need to be in alignment every step of the way. And we see this is a very important presentation as it -- as it is a important touch point in with the commission because we will be coming back to the commission in November with a substantive recommendation around the Best Start -- the Building Stronger Families framework implementation plan.

So starting with the community capacity building strategy in relationship to the partnerships. We know that community capacity building is a critical link between First 5 LA's investment strategies. Through this community strengthening strategy, First 5 LA will be able to partner more strategically with communities by connecting and leveraging community assets to change how people and systems think, feel, and behave related to
children zero to five and their families. This investment strategy supports resonance and strengthening their skills to advocate on behalf of their families, neighbors, and communities for improved conditions of well-being.

Community capacity building efforts include investments specific to Best Start communities and countywide investments that are implemented in Best Start communities and countywide. One of the specific Best Start --

MS. BELSHE: I'm sorry. Do you want the other slide up? You've got a blank side there. Or was it the one previous.

MS. LAGRONE: Is that it?

MS. BELSHE: No, it's going backwards.

MS. LAGRONE: There we go. We're going to get in sync here.

Okay. So one of the specific Best Start community investments are the community partnerships. In recent presentations to the commission, we highlighted the important role of community partnerships in leading community change processes. We shared that the effectiveness of community partnerships is dependent on the strengths of their capacities in six key areas and that it is important to have common understanding of the partnerships' levels of capacity, particularly the
foundational capacities to build upon such as the ability to use community data to inform decisions.

Baseline information regarding the partnerships' capacities informs and learning by doing community change actions partnerships want to pursue and supports needed to strengthen the ability to be results-focused partnerships.

Explicit understanding of community partnerships capacities insures that partnerships proceed at a pace that is consistent with their capacity. And we noted previously that our process for identifying partnership capacities focuses on learning and development and is not intended to be punitive.

The process for identifying the capacities included three steps which will be completed over the next step. The first step consist of staff completing an initial review of the partnerships' capacities. At the last commission meeting, we presented initial findings about the partnerships' current capacities which showed that partnerships continue to be committed to First 5 LA's vision.

We also found that there's some consistent capacities that partnerships need to strengthen such as stakeholder representation, which is a foundational capacity that provides partnerships the ability to make informed decisions.
To improve this capacity, we will provide partnerships with the support in identifying what areas other stakeholders and -- so what areas and other stakeholders from the community need to have stronger representation in the partnership decision making. We will help partnerships develop an outreach plan and we will also review with partnerships their current structure to identify what modifications can be made to insure broader community engagement in partnership discussions and decision making.

This structure may need to look different in each of the communities.

Additionally, as part of the learning-by-doing approach, partnerships may include a specific focus on resident engagement around the core result that they choose. That's their actions to engage residents will simultaneously help build their capacity for stronger stakeholder representation.

The second step in the -- in the capacity assessment process is that partnerships will be completing their own self-assessment. This assessment is intended to deepen partnerships' understanding and the capacities need be to the strong and effective partnerships. We are learning from partnership members who are participating in the process that they're gaining the clarity they have
wanted regarding their own capacities and what is needed to strengthen those capacities to achieve results.

We're also finding that, because we need to rebuild the trust -- the partnerships' trust in First 5 LA's processes, that there are various levels of apprehension about engaging in another process.

The third and final step of the process consists of staff and partnership members completing a collective assessment together. The results of this assessment will provide partnership capacity baseline data on the foundational capacities.

They will also provide information about the supports needed to strengthen their capacities to be results-focused partnerships. We will also inform the learning-by-doing actions which will use -- learning-by-doing actions which uses an experiential learning process because we know that adults learn best when doing. We will provide initial results from the collective assessment to the board in November.

So I will now talk about the connection between partnerships and other community capacity building efforts. While partnerships are an investment specific to Best Start communities, we have countywide investments that are implemented inside -- within Best Start communities and countywide, and these investments also
contribute to building the community's capacity. Our intent is that partnerships connect and collaborate with other First 5 LA investments.

Other community capacity building investments include the neighborhood action councils. We know that a foundation for long-term community change must include a focus on strengthening relationships between residents at the neighborhood level. We just heard some examples about that at the last presentation. And we know that social capitol is a key factor in determining neighborhood stability over time.

Through our strategic partnership with Southbay Center for Community Development, we provide funding to support 102 NACs countywide, 63 of which are in the Best Start communities. The NACs consist residents who come together at neighborhood level to build and strengthen relationship with one another and other community members. They also strengthen resident leadership and planning and pursuing neighbor-level change to improve child and family well-being.

There are tremendous opportunities to have greater coordination and intentional alignment between the partnerships and the NACs as both are focused on improving community conditions that advance the coral results. The collaboration between the NACs and the partnerships varies
across each of the different communities. And so it will be important going forward that First 5 LA, the NACs, and the partnerships are more integrated and strategic about potential alignment and collaboration. For example, the NACs can help broaden partnership resident engagement at the neighborhood and community level. It can also help inform community priorities, needs, and selection of a target population for learning-by-doing activities.

Another example of a countywide investment that will be implemented in Best Start communities is the peer support group for parents. Through this initiative, it is expected that peer support groups for parents of children zero to five will be established throughout the county. And the intent is to have at least five in the Best Start communities. Peer support groups focus on strengthening social cohesion and connections and also increasing parent knowledge and skills.

This initiative is in the earlier stages of implementation as compared to the NACs. That's the extent of the coordination with partnerships will grow as the program moves further along in its implementation. Potential linkages could include sharing information and resources between the partnerships and peer support groups and potentially recruiting community members to participate in the peer support group needs assessment.
I will now talk about the connection between the partnerships and the three investment strategies. As we know, community capacity building is a critical link between the three strategies and partnerships, and partnerships provide a platform for this convergence. Families strengthening providers and system improvement representatives engaged in the partnerships can help champion the partnership's community change agenda in their sphere of influence. Community partnerships can help facilitate connections with other resources to strengthen the quality and reach of services and it can inform systems policy and advocacy priorities and strategies.

For example, our policy department is working more intentionally with one of our grantees, families and schools, to engage and support parent empowerment to participate in local school district funding decisions. Our executive leadership is also playing a significant role in deepening these connections across our investments through planning sessions with our contractors to organizational leadership to strengthen staff's practices in coordinating the three investment strategies.

Manuel will now provide information about the structures needed to assess progress in the results that we are collectively pursuing.
MR. FIERO: Thank you. So this next slide really goes over the work that is under way to assist us, along with the community partnerships, in being results oriented and not actually having a mechanism by which we were able to track the progress toward the core results. I will note that more detail about this information will be shared at the program and planning committee meeting at end of this month.

So since the adoption of the Building Stronger Families framework, our internal evaluation work group has been working to refine the pathway to achieve the results both at the community and the family level.

You using the theory of change, staff is creating a road map to guide First 5 LA's place-based strategies and activities implemented in the Best Start communities. In essence, the theory of change will be used a planning and evaluation tool to communicate and understand the relationships between the strategies that are employed and the results that they seek.

If you recall that the commission -- with the commission's approval of the framework, it also included 49 preliminary indicators to track the progress on each of the core results. Further refinement is needed with those indicators so that they're more manageable, meaningful, and robust. And that is under way as well.
As previously mentioned, during the learning --
the learning-by-doing approach requires community
partnerships not only analyze but interpret community
specific data. This will help them select the core result
that they want to focus on. It will help them also select
the target population, and more importantly, develop
activities focused on the results that they seek. And in
order for us to assist the community partnerships with
making those decisions using data, first 5 LA is currently
working to provide each Best Start community with an
updated data profile that they can use to make their
decisions.

The last thing I want to go over is the family
survey, which is currently under way with data collection
expected to end in December of this year. The purpose of
this family survey is to provide data that will allow
First 5 LA to create community change dashboards for each
of the 14 Best Start communities. These dashboards are a
tool to help us as well as the Best Start communities to
track progress over time on the core results that they're
focusing on.

As I mentioned, this is only a brief review.
More information will be provided to you at the program
and planning committee meeting.

Now, I will turn it over to Leanne who's going to
talk more about the business model and the support that is really needed to carry out the framework.

MS. LAGRONE: All right. I'm back. So I will now provide information on the business model and funding plan to support the implementation of the Building Stronger Families framework. You know that best practices tells us that the type and level of infrastructure support provided to comprehensive community change efforts directly affects its ability to achieve results.

And so given this understanding, it's important to recognize that we, First 5 LA, are effectively an operating foundation. We are the infrastructure that supports partnerships specifically and we provide the support and strength -- strengthening connections among and across communities and systems.

Our current business model or systems of support consists of two approaches. The first approach was established with the Best Start's pilot community in which at lead entity provides the infrastructure support to metro LA community partnership. The other approach consist of primarily First 5 LA staff in providing the infrastructure support to the other 13 partnerships. A strong system of support within and across our organization must strengthen and not hinder the implementation of the Building Stronger Families
Recognizing that First 5 LA is the current system of support, any significant changes that need to be made to our current structure requires a deliberate transition process over time. Best -- staff is proposing to continue our current business model to serve as the foundation for implementation of the Building Stronger Families framework through the balance of this strategic plan.

Staff is simultaneously researching potential long-term business models and will provide a recommendation to the board by June 2014 with anticipated transition period during the next fiscal year that will establish a long-term business model by the next strategic plan.

At minimum, any business model we implement will need to include the following components: Infrastructure that focuses on the staff roles, responsibilities, and the level of staffing, the funding mechanisms that focus on the systems we will use to provide funding to support implementation of the Building Stronger Families framework, and lastly First 5 LA operational policies and procedures.

The business models will be developed in relationship to the four implementation areas here. And they are consistent with the three strategic plans.
investment strategies and First 5 LA's internal capacity to implement the Building Stronger Families framework.

I will now focus on the Building Stronger Families framework funding plan which has three parts. I'm only going to focus on two of those today, which are the funding requirements and the funding approach.

In connection to the business model, staff will present the initial levels of funding needed to support the short-term business model for January through June 2014 at next program and planning committee meeting and then provide a recommendation to the board in November. These funding levels will reflect the resource needs for implementing the areas just noted.

Based on the information from the first few months of implementation, staff will develop a funding recommendation to include in the 2014-15 budget.

For the first two implementation areas, family strengthening and systems improvement, we anticipate additional funding will not be requested. The family strengthening funding level for this year was recently approved at the September commission meeting. A system improvement strategies require further analysis to determine possible alignment with current and future programmatic investments. We may need to find opportunities to repurpose or refocus some of these
investments.

Come January, supports for the essential components to implement the Building Stronger Families framework will need to be in place. We are reviewing the resources required for each of these -- each of the following essential components.

Of some of these components may already have the level of resources needed. Some resources may need to be refocused or repurposed, and some components may need additional funding.

In addition to these components, we are also reviewing what resources may be needed and are refocused to support First 5 LA's internal capacity building to be a strong system of support to implement the Building Stronger Families framework.

As noted earlier, we will provide initial cost for these investments -- investment areas at the next program planning committee and them recommendations to the board in November.

Okay. So I will now present information about the funding approach, which is the another -- the second part of the funding plan. At the last commission meeting, we shared that the comprehensive implementation plan that we're going to be presenting in November will include a funding approach to support partnerships from January 2014.
through the balance of the strategic plan.

When developing a funding approach, we wanted to insure that the structure promotes a focus on achieving results. At the last commission meeting, we shared principles we considered when developing a funding structure. Based on our recent program and planning committee meeting discussion, which included a focus on insuring the funding approach is performance base and does not promote a focus on funding levels, we are recommending the following funding approach: That it will be a single Best Start department funding level to support all partnerships with phased access funding based on performance.

So this means that First 5 LA would manage a total funding level to support all partnerships and the funding to support partnerships will be accessible based on performance.

As part of the business models operational policies and procedures component that I just mentioned earlier, the necessary funding guardrails and controls will need to be in place to insure effective fiscal practices.

We believe that this recommended approach will provide community partnerships with the level of resources needed and provides the flexibility to meet the unique
needs of community partnership on an ongoing place-basis. Based on other place-based initiatives such as the California Endowment and the California Community Foundation, we know that a funding approach will need to evolve over time as a growing and changing needs of implementing Building Stronger Families framework evolve.

So Marsha will now provide us more information on the next steps.

MS. ELLIS: So to briefly recap some of our important next steps at the upcoming program and planning committee meeting, staff will present initial projections about financial resources that will be required to support the 14 Best Start communities.

For the November commission meeting, we will come back to the board with a comprehensive BSF implementation plan which will include our short-term business model, detailing how First 5 LA will align -- will align its internal and external resources to support the implementation of the framework. We will also request board approval of Best Start funding through June 2014 to provide support for the initial implementation phase of the framework.

Coinciding with First 5 LA's agency-wide budgeting process, next spring we will begin developing budget projections for fiscal 14-15 and will begin
discussing long-term business model options with the board, and finally a recommendation for long-term business model -- for a long-term business model as well as a request for funding for the next strategic plan will be presented to the board in June 2014.

So we know you've heard a lot of information today, but we do welcome your feedback and questions. Thank you.

MS. BELSHE: Mr. Chair, I want to acknowledge late in the agenda and not as much time as has been scheduled, and so a couple of things. Number one, I do want to acknowledge staff for their presentation and having less time to present as well as to engage with the board. I'm also mindful though of the march of time and the march of board members and a quorum. We actually need to hit a pause button to take an action before we lose members. So can we --

COMMISSIONER KAUFMAN: Then we'll come back.

MS. BELSHE: Then we'll come back, again, with the acknowledgment that, as we did with the last board meeting, that the deeper dive and the allocation of a lot of time to really dig into Best Start is reserved for P and P, but we did want to at least get this initial information out there because we're moving very quickly and the board has some important issues before it coming
COMMISSIONER KAUFMAN: So let's go to Item Number 14, Mario. So you're going to present us the state annual report and we're required to receive and file it.

MS. BELSHE: Correct.

MR. SNOW: Yes.

COMMISSIONER KAUFMAN: Please tell us what that means.

MR. SNOW: I'm always excited to come up here and talk about data. These aren't our most exciting numbers or the most exciting way for us to display them, but that is coming in November I can tell you with our Q4 report.

But every year First 5 LA submits a financial demographic and evaluation data to the State commission. This is that report. The results and services expenditures details cover all the First 5 LA programmatic investments except for the evaluation cost, but do include, under service outreach, planning, support, and management, our nonadministrative operating expenses. Our evaluation cost administrative expenses are broken out separately on lines 51 and 52. Result areas 1 through 3 are monies that went directly to grantees and contractors that provided services to children, families, and providers.

These people's demographics are reported on AR-2.
We didn't include the AR-2 component here because the demographic information was still being cleaned and had pulled together when this report was being compiled. However, a full demographic report will be presented in November.

Arnie worked with finance to make sure that everything lined up as much as possible. We did take all the numbers from the CAFR that was audited. One example of how things just got switched up a little bit, for example, the baby friendly hospitals expended $2,254,395 in fiscal year 12-13 overall. Those monies are divided in the AR-1 between breast feeding assistance for direct payments to hospitals and service outreach planning support and management for consultant fees. So this is a receive and file action.

COMMISSIONER KAUFMAN: This is an obligation that we have every year to send to the State our final reports.

COMMISSIONER FIELDING: Move to be received and filed.

COMMISSIONER AU: Second.

COMMISSIONER DENNIS: I do have a question.

COMMISSIONER KAUFMAN: It's been seconded. now a question.

COMMISSIONER DENNIS: Mario, on the first page, line 10, it says, revenue from interest is -- we lost $3.4
million. I don't understand that line. I mean, how did we lose $3.4 million on interest earned? I mean, I just don't understand that.

MR. SNOW: I defer that to my friend honorable -- Mr. Raoul.

MR. ORTEGA: Because of accounting purposes, we have to account for unearned interest or un -- or potential interest on our investments with the county pool. So it is a entry that is booked in June and reversed in July. So we do have a positive. If you look in our actual comprehensive CAFR, it does identify the actual interest earned for fiscal year 12-13.

COMMISSIONER DENNIS: I don't understand that type of accounting. Thank you. That kind of accounting, but I guess --

COMMISSIONER AU: It's a technicality.

COMMISSIONER DENNIS: It just came --

COMMISSIONER KAUFMAN: Any other questions or commence?

All in favor aye. Oppose?

So moved. Thank you very much.

Let's go back to Item 12. Any comments? Sorry for the pause. I just wanted to make sure as people we still got that done because we have to. Yes.

COMMISSIONER DENNIS: Just one comment. When we
undertook the new strategic plan, we had a Best Start allocation. And what will be helpful next month is, can we look at where we are as it relates to the allocation we had for Best Start and that will help to form our budgetary strategies in the future.

I would imagine that we're nowhere close to where we thought we were going to be taking into consideration the pauses that we've had in the program. So I think --

MS. BELSHE: We can clarify that, Duane. At P and P, there was an allocation -- a Best Start allocation as a part of the prior strategic plan to support the pilot as well as family libraries and one other investment I'm not entirely recalling. So there was actually a multiyear allocation for that specific work.

But in the context of the strategic plan that expanded to '14, those additional 13 community partnerships as well as Welcome Baby and home visitation are funded an on annual zero-based basis. So there's not money that's been set aside.

COMMISSIONER DENNIS: That's helpful.

COMMISSIONER KAUFMAN: Any other comments? Nancy.

COMMISSIONER AU: Along the same lines, in terms of the concern about the finances of this is that I'm -- I'm expecting the staff to come in with their new business
plan as well as the funding plan to also look in terms of a long term, given the continuing declining revenues so we can at least have a sense of what is sustainable over time.

COMMISSIONER KAUFMAN: All right. Other comments?

COMMISSIONER FIELDING: Nicely done.

COMMISSIONER KAUFMAN: Thank you.

COMMISSIONER AU: Very nicely done.

COMMISSIONER FIELDING: The steps are clear. They're well described. A lot of unknowns still, but I think this is the best clarity we've had.

COMMISSIONER KAUFMAN: Good work, everybody.

MS. NUNO: Hi praise from Jonathan. Just wanted to go on the record.

COMMISSIONER KAUFMAN: Now we lost Craig to give us our last overview. Perhaps, Kim, if you can do it for us, Item Number 13.

MS. BELSHE: I would be delighted to act as chief counsel. As a -- if board members will turn to, is it Item 13?

COMMISSIONER KAUFMAN: 13.

MS. BELSHE: Thank you. The executive committee, over the course of the summer, has held a number of meetings to review First 5 LA's bylaws with an eye towards
clarifying what aspects of our bylaws a product of state law, Proposition 10, county ordinance -- thank you Best Start team --- county ordinance, and First 5 LA policy.

The document that you have in your board memo in a color annotated document.

We don't need that, Linda that's okay. Actually, can you take that down. Thank you.

Is a board -- a color annotated document to give the board a picture of the critical comments related to what's mandated by state law, county ordinance, et cetera. That was kind of like a baseline review that we wanted to make sure board members all had the benefit of reviewing.

The second piece of executive committee's work was to identify where are we not totally aligned with the county ordinances, and there are a number of examples that are called out in the cover memo that was provided to the board and a concomitant recommendation that we align with state law and county ordinance in three specific areas that are relatively minor.

Second, we worked with the executive committee to review what are some of the disconnects, if you will, between our current bylaws and current practice, as well as best practices among local government agencies.

So on page 3 of the memo that Craig provided, there's four or -- yeah, four specific opportunities for
improvement that are identified. So what I would suggest, in the interest of time, this is all fairly minor and straightforward and noncontroversial but would encourage board members to familiarize themselves with the bylaws and the history as the annotated version outlines as well as some of the specific changes we would be bringing back to the board for more discussion and action at the board meeting in November.

COMMISSIONER KAUFMAN: So if I'm not mistaken, is this the official notice of the 21 days, that in November we'll actually vote on it or would it be later?

MS. BELSHE: The actual vote would be in November.

COMMISSIONER KAUFMAN: Okay. So basically --

MS. BELSHE: Yeah, this is not a vote.

COMMISSIONER KAUFMAN: What you have in front you is informational item that says, here are the kinds of things that we need to do to clean up the bylaws. And it's really mostly just cleanup. There's a couple of policy things that will be discussable so to speak, and that will come back in November.

There is a requirement that we have a 21-day public notice of what those bylaw changes might be before we can vote on it, so we'll come back next month.

MS. BELSHE: And as a matter of process, we've
had two, if not three, meetings with the executive committee on the bylaws as well as some complimentary internal policy issues that are really more internal to the staff that John has been leading. But we have also brought the bylaw changes to the budget and fiscal committee because there's some changes to clarify roles and responsibilities that affected that committee.

COMMISSIONER KAUFMAN: Any other questions or comments?

Motion to adjourn.

COMMISSIONER AU: Moved.

COMMISSIONER KAUFMAN: Second, yes. Thank you all.

(The meeting was adjourned at 4:52 p.m.)
CERTIFICATE

I, Heatherlynn Gonzalez, a Certified Shorthand Reporter for the State of California, License Number 13646, do hereby attest that:

The preceding is a true and accurate transcription of the meeting of the organization named herein;

The meeting was taken down in shorthand and transcribed into English under my supervision and authority;

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