CALL TO ORDER / ROLL CALL
1. Vice Chair Maria Veloz called the meeting to order at 1:49 p.m.

CONSENT CALENDAR:  (Items 2 – 3)
2. Approval of Commission Meeting Minutes – October 14, 2004
   M/S (Jonathan Fielding / Renatta Cooper) APPROVED AS RECOMMENDED
3. Approval of Monthly Financials
   M/S (Marvin Southard / Neal Kaufman) APPROVED AS RECOMMENDED

COMMISSION:  (Items 4-13)
4. Announcements by the Chair

RECEIVED
In addition to general announcements, Vice Chair Veloz acknowledged the presence Elizabeth Lowe, LAUP Board Chair, and Graciela Italiano-Thomas, LAUP Chief Executive Officer.
The Board of Commissioners met in a Closed Session prior to the regularly scheduled Commission meeting. There is no action to report.

5. Presentation of Plaque to Board Chair

Chair Don Knabe was not able to attend the Commission meeting due to a scheduling conflict. The plaque presentation will be made at the Commission meeting of January 13, 2005.

6. Executive Director’s Report

**RECEIVED AND FILED**

In addition to the written report, Executive Director Martinez commented on the following Commission-related issues.

- **LAUP Board** – Supervisor Zev Yaroslavsky has appointed Ann Holister to the LAUP Board as the appointee for the Third District. The LAUP Board is accepting nominations for the other vacancies. The deadline for submitting applications is November 23, 2004.

  A lease offer for office space on the second floor of the new building has been accepted by Graciela Italiano-Thomas, Chief Executive Officer, of LAUP. Minor details remain to be finalized but both Executive Director Martinez and Chief Executive Officer Italiano-Thomas expressed confidence in reaching agreement on all terms.

- **Blue Ribbon Committee** – The Blue Ribbon Committee that is being formed to analyze Proposition 10 County Commissions will be comprised of Commissioners, State cabinet members, staff representatives (Executive Directors) from select County Commissions.

  Executive Director Martinez commented that First 5 LA would be represented on the Blue Ribbon Committee. She asked Commissioners if anyone would be interested in serving as the First 5 LA representative. Commissioner Kaufman also expressed an interest in participating on the Blue Ribbon Committee but did not want to commit himself until a calendar of meetings was made available by the Blue Ribbon Committee. Commissioner Fielding asked if the Committee had a specific charge. Executive Director Martinez commented that the charge of the Committee is to review the original legislation and determine how it can be strengthened to ensure fiscal and programmatic accountability, establish guidelines for conflict of interest and contracting practices, and review the limit for administrative costs. It is anticipated that the State Commission will request that County Commissions be audited on a more regular basis by the State Controller’s Office. State Chairman Rob Reiner is very concerned about the accountability of County Commissions. Executive Director Martinez expressed her concern of the proposed legislation that would remove the autonomous authority of the County Commissions. She is hopeful that there would be thoughtful discussion on this issue. It was the consensus of the Commission to designate Executive Director Martinez as the official First 5 LA representative.

  The State Commission and the First 5 Association has been working with the Government Finance Officers Association (GFOA) for several months to resolve the issues raised by the State audit. It appears that the Blue Ribbon Committee will be formed regardless of the work being done by the GFOA.

- **Wilma Chan Hearings** – Assemblywoman Wilma Chan (D-Oakland) will be holding public hearings on December 14, 2004 at the State Capitol on Proposition 10. Assemblywoman Chan is planning to introduce proposed legislation in January with the aim of reforming Proposition 10.

- **New Finance Director** – Executive Director Martinez announced that a new Finance Director will be hired by mid-December. The search yielded a final candidate and an employment offer has been made.
7. UPDATE: School Readiness Indicators

Director Armando Jimenez provided an update on the baseline report on County level accountability. A copy of the “Shaping the Future: Help Children in Your Community Get the Best Possible Start in School” was distributed to all Commissioners.

8. Approval of the Building Purchase Option of the New Site for the First 5 LA Offices

First 5 LA is authorized by statute and Los Angeles County ordinance to procure office space for its staff and operations. On April 10, 2003, the Commission approved a lease with an option to purchase the office building known as One Union Station Plaza, recently constructed by Catellus Development Corporation as a part of the City of Los Angeles’ Alameda District Specific Plan.

First 5 LA has undertaken a careful review of available office space in Central Los Angeles and an analysis of real estate options by its financial staff and professional real estate brokers of Bailes & Associates. This analysis has demonstrated that the One Union Station Plaza project will meet First 5 LA’s reasonably foreseeable office space and parking needs at a competitive price for office space in Central Los Angeles. Furthermore, the analysis also revealed that if First 5 LA exercises its option to purchase the building for $11,040,000.00 at the earliest possible opportunity, First 5 LA will realize significant cost savings in the short and long term based on reasonable financial assumptions.

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

9. Approval of the Proposed Framework for the Prenatal Through Three Focus Area and Authorize Staff to Proceed with Implementation

Director Nuno presented the Prenatal through Three Framework to the Commissioners. She emphasized that due to the immensity of the prenatal to three focus area, in contrast to an initiative, the specifics of such aspects such as budget allocations, and particular program mode or implementation were not in the purview of this framework.

The challenge for staff was to look at the immensity of the task and ensure that the focus area would be integrated across the three goal areas of the strategic plan.

The concept paper outlined priorities as suggested by a nine-month planning process that included several special planning committee meetings and board discussions. During this time input and information was gathered from staff’s extensive research, Commissioners, the public, key informants, and an expert panel. Consensus was achieved around the goal statement of increasing the number of children who achieve social, emotional, cognitive, language, physical, and motor developmental milestones to the best of their potential.

To provide a context for the policy decision, a brief synopsis of the Focus Area’s background and the elements that are driving it were presented.

- The Next Five Strategic Plan allocated $105 million, with the aim of achieving up to $300 million based upon new resources for activities related to children prenatal through three, in order to balance investments. As the Commission showed its commitment to four-year olds with Universal Preschool, with this allocation the Commission also demonstrates its dedication to the youngest of children.

- The Commission also sought to increase attention to early brain development as scientific research has shown the first three years of life to be an extraordinary window of development. By age three, roughly 85% of the brain’s core structure is formed.

- For very young children, physical, cognitive, language and social/emotional development are “inextricably linked”. Children in families that are vulnerable due to socio-economic
stressors, need family supports that benefit their developmental trajectory and so thirdly, the Commission with this allocation also wants to enhance systems for families and communities with a special emphasis on at-risk.

The focus area takes a strength based approach that aims to support parents, caregivers and communities' ability to promote the healthy development of young children. In addition, at the Commission’s request, an integrative approach is taken in the Prenatal through Three Framework that considers three levels of accountability child, community and systems levels, which mirror the levels of accountability in the Strategic Plan. As the family plays a strong part in our framework, in particular in our approach, we've included the family as part of the community level. The Prenatal through Three Framework is also created to strengthen and interconnect the three goal areas of Health, Early Learning, and Safe Children and Families.

Staff also recognized the need to engage the Commission’s adopted programmatic strategies of Capacity Building, Sustainability, and Systems Improvement, as these strategies can sustain the results of Commission investments as revenues decline. This means that funding alone cannot be the focus of any First 5 LA effort to sustain results, but must also involve generating some level of self-sufficiency in the larger community. In keeping with the Commission’s interest to look at ways of maximizing investments, staff looked to the research and evidence-based information to inform the key concepts of the Prenatal through Three Focus Area.

The framework impacts the priority goal areas of Health, Early Learning, and Safe Children and Families by way of First 5 LA initiatives and projects. More specifically, each of the flagship initiatives are moving towards meeting the key components of early childhood development which also represent the focus area outcomes:

- Good Health
- Positive Early Child Experiences and Relationships
- Strong Family Functioning
- Engaged Stakeholders
- Improved Policies and Legislation

The Commission has held the vision of being a catalyst and convener with its partners on today’s pressing children’s issues. Through the proposed systems activity and universal approach to systems change, the Commission can potentially create a model for integrating public health, mental health and community based services to address the needs of children and their families.

Together, these program and systems-level recommendations specifically have the potential to address the needs of children prenatal through three via current and new initiatives and therefore across our goal areas of Health, Early Learning, and Safe Children and Families.

The timeline for the implementation is in two phases. In Phase I, the consultants, directed by staff, will be responsible for developing specific approaches of how best to enhance current Commission investments. This will include considering ongoing initiative activities and evidence-based analysis of the interventions related to developmental screening and assessment services as well as the parent/provider education and support services component. For example, the consultant team, along with staff, will help determine which component, if not all three, of the early identification and assessment of developmental delays services (screening, referral and assessment) will be enhanced, and which parent-provider education and support intervention has cross cutting, multiple benefits.

During Phase II, the objective will be to allocate funds based on the information obtained by the consultant team in their assessment/planning phase. Since the purpose of this focus area is not only to enhance existing initiatives through needed additional services but also to support integration and coordinate existing resources within First 5 LA and through the county, funding allocations will look different depending on the initiative being enhanced or the collaborative being created.
The next steps require approval for staff to develop an RFQ to identify a consultant team and authorize staff to proceed with implementation of the Prenatal through Three Focus Area Framework. Commissioner Fielding expressed concern over the proposed timeline. He would like a shorter timeframe that would include the formation of a Program Committee perhaps by the end of January, 2005. Executive Director Martinez stated that she certainly understood the concerns of the Commissioners in terms of the timeline, but wanted to comment that staff was working on about 12 major projects concurrently. She further stated that she would like Commissioners to prioritize projects as each Commissioner has special interests. Executive Director Martinez commented that a Prenatal through Three Focus Area working group could meet during the early part of December. Commissioner McCroskey suggested having a discussion at the joint Research Partnership Committee/Planning Committee meeting of December 7, 2004.

Executive Director Martinez commented that she would review the timeline and forward recommendations to the Commissioners. Commissioner Kaufman suggested making the planning phase shorter.

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

10. Approval of the Proposed Framework of the School Readiness Initiative Evaluation Plan and Authorize Staff to Proceed with Implementation of the Plan for an Amount Not to Exceed $1 Million for a Period of Four Years

Director Jimenez stated that First 5 LA has developed a multi-level quantitative and qualitative research and evaluation project investigating the effects of the School Readiness Initiative. This approach is line with the accountability framework that was adopted by the First 5 LA Commission in 2004. The purpose of this local evaluation effort is to gather important data that will help tell the Los Angeles County School Readiness story in a way that might not otherwise be documented. Finally, care has been taken to minimize any additional burden that SR grantees might experience by participating in this First 5 LA School Readiness Initiative evaluation.

The local initiative evaluation for School Readiness seeks to complement the statewide evaluation efforts of First 5 California but also will provide important qualitative data that is not addressed in the statewide approach. Additionally, the State-wide evaluation has identified State Commission evaluation questions that have little relevance to program level evaluation. Thus, First 5 LA's initiative evaluation will concentrate on the effects of the initiative on children, families, organizations, and schools in Los Angeles County. It will also highlight lessons learned from the initiative that will inform other First 5 LA efforts with similar funding and implementation strategies as the School Readiness Initiative.

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

11. Authorize Staff to Enter into Contract Negotiations with Karen Hill-Scott (KHS) & Company for a Contract Extension with an Amount up to $100,000 for the Transition Period of January 1, 2005 through March 31, 2005 to Support the New LAUP Chief Executive Officer with Planning and Early Launch Activities of Los Angeles Universal Preschool (LAUP)

Karen Hill-Scott & Company has been simultaneously involved in the planning efforts while actually performing the early implementation work for LAUP. The new contract will focus primarily on the necessary knowledge transfer process for the Executive Team, the Board of Directors, and new staff of LAUP.

Karen Hill-Scott & Company will also assist and support LAUP during the first quarter (January 1, 2005 through March 31, 2005) implementation activities. This quarter is considered a critical period during which the staff need will escalate and the contracts for over 100 preschool sites will be negotiated. This will result in the opening of the preschool program in March, 2005. To preserve the goals of the Master Plan, ensure a smooth transition, and to keep the work on course, KHS &
Company will provide trouble-shooting, guidance, board briefings and other start-up support to the new organization.

Director Brabo mentioned that the contractual extension amount had been increased to a maximum of $215,000 as a result of a more detailed financial analysis.

M/S (Carolyn Wilder / Renatta Cooper) APPROVED AS AMENDED

Vice Chair Veloz requested that LAUP keep First 5 LA informed of Board activities and requested that LAUP Board meeting packets be mailed to the Executive Director of First 5 LA and the Commission Board Chair. First 5 LA would do the same for LAUP.

12. First 5 LA Connect

1. Approval of an Allocation of $25 million for the Five-Year Period of January 1, 2005 through December 31, 2009 for the First 5 LA Connect Telephone and Website Services from Unallocated Revenues with a Distribution of (A) $20 Million for Contractor Operations; (B) $2.5 Million for Marketing (Managed by First 5 LA); and, (C) $2.5 Million for Commission-Driven Special Projects

2. Authorization for Staff to Negotiate a Five-Year Contract with NexCare Collaborative, as the Contractor, for the Operation of the First 5 LA Connect Telephone and Website Services that Support the Goals and Objectives of the Next Five Strategic Plan

First 5 LA Connect was implemented on April 1, 2002 as a three-year project with a possible non-competitive renewal extension, contingent upon the approval by the Commission, availability of funds, and the selected contractor’s successful completion of project goals as evidenced by performance reports, site visits, and evaluation findings.

Due to its multiple components, the First 5 LA Connect project was phased in over the term of the contract. As noted by their presentation in March 2004, NexCare Collaborative, the selected contractor, was successful in developing the infrastructure during the planning phase (April 1, 2002 - December 31, 2002). The infrastructure included the creation of an expansive database, the establishment of a state of the art call center, and the hiring and training of qualified staff among other key activities necessary to launch the service. The steadfast commitment of NexCare Collaborative and Commission staff on this project has lead to the attainment of a prominent call center service for parents and caregivers in Los Angeles County. Numerous local elected officials have visited the site and have complimented the Commission for funding such an impressive service for families, so that they can more easily navigate the countywide systems.

The external evaluation, conducted by Evaluation, Management, and Training, Inc. (EMT) has found consistently high satisfaction levels among users who participate in the follow-up survey and satisfaction has consistently increased over time. Between January and December 2003, 75% of callers who were surveyed felt “very satisfied” with the service, and according to EMT’s most recent findings from July to September, 2004, the percentage has increased to 90%. However, there have been consistent problems in the transfer of calls to EMT’s follow-up survey and as a result response rates have been low, therefore making the satisfaction data potentially non-representative of the callers as a whole. To remedy this problem, NexCare Collaborative has been working with their technology sub-contractors to automatically transfer all completed calls to the enrollment message for the follow-up survey. In the first three years of implementation, the external evaluation focused on providing formative feedback to NexCare Collaborative on a monthly basis to support continuous quality improvement. For the most part, NexCare Collaborative has been responsive to feedback from the external evaluation, demonstrating a commitment to continuous quality improvement.

Overall, the service has exceeded the Commission’s expectations, especially in the health insurance enrollment capacity, which was not an original component of the service. Added service components such as this have necessitated additional budget expenditures. The initial contract is
set to end in March, 2005. However, in order to address the additional budget expenditures without causing a service interruption, it needs to be modified to end in December, 2004. The new five-year contract, if approved, would commence on January 1, 2005.

Commissioner Southard inquired about the number of “hits” and calls that were monitored per month. It is estimated that the First 5 LA Connect website receives 1.5 million “hits” and the telephone service handles about 15,000-20,000 call per month. There was no information available as to whether these calls were in-bound or out-bounds.

Commissioner Fielding commented that he had a lot of concerns with the recommended action being proposed by staff and needed a more detailed staff report. Further, Commissioner Fielding stated that he did not want to jeopardize the provision of services but was not comfortable with allocating $25 million with the limited information being presented.

Commissioner Rezvani requested to see an analysis of how long services take from them to be actualized. The community does not seem to know what First 5 LA Connect is and what services are provided by it. He would like to see a more realistic marketing plan and budget.

Commissioner Veloz requested that staff attach the evaluation data to the report being requested by Commissioner Fielding.

Commission Fielding made the following recommendation.

Authorize First 5 LA staff to negotiate a contract for a period not to exceed six (6) months with NexCare Collaborative at an appropriate baseline level funding until clear objectives, goals, and outcomes are more defined. As part of the staff recommendation, a complete marketing plan, a more comprehensive evaluation plan, and more detailed information on the for-profit entity of CareNex must be included. The staff recommendation should be brought before the Commission no later than the April, 2005 meeting.

M/S (Jonathan Fielding / Renatta Cooper) APPROVED AS AMENDED

13. Public Comment

Richard Atlas, Atlas Family Foundation
Aja Lesh, Infant Child and Family Project
Cindy Oser, Zero to Three West Coast Office

ADJOURNMENT

The meeting adjourned at 4:40 p.m.

The next Commission meeting is scheduled for:

January 13, 2005 at 1:30 p.m.
Multi-Purpose Room
333 S. Beaudry Avenue, Suite 2100
Los Angeles, CA 90017

Meeting minutes recorded by Maria Romero.