

# **FIRST 5 VENTURA COUNTY SPECIAL COMMISSION MEETING**

## **MINUTES**

**December 15, 2016**

Commissioners Present: Bruce Stenslie, Stan Mantooth, Dr. Michael Gollub, Barbara Marquez-O'Neill, Dr. Robert Levin, Kathy Long, Dr. Cesar Morales, Barry Zimmerman, Dr. Carola Matera

Staff Present: Jennifer Johnson, Petra Puls, Heather Hanna

Public Present: Rebecca J. Merrell, Executive Vice President & Regional Director, Edward T. Lin, Vice President, Netzel Grigsby Associates, Inc.

### **I. Welcome and Introduction**

Chair Stenslie called the meeting to order at 2:23 p.m.

### **II. Public Comments/Correspondence**

There were no comments from the public.

### **III. Presentation: Resource Development Assessment and Plan**

Commissioner Stenslie discussed First 5 Ventura County's commitment to expanding partnerships with foundations, businesses, parents, and local leaders in order to make lasting investments in children. He stated that as a result of declining revenues and the depletion of the Sustainability Fund by FY 2018-19, Netzel Grigsby Associates, Inc. was engaged to conduct a resource development assessment and develop a five-year plan. The goals of the plan were to address the sustainability of investments in children, identify First 5 Ventura County's strengths, challenges and opportunities for resource development, and to recommend specific actions to build a robust, diverse fund development program. Commissioner Stenslie thanked Commissioner Long for serving as the chair of the resource development assessment committee. Commissioner Long provided an overview of the composition of the assessment committee and introduced Rebecca J. Merrell, Executive Vice President & Regional Director and Edward T. Lin, Vice President, Netzel Grigsby Associates, Inc.

Rebecca Merrell provided an overview of the data gathered and interviews conducted by the Netzel Grigsby team. She reviewed the input that was provided throughout the process by the assessment committee. Ed Lin reported on the key findings of the assessment, including: strengths; challenges; organizational effectiveness; conclusions; and recommendations. He

noted that there is the potential for resource development and while the probability of securing local tax appears very low, corporate giving appears to provide the best opportunity to expand resources, in addition to gradually building an individual donor base. He reviewed the strategies that were recommended, which included: recruiting high-level community leaders as volunteers who will partner with staff in building relationships and securing financial support from corporations, foundations, and individuals; preparing an annual case for support and developing a communication plan; and building an organizational culture of philanthropy along with devoting the necessary resources for these efforts. The plan proposed a target goal of \$450,000 in the first year, building to \$1.2 million in year five. Ed added that a \$2 million goal was tested with interviewees and \$1.2 million was determined to be a more attainable goal.

#### **IV. Discussion of Findings and Recommendations**

The Commissioners thanked Ed and Rebecca for the thorough presentation and their work. A discussion ensued regarding the Commission's current limitations around fundraising and to what extent a separate 501(c)3 would need to be established for this purpose. Jennifer stated that the Commission researched the steps necessary for establishing a separate non-profit organization several years ago. It is unclear to what extent Proposition 10 revenues could be used to support fundraising activities and associated staff resources. Commissioners discussed how other publicly funded entities, such as colleges, universities, and school districts are handling fundraising. Commissioner Morales explained that foundations established for the sole purpose of fundraising for a school district, for example, have separate and independent boards, and cautioned that such boards have the ability to direct how funds are utilized. Commissioners inquired about the potential of partnering with other local philanthropic agencies to serve as the platform for First 5's resource development, and identified United Way and Community Foundations as examples.

Commissioner Levin asked how much money the Commission would save if preschool could be funded through other sources. Jennifer responded that preliminary calculations estimate the savings to be around \$2 million dollars. Commissioner Mantooth stated that pursuing fundraising would change First 5's organizational structure and culture. She mentioned that 80% of all philanthropic dollars come from individual donors and added that First 5 would need to redirect current staff capacity to dedicate approximately 0.75 FTE of the Strategic Initiatives & Special Project Manager's position and a portion of the Executive Director position to support resource development. It would also require significant capacity building of staff as well as Commissioners. Commissioners asked whether First 5 could seek grants to assist us in launching resource development activities. Staff will research whether foundations support capacity building for fundraising. Commissioners inquired about staff training around resource development. Heather Hanna discussed participation in several training activities to build capacity of staff provided by the Association of Fundraising Professionals (AFP) and Ventura County Community Foundation (VCCF).

Commissioner Long commented on the finding that shows the public's limited knowledge of First 5 Ventura County and urged the Commission to raise awareness about the importance of First 5 with the broader community. She also talked about the importance of a clear understanding of the marketing campaign needed to transform donors' views of the Commission. Commissioner Levin suggested compiling outcome data from the last 16 years that would show the long term impact, as well as trends. Commissioners also spoke about the importance of working with local elected officials on raising revenues to support children 0-5 and their families. Commissioner Mantooth inquired if other First 5 Commissions are exploring strategies for raising revenues. Heather stated that staff previously examined efforts in Fresno, Alameda, Marin and Solano, noting it was very limited and that it would be timely to reassess efforts across the state. Commissioner Morales asked about examples of school district contributions. Commissioner Mantooth spoke about conversations with district leadership regarding Local Control Funding Formula, however, funds are extremely limited as districts are still trying to restore prior budget cuts.

A discussion ensued around how any potential funds raised would be utilized. Petra explained that while that decision has not been made, the Resource Development plan identifies prevention-focused programs, such as early literacy and family support through Neighborhoods for Learning (NfLs) as most attractive to donors. Commissioners also discussed the concern around competing against other non-profits in Ventura County for limited donor resources and corporate contributions.

## **V. Determine Overarching Direction for Resource Development**

Petra briefly summarized what the Commission has previously done to increase revenues, including grant writing, leveraging of matching funds with Public Health and Behavioral Health Departments, partnership building, and accepting of individual donations. She added that other considerations for determining an overarching direction might include the results of ballot initiatives in Marin, Solano and Humboldt counties; First 5 Association efforts around policy and advocacy; and the impact of the resource development plan being completed prior to the November 2016 elections; and the passing of Claudia Harrison and her leadership role in the county.

Commissioner Stenslie stated that the resource development assessment represents the opinion of the 25 individuals interviewed. He suggested to look further into the legal parameters of what First 5 can currently do and gather information from other Commissions. Commissioner Stenslie added that the Commission's primary role is to be a steward of public funds. He also posed the question of how much appetite Commissioners have for changing the culture and infrastructure of the current organization, and how funds would be spent. Commissioners inquired about the role that the Board of Supervisors might play in how the Commission decides to proceed.

## **VI. Consideration of Next Steps**

Petra said that staff will look into the questions raised during today's special meeting and draft a set of proposed next steps to be reviewed at the January Commission meeting. Commissioner Stenslie suggested that the January Commission agenda also include a recommendation to establish a Resource Development Committee.

The meeting adjourned at 4:11 p.m.