



COMMISSION MEETING MINUTES

May 24, 2018

Commissioners Present: Stan Mantooth (Chair), Barbara Marquez-O'Neill (Vice-Chair), Dr. Michael Gollub, Kelly Long, Dr. Cesar Morales, Dr. Carola Oliva-Olson, Bruce Stenslie, Barry Zimmerman

Excused Absence: Dr. Robert Levin

Staff Present: Petra Puls, Lauren Arzu, Heather Davidson, Fahim Farag, Jennifer Johnson, Sam McCoy, Nani Oesterle

Public Present: MaryLinn Daehlin, Sharon Elmensdorp, Rafaela Frausto, Tanya Kellam, Nancy Kreiselmeyer, Alicia McFarland, Cathy Puccetti, Noemi Valdez

1. Welcome and Introductions – Chair Mantooth

Chair Mantooth opened the meeting at 1:01 p.m.

2. Approval of Minutes from April 26, 2018 Special Commission Meeting

A motion was made by Commissioner Marquez-O'Neill, seconded by Commissioner Oliva-Olson, to approve the minutes from the April 26, 2018 Special Commission Meeting. The motion passed with Commissioner Long abstaining.

3. Agenda Approval and Review of Commission Packets

Petra Puls provided an overview of the supplemental packet, noting that additional handouts accompany agenda items 10 and 12.

A motion was made by Commissioner Gollub, seconded by Commissioner Long, to approve the agenda. The motion passed unanimously.

4. Public Comments/Correspondence

There were no comments from the public.

CONSENT AGENDA

5. Receive and File the First 5 Ventura County Financial Reports as of March 31, 2018

A motion was made by Commissioner Gollub, seconded by Commissioner Morales, to approve the consent agenda. The motion passed unanimously.

REGULAR AGENDA

6. Public Hearing on the First 5 California (State Commission) Annual Report for FY 2016–17

Petra Puls provided an overview on First 5 California's FY 2016-17 Annual Report, noting the full report is available on the First 5 Ventura County website. Petra summarized that the report is compiled annually from data from each of the 58 Counties as well as statewide investments. She provided highlights of section one, which outlines the state's strategic plan and policy agenda as well as the importance of advocating for a comprehensive system to serve children prenatal-5 and their families. Petra highlighted bills passed include AB60, which adjusts income eligibility rates for state funded preschool programs; and SB63, an expanded new parent leave act.

Petra noted section two focuses on services for children, parents, and teachers and categorizes expenditures in three areas: family functioning, child development, and child health. Petra added that Systems of Care does not include information on number of participants served, and that local initiatives include the prenatal work group and parent leadership as well as campaigns such as Take 5. Petra highlighted that IMPACT reporting includes QRIS investments and efforts that F5VC participates in locally. Petra added that First 5 California and the Department of Education have made great strides in aligning programs, investments and reporting. Petra noted that a summary of the Dual Language Learner Pilot is included on page 20 and that this program is meant to study best practices rather than provide operating funds. Petra summarized the State's investment in the Parent Support area, such as social media engagement and a parent website. She added that this section includes a write up on the First 5 Express, which recently visited three local sites in Ventura County. Petra noted that information on tobacco cessation programs, such as the tobacco cessation helpline, is included on page 24 and investments in the early childhood education workforce is summarized on page 26.

Petra pointed out that the summary for Ventura County can be found on page 51. She added that these highlights help us learn about innovative strategies from other county Commissions.

Commissioner Long asked if anything from other Commissions stood out to staff, Petra noted common themes include an increased focus on systems building and mentioned a few counties who are leading the way in terms of PACT programming best practices.

Commissioner Marquez-O'Neill asked if any counties are standing out in the area of Parent Leadership, Petra noted that Alameda County is doing great work with Fathers Corps and incorporating fatherhood principles into all their programming.

Commissioner Gollub asked about the effectiveness of the cessation hotline on long term reduction of smoking. Petra noted that such information is not included in this report but she will report back to the Commission.

Commissioner Long noted First 5 Solano is listing its legislative platform and advised we may be able to build on their template.

Chair Mantooth opened the public hearing on the First 5 California Annual Report for Fiscal Year 2016-17 at 1:21 p.m. There were no public comments. Chair Mantooth closed the public hearing at 1:22 p.m.

A motion was made by Commissioner Stenslie, seconded by Commissioner Oliva-Olson, to receive and file the First 5 California Annual Report for Fiscal Year 2016-17. The motion passed unanimously.

7. Report of Committees

a. Administration and Finance Committee

Chair Mantooth introduced Jennifer Johnson to present several agenda items. He noted that the Administration and Finance Committee has reviewed all these items and has reached consensus approval for all recommendations in agenda item 7.

(1.) Recommendation to adopt proposed budgets for Fiscal Year 2018-19

Jennifer Johnson presented the proposed budgets for FY 2018-19, noting base allocations are similar to prior years and adjusted for a rollover of unspent funds in the amount of \$2 million. Jennifer reported that the operating budget includes the operating fund and Community Investment Loan Fund and noted that we are projecting a 10% increase in Proposition 10 revenues next year due to the backfill from Proposition 56. She highlighted other revenue areas and noted that \$7.2 million is transferred from Fund Balance and Sustainability Fund. Jennifer also detailed budgeted expenditures and noted detailed budgets will be reviewed shortly. Jennifer added that \$385,000 is budgeted for the Community Investment Loan Fund, with \$350,000 available for loan disbursements and \$35,000 for loan administration.

Jennifer noted that narrative assumptions included are similar to prior years, with minor adjustments due to prior usage or anticipated need. She added that staffing levels will remain similar and that one grant funded position will be reduce by .5 FTE. Jennifer reported that \$670,000 is proposed for the administration budget, which is a 7% increase over FY 17-18 primarily due to merit pool increases and increases to health insurance premiums.

Jennifer noted that for Program Management and Community Initiatives \$930,000 is proposed, a 4% increase, largely due to reallocation of staff time and health insurance premium increases.

Jennifer pointed out that \$337,000 is budgeted for services and supplies, including a rollover of website redevelopment funds that were not spent in FY 17-18 and \$1,000 from a prior year donation for children's books.

Jennifer reported that the Results Based Accountability budget remains at \$305,000 with \$7,000 in expenditures for the CSSP grant.

Jennifer concluded with the Equipment Budget, which proposes \$8,000 - \$7,500 for computers and \$500 for other equipment.

A motion was made by Commissioner Long, seconded by Commissioner Gollub, to approve the budgets for Fiscal Year 2018-19. The motion passed unanimously.

(2.) Recommendation to approve updated FY 2016-26 financial plan, in compliance with Health and Safety Code Section 130151

Jennifer reported that we are required to review and adopt our financial plan annually and that this document was reviewed in March 2018. She noted that this plan reflects the Commission's action at the April 2018 meeting to implement a financial scenario with \$6.5M spending level for the next two fiscal years and a \$5.3M spending level in subsequent years. Jennifer added that FY 17-18 figures reflect nine months of actual expenditures and three months of projections, and that this plan includes the budget as proposed in item 7a1. She reported that we are projecting a 4% annual decline in proposition 10 revenue and will be monitoring revenues as well as birth rates very closely. Jennifer reported that new expenditure categories match strategy areas identified at prior meetings and that expenditures for FY 19-20 include the final year of F5CA IMPACT funding. She added that recommendations for use of unspent funds and interest earnings will be presented at a future meeting.

Jennifer noted that the Community Investment Loan Fund Plan reflects maintaining a \$1.3M revolving loan fund and estimates one to two loans every other year. Jennifer concluded by indicating that the sustainability fund will be depleted as of June 30, 2019.

Commissioner Long asked if this is the budget we are presenting to Board of Supervisors, Jennifer confirmed.

A motion was made by Commissioner Gollub, seconded by Commissioner Long, to approve the updated financial plan for FY 2016-26, in compliance with Health and Safety Code Section 130151. The motion passed unanimously.

(3.) Recommendation to maintain targeted administrative cap at 5.5% of total operating budget for FY 2018-19

Jennifer noted that County Commissions are required to adopt an administrative cap and establish a system to monitor costs. F5VC adopted a formal policy in 2006. She reported that we are forecasting administrative costs for FY 17-18 at 5.25% and recommending to maintain our administrative cap at 5.5% for FY 18-19. Commissioner Long asked about the amount of administrative costs at the current administrative cap in future years. Jennifer noted that for a \$6.5M budget, that figure would be \$350,000.

A motion was made by Commissioner Zimmerman, seconded by Commissioner Morales, to approve the recommendation to maintain targeted administrative cap at 5.5% of total operating budget for FY 2018-19. The motion passed unanimously.

(4.) Recommendation to approve Donation Policy

Jennifer noted that the Commission previously adopted internal controls for accepting donations. The proposed policy highlights how we will seek and accept donations, what might cause a donation to be declined, recognition procedures, and privacy concerns. Jennifer explained the proposed procedures, which state that we will use a third partner processor for credit card charges and are offering the donor the option of adding on fees or having them deducted from the donation. She added that procedures are proposed for restricted and unrestricted donations, as well as donor recognition and privacy. Jennifer concluded that a staff/commissioner privacy policy is listed and that this policy will be reflected in the next update to the employee handbook. Chair Mantooth noted that he hopes this policy will be very applicable in future years.

A motion was made by Commissioner Long, seconded by Commissioner Oliva-Olson, to approve a donation policy as recommended. The motion passed unanimously.

8. Recommendation to Continue Contract with Economic Development Collaborative - Ventura County to Manage and Implement the Community Investment Loan Fund

Commissioner Stenslie and Commissioner Long both recused themselves.

Petra noted that F5VC has partnered with EDC-VC for ten years to implement the Community Investment Loan Fund. She summarized the history and intent of the fund and noted that the EDC-VC scope of work includes marketing and outreach, helping loan applicants prepare to submit, and managing repayment of loans. Petra added that interest earned on loans has offset administrative costs, which are projected at \$35,000 for FY 18-19. Petra reported that five loans, totaling almost \$1.2M, have been issued and that almost 350 new spaces for children 0-5 have been created as a result. Petra concluded this recommendation would continue to contract with EDC-VC with admin costs not to exceed \$35,000 and provide an additional \$350,000 in loan funds.

Chair Mantooth noted that this relationship has been productive and effective and conducted with an appropriate level of transparency.

A motion was made by Commissioner Oliva-Olson, seconded by Commissioner Zimmerman, to continue to contract with the Economic Development Collaborative - Ventura County to administer and implement the Community Investment Loan Fund for FY 2018-19, not to exceed \$35,000, and provide funds for EDC-VC to issue up to \$350,000 in loans to eligible Community Investment Loan Fund applicants under the previously approved loan guidelines. The motion passed with Commissioner Long and Commissioner Stenslie abstaining.

Commissioner Stenslie and Commissioner Long both rejoined the meeting.

9. Recommendation to Grant Authority to the Executive Director to Increase the Ojai Valley Neighborhood for Learning Contract – Lauren Arzu

Lauren Arzu reported that F5VC received a grant from the Ventura County Community Foundation in the amount of \$26,800, underwritten by two different donor advised funds, to support programs in Oak View. Lauren noted that funds would be contracted through the existing Ojai Valley NfL contract to support PACT programming and preschool scholarships, with 5.5% retained by First 5 for administration. She added that we applied for three years of funding, year one has been approved with years two and three contingent upon meeting reporting requirements and outcomes. Commissioner Zimmerman asked if funds are geographically restricted to Ojai Valley, Lauren noted that funds are restricted to Oak View. This requested contract increase does not require new allocation of F5VC funds.

A motion was made by Commissioner Stenslie, seconded by Commissioner Morales, to increase the FY 2016-19 Ojai Valley Neighborhood for Learning contract by \$25,326, for a total not to exceed \$626,421, to expand PACT classes and preschool scholarships. The motion passed unanimously.

10. Discussion of Implementation Models for Place-based Services

Petra recapped highlights from the April commission meeting, including a review of current investments, program models such as PACT and Help Me Grow, as well as population served. Petra noted that information was also presented on leveraged funds and non-cash support from funded partners. Petra concluded by noting that the commission also reviewed examples of systems building activities.

She stated that the Commission approved a financial plan that allocates \$6.5M annually for the next two years with \$5.3M annually for the five subsequent years. Of the \$6.5M, \$2.9M will be allocated annually for placed-based services. Petra noted that future investments also include \$1M in preschool funding annually for two years and highlighted other investment areas such as countywide strategies, systems change efforts, and evaluation/program management/administration. Petra added that in the next few months staff will focus on developing systems change strategies and a work plan for the coming year.

Petra noted that today's presentation will review NfL allocations, as well as considerations for implementation models. She added that staff is seeking feedback and questions from the Commission to inform the pending recommendation on a final implementation model.

Jennifer Johnson presented the NfL allocation formula, which factors in population, socioeconomic need, and school readiness. In FY 11-12, Dr. Jamshid Damooei, developed a "misery index" to capture additional relevant data. However, applying the "misery index" to the NfL allocation formula resulted in negligible differences. Therefore, no changes to the NfL allocation formula were made at that time. Jennifer also added that a stop-loss measure has been implemented by utilizing unspent funds from the prior strategic plan funding cycle; any NfLs that would have lost money due to decreases in need had their allocations maintained.

Commissioner Zimmerman asked if the formula considers other community resources available, Jennifer reported there is no such consideration and that assessing existing community needs was a goal of the NfLs. Commissioner Stenslie asked if allocations were adjusted due to performance, Jennifer reported there was no such adjustment.

Sam McCoy presented the potential scenarios for implementing place-based services: consolidating NfLs in to three regions, contracting with a single countywide agency, or bringing direct services in house. Sam noted that in meetings with funded partners and staff, benefits and challenges for each scenario were considered. Sam added that each scenario considers a regional approach to target efforts and prioritize services based on need.

Jennifer then presented funding allocations if the current NfL allocation formula was applied to a model with three regions and \$2.9M allocated for placed-based services.

Commissioner Stenslie asked how intractable the issues presented with scenarios one and two are in regards to providing services across school district boundaries, Petra reported that we are not sure at this point but we do have three NfLs that currently deliver services across multiple districts. Petra noted that we are currently aware of limitations with district services, such as IT, to support NfL sites outside their school district boundaries. Chair Mantooth added that Ventura County School Districts tend to partner well but noted there may be a natural drift towards providing services within district boundaries due to logistical considerations. He added that we should explore contracting with non-school district partners such as the Boys and Girls Club who have a regional structure established. Commissioner Morales agreed that local districts tend to partner well with each other, but each district has its own policies, practices, fee structures, etc. which would need to be normalized if we contract with districts.

Chair Mantooth asked why fidelity would be at risk in scenario one, Sam noted that historically NfLs have been independent and program development has had variations due to the area served.

Commissioner Long asked if contributions from non-F5 State sources are included in these allocations. Petra noted that state funds currently exist for preschool for three and four year olds, as well as preschool quality improvements. She added that F5VC resources would support services that no other funding source supports, such as PACT and family support.

Commissioner Zimmerman noted that a regional approach should consider potential disparities in cost structure due to factors such as population density. Commissioner Morales added that we need to be aware of how families will access services if transportation is an issue. Commissioner Morales also noted that scenario three would require an immediate analysis of infrastructure to determine staff and capital needs moving forward.

Commissioner Oliva-Olson asked if we are considering agencies other than school districts for scenario one. Chair Mantooth noted that the subsequent agenda item would solicit interest of agencies and organizations, including school districts and non-profits, to deliver place-based services.

Commissioner Oliva-Olson noted that scenarios two and three would likely require significant startup costs and asked if initial costs would be reduced with a regional approach. Commissioner Zimmerman noted that overhead costs would be duplicated with multiple contractors which would reduce administrative efficiency. Commissioner Oliva-Olson asked if a single agency were selected, would that agency be allowed to subcontract. Chair Mantooth suggested such an arrangement may allow more efficient evaluation and management but F5VC would need to be able to change such arrangements in case of performance and productivity issues.

Commissioner Long asked if multiple NfLs would be allowed to partner and submit an application to provide regional services, Petra noted that it is likely NfLs will partner and similar collaborative practices were observed when the NfLs were first established nearly 20 years ago.

Commissioner Oliva-Olson advised staff seek input from funded partners and other stakeholders to determine what model is preferred.

Commissioner Marquez-O'Neill asked how other Commissions are currently delivering placed-based services. Petra noted that Ventura County is unique in maintaining our investment in NfLs for nearly 20 years. She added that other Commissions are funding programs for three to five years and changing investments is a normal business practice for most other Commissions.

Commissioner Zimmerman advised LOI responses from item 11 will help us determine local capacity and noted that organizations sometimes lack the capacity to deliver services countywide. He added that F5VC must seek to maximize efficiency while maintaining countywide capacity, which is difficult to achieve.

Commissioner Stenslie asked how much input funded partners have had in developing these scenarios, Petra noted that staff met with NfL directors and funded partners multiple times over the past year to seek their input, and that the benefits and challenges for each model represent their feedback.

Petra advised that staff will work to see what updates, if necessary, are needed for the NfL allocation formula in order to best understand how to allocate resources countywide.

Commissioner Gollub asked if staff felt confident F5VC could be able to deliver services if scenario three were selected. Petra noted that she is confident in F5VC's ability to deliver high-quality services, but significant organizational changes would be required, as they would with all scenarios.

Commissioner Marquez-O'Neill asked if current NfL staff may be selected to be F5VC direct service staff. Petra confirmed and advised that retention of current NfL staff with a wealth of community and programmatic knowledge is a priority, regardless of which model is selected.

Petra thanked the Commission for their feedback and noted staff will work with Dr. Damooei to update the data for the NfL allocation formula.

11. Recommendation to Release Request for Letter of Interest for Placed-based Services – Petra Puls

Petra noted that we have prepared a request for Letters of Interest in order to determine if there are any qualified entities interested to administer placed-based services. Petra added that this LOI is meant to determine interest and evaluate capacity, and that a full RFA/RFP would need to be released in the coming months. She added that this LOI would not exclude an agency for submitting an application down the road or lock in anyone's commitment.

A motion was made by Commissioner Morales, seconded by Commissioner Long, to approve the release of an LOI for place-based services beginning in FY 2019-20. The motion passed unanimously.

12. Report from Executive Director – Petra Puls

Petra directed the Commissioners to the Report from Executive Director, noting that the State Controller's Office has certified the F5VC FY16-17 annual audit. She reported that we are currently conducting FY 16-17 reviews for five contractors, representing seven funded programs. Petra reported that F5VC is contracting with Consortium Media to assist with communications and announced that Program Manager Lauren Arzu was honored as a "40 under 40" award recipient by the Greater Conejo Valley Chamber of Commerce.

Petra noted that this report includes program updates for NfLs and that many programs have already exceeded their annual targets at the end of Q2 and Q3. Petra reported on the ABC Kids Preschool grand opening and noted a link to a story by KCLU reporter Lance Orozco is included for reference. Petra reported that F5VC is partnering with the Oxnard School District on the Pay for Success Feasibility study, which now moves into data analysis phase. Petra also provided an update on EVALCORP's contract to standardize PACT best practices; seven NfL sites will implement the PACT pilot program next year.

Petra summarized media included in the packet, including materials from the recent Advocacy Day and 20th Anniversary celebration in Sacramento, as well as media from the recent Take 5 and Read to Kids event, which reached over 1,200 children. Petra also noted a support letter for AB2292 is included for reference, in compliance with our Advocacy Policy. She added that a press release for the CSSP Pritzker Children's Initiative is included and that F5VC will be applying to host a fellow.

Petra noted that staff are participating in an oral health advisory board for the County's Prop 56 funds, which allows us to advocate for 0-5 to be a priority and have a voice in how the allocated funds will be utilized.

Petra concluded that she has been selected as 1 of 18 county Executive Directors to participate in a F5 Association sponsored Network Leadership program. She thanked the Commission for their support of her participation.

13. Commission Member Comments

There were no comments from the Commissioners.

14. Next Meeting

The next meeting will be held on Thursday, June 21, 2018, County Office of Education, 5100 Adolfo Road, Camarillo.

The meeting was adjourned at 2:59 p.m.