



**COMMISSION MEETING
MINUTES**

May 21, 2020

Commissioners Present: Dr. Michael Gollub, Kelly Long, Stan Mantooh, Barbara Marquez-O'Neill, Dr. Cesar Morales, Dr. Carola Oliva-Olson, Bruce Stenslie

Excused Absence: Dr. Robert Levin, Barry Zimmerman

Staff Present: Petra Puls, John Anderson, Lauren Arzu, Heather Davidson, Dr. Sharon Elmensdorp, Fahim Farag, Jimena Hernandez, Jennifer Johnson, Elizabeth Majestic, Sam McCoy, Nani Oesterle

Public Present: Linda Bays, Carizma Chapman, Elizabeth Hardin, Selene Hernandez, Andrew Huizar

OPENING

1. Welcome and Introductions

Chair Marquez-O'Neill opened the meeting at 1:03 pm, reminded attendees how to participate via public comment, and shared a quote.

2. Approval of Minutes from April 23, 2020 Commission Meeting

A motion was made by Commissioner Mantooh, seconded by Commissioner Oliva-Olson, to approve the minutes from the April 23, 2020 Commission Meeting. The motion passed unanimously.

3. Agenda Approval and Review of Commission Packets

Chair Marquez-O'Neill provided an overview of regular and supplemental packet items, noting materials were sent via email and are posted on the F5VC website.

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

4. Public Comments/Correspondence

There were no comments from members of the public.

CONSENT AGENDA

5. Receive and File the First 5 Ventura County Financial Reports as of March 31, 2020

6. Recommendation to Increase FY 2019-20 Equipment Budget

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

REGULAR AGENDA

7. Public Hearing on the First 5 California (State Commission) Annual Report for FY 2018-19

Petra Puls reported that the full F5CA Annual Report is posted on the F5VC website. All county commissions are required to hold a public hearing on the report, and provide highlights for public comment.

Similar to F5VC, the state prioritizes child health, child development, and family functioning in their strategic plan. F5CA is expanding their role as conveners and advocates, which is also aligned with Ventura County's strategic direction.

From an advocacy and legislative perspective, significant gains were made during Fiscal Year 2018-19. Governor Newsom's budget made a \$2 billion investment in early childhood, the early childhood masterplan is being developed, and gains were made in family leave. Petra pointed out that in the program result areas, data is aggregated which, makes it difficult to understand how many individuals were served accurately. Statewide, 30% of children served were under three years old and 45% were ages three to five. In Ventura County, 41% of kids served were under age three during the same time, and under the new PACT model more than 90% of children being served by F5VC are under three years old.

Petra reported on key investment areas detailed in the Annual Report, including F5 IMPACT. F5VC is the lead agency for First 5 IMPACT Hub funding for Ventura, Santa Barbara, and San Luis Obispo Counties. She added that under IMPACT 2020, the State is combining F5CA funding and CA Dept. of Education funding for a single application. PACT classes will be included in IMPACT 2020 quality efforts.

The Annual Report details investments in Educare, a public-private model to serve at-risk children with high quality, comprehensive early childhood education. F5CA supports two Educare sites, one in Long Beach and one in Santa Clara County. F5CA also supports the Dual Language Learner Pilot, which works with 16 counties to examine existing efforts to support dual language learners. Petra noted F5VC was not included in the pilot study but will benefit from learnings moving forward.

F5CA's Parent Support focus includes the "Talk Read Sing" communications campaign, a robust social media presence and website, and providing the Kit for New Parents. F5VC provides local information in the kits such as Neighborhoods for Learning information and early literacy opportunities in the county. In Fiscal Year 2019-20 F5VC took on the role of managing kit distribution, which was previously contracted through Public Health. Over five million kits have been distributed statewide since the program's inception. Parent support efforts also include the First 5 Express, a mobile outreach tour that provides information and education to parents and young children. Petra noted census materials were distributed to families in addition to traditional local information when the Express visited Ventura County earlier this fiscal year.

Petra reported on F5CA tobacco cessation efforts, noting counselors now include information on the dangers of vaping. Online support has replaced the telephone call line as the primary engagement tool.

Petra concluded her presentation commenting on evaluation strategies for teacher effectiveness and directing the Commission to county highlights, which include F5VC on page 51. F5VC staff review highlights from other counties and connect with staff from those commissions to learn more about successful projects from other areas of the state.

Chair Marquez-O'Neill opened the public hearing on the First 5 California Annual Report for Fiscal Year 2018-19 at 1:27 pm. There were no public comments. Chair Marquez-O'Neill closed the public hearing at 1:28 pm.

A motion was made by Commissioner Oliva-Olson, seconded by Commissioner Stenslie, to receive and file the First 5 California Annual Report for Fiscal Year 2018-19. The motion passed unanimously.

8. Recommendation to Adopt a Revised Help Me Grow Implementation Model

Sharon Elmensdorp reviewed Help Me Grow, a national model designed to set forth a comprehensive system that promotes early identification and linkage to services for young children. F5VC has been a HMG affiliate since 2013, investing \$693,000 annually in Fiscal Year 2015-19 through contracts with VCPH and Landon Pediatric Foundation. For Fiscal Year 2019-21 an annual allocation of \$285,000 was approved by the Commission, with F5VC serving as the organizing entity and VCPH contracted to provide family navigation and support. Sharon reported both agencies reviewed current implementation strengths and opportunities in order to develop the most efficient and effective HMG strategy. F5VC and VCPH mutually concluded it would be beneficial for HMG to be housed under one entity in order to maximize the ability to leverage and coordinate resources and funds. As such staff are recommending to adopt a revised HMG implementation model such that F5VC assume responsibility for all components of HMG in addition to serving as the organizing entity. Sharon noted F5VC has the capacity to take on this role, the recommendation is aligned with the organizational emphasis on systems change efforts, and as these funds are already budgeted no new allocation of funds is required.

A motion was made by Commissioner Mantoath, seconded by Commissioner Oliva-Olson, to adopt a revised implementation model for Help Me Grow, beginning with Fiscal Year 2020-21, with First 5 Ventura County retaining the role of organizing entity and assuming responsibility for implementing all components of Help Me Grow. The motion passed with Commissioner Long abstaining.

9. Report of Committees

a. Administration and Finance

i. Recommendation to adopt proposed budgets for Fiscal Year 2020-21

Petra reported that the Committee reviewed two budget proposals and summarized key changes in the Fiscal Year 2020-21 budget proposals. Both proposals include bringing HMG in house, and two models were considered for how to allocate the Executive Director's (ED) time across budget centers. Previously, the ED's time was budgeted as 100% administration. The proposed budget would allocate the

ED's time across cost centers, including Program and Systems Integration and Evaluation, which aligns with information gleaned from a recently completed F5VC staff time study. This reallocation also aligns with other F5 Commissions, the majority of which allocate the ED's time across multiple cost centers. By allocating the ED's time across cost centers, it reduces the administrative budget and rate, and allows for increased staff capacity in the operations department. Petra noted that the Director of Operations, Jennifer Johnson, holds many key responsibilities in fiscal, operations, human resources, etc. leaving the organization vulnerable if Jennifer were on leave or we had a vacancy in her position. This proposal allows the Director of Operations role to be diversified and split into two positions.

Commissioner Mantooth noted that all upcoming recommendations have the full support of the Committee and we need to recognize the certainty of uncertainty. Budgets and financial plans and strategic plans are living documents and are likely to change as circumstances evolve.

Commissioner Stenslie noted that the Committee evaluated both proposals and this proposal makes sense in light of the time study and will allow F5VC to increase staff capacity where it's most needed as our work shifts.

Jennifer Johnson reviewed the proposed Operating Budget, which is comprised of the Operating Fund and the Community Investment Loan Fund. Total revenue is just over \$6 million, with over \$5.2 million coming from Prop 10 distributions, which represents an 8% decline. Jennifer noted that while a 4% decline is projected (based on the forecast reviewed by the Commission in March), one item is still outstanding so the Committee felt it best to project using the 8% rate. Other revenue sources include funding from F5CA for the Hub Region 7 extension and new IMPACT 2020, the Pritzker Children's Initiative, a new grant from the Packard Foundation, loan repayments, and interest earnings. Expenditures total just over \$8 million, reflecting the second year of our current two-year funded-partner commitments, Neighborhoods for Learning coaching, Results-Based Accountability, and Administration. The decrease of about \$1 million in expenditures from Fiscal Year 2019-20 is due to the completion of one-time costs such as NFL contract close-out activities and the Sunkist Preschool fixed asset contract. Under this proposal there is a planned deficiency and F5VC will draw upon our fund balance to offset expenditures above revenues. Jennifer noted that with this proposed budget the administrative rate will come in at 10% if full program expenditures are utilized.

Jennifer reported budget assumptions are very similar to Fiscal Year 2019-20, with projections based on rate increases, historical usage, and anticipated need. General liability insurance is projected to increase up to 10% as our current provider will not renew our coverage due to the Thomas Fire. Staff salaries reflect the reallocation of the ED's time, an increase of 1 FTE for HMG (to bring that project in house), and an increase of .25 FTE to administration to add a new position. Jennifer detailed how these changes affect shared operating cost allocations moving forward.

Jennifer detailed budgets for internal costs centers. The Administration cost center total is \$645,000, which is the same amount as Fiscal Year 2019-20 and will equate to an 8% administration cost rate based on \$8 million in expenditures. Programs and Systems Integration total \$1.1 million in internal costs, which is increased due to the reallocation of the ED's time and moving the NFL coach into this cost center. This cost center also is reducing printing and copying by \$8,000 as we focus more on social media and electronic methods of sharing information, as well decreasing meeting costs. An additional \$350,000 is allocated to this cost center from grant funding and one-time costs, bringing the total budget to \$1.47 million for Program and Systems Integration. The Results Based Accountability budget is

\$257,000, which is a slight increase due to the allocation of 10% of the ED's time, offset by 5% of the Office Coordinator's time. Evaluation costs are unchanged from Fiscal Year 2019-20. The Help Me Grow budget is \$285,000, which includes 2.0 FTEs and operating expenses such as costs associated with the ASQ questionnaire and website upgrades. The equipment budget is projected at \$5,000, which decreased due to the approved increase of the Fiscal Year 2019-20 equipment budget. Jennifer added that there are sufficient dollars in our equipment replacement fund for this allocation.

A motion was made by Commissioner Gollub, seconded by Commissioner Morales, to approve the budgets for Fiscal Year 2020-21. The motion passed unanimously.

ii. Recommendation to maintain targeted administrative cap at 12% of total operating budget for FY 2020-21

Jennifer reported that County Commissions are required to adopt a policy that limits administrative expenditures by percent and establish a policy to monitor compliance. F5VC updated our policy last year, the Committee reviewed that policy and no changes are currently recommended. The Fiscal Year 2019-20 cap is set at 12%, and with forecasted expenditures the administrative rate is likely to be 10%. For the Fiscal Year 2020-21 operating budget just approved, the projected administrative cost rate is 8%, but as the rate varies based on actual expenditures, it is recommended to set the cap higher as funded programs may not spend their full contracts. The Committee recommendation is to maintain the administrative cap at 12% for Fiscal Year 2020-21.

A motion was made by Commissioner Stenslie, seconded by Commissioner Long, to maintain the targeted administrative cap at 12%, following the annual review of Commission's policy limiting the percentage of the Commission's budget that may be spent on administrative functions, in compliance with legislative requirements. The motion passed unanimously.

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

Jennifer noted that the Commission reviewed the financial plan in March and detailed updates made to the plan presented at that meeting. Recognizing costs rise over time, the Committee was interested in applying a 5% increase each year to maintain service levels. F5VC is required to maintain a minimum fund balance of six months of operating expense plus \$1 million. Applying a 5% year-over-year increase to funding levels resulted in shortfall at the end of the financial plan period. The proposed update to the plan reflects annual 5% increases for the Fiscal Years 2021-23, but maintains Fiscal Year 2023-26 expenditures at \$5.3 million annually. Jennifer added that as revenue projections are updated, staff will update the Financial Plan and see if it is possible to apply a 5% increase for Fiscal Years 2023-26.

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

Commissioner Gollub commended Commissioner Mantooth, Commissioner Stenslie, and Jennifer for the thoroughness and clarity of the presentation. Commissioner Mantooth thanked Committee members Kara Ralston, Pamela Grothe, and Joe Richards for their longstanding service to the Committee.

10. Recommendation to Approve Contract with Economic Development Collaborative to Manage and Implement the Community Investment Loan Fund

Petra Puls provided a summary of the Community Investment Loan Fund (CILF) and the history of contracting with the Economic Development Collaborative to manage and implement the fund. Established 10 years ago, the fund has created nearly 350 new child care and preschool spaces, including nearly 100 spaces for infants and toddlers. In addition to managing the highly successful revolving loan fund, EDC provides outreach, significant technical assistance to applicants, maintains a loan board, and oversees repayments. While the loan board has oversight, only the Commission has the authority to write-off loans. Petra noted that, due to current circumstances, some loan payments may need to be temporarily deferred until preschools can reopen.

A motion was made by Commissioner Mantoath, seconded by Commissioner Morales, to authorize the Executive Director to contract with the Economic Development Collaborative (EDC) to continue managing the implementation of the Community Investment Loan Fund for Fiscal Year 2020-21, not to exceed \$35,000. The contract would also provide funds for EDC to issue up to \$500,000 in loans to eligible Community Investment Loan Fund applicants under the previously approved loan guidelines, for a total Fiscal Year 2020-21 contract amount not to exceed 535,000. The motion passed with Commissioner Long and Commissioner Stenslie abstaining.

11. Recommendation to Modify Preschool Scholarship Criteria for FY 2020-21

Nani Oesterle updated the Commission on scholarships being administered by Child Development Resources (CDR). Preschool scholarships were previously administered by NfLs in Ojai, Moorpark, and Simi Valley prior to the NfL transition to Interface for Fiscal Year 2019-20. While having CDR administer the 144 funded scholarships is more efficient, the lack of word-of-mouth advertising through the NfL resulted in fewer families utilizing the scholarships. Additionally, recent preschool closures have caused further reductions in utilization of scholarships. Nani reported that F5VC staff and CDR have reviewed the current model. Staff recommends modifying the existing criteria for scholarships, making them available to families countywide, while giving priority to families in Ojai, Moorpark, Simi, and Port Hueneme and those with the greatest economic need.

A motion was made by Commissioner Morales, seconded by Commissioner Gollub, to modify the existing criteria for First 5 Ventura County funded-preschool scholarships for Fiscal Year 2020-21, making scholarships available to families countywide. The motion passed unanimously.

12. First 5 Ventura County's Continued Response to COVID-19

a. Recommendation to Modify Preschool Funding Model for FY 2019-21

Nani reported that, in addition to funding scholarships, F5VC funds preschool spaces. All contracted preschools are currently closed due to stay at home orders. Last November, the Commission approved a policy to continue paying contractors during emergency closures, including public health emergencies. However, F5VC funding covers up to 75% of the cost of a space with the family covering at least 25% of the tuition. Contractors have not been collecting family fees during the closures. In order to help maintain local capacity, staff propose to reimburse the full CSPP rate for the remainder of Fiscal Year 2019-20. Total costs would be less than \$25,000 and would be covered by unspent funds in the current

preschool contracts. Additionally, staff recommend waiving family fees for Fiscal Year 2020-21 as it prevented families from enrolling this year and economic hardship as a result of COVID-19 may prevent additional families from paying the fee. As the additional cost of up to \$238,000 is covered by unspent funds already contracted to preschool partners, no new allocation of funds is required.

A motion was made by Commissioner Gollub, seconded by Commissioner Oliva-Olson, to modify the existing reimbursement structure for First 5 Ventura County funded-preschool spaces for Fiscal Year 2019-21 as a result of COVID-19. The motion passed unanimously.

b. Updates

Petra reported F5VC staff remain healthy and working from home. Funders Forum meetings continue bi-weekly to coordinate efforts in the philanthropic sector. Staff are coordinating an early child development taskforce with CDR and VCOE to support child care providers now and as we prepare to reopen as a community. F5VC recently received \$38,000 in funding for basic needs support and activity kits from a California Family Resource Association grant. Staff are heavily involved in emergency childcare supply distribution to childcare providers. We received the first shipment of supplies on May 20, and a second shipment of 20 pallets of diapers, wipes, and liquid soaps is expected soon. Petra thanked FOOD Share for partnering with us to receive and distribute the supplies to childcare providers. Distributions will be conducted via drive-through and F5VC will deliver to providers who can't attend distribution events.

Petra noted conversations with partners are shifting from crisis response to long-term recovery. F5VC and partners are concerned about how child care providers will be able to reopen under new guidelines from the state. Childcare will be required to operate at reduced capacity, and financial viability is a concern. Countywide, 246 licensed centers (75%) are closed throughout the County as of May 15. While approximately 80% of family childcare providers are still open, many are struggling to pay bills with reduced enrollment. Staff and partners are also closely monitoring the impact of the \$54 billion state budget deficit on early childhood.

Commissioner Stenslie asked how many licensed centers will reopen, and if any have indicated they are closed permanently. Petra responded that we are not sure at this time, but many are funded by CSPP or Head Start and are located on school campuses, and won't be able to open until the fall. Commissioner Stenslie noted that over 22,000 County businesses will reopen soon, and 85% of the labor force will need care for their children. Petra added that partners are assessing how best to support providers. While providing cleaning supplies and diapers will help, childcare providers will have many more needs.

Commissioner Long commented that, as of May 13, childcare is permitted to open for non-essential workers, and asked if F5VC funded providers have communicated they are reopening. Petra reported that about 34 of the currently closed programs (10%) have indicated they are planning to reopen. As providers struggle to implement the guidelines for reopening, many providers are unsure how to proceed. Commissioner Long advised that Code Compliance and VC Reopens may be able to assist.

Commissioner Stenslie advised there are three main identified barriers to reopening: anxiety about compliance, profitability due to decreased class size, and access to locations on school campuses.

Commissioner Mantoath commented that guidance from the Governor and State Dept. of Education is not specific, and locally we need to determine how we can reopen and what the model will look like. He

added that K-12 education is arguably the most effective and largest scale childcare operation, plus has the benefit of learning. With the State budget crisis, funding for schools may be significantly cut.

Commissioner Morales commented that local school districts have a variety of reopening plans and frameworks, and all plans are developed in coordination with local Public Health officials.

13. Strategic Planning

Petra outlined recent Commission discussions regarding strategic planning, including updating our Mission and Vision Statements. The current strategic plan encompasses Fiscal Years 2015-2020, and outlines investments through June 30, 2021. As outlined in the plan, there was a major shift in investments in Fiscal Year 2019-20 due to the planned depletion of the F5VC Sustainability Fund.

The Commission previously approved to extend the current strategic plan to adequately support the redesign of the Neighborhoods for Learning (NfL) initiative. During Fiscal Year 2019-20, F5VC has conducted program performance assessments, updated the policy platform, and approved a revised long-range financial plan prior as part of the strategic planning extension process. Petra noted that the objective for this presentation is to gain Commission input on proposed strategic goal areas and the evaluation framework, with a goal of having a Fiscal Year 2020-2022 Strategic Plan Extension presented for Commission approval in June.

Petra summarized sections of the proposed plan including F5VC history and background; the shift in F5VC's strategic direction towards greater advocacy, systems integration, and capacity building, particularly through NfLs and HMG; and the rationale for the Fiscal Year 2020-22 Strategic Plan Extension.

Chair Marquez-O'Neill asked which tool is used for prenatal/postpartum screenings and if it identifies domestic violence. Sam McCoy noted F5VC uses the Edinburgh Screening Tool.

Petra reviewed the proposed strategic framework for Fiscal Years 2020-22, including the revised Vision and Mission statements, as approved by the Commission in January. The guiding principles were also condensed into core values of Integrity and Equity, Family, Strategic, Accountable, and Informed. Chair Marquez-O'Neill suggested stronger language around systemic inequities and inclusion. Commissioner Oliva-Olson suggested "inclusivity" is under Integrity and Equity. Commissioner Mantooth suggested replacing acknowledging with "address" under the Core Value of Integrity and Equity.

Petra reviewed the Strategic Priorities, which are consistent with the priorities in our previous strategic plan, using language that is consistent with statewide priorities. The plan also acknowledges that F5VC needs to apply a systems change or systems integration lens to all investments in order to have the greatest impact. Investment areas and desired outcomes in the strategic priorities are detailed in the plan as well. Petra concluded her presentation with an overview of proposed allocations for Fiscal Years 2021-23, as approved by the Commission as part of the long-range financial plan.

Chair Marquez-O'Neill and Commissioner Oliva-Olson thanked Petra for the detailed draft and advised to proceed.

Petra thanked the Commission and noted that staff are glad we are looking at a two-year plan as we face significant changes and uncertainty. She added maintaining investments in NFLs and HMG will allow us to support parents during COVID-19 recovery.

14. Report from Executive Director

Petra referred the Commissioners to the written report and noted it is available on the website.

15. Commission Member Comments

There were no comments from members of the Commission.

16. Next Meeting

Thursday, June 18, 2020 (whether meeting to be held either in-person or electronically is to be determined).

The meeting was adjourned at 3:07 pm.