



FIRST THINGS FIRST

The right system for bright futures

Arizona Early Childhood Development & Health Board

Draft Meeting Minutes

Call to Order

The regular meeting of the First Things First – Arizona Early Childhood Development and Health Board was held on October 27, 2009 at 9:00 a.m. at First Things First, 4000 N. Central, Suite 800, Phoenix, Arizona 85012.

Chair Lynn called the meeting to order at approximately 9:05 a.m.

Members Present:

Steve Lynn, Rhian Evans Allvin, Nadine Mathis Basha, Dr. Pamela Powell, Dr. Eugene Thompson, Dr. Arturo Gonzalez and Vivian Saunders

Hon. Cecil Patterson arrived at approximately 12:30 p.m.

Ex-Officio Members Present:

Will Humble, Neal Young and Amy Corriveau

Mary Ellen Cunningham and Molly Bright sat in at approximately 11:00 a.m.

Consent Agenda

A motion was made by Member Evans Allvin to approve the Consent Agenda except for item C to be pulled for further discussion. Seconded by Member Thompson. Motion approved.

After clarification, a motion was made by Member Evans Allvin to approve item C. Seconded by Member Mathis Basha. Motion approved.

Board Member Report/Update

Member Corriveau, representing the Arizona Department of Education, travelled with Jennifer Johnson from First Things First to Washington, D.C. for a presentation by Dr. Sharon Lynn Kagan. At the meeting, they provided an update on what Arizona is doing in early childhood and how we are working together to build a system between the two agencies. They also interacted with other state representatives to understand what other states are in the process of doing.

Member Corriveau reported that the Arizona State Board of Education has approved another ISA with the Yuma Regional Partnership Council to provide access to quality early learning to families in the community.

Member Mathis Basha, reported recently attending the Central Maricopa Regional Partnership Council meeting in Chandler and thanked them for allowing her to attend. She encouraged the Board members to take the opportunity to attend Regional Council meetings as it's a good opportunity to see what is actually happening in First Things First.

Member Mathis Basha reported attending a collaborative effort of the Chandler Public Schools and the City of Chandler. The citizens of Chandler passed a one million dollar bond issue and raised another 1.3 million dollars in partnership with the Chandler Regional Hospital and the Hospital District for a holistic center for young children that will provide medical and dental needs and family support programs. Central Maricopa Regional Partnership Council allocated almost \$500,000 for the dental portion of this collaboration.

Member Humble gave an update to the Board on the progress in the Arizona WIC Program. On October 1, 2009 major changes were made in Arizona to the WIC menu for children birth to five years and their families. The previous menu had been in effect for 30 years. With the epidemic of obesity and diabetes in children, the transition has been made to healthier alternatives.

Chairman Lynn gave the Board a communication document that presents an outline used at the Arizona Department of Transportation. Chairman Lynn asked legal counsel to review and let us know at the next Board meeting if this meets our requirement in regards to the open meeting law.

Call to the Public

Dana Naimark, President and CEO of Children's Action Alliance, urged the Board and Regional Partnership Councils in a letter earlier in the month to develop a statewide strategy to address affordability as timely as possible. Ms. Naimark stated now more than ever children are left home alone in unstable unregulated care. The opportunities are there to address this with First Things First resources and leadership. Ms. Naimark urged the Board to follow the Quality First model to develop a statewide affordability strategy and promote quality at the same time.

Bruce Liggett, Director of Arizona Child Care Association, stated he would like to build on Ms. Naimark's comments and urged the Board to consider developing a model for access and affordability to quality care similar to other statewide models. Mr. Liggett also stated his opposition of Director Humbles proposal of raising child care licensing fees and urges the Governor to step in to suspend the increase.

Mary Sue Watson, with Children's Campus, Premier Children's Center, commended the Regional Partnership Councils on providing child care scholarships. Ms. Watson and her husband own and operate three child care centers in Arizona. Ms. Watson was recently at a meeting where the largest child care provider in the state reported they were operating at 46% enrollment. Ms. Watson wondered where are all the children if they are no longer in care. Ms. Watson commended the Board and the Regions for their leadership and insight into providing millions of dollars in child care scholarships to the children of Arizona.

Arizona Department of Health Services –Child Care Licensing Fee Increase

Will Humble, Interim Director of the Arizona Department of Health Services and Ex-Officio Member of First Things First presented to the Board an update on the child care licensing fee increase. Director Humble asked the Board to consider implementing a funding strategy that would assist child care centers with their licensing fees if they participated in Quality First!

Policy on First Things First Funds Use

Director Hibbs submitted to the Board a position statement regarding funding requests in response to state budget cuts.

A motion was made by Member Thompson to table until later in the agenda. Seconded by Member Powell. Motion approved.

After staff implemented Board directed revisions, a motion was made by Member Evans Allvin to approve the First Things First Position Statement Re: Funding Requests in Response to State Budget Cuts. Seconded by Member Powell. Motion approved.

Expect More Arizona

Nicole Magnuson with Expect More Arizona presented to the Board an updated report and highlights of their 2009 statewide campaign to educate Arizona on the importance of education. Ms. Magnuson defined Expect More Arizona's 2010-2011 goals to be developing and implementing a multimedia public awareness campaign, building statewide capacity and strategic partnerships, and actively engage Arizonans in improving education.

Regional Administration

Proposed Policy Change for Construction Related Funding Requests

Michelle Katona, Assistant Director of Regional Administration, presented the revised proposed policy change for construction related funding requests. Members asked that the acronyms ADE and DES be spelled out.

A motion was made by Member Evans Allvin that the Board approve the proposed guidelines for funding for construction and purchases of real property dated October 15, 2009 with proposed changes. Seconded by Member Thompson. Motion approved.

Financial Report and FY2011 Budget

John Ordini, Assistant Director for Finance, presented to the Board highlights of the FY2009 financial audit report that was completed by Henry & Horne, LLP. First Things First received an unqualified "clean" auditor's opinion. Mr. Ordini presented a proposed FY2011 Administration and Program budget for approval and updated the Board on the sustainability analysis based on the updated information through September 30, 2009.

A motion was made by Member Evans Allvin that the Board approve the FY2011 Operating Budget in the amount of \$14,680,729. Seconded by Member Mathis Basha. Motion approved.

A motion was made by Member Evans Allvin that the Board approve the use of up to \$1 million from the Administration Account to conduct program evaluation during FY2011. Seconded by Member Thompson. Motion approved.

A motion was made by Member Evans Allvin that the Board approve a reduction in the FY2010 statewide initiatives budget from \$14.03 million to \$12.83 million as presented by staff. Seconded by Member Mathis Basha. Motion approved.

A motion was made by Member Evans Allvin that the Board reduce the allocation to the Expect More Arizona Campaign to \$200,000 for FY2010 and \$200,000 for FY2011 contingent on an amount matched by K-12 Education and Post Secondary Education individually up to \$200,000 in those two budget years and in the event the matched amounts differ, the Board will match the greater amount up to \$200,000. Seconded by Member Thompson. Motion approved.

A motion was made by Member Evans Allvin that the Board approve program expenditures for FY2011 totaling \$140,840,896 for outcome evaluations, Regional funding grants and agreements, and for statewide initiatives. Seconded by Member Gonzalez. Motion approved.

Strategies to Improve Board/Regional Council Communication

Director Hibbs stated that the following strategies were addressed during the adhoc meeting on October 9, 2009 as a result of meeting with Regional Council Chairs and Vice Chairs on September 10 that Chairman Lynn and Vice Chair Evans Allvin attended. The need for improved communication between the Board and Regional Councils was shared: Strategy 1) Board meeting recaps to Councils within five working days; Strategy 2) Provide a means for easy email access for exchange of ideas and comments between Board members and Council members; Strategy 3) Assign Board members to certain Regional Councils with a responsibility to attend a minimum of 2 meetings per year and report back to the board. Available also to attend would be a staff member to assist the Board member if requested; Strategy 4) Board members assigned to multi-region areas would be required to hold at least one discussion/study session each year with members of all of the Councils in that area invited to participate; and

Strategy 5) Council members would be notified of Finance and Program Committee meetings and invited to attend and participate by phone or in person.

Director Hibbs noted that Strategy 2 has been implemented and two email addresses have been set up to assist in open communication with the Board and Council members: Chair@AZFTF.GOV and Board@AZFTF.GOV.

Executive Director Report

Director Hibbs presented to the Board the Executive Director Report for October.

Revenues and Expenditures

Luxury tax revenues for September 2009 totaled \$9,948,588, a 27% decline over September 2008. This brings the luxury tax revenue to \$32,173,700 for the fiscal year compared to \$40,024,863 last fiscal year, nearly a 20% drop year-to-date. Interest earnings for September received from investments totaled \$257,294 bringing FY2010 year-to-date interest earnings to \$1,480,885. Total investment and cash on hand totals \$382,322,000 as of the end of September 2009. Agency operating expenditures for September 2009 totaled \$1,046,399 which is \$171,498 below the budget for the month. Year-to-date total expended was \$3,554,103 of the \$15.7 million budgeted. Expenditures were \$339,116 under budget through September 30, 2009.

Resignation

Director Hibbs formally submitted his resignation to the Board.

A motion was made by Member Patterson to formally accept the resignation of Director Hibbs with regret. Seconded by Member Thompson. Motion approved.

Executive Session to discuss personnel items pursuant to A.R.S. § 38-431.03(A) (1), and or to obtain legal advice pursuant to A.R.S. § 38-431.03(A) (3) to Obtain Legal Advice Regarding Proof of Qualified Alien Status and English-Only Requirements and Discuss Resignation and Succession of the Executive Director

A motion was made by Member Mathis Basha to go into Executive Session at approximately 2:18 p.m. Seconded by Member Powell. Motion approved.

A motion was made by Member Mathis Basha to return to Regular Session at approximately 3:40 p.m. Seconded by Member Powell. Motion approved.

A motion was made by Member Mathis Basha that the Board authorize the Chair and the Executive Director to identify and implement a process that includes Regional Partnership Council representatives, Committee partners and Board members to solicit and review applications, and make a recommendation to the Board at the December 8, 2009 Board meeting on the selection of a new Executive Director. Seconded by Member Thompson. Motion approved.

Next Meeting

The next meeting will be held December 8, 2009 in Phoenix, Arizona.

Adjourn

There being no further business, Chairman Lynn adjourned the meeting at approximately 3:45 p.m.