



FIRST THINGS FIRST

The right system for bright futures

Arizona Early Childhood Development & Health Board

Draft Board Minutes

Call to Order

The regular meeting of the First Things First – Arizona Early Childhood Development and Health Board was held on October 28, 2008 in the First Things First Board room, located at 4000 N. Central, Ste. 800, Phoenix, Arizona 85012.

Chair Mathis Basha welcomed everyone and called the meeting to order at approximately 8:40 a.m.

Members Present:

Nadine Mathis Basha, Rhian Evans Allvin, Dr. Pamela Powell, Cecil Patterson, Dr. Eugene Thompson, Paul Luna and Steve Lynn

Ex-Officio Members Present:

Tracy Wareing and January Contreras

Absent:

Vivian Saunders and Amy Corriveau

Chair Mathis Basha announced that Board Member Gary Pasquinelli had resigned his position and will be greatly missed.

Chair Mathis Basha announced that today's Board meeting was broadcast to the Regional Partnership Council offices to view from their regional areas and extended a warm welcome.

Consent Agenda

The items on the Consent Agenda included the Board Minutes of the September 24, 2008 meeting. A motion was made by Member Luna to adopt the Consent Agenda, seconded by Member Patterson. Motion approved.

Discussion and Possible Election of Vice Chair

A motion was made by Member Thompson to elect Steve Lynn as Vice Chair of the First Things First – Early Childhood Development and Health Board, seconded by Member Evans Allvin. Motion approved.

Board Member Report/Updates

Member Lynn thanked his colleagues for their vote of confidence for the Vice Chair nomination and expressed his well wishes to Gary Pasquinelli and his family.

Chair Mathis Basha commented to the Board on the great experience and positive interaction she observed during the meeting with the Chairs and Vice Chairs of the Regional Partnership Councils on October 2, 2008.

Member Evans Allvin reported on the P-20 Council retreat in November and stated that the Ad Hoc Early Childhood Committee adopted all of the recommendations and will be presenting them to the Council at the retreat.

Member Powell reported on the National Indian Education Association conference in Seattle that she attended.

Call to the Public

Debra Colter, a certified child care provider with Debra's Day Care, asked the Board to remember them when creating policies and issuing funds. Ms. Colter thanked the Board for their work in creating a voice in the community.

April Ramsey spoke to the Board regarding family child care and urged the members not to forget child care providers when issuing funds.

Andrea Benkel with the Summit School addressed the Board regarding fair wages and the qualified staff turnover rate due to better pay.

Regional Administration Presentation

Discussion and Possible Approval of Regional Needs and Assets Reports

Michelle Katona, Assistant Director for Regional Administration, presented to the Board the Regional Partnership Councils' Needs and Assets Reports. Ms. Katona noted their challenges and the lack of readily available data by region or community and time constraints. Ms. Katona expressed a sincere thank you to Kim Van Pelt, who coordinated the project, the other regional managers, coordinators and Council members, and acknowledged the time that went into the Needs and Asset Reports.

Ms. Katona discussed findings showing the needs of the regions align overall with the findings from statewide Needs and Assets Reports. Individual assessments do identify characteristics and challenges of each region. Ms. Katona stated that due to the lack of information and the time constraints, some Councils are putting money into this funding plan and the their next funding plan to assist in collecting the data needed to prepare a comprehensive strategy.

Ms. Katona stated that the child population and poverty rate in Pinal County more than doubled since 2000; five regions grew more than 25%; eight regions, including six tribal regions, had minimal or no growth; and, poverty rates ranged from 7% in Northeast Maricopa to over 50% in five tribal regions. Ms. Katona added that early care and education is limited or is not accessible in rural and Tribal regions; there is limited infant care across the state; 2/3 of children 0-5 in Gila River Indian Community are forced to go outside their community for early care and education or receive no early care at all; and, more data is needed on unregulated care.

Ms. Katona reported that families in Navajo/Apache must travel 3-5 hours to Flagstaff, Phoenix or Tucson for specialized medical care. In White Mountain Apache, Native American residents can access free healthcare, but must wait hours to be seen by a physician. There are no pediatricians that practice medicine in Graham/Greenlee. Accessibility to health services is generally a problem in much of the state, and exacerbated in rural areas.

Ms. Katona stated that regarding professional development, La Paz/Mohave is serviced by four higher education institutions with five degree programs and two certificates in early childhood education, some of which are online. Ms. Katona stated that the Hualapai Tribe has no access to professional training and credentialing of early childhood professionals. Some regions report difficulty accessing college coursework and cite the cost of tuition and books, transportation costs and time constraints, and classes offered at inconvenient times as barriers.

Ms. Katona reported that transportation to services is the largest issue for family support. There is a significant lack of data on family support needs and ease of access. The First Things First Family and Community survey will help fill data gaps in upcoming years.

A Motion was made Member Patterson to approve the 30 Regional Needs and Asset Reports submitted by the Regional Partnership Councils, seconded by Member Thompson. Motion approved.

Presentation and Discussion on the Development of Funding Plans

Ms. Katona presented to the Board the strategies that the Regional Partnership Councils will possibly be following for their funding plans. These strategies include expansion or enhancement of a strategy currently in place, participating in a statewide initiative, implementation of a new strategy and developing a strategy in the future. The questions surrounding current capacity relate to identifying potential grantees or others ready to implement strategies, how quickly can we grow the implementation, with the capacity we have now how quickly will funds be expended, and what opportunities exist to partner with others within regions and across other regions.

Ms. Katona stated that determining the funding amounts will include prioritizing strategies and the recognition that the regional allocation may not fund all the strategies included in the funding plan. Other factors will include the determination of the estimated service levels and how much it is going to cost to implement the service to the designated service level. The Councils will develop initial recommendations, which will be reviewed by First Things First staff. Coordinators, Policy and Financial staff will have joint discussions if necessary and make recommendations for consideration in final decisions by the Councils. The Councils plan to meeting the following criteria in the development of funding plans: A) do the strategies address prioritized need in the region; B) what is the evidence that strategies selected will lead to desired outcomes; C) is allocated funding sufficient to provide proposed service levels and achieve performance measures; D) is there strong and detailed justification for any funding not allocated (this will be tied directly to the needs of children and families and the continued advancement of the work needed by the Regional Council to identify how to best address those needs).

A motion was made by Member Evans Allvin to appoint the Regional Partnership Council members recommended by staff for the Gila and South Phoenix regions, seconded by Member Powell. Motion approved.

Financial Issues Presentation

FY2008 Audit Results

Elliott Hibbs, Director, presented to the Board the FY2008 audit results as conducted by Marilyn Mays with Henry and Horne. The audit reflected no discrepancies or inaccuracies. Director Hibbs acknowledged Ms. Mays who was present to answer any questions from the Board. There were no questions.

FY 2010 Budget Recommendations

Director Hibbs presented to the Board the staff recommendations for the distribution of investment earnings to be distributed the same as tobacco revenues with 90% going to the Program Account and 10% to the Administration Account. Investment earnings have been distributed by First Things First staff each month the same way as tobacco revenue, i.e. 10% to administration and 90% to programs. Auditors conducting our annual audit for the last fiscal year indicated that the statutes actually mandate interest be distributed to Administration and Programs based on the share of the total invested funds. This would shift more investment earnings to administration and less to programs.

A motion was made by Member Thompson to move that it shall be a policy of the Board to have investment earnings distributed the same as for tobacco revenues, i.e. 90% to the Program Account and 10% to the Administration Account, seconded by Member Evans Allvin. Motion carried.

Director Hibbs presented to the Board the FY 10 Administration and Program Budget recommendations. A motion was made by Member Thompson to approve the FY 10 Budget for Administration and Programs as presented by staff, seconded by Member Luna. Motion carried.

First Things First Early Childhood Policy Development

Karen Woodhouse, Deputy Director, revisited with the Board the concept of early childhood system infrastructure and how the strategies approved by the Board so far fit into the system infrastructure in Arizona. Ms. Woodhouse stated that First Things First staff will use a process over the next several months to examine each part of the early childhood development and health system and discuss how existing gaps can be addressed. Ms. Woodhouse defined some of the gaps as: not enough quality care and education settings for parent choices; children placed in unregulated settings without quality standards or caregivers; low percent and high turnover rate of qualified caregivers and teachers; too few articulation agreements between community colleges and four-year institutions; and, affordability. Ms. Jill Stevens provided public comments and information to the Board on the 2008 Compensation and Credentials report.

Sandy Foreman, Assistant Director of Policy, presented a proposal to the Board to fund the establishment of an administrative home to provide oversight for implementation of a teacher compensation and retention incentive program, providing a statewide infrastructure and allowing regional funding to predominately fund the wage enhancements rather than fund multiple administrative bodies around the state. The expected impacts of implementing wage enhancements would be to improve workforce retention that leads to higher quality and more stable care for children. The workforce skills would improve with specialized higher education. Wage enhancements support continued educational advancement for early childhood professionals and improved quality while cost to families remains reasonable. Ms. Foreman stated that she would bring a proposal back in December for review.

Call to the Public (cont.)

Several individuals and groups from around the state voiced their support for the compensation and retention incentive program. The individuals who urged the Board to consider approval of the wage enhancement program are: LaVonne Douville with the Tucson United Way, Cheryl Foster, member of the Association for the Education of Young Children, Bruce Liggett, with the Arizona Child Care Association; James Emch with the Valley Child Care and Cactus Preschools, Eva Shiver with the Institute for Child Care Development Research and Social Change, Dana Vela with Sunrise Preschools and Tots Unlimited, and Shanna Kukla with Pima Community College Center for Early Childhood Study.

Evaluation Plan Update

Dr. Amy Kemp, Assistant Director of Evaluation, updated the Board on the external evaluation proposal. Consortium partners included professors and graduate students from the University of Arizona, Arizona State University, and Northern Arizona University. Dr. Kemp stated that the proposal has been reviewed by staff and national experts. The team requested clarifications from the Consortium so that details may be brought back to the Board at the December meeting with a finalized budget and proposal.

Executive Director Report

Program Administrations

Director Hibbs reported to the Board at the 2009 Summit is tentatively scheduled for April 27-28, 2009 at the Mesa Convention Center and Marriott. First Things First is finalizing the logistical details and will be coordinating the first meeting of the Summit program planning committee.

Director Hibbs stated at the September Board meeting, the Chair of the North Pima Regional Partnership Council, Naomi Karp, addressed the Board during the Call to the Public and requested a modification to Goal #8 in the FTF Strategic Plan Roadmap. Goal #8 currently states: *FTF will build a skilled and well-prepared early childhood*

development workforce. The North Pima Regional Partnership Council recommends the language be revised to state: *FTF will build a skilled and well-prepared early childhood education and development work force that will address the strengths and needs of the whole child, including cognitive, language, social-emotional, motor development, creativity, and physical health.* Director Hibbs stated that the FTF Policy staff concurred with the Council's belief and rationale that all early childhood teachers should be able to address all developmental domains by providing high quality early childhood education opportunities and experiences that will ensure that children come to school ready to succeed and recommends the language be modified as stated.

Evaluation

Director Hibbs reported to the Board that the partner survey was closed on September 26, 2008 with a response rate of 40% (145 out of 361 partners contacted). Factor analyses and comparisons of partner response by question type will be completed by November 15, 2008. An analysis will be prepared for the use by staff as well as public release by December 2008. Director Hibbs stated data collection on the Family and Community survey was completed September 26, 2008. Contractors completed 5,193 interviews, 3,690 with parents and caregivers and 1,503 with the general population. The analysis at the state and regional levels will be presented to the Board at the January meeting.

Grants and Contract Management

Director Hibbs stated that the plan is to announce and post the Statewide Competitive RFGA in early November. It is anticipated that awards for competitive grants will be recommended for Board approval at the January or February Board meeting.

Communications

Director Hibbs reported that the P-20 Council collaboration is moving along, but final messaging and plans to show these messages across Arizona are still incomplete. FTF is awaiting the approvals of the products from the P-20 Council. First Things First is also continuing to pursue collaboration with the United Way networks across Arizona with continued discussions on ways to utilize the already established partnerships as part of First Things First communications outreach. Other discussions have been initiated with Arizona Children's Association. First Things First also has the opportunity to provide messaging during the children's and public affairs programs on public television (PBS) throughout Arizona at very reasonable rates.

Programs and Business Systems

Director Hibbs stated that First Things First's Programs and Business System Division successfully broadcast the September Board meeting using Microsoft Live Meeting. This now sets the stage for future broadcasts that will allow remote employees, Council members and others to listen and watch meetings hosted in the First Things First Board room. Director Hibbs reported that the new First Things First web site will be completed and ready for testing by October 29, 2008 and prepare to go live by November 17, 2008.

Revenues and Expenditures

Director Hibbs reported to the Board that luxury tax revenues for September FY 09 totaled \$13,692,553. This brings luxury tax revenue to \$40,024,863 for the fiscal year. Director Hibbs stated that if revenues continue at this rate, First Things First would expect to receive about \$160 million from tobacco taxes this fiscal year. Interest earnings received in September from investments was \$644,892, bringing total FY 09 earnings to \$1,147,804. It should be noted these earnings cover only two months of the fiscal year so far. Total tobacco and interest revenues for FY 09 totaled \$41,172,667 as of September 30, 2008.

Director Hibbs stated that operating expenditures for September totaled \$1,289,986, which is \$200,581 below the budget for the month. This month's major savings is due to lower personnel services expense due to some unexpected vacancies and less money spent for travel and equipment. Year-to-date savings amounts to \$682,501, the bulk of which is salaries from vacancies.

Next Meeting

Chair Mathis Basha stated that there will be no Board meeting in November. The next meeting will be held on Tuesday and Wednesday, December 2-3, 2008 in Phoenix, Arizona in the First Things First Board room.

Adjourn

There being no further business the meeting adjourned at approximately 2:30 p.m.