



## FIRST THINGS FIRST

*Ready for School. Set for Life.*

### ARIZONA EARLY CHILDHOOD DEVELOPMENT & HEALTH BOARD

#### MEETING MINUTES

*Draft*

##### Call to order

A Regular Meeting of the First Things First Arizona Early Childhood Development & Health Board was held on Tuesday, December 9, at 9:00 a.m. The meeting was held in the Boardroom of the First Things First offices located at 4000 N. Central Avenue, Suite 800 in Phoenix, Arizona 85012.

Chair Decker called the meeting to order at approximately 9:03 a.m. at which time Melody Bozza, Board Administrator conducted roll call and confirmed quorum.

##### Members Present:

Janice Decker  
Dr. Pamela Powell  
Nadine Mathis Basha  
Gayle Burns  
Steven W. Lynn  
Hon. Cecil Patterson (Joined the meeting telephonically at 9:26 a.m.)  
Vivian Saunders  
Ruth Solomon  
Brad Willis (DES)  
Mary Ellen Cunningham (ADHS)  
Amy Corriveau (ADE)

##### Members Absent:

None

##### Conflicts of Interest

There were none at this time.

##### Call to the Public

Chair Decker asked if there were any members of the public present that wished to address the Board and provided the parameters for doing so. There were no comments from the public at this time.

##### Consent Agenda

Chair Decker advised that all items on the Consent Agenda would be considered for approval by a single motion with no discussion unless an individual item listed on the Consent Agenda was removed from the Consent Agenda and discussed and voted on as a regular agenda item upon the request of any Board member.

- A. *Board Meeting Minutes: October 3, 2014 (Attachment 1)*
- B. *Regional Partnership Council New and Revised Strategies, Grants and Contract Agreement Amendments (Attachment 2)*
- C. *Communications & Public Affairs Update (Attachment 3)*
- D. *Tribal Affairs Update (Attachment 4)*
- E. *Quality First Update (Attachment 5)*
- F. *Regional Needs & Assets Report (Attachment 6)*
- G. *Technical Changes to Strategies and Allotments (Attachment 7)*
- H. *Budget Update (Attachment 8)*

After reading the items on the Consent Agenda, Chair Decker asked if members of the Board wished to remove any item for discussion. There being no request to do so, Member Mathis Basha moved to approve the consent agenda, with a second from Member Lynn. Motion carried.

**Office of Administrative Hearings Recommendation: R&R Happy Face Daycare**

Christopher Munns, Assistant Attorney General in the Solicitor General's Office, provided a brief presentation and summation of the possible options available to the Board in reviewing the Office of Administrative Hearing recommended decision. Ms. Renee Powell, owner/operator of R&R Happy Face Daycare, was provided the opportunity to address the Board and participated telephonically. Ms. Powell was given approximately five minutes to rebut any of the findings of Office of Administrative Hearing decision that she felt were inaccurate.

Casey Cullings, First Things First General Counsel, was provided equal time to address the Board regarding the position of FTF and the Office of Administrative Hearing decision. It was Mr. Cullings recommendation that the Board accept the Administrative Law Judge's recommended order.

The Board having reviewed the Administrative Law Judge's Proposed Findings of Fact, Member Powell moved to adopt the Findings of Fact, paragraphs 1 – 12, as recommended by the Administrative Law Judge. Motion was seconded by Member Patterson. Motion carried.

Member Powell moved to adopt the Conclusions of Law, paragraphs 1 – 3, as recommended by the Administrative Law Judge. Motion was seconded by Member Burns. Motion carried.

Member Saunders moved to affirm the recommendation of the Administrative Law Judge. Motion was seconded by Member Burns. Motion carried.

Chair Decker thanked Ms. Powell for her participation and advised that she would receive the decision of the Board in writing along with information regarding the right to appeal.

**Study Session: Cycle of Implementation; Board and Regional Council Responsibilities [\(Attachment 9\)](#)**

Michelle Katona, Chief Regional Officer, presented information regarding the processes and methods for which regional councils carry out their roles and responsibilities and how information is then presented to the Board for decision making. Quarterly data reports and template documents can be posted for Board members or committee chairs to review.

**External Audits [\(Attachment 10\)](#)**

Josh Allen, CFO/COO, explained that each year per statute, FTF is subject to an independent year-end financial audit. Based on FTF's relatively small size, the Auditor General's Office does not conduct FTF's actual audit but instead relies on an approved outside/private audit firm to conduct and submit FTF's audit. FTF's final audit is forwarded to the Auditor General's Office as well as the General Accounting Office (GAO) for inclusion in the State of Arizona CAFR (Comprehensive Annual Financial Report).

In addition to the annual year-end audit, FTF is also always subject to direct testing audit(s) by the Auditor General's Office as well as performance or general fiscal operations audits conducted by the GAO – an office within the Department of Administration.

Josh Allen provided a brief overview of the two audits conducted and their findings:

- **FY14 Fiscal Year End External Financial Audit (Henry & Horne, LLP)**  
There were no findings as part of the audit, with FTF receiving an unqualified opinion on its financial statements. The included financials show that FTF's position remains relatively constant with last year. Also attached is the management letter related to the audit. Within this letter, no recommendations on FTF's business practices were made by the external audit team this year.

- **General Accounting Office (GAO) Performance Audit**

In early November 2014, the State Comptroller (the director of GAO) contacted FTF's CFO/COO regarding the work that was completed 2½ years earlier. As a result of a report not having been completed in a timely manner by the GAO and FTF not having the opportunity to provide any clarifying documentation related to concerns identified, GAO determined no report would be issued. However, FTF and GAO agreed it was in the best interest of FTF that FTF be provided with any concerns which were identified to ensure the organization was able to benefit in any way possible from the effort that was completed previously by both parties/agencies.

The goal of FTF is to adhere to the internal policies and procedures, as well as follow state procurement rules, in order to provide transparency to our work.

**Meeting was adjourned at 10:40 for a short break. Chair Decker reconvened the meeting at 10:53 a.m.**

**Tribal Consultation Report (Attachment 11)**

Candida Hunter, Sr. Director of Tribal Affairs, presented the report. FTF convened a formal consultation session on Tuesday, October 7, 2014 for the purpose of continuing a dialogue on effective early childhood system building in tribal communities and enhancing public-private partnerships to provide support for those early childhood systems. The attached report summarized the comments and questions raised by Arizona's tribal leaders and their representatives/designees.

**Tribal Data Policy – First Read (Attachment 12)**

Candida Hunter, Sr. Director of Tribal Affairs, introduced the policy. In formal consultation with Arizona's tribes, it was recommended that First Things First develop a formal data policy that outlines the agency's approach to seeking tribal data agreements. The attached draft was developed based on feedback obtained through past tribal consultations, as well as First Things First's experience in obtaining tribal data agreements over the past six years. This draft was submitted for review and discussion as part of the First Read of this policy. Training for staff and coaches is in development that will address the cultural aspects of collecting sensitive data in tribal communities, as well as the publication and sharing or suppression of data.

**Board Governance Policy Amendment – First Read (Attachment 13)**

The Executive Committee presented this item as a First Read for the Board's review and discussion. Possible action would occur during Second Read at the next regularly scheduled Board meeting.

The current membership of the Executive Committee includes Board officers and Board committee chairs, including:

- Board Chair
- Board Vice-Chair
- Program Committee Chair
- Finance Committee Chair

Chair Decker asked that staff craft the necessary revisions to include language to encompass any additional standing committees that would be formed at a later date by including the chair of those committees on the Executive Committee without formally changing the governance policy each time.

**ADOA Employee Engagement Survey Results (Attachment 14)**

Sam Leyvas, CEO, reviewed the overall results of this survey as well as those specific to FTF. In June/July 2014, the Arizona Department of Administration fielded an employee engagement survey of all non-university state government employees – including First Things First. The ADOA employee engagement survey is based in large part on the national Gallup Q12 survey. Over 16,000 employees across the state responded; representing a 68%

response rate, an increase of 28% from 2012. Data included with this item include 2014 statewide results, 2014 FTF results, and 2012 statewide and FTF results.

#### **Appointment of Regional Applicants**

Chair Decker asked if any Board member wished to call for an executive session to consider the applicants for Regional Council appointment. With there being no request to convene an executive session, Member Lynn made moved to approve the appointment of regional council member applicants as presented, with a second from Member Mathis Basha. Motion carried.

#### **CEO Performance Management & Compensation**

Chair Decker presented the recommendations of the Executive Committee. At its October 2014 meeting, the Board tasked the Executive Committee with reviewing the existing CEO performance management process for the purpose of making recommendations to the Board on an updated process and performance appraisal criteria. Subsequent to the October Board meeting, the Executive Committee discussed, considered, and drafted a set of recommendations for the Board's consideration – including a proposed timeline and updates to the current review process, performance criteria, and a set of draft SMAART goals for the remainder of FY2015. The Executive Committee presents these items for the Board's review, discussion and possible action.

Member Powell moved to approve the CEO's compensation, the CEO Performance Management Timeline and Process, and the CEO's FY15 performance measures as presented. Motion was seconded by Member Solomon. Motion carried.

#### **CEO Report/Update**

Sam Leyvas, CEO, shared that he had met with Dr. Flannigan of the newly formed Department of Child Safety (DCS) to discuss the priorities and history of FTF's work with DES as it relates to prevention within the child welfare system. It is the desire of FTF and DCS to continue to work together in this area and to meet on a regular basis in order to continue that relationship.

Sam Leyvas introduced Benjamin Altener, the new Sr. Director of Government Affairs, to the Board. The Legislative Update is contained in the board packet for the Board's review. With a new state administration taking office in January, staff is preparing for the conversations that lie ahead with the new leadership. In addition, there could be some changes in leadership within state agencies. The Regional Councils have expressed a desire to be more engaged in the conversations with legislators. FTF has released an RFP for a lobbyist who will work closely with Mr. Altener on strategic approaches to the Legislature.

At tomorrow's Early Learning Summit at White House there will be an announcement of the recipients of early childhood grants, of which several FTF grantees applied.

Strategic planning work at a regional level is continuing, and the Chairs and Vice Chairs from each council will present their funding plans at the January Board meeting.

Sam also attended an Expect More Arizona Founders breakfast, where the conversation continues what a world class education means.

The Data Agreement between ADE and FTF has been finalized and was a monumental effort between the system partners.

#### **Board Member Report/Update**

- **Regional Area Leadership Calls ([Attachment 15](#))**  
Board Chair Janice Decker hosted a series of conference calls with regional council chairs and vice chairs throughout October. Calls were scheduled by the six regional areas with Phoenix and Maricopa leadership joining together and one call was held with a group of the tribal regional partnership councils. Leadership

from 27 of the 28 regional councils participated on the conference calls. Chair Decker is looking forward to hearing the funding plan presentations at the January 2015 Board meeting.

Chair Decker reported on the Policy and Program Committee restructuring. Three standing subcommittees have been disbanded and instead ad hoc committees will be convened as it was thought they would be more efficient and have the ability to focus on more specific areas:

Quality First Continuous Improvement ad hoc – This committee will meet initially in February of 2015 and subsequently every other month, to provide data and input to program committee.

Developmental Delays ad hoc – This committee will begin meeting in February of 2015 and will meet for six months. This committee will provide revised language and data sources for this indicator.

Member Saunders reminded everyone that the Tribal Nations State Legislative Day will be held at the State Capitol in January for interaction and sharing of information and encouraged everyone to attend.

Member Corriveau shared that the School Readiness Framework was presented to the State Board of Education, and she would be happy to present the information at a later Board meeting. She also reported that the Quality Kindergarten initiative is moving forward and includes professional development, and the Board of Education hopes to have a school readiness summit this coming summer, as well as an infant toddler summit and kindergarten summit.

Member Corriveau also reported that ADE will be receiving some technical assistance from North Carolina in the coming months to work on the implementation of the Kindergarten Developmental Inventory tool. In November, ADE accepted and replaced the AIMS test with the AZ Merit test. This next year will be a hold harmless year for those third graders that may have been retained. Incoming Superintendent Douglas has already begun working on her transition to ADE, and Sam Leyvas will be meeting with her once that occurs to discuss our collaboration and the work we do.

Member Powell shared that FTF was the recipient of an award at Dinner in the Stacks from the Phoenix Public Library.

Member Lynn reported that the FTF Board currently has one vacancy to be filled, with two terms ending very soon, even though those members will continue to serve until a replacement is appointed. FTF staff will continue to work with the Governor's office to get the vacancy filled and identify potential candidates for the expiring terms.

Member Burns met with the leadership of the Navajo Nation in Washington last week, and they expressed how thankful they were for the work that FTF is doing in the tribal regions.

### **Future Agenda Item Requests**

School Readiness Framework as presented to ADE

### **Next Meeting**

The next meeting of the First Things First Early Childhood Development and Health Board will be held on January 20 – 21, 2014 in Phoenix, Arizona.

### **Adjourn**

There being no further business Chair Decker adjourned the meeting at approximately 12:35 p.m.

Dated this 9<sup>th</sup> day of December 2014

**ARIZONA EARLY CHILDHOOD DEVELOPMENT & HEALTH BOARD**



Melody Bozza, Board Administrator

*Telephone Procedures:*

The Board Room telephone was used for the member participating by telephone. Speakers physically present at the meeting spoke into microphones to ensure that member on the telephone could hear.