BUTTE COUNTY
CHILDREN AND FAMILIES COMMISSION
Friday, September 19, 2003
Minutes

Held at the Mira Loma Drive county offices; the meeting was called to order at 8:35 A.M.

Item 1: Introductions

Commissioners present: Patricia Cragar, Jane Dolan, Marian Gage, Mark Lundberg, Sandra Machida, Karen Marlatt, Linda Moore, Phyllis Murdock, Gene Smith, and alternates: Jeff Fontana, Mary Neumann
Commissioners absent: None.
Staff present: Cheryl Giscombe, Bobbi Dunivan, Eva Puciata, and Susan Billings
Staff absent: None.

Also present were: Jennie Sharkey of Valley Oaks Children's Services, Lynn Theissen and Barbara Hanna of Home Health Care Management, Heather Senske, Peggy Mitchell, and Staci Howell of the Butte County Office of Education, Margie Ruegger of the Child Abuse Prevention Counsel, and Rick Reese of California State University, Chico.

Chair Mark Lundberg opened the meeting, asking everyone to introduce him or herself and introducing the newest members of the Commission, Alternates Jeff Fontana and Mary Neumann, as well as the new Administrative Services Assistant, Susan Billings.

Mark acknowledged Patricia Cragar for her outstanding service to the Commission as the former Chair. Pat was presented with a plaque and gift on behalf of all members of the Commission. In return, Pat shared a favorite quote: *'many hands, hearts, and minds generally contribute to anyone's notable achievements' –Walt Disney.*

Item 2: Agenda Review

Because of the audit currently in process at the time of the meeting, Items 4, 6, and 7 of the agenda needed to be addressed after the morning break. Items 3, 5, 8, 9, and 10 would be covered before the break. **Pat Cragar made a motion to consent the agenda change. Sandra Machida seconded. The motion passed unanimously.**

No other changes.

Item 3: Consent Calendar

The following items were addressed during previous Commission meetings. Staff has identified them as having no opposition and presenting no new or unusual issues requiring the Commission's attention. Unless a member of the Commission or public requests discussion, this consent calendar will be voted upon with one motion.

A. DRAFT August 15, 2003 meeting minutes.

B. DRAFT of Bylaws revision: Signature authorizing by designee in Program Manager's absence for purchases under $5,000.00 (August 2003 staff report).

C. DRAFT Advisory committee's survey form for evaluation of Commission's past year's work (August 2003 staff report).

Pat Cragar made a motion to approve the Consent Calendar. Sandra Machida seconded. The motion passed unanimously.

Item 5: *Draft* Annual Report

Cheryl Giscombe reported. California has implemented a new reporting form. The format of this form was a challenge: It was not possible to add bullets, indent new paragraphs, or run spell check. The gray background could not be removed and made it difficult to manually check for errors. Bobbi Dunivan noted that there were several typos on the copies included in the meeting packets, but assured the Commissioners that staff have since made necessary corrections and a copy of the revised form was available. Eva Puciata pointed out that in Section 2.2, there is a difference of $70,750 between the Annual Report and the contract expense spreadsheet because last year's Valley Oaks Children's REWARD contract was reduced. Section 3 is comprised of a series of scannable forms completed by hand. They reflect program activity reports for each of the programs that received funds during the last fiscal year. These were not included in the meeting packets and a copy was passed around for review.

According to Bobbi, many of the boxes on the form had been checked by the state, likely based on what they felt Butte County had addressed. It was unfortunate that the box regarding child related second-hand smoke illness is not checked. Barbara Hanna shared information on Home Health Care Management's efforts to address this problem. Marian Gage recommended looking further into how this issue is being addressed, possibly with grantee outcome evaluations, so that this box can be checked. Why were the school readiness and project rewards boxes not checked? Bobbi is checking into it. These programs are reported to the state separately, which may be where the confusion lies. Also, the state does not allow for attachments. Gene Smith would like to see these issues brought to the attention of the Association. Jane Dolan pointed out that the state is looking closely at Commissions for possible available funds. It may not be the best idea to send a form to the state, showing areas that have not been evaluated or that leave any doubt about the efforts and accomplishments of this Commission and its grantees. Perhaps an external evaluator could be hired to assist Bobbi with monitoring the grants.

Many of the Commissioners felt that the form is unacceptable. Jane Dolan suggested that a statement be made somewhere within the form indicating that answers to questions cannot be made comfortably using this inflexible format. Phyllis Murdock suggested that a letter of protest be sent to the state of California signed by all of the Commissioners. Pat Cragar concurred. This format does not do justice to the individual accomplishments of each County Commission. The Commission wants to have the option to expound specific efforts and accomplishments.

The Chair ordered the issue tabled to the next meeting after staff have revised the form as directed. The next Commission meeting is on October 17, 2003.

Item 10: Staff Report

Cheryl Giscombe presented the staff report. She attended the Association meeting in Sacramento on Wednesday, September 17, 2003. The Asthma Initiative gave some interesting outcome information and statistics. The Association recently hired Phil Isenburg to monitor legislature activities. Phil cautioned County Commissioners to think carefully about the upcoming state audits. Five commissions will be audited on performance outcomes; one will be from Northern California. The State Auditor presented on the projected funds allocation. The Health Access Initiative presented on the Preschool For All program. In regards to this, Gene Smith attended a recent meeting set to address the challenges of bringing the PFA program to Butte County, one of which is high costs. There is currently a PFA Task Force in place to determine whether or not the program can be implemented in Butte County. North Carolina and Georgia are being used as example states. Some rural areas are finding the program criteria too restrictive. What counties would be chosen for these pilot projects? What are the criteria? Are the criteria too tough for some rural areas?

Linda Moore asked that the meeting packets distributed to Commissioners sooner. With so much information in the packets, more time for review is needed. Cheryl Giscombe said that it may not be possible to distribute the packets any sooner, but she will check into the possibility.

Heather Senske from the Butte County Office of Education noted that the Migrant program is a state RFP. At this point the project is in planning. A series of meetings are planned in the near future and Heather will give more information out to SRI and REWARD so that cooperation and collaboration can occur.

The Chair suggested that the Commission move on, in the interest of time. No objections were made.

Item 8: Overview of Parliamentary Procedures

Rick Reese of California State University, Chico presented an overview of meeting parliamentary procedures, based on Roberts' Rules of Order. Handouts were distributed. The idea of the procedures is not to stifle ideas, but to provide an orderly environment for all to be heard, including the minority. Motions are designed to change the status quo, to move things forward. If there is nothing to change, a motion is not required. A motion is made by obtaining the floor, receiving permission to speak from the Chair, stating that you move that such and such be done, waiting for someone to second the motion (if there's no second, the motion dies), waiting for the chair to restate the motion, expanding on your motion (more detail) if needed, and then the Commission debates or amends the motion, before voting on it. It can become very confusing, but that is where the Chair comes in. It is the Chair's responsibility to keep track of motions and amendments made to motions. Rick gave some wonderful examples and answered many questions from those present.

There was a break at 10:35 A.M. As this was the first meeting since the creation of the Commission where all Commissioners were present, Cheryl Giscombe had made arrangements for a photo session.

Item 9: Administrative Committee Report

Karen Marlatt presented. (A) The Administration Committee recommends setting aside funds for Special Requests, as the Community may come up with ideas or have needs that do coincide with our RFP funding process. It was thought $200K was left over from the recent Feather River contract termination, and so this amount was suggested to be the yearly Special Fund amount. Staff prepared a few spreadsheets, and Eva Puciata explained each. Commissioners requested a new spreadsheet be created for review at the next meeting, with the $200K Special Fund beginning in this fiscal year, funding out to the community decreased by the same amount as projected revenues, and the special fund also decreased by the same percentage.

Phyllis moved that staff create a new spreadsheet reflecting these changes. Pat Cragar seconded the motion.

Marian Gage made a friendly amendment to adjust the $200,000 reserve amount to match declining revenues. Motion accepted. Second accepted. The chair noted that the Commission is not voting on the issue of reserves at this point, but is agreeing that it wants to see the new spreadsheet before making a decision on special funding reserves. The new spreadsheet will reflect $200,000 set aside in the current Fiscal Year, with a gradually declining reserve for future years.

The Chair called the question. The motion passed unanimously.

(B) Karen Marlatt reported that the Administration Committee talked about the misconception that grant funds can be requested for the same programs or projects many times over. Karen motioned that the same projects will not be funded for more than three years, unless there are extraordinary circumstances. Gene Smith seconded the motion. Marian Gage shared her concerns about accepting the draft with the appeal process language the way it

currently is. Karen noted that the Commission has historically granted extensions in rare circumstances and the language in the draft supports what has historically happened. **There was a unanimous vote to accept the grant-funding limit in Karen's packet.**

(C) The proposed funding the policy manual was taken from the Nevada County model and was developed mainly for the grant cycle. **There was no motion on the manual at this time.**

(D) On an annual basis, the California Board of Equalization determines what percentage of the Prop10 funds will backfill Prop99. In years past, the allocation to Prop99 was approximately $25Million per year. Last year, the amount was approximately $35Million. The State Commission asked the Board of Equalization to re-evaluate their current methods of determining backfill allocations and was told that they could make a recommendation for change. In light of this, the California Children and Families Association is requesting that County Commissions weigh in on whether or not they want to support the idea or policy that the Board of Equalization re-examine their methods of determining backfill allocations to reflect fairness for all parties concerned. **Karen Marlatt moved that the Commission support the policies of the California First 5 Association. Gene Smith seconded the motion. The motion passed with one abstention.**

(E) A special meeting for grantee presentations is being tentatively planned for October 17, 2003. Someone suggested holding the meeting in the evening and opening it to the public. Commissioners seemed to like the idea of having a special meeting specifically for grantee presentations. **There was no motion on Item E at this time.**

Marian Gage would like the Commission to provide countywide training.

Item 4: Annual Audit Report

Wallace Rowe, CPA, presented the draft audit report. On page 1 of the report, Mr. Rowe referred to the third paragraph, wherein he stated that all financial records provided from the Commission presented fairly in all material aspects, the financial position of the Butte County Children and Families Commission (BCCFC). On page 8, Mr. Rowe reflected the results of his audit as disclosing no instances of noncompliance. He listed the current equity of the BCCFC as being $7,991,129 as of June 30, 2003.

Finding 1: On page 13, Mr. Rowe noted that it is the Commission's current practice to account for grants received under the School Readiness and Retention Incentive Grant Programs as earned revenue at the time grants are received versus when the grant amounts are earned. There seemed to be some confusion about the term "unearned grants". Mr. Rowe said that when grants are received from the state, they are considered unearned funds until used. When the money has been spent, it has been *earned*.

Recommendation 1: Mr. Rowe recommends that grant amounts received only be recorded as revenues at the time the grant amounts are actually earned.

Finding 2: On page 14, Mr. Rowe noted that the Commission administers the Retention Incentive Program, which is funded by monies received from the First 5 Children and Families Commission, along with matching funds from Butte County as well as other Commission funds. It is currently the Commission's practice to primarily apply expenditures for this grant first to the amounts funded by Butte County, second to grant funds awarded by the State Commission, and last to its other administered programs. This methodology of applying grant expenditures to its funding sources was not detailed or approved in its grant contracts with either the state Commission or Butte County.

Recommendation 2: Mr. Rowe recommended that the Commission either revise its current methodology of applying expenditures to jointly funded programs, or that the Commission request written approval from each of its funding sources to apply such a methodology. If the Commission intends to apply such methods in future grants, this application procedure should be clearly approved in the grant contracts.

Jane Dolan disagreed with Mr. Rowe's second finding. This Commission discussed and made a motion regarding the methodology of applying grant expenditures and approved the motion. Mr. Rowe said that, rather than arbitrarily deciding how to apply expenditures, the contract needs to include verbiage about this method being utilized. Barbara Hanna of Home Health Care Management noted that many agencies work this way. Marian Gage commented that prior Commission minutes reflect the discussions and approvals of all the county partners on how spending would occur. Mary Neumann questioned whether current contracts include verbiage stating that expenditures *can't* be applied in this manner. Is there specific verbiage on how the expenditures should be applied? Jane Dolan suggested the Commission stop talking about this issue until counsel could be conferred with and the audit report fully reviewed. The report is due on October 15, 2003. Gene Smith wondered what the consequences of sending the report in late would be and if it would be possible to ask for an extension. Mark Lundberg asked whether this report was final. Mr. Rowe said that he is open to removing Finding 2 if a letter from both the State Commission and Butte County can be received stating that this method of applying expenditures is acceptable to them.

Phyllis Murdock motioned for staff to request a November 1, 2003, extension for both the Audit Report and the Annual Report. Pat Cragar seconded the motion. The motion passed unanimously.

Pat Cragar motioned to add the Audit Report and Annual Report issues to the next meeting agenda for further review. Karen Marlatt seconded the motion.

Public Comment

Staci Howell, Butte County Office of Education, School Readiness Program, thanked the Commissioners for their time and said it was interesting to be a participant.

Items 8: Closed Session

The Commission went into closed session with county Counsel at 12:15 P.M.

The meeting adjourned at 12:38 P.M.

Minutes by Josie Smith of An Executive Assistant and Susan Billings.