



## California Children and Families Emergency Commission Meeting

May 15, 2020

### DRAFT MEETING MINUTES

#### Agenda Item 1 – Opening Remarks

George Halvorson called the meeting to order at 1:06 p.m.

Commissioners Present: George Halvorson  
Molly Munger  
Mayra Alvarez  
Shana Hazan  
Jackie Majors

Commissioners Absent: Muntu Davis

Ex Officio Member Present: Kris Perry

#### Announcements:

Chair Halvorson spoke about COVID-19 and its effect on the work of First 5 California (F5CA). He mentioned that the Commission needs to review its work plans and previous use of resources, and whether the Commission should continue on the same track. He further stated that the Commission may want to look at other investments and how they are prioritized

#### **DISCUSSION:**

Commissioner Hazan emphasized not only the health implications but the catastrophic economic toll the pandemic is taking on the families we serve and the need to recognize the diverse and undocumented family population.

#### Agenda Item 2 – Public Comment

None.

#### Action Item 3 – COVID-19 and Emergency Situation

The Commission approved conducting an emergency meeting based on the requirements for an emergency situation, as defined by the Bagley-Keene Open Meetings Act. The emergency

meeting is to request approval for additional funding for distribution of emergency supplies and approval of a family book distribution partnership.

**MOTION/ACTION:** Commissioner Alvarez moved to approve the emergency meeting.

Commissioner Majors seconded the motion.

**VOTE:** The Commission unanimously approved the motion.

#### **Action Item 4 – Additional Funding for Distribution of Emergency Supplies During COVID-19 Outbreak**

Staff requested up to \$4 million from the Unallocated account for an additional 60 days to provide emergency support and supplies to local communities throughout the state.

Frank Furtek, Chief Deputy Director and Counsel, provided a briefing of the supplies that have been sent in conjunction with SupplyBank.Org and the need for additional funding to extend distribution of supplies for an additional 60 days. Mr. Furtek stated F5CA proposes to extend the contract with SupplyBank.Org and continue to work with the First 5 Association to prioritize the most current needs of child care providers and the community at large.

Benito Delgado Olson, Executive Director of SupplyBank.Org, shared a PowerPoint presentation with an overview of where current supply distribution is currently at and what the impact of additional investments would look like. Mr. Olson stated that investing now will ensure stability through the summer. Specifically:

- Supply deliveries will continue through June or September if additional investment is approved
- Investing in emergency supplies in August and September will enable for easier planning for counties, lower costs and substantially more materials and avoid delays
- The timeline for additional investments includes:
  - New assessment and evaluation in early June
  - Two or three more deliveries through the end of August
  - SupplyBank.Org is setting up an online system for County Commissions to add their own requests from other resources available at the local level
- The impact with renewed investment equals more lead time, better value and more volume
- Additional investment will enhance First 5 county efforts currently underway and provide stability to local planning

Marcia Thomas, Director of the Fiscal Services Office, shared a slide showing the Unallocated Account fund with the additional \$4 million reflecting a new net year-end balance.

## **DISCUSSION:**

Commissioner Hazan raised questions about the \$4 million in funding the Commission had allocated for supplies and the need for additional funding. She added as childcare providers re-open and their revenues go up, they would potentially be able to purchase supplies on their own.

Ms. Maben replied that she thought that would be a while because ratios will be smaller, and the number of children being served may be cut in half.

Commissioner Majors stated that as centers re-open, this will go beyond supplies. She stated many Resource and Referral agencies are overwhelmed by the amount of supplies they are receiving. She questioned if buying additional supplies was the best way to serve the field. She concluded by saying that supplies will not be the biggest need when centers are trying to re-open, potentially there are other ways that First 5 California can help them.

Chair Halvorson responded by agreeing with Commissioner Majors and said First 5 California should be figuring out what those other ways are and how it can add value to helping those centers open back up for business and stay in business.

Commissioners Alvarez and Hazan mentioned it would be helpful to have more context about the options available to the Commission financially and would feel more comfortable to have time to be more thoughtful.

Ms. Maben responded by saying First 5 California is hoping Commissioners will agree to participate in a budget retreat in June to review the fiscal plan, revenue projections, and account balances.

Ex-Officio Member Perry advised 5 million masks were sent out by the state operations center and to take that into consideration when calculating needs. She stated the Commission also talked about formula being a high need item and that it is was not an option in the previous meeting because of the cost. She added that because SupplyBank.Org is able to reduce the cost through more lead time, the Commission should look at formula again. She stated there are three sources of funding: \$50 million from the California Department of Education, funding for the 5 million masks from the state operations center, and funding from First 5 California.

Ms. Maben responded by saying First 5 California is investigating how it can get formula at a discounted price.

Benito Delgado Olson, Executive Director of SupplyBank.Org, responded by stating the existing agreement allows for formula and that SupplyBank.Org has been in contact with Abbott, the manufacturer of Similac. He said SupplyBank.Org will be sending a letter to the CEO of Abbott suggesting a combination of a donation and purchase. Mr. Olson concluded by stating SupplyBank.Org wanted the Commission to be aware that delaying decisions may push costs into a higher bracket, but it would still be significantly cheaper than retail pricing.

Commissioner Majors expressed her appreciation for the information Mr. Olson provided. She stated that the Commission needs to know what they are doing and who they are serving. She

continued by stating that 50% or more of the childcare centers are closed and that they're not closed because they don't have some supplies.

### **PUBLIC COMMENT:**

Wendi Mahaney-Gurahoo, Deputy Chief of Early Learning, First 5 Santa Clara, shared what an amazing effort First 5 California has done on behalf of providers. She expressed that she would like to provide a little context that may help the Commission with decisions around providing supplies. She explained that pre-COVID-19, Santa Clara County had 1,434 centers and childcare family homes and that currently, they have 492. She stated that pre-COVID-19, approximately 16,500 children were being served and that currently, 4,000 children are being served. She concluded by stating larger childcare homes are required to have 4 less children which works out to be approximately \$8,000/month that is not coming in while still providing the same level of care and covering general expenses is required.

John Sims, Interim Executive Director, First 5 Association, expressed his thanks for the first \$4 million of supplies already purchased and currently reaching the counties. He stated that First 5 California is making a difference and has been the first on the scene with money for the 0 to 5 community and counties. He continued by emphasizing the importance around the small county augmentation program and its operational foundation of the 0 to 5 network and the 58 counties. He stressed that the continuation of the program is a high priority for the Association and applauds the efforts of First 5 California and the Association for continuing to prioritize small county augmentation during COVID-19 and into the future, and what it means long term for those programs.

### **DISCUSSION:**

Chair Halvorson suggested considering several options: adding funding to the current contract with a match of \$4 million, increasing the amount to include nutritional items, or decreasing the amount of funding.

Commissioner Alvarez shared the results of a survey that was conducted of 600 California parents by Education Trust, The Children's Partnership, and other advocacy partners, which showed 36% of parents are reducing or missing meals in order for their kids to eat. She was stunned by the results of the survey and urges the Commission to support the nutrition effort.

Member Perry mentioned that the motion statement is written in a way to address both providers and parents in the community with providing necessary supplies. She continued by saying the motion statement is phrased in a way to avoid delaying taking action and addresses the concerns around the dollar amount. She concluded by stating it is an "up to" dollar amount, so it doesn't have to be \$4 million.

Commissioner Munger stated she would like to see the Commission not go forward with approving \$4 million, but to keep it as a placeholder for when the Commission has more information. She mentioned the focus of First 5 California's work may be shifting from centers to homes. She asked to procedurally postpone the motion.

Ms. Maben mentioned that First 5 California planned on going back to the counties to survey current needs and come back to the Commission in June with the results. She continued to say that this topic could be added as an action item at the next Commission meeting if staff has more information on how the \$4 million best serves the communities. She stated the vagueness of the motion statement was meant to honor the diverse needs in the counties and to give them the flexibility to distribute supplies where communities are hard hit the most.

Commissioner Munger suggested there is a consensus to revisit this item at the budget retreat which will help to inform the thinking and figure out the next best step. She continued to say that supplies are flowing, people are receiving items, and she doesn't feel that postponing for a month to come up with the best options is leaving people in a bind.

Member Perry stated that there is a structural element to this which leads to the partnership question. She said First 5 California has the SupplyBank.Org partnership on the distribution side, and on the funding side, First 5 California can consider partnering with communities to grow the investment, and match or incentivize the attempt at providing critical resources to communities. She suggested possibly partnering with county commissions to not only help with distribution but accumulating the resources necessary to purchase them. She concluded by emphasizing the importance of keeping overhead and administration costs very low, so money is not depleted before it gets to the communities.

Commissioner Hazan asked Mr. Olson how long the delay of shipping supplies would be if the Commission delays the approval for more funding.

Mr. Olson responded by saying it's complicated and it depends on what is being purchased and distributed. He stated there is flexibility in the agreement, and if they got into a "time crunch," they would possibly pay 30 to 40 percent more, and then reimburse through the contract to get the supplies out the door. He further stated if the Commission came back in June and approved \$4 million, they could sustain deliveries for two months, but they would pay more and less would be distributed in the first month.

Member Perry expressed she wants to believe that the Commission is going to do something specific to food and do more research on supplies. She stated if the Commission moves to the next agenda item and approves that item without addressing the basic survival needs that families have around food and hygiene, she feels the Commission would be out of balance. She encouraged the group to look at the dollar amount available and the desire to support communities. She concluded by stating she believes there is a way to address the concerns by possibly not spending \$4 million and giving the Commission time to look at issues between now and June by spending some money now and some money later.

Chair Halvorson suggested spending \$1 million now to get the Commission to June.

**MOTION/ACTION:** Commissioner Munger moved to allocate \$1 million to be spent as soon as possible to address nutrition and safety needs to low-income people with children under age five and under by authorizing an extension to the SupplyBank.Org contract or some other existing state or local agency to address the sense of emergency.

Commissioner Hazan seconded the motion.

Commissioner Alvarez asked that since there is a distribution channel through the food banks, if there is potential to utilize the food banks to distribute formula with books. She asked about the channels of distribution that currently exist.

Chair Halvorson thanked Commissioner Alvarez for her suggestion. He stated that since the food banks are already interacting with the people who need assistance the most, First 5 California could ask them if they could be supportive in that area.

Member Perry clarified that the Department of Social Services has 50 contracts with food banks in California and is certain they would welcome additional supplies going through their network.

Frank Furtek, Chief Deputy Director and Counsel, mentioned for the record, for those providing formula, First 5 California funding can't supplant whatever an agency is already doing. He stated if there is a supplemental need, then that can be discussed. Mr. Furtek asked for the motion to be repeated.

**MOTION/ACTION:** Commissioner Munger moved to authorize up to \$1 million from the unallocated account to support either an extension to the existing SupplyBank.Org contract pursuant to the original motion or to provide support to nutrition and safety for low-income families in California with children age 5 and under through an existing state agency or consortia.

**PUBLIC COMMENT:**

Malinda Margiotta, First 5 Riverside, thanked First 5 California and the Commission for all their efforts. She stated that she agrees with Commissioner Majors that if supply needs are being met by other agencies, she hopes we would consider not spending another \$4 million on supplies. She mentioned that Commissioner Majors had also indicated that providers had the option of choosing the supplies or receive \$65.00 per child to go toward other expenses. She asked for clarification on whether the \$65.00 is for state-funded schools or if private family and for profit centers also have that option. She continued by saying if supply needs are being met, the Commission could consider something at the June meeting that is comparable to a cash option for the family daycares or private centers if they differ from state-funded schools.

**VOTE:** The Commission unanimously approved the motion.

**Action Item 5 – Family Book Distribution Partnership**

Staff presented an overview of the Family Book Distribution Partnership with the California Department of Social Services (CDSS) and requested funding for statewide book dissemination.

**DISCUSSION:**

Chair Halvorson shared that Ms. Maben had conversations with Director Kim Johnson of CDSS to discuss book distribution. He stated that CDSS is currently distributing food and would like to add books to the package to help the youngest and lowest income families the learning opportunity and emotional support the books will bring. Chair Halvorson stated this is a good fit for First 5 California based on its Talk.Read.Sing.® campaign.

Ms. Maben stated that by leveraging the key partnership with DSS and the food banks, California can ensure high promise children access to early literacy support. She mentioned First 5 California sees this as a strategic opportunity that aligns with the Governor's parents agenda and supports the Surgeon General's goals to increase community family engagement and close the achievement gap. Ms. Maben provided an overview on how the program would work.

- Funding will be used to build community-based efforts to distribute books by utilizing existing local infrastructure and relationships to make books available through the food banks. County agencies may also apply to become local program administrators.
- Food banks would need help to distribute the books through a lead agency and participating counties to ensure books get to the food banks in the community.
- Books will be packaged in quantities of three and include an early literacy tip sheet for parents that counties would be able to customize to include local resources and services.
- The program aims to reach 600,000 households with children 0 to 5 years old at a cost of approximately \$6.00 per family.
- First 5 California will leverage the existing contract with Fraser Communications to purchase multilingual, culturally competent books at cost.
- Through the proposed partnership with CDSS, California can reach food insecure families and create an effective early learning intervention through a trusted family touch point.
- A total investment of up to \$5.5 million would achieve this goal with \$1.5 million that currently exists in the contract with Fraser Communications.
- First 5 California staff recommends the Commission commit to up to \$4 million through a one-time ask from the Education account to launch the California family book distribution partnership.

Ms. Maben stated that the food banks are anxious to work First 5 California, and that staff realize there are a lot of details to work out, but both agencies are committed to making this program work effectively.

Commissioner Munger asked Ms. Maben for clarification regarding the food banks not having the capacity to distribute the books and therefore going through another agency.

Ms. Maben explained staff was exploring working with local existing partners.

Commissioner Munger asked if the complexity of the logistics is causing the administrative cost to be as high as it is in the proposal?

Erin Dubey, Education Administrator, responded by stating that after speaking with CDSS, they had to change the model. She stated there will always be administrative costs beyond the cost

of the books, and that the packaging of the books into sets of three, shipping costs, and distribution costs need to be considered. She continued by saying that the proposed \$1.9 million seems like a lot of money, but when broken down by county, it's under \$33,000 on average per county. She added that distributing, packaging, shipping, and the manpower needed to operate the program is costly.

Commissioner Hazan commented that families are not going to the food banks to pick up food, and that instead, local food pantries and other organizations are picking up the food and distributing it through smaller food pantries and other community-based distribution. She stated the idea that families would come to the food banks to pick up books isn't realistic, and that as she reflects back on previous conversations around providing books to families and learning about the Little By Little model, it's not just the book, but the book in conjunction with other services. She continued by stating that she's not sure a book would make a difference and have the impact we are looking for during this crisis. She asked for clarification on the genesis of this proposed book partnership with CDSS and Director Johnson.

Commissioner Munger asked if staff thought a third to half of the books would get out this summer and the remaining books distributed by September.

Ms. Maben responded by saying that the goal would be to get a third of the books out and that 64,000 books and supplies are going out right now through SupplyBank.Org. She stated that the current inventory of books could delay the distribution.

Member Perry added that even if complications with distribution and production was set aside, the research that supports this exact intervention has almost 40% in administrative costs. She questioned if the right distribution partner was chosen for this program. She asked if SupplyBank.Org would be a better partner if it would reduce the administrative costs so more money could be spent on books and food. She stressed that \$1.9 million is a huge percentage for overhead compared to other items the Commission would approve.

Chair Halvorson responded by asking Member Perry if she is suggesting that First 5 California look at whether or not CDSS and food banks are the optimal distribution partner.

Member Perry replied yes, and stated whether it's approved or not, she believes there is additional due diligence that needs to be done.

**ACTION/MOTION:** Commissioner Munger made a motion is to approve \$2.1 million right now and resume talks in June.

Ms. Maben questioned the dollar amount and stated that looking back, she thought it was \$1.5 million. Ms. Maben asked Ms. Dubey for clarification.

Ms. Dubey responded the amount was just under \$1.5 million.

Mr. Furtek responded by stating that since First 5 California already has an approved contract with Fraser Communications, book distribution is an appropriate use of the existing flexibility and therefore, the Commission does not need a motion.



**DIRECTION:** The Commission directed staff to use existing funds from the Fraser account for book distribution.

**PUBLIC COMMENT:**

Wendi Mahaney-Gurahoo, Deputy Chief of Early Learning, First 5 Santa Clara, on behalf of Jolene Smith, thanked the Commission for the robust conversation and working through this important item around access to books in this emergency situation.

John Sims, Interim Director, First 5 Association of California, stated the Association and its memberships are always in support of anything that promotes literacy. He stated this is sort of a pivot in terms of what they thought would be happening with this program. He further stated if libraries will be receiving and distributing the books, he would like to know how they are designated, chosen, and what the application process will be. He also stated he would like to discuss the \$1.9 million administrative costs, and is interested in exploring the \$33,000 administrative cost per county. Mr. Simms concluded by reminding everyone that counties are operating other book programs heavily predicated on family engagement.

**Information Item 6 – Supporting Stabilization and Rebuilding of Early Learning and Care Sector**

Ms. Maben asked Mr. Furtek if the meeting could be continued on another day.

Mr. Furtek responded by confirming it was acceptable to end the meeting and continue it at a later date.

Mr. Furtek stated that the Glen Price Group will be facilitating the June meeting and would like to schedule time with each of the Commissioners to help inform the June discussion beforehand.

The meeting recessed at 3:54 p.m.