



**Nebraska Early Childhood Education Endowment
Board of Trustees
Wednesday, January 15, 2020
Minutes**

Welcome & Introductions

The meeting of the Sixpence Board of Trustees was called to order at 1:00 p.m. on January 15, 2020, at Nebraska Children and Families Foundation, 215 Centennial Mall South, 2nd floor Conference Room, Lincoln.

Trustees present: Nicole Vint, left 1:32 (representing the Commissioner of the Nebraska Department of Health and Human Services), Kristy Feden, Holly Hatton Bowers, Cara Small, and Melody Hobson (representing the Commissioner of the Nebraska Department of Education)
Absent: Helen Raikes

Also in attendance: Amy Bornemeier (Sixpence Administrator), Karen Pinkelman, Stephanni Renn, Deb Reiman (Sixpence Administrative Education Specialists), Kevin Cloonan (NCCFF Finance), Jennifer Mai, Dan Harshman, Harlan Feather, and Jennifer Utemark (NDE Finance), Joan Luebbers (NDE Head Start Collaboration Office) and Michaela Hirshman (DHHS CCDF) Elizabeth Everett (First Five Nebraska.)

Approve Minutes from November 20, 2019

A motion was made by Kristy Feden to approve the minutes. Second, by Cara Small. Voting yes: Kristy Feden, Nicole Vint, and Holly Hatton Bowers. Abstaining: Melody Hobson. No opposition, motion carried

Discuss impact of fingerprinting requirements on Child Care Partnership programs

Nicole Vint reported that on May 30, 2019, Governor Ricketts signed LB460 into law, requiring childcare staff and individuals residing in Family Child Care Homes who are 18 years of age or older to submit fingerprints for a national criminal history record check. Deb Reiman discussed challenges that childcare providers have experienced, including long turnaround time, cost of fingerprinting, loss of staff while they wait for the approval to start working, and the need for easier access to authorized fingerprinting sites. Nicole Vint shared an updated Q & A document that is available to the public, and a draft of the revised application which provides directions that will facilitate the processing in a more timely manner. Specifically, helping applicants avoid

mistakes that have been the cause of processing delays. The department is working on funding sources to help offset the cost. Lindsay Braddock from DHHS Licensing will connect with the Sixpence CCP Coaches and Program Coordinators on January 23rd to give an update and answer questions.

Review Financial Reports and funding forecast; discuss Endowment Funds

Jen Utemark reported that Dan Harshman will now be the financial representative from NDE for the Sixpence Board. Dan reviewed the financial reports and advised the Board to be aware of the pending allocations from the cash balance to ensure they can reimburse all claims from School Districts. Currently, the Sixpence allocations awarded for the 20-21 program year total of 100% of the projected available dollars. NDE staff cautioned that the Board might want to have a financial cushion in case there is a change in the contribution from the cash balance. NDE reported they were not aware of any funding changes this legislative session that would affect Sixpence.

The Board discussed the need to be mindful when considering accessing the funds in the Sixpence Public Endowment. Jen advised the Board to ask the Investment Council to produce options of how potential payouts of the Endowment funds would affect the overall well-being of Sixpence and to provide guidance on any language changes needed in a potential legislative bill to allow access to the capital gains that are being reinvested. Jen expressed that the Board may need to develop long term funding strategies and whether a short-term gain would outway the overall long-term funding commitment of Sixpence. NDE staff stressed to the Board the importance of weighing all options, reaching out for a higher-level think tank to put clarity to the vision, and to be careful to balance all of their activities moving forward. Currently, the Sixpence fund is growing at the projected rate of 2.68%. At this rate, Sixpence could approximately only expand by one program every ten years. A group consisting of two Sixpence Board Members, NDE Finance, NCFE staff, and First Five Nebraska policy staff will meet to discuss any advisement provided by the Investment Council and report back to the rest of the Board members. First Five Nebraska staff informed the Board they are looking into an interim study to analyze what language changes needed to happen to be able to have access to the capital gains. Melody Hobson suggested they wait to see what the Investment Council advises.

Kevin Cloonan presented fiscal forecast reports on the state and private funds, and the CCDF funds for the Child Care Partnerships. Nicole Vint shared that with an expected federal increase, the State can expect an increase, and therefore it is predicted that there will be a slight increase in the CCDF funds. An exact amount is not currently available, however, it will not be enough to fund another program. Kevin advised that the financial forecast reports have been updated to reflect the more conservative interest rate of the cash fund starting in 2020-2021. This new rate impacts the cash fund projections. In turn, this also lowered the private endowment contributions which Nebraska Children manages. The private endowment contribution to the cash fund is 50% of what the state has contributed from their public endowment, in alignment with the \$40M-to-\$20M ratio. The effects of both of those is a decrease in revenues, which

could lead to the amount of funds available for TA and evaluation to be overdrawn in the next 4-5 years. The Sixpence TA team continue to explore cost-savings, including evaluation efficiencies. Holly Hatten Bowers and Kristy Feden will meet with Sixpence TA staff to explore possible cost saving options.

Review all Grantee Status Report

Karen Pinkelman, Stephanni Ren, and Deb Reiman provided highlights from each District's programs, including the status of funds expended, Step Up to Quality ratings, enrollment, and turnover rates in Home Visitors.

Vote on Board Chair and Vice-Chair.

A motion was made by Holly Hatton Bowers to appoint Kristy Feden as Board Chair. Second, by Melody Hobson. Voting yes: Kristy Feden, Holly Hatton Bowers, Melody Hobson, and Cara Small. No opposition, motion carried.

A motion was made by Melody Hobson to appoint and Holly Hatton Bowers as Vice-Chair Second, by Cara Small. Voting yes: Kristy Feden, Holly Hatton Bowers, Melody Hobson, and Cara Small. No opposition, motion carried.

The meeting ended at 2:52 p.m. with a ***motion to adjourn*** Cara Small. Second by Holly Hatton Bowers. Voting yes: Kristy Feden, Holly Hatton Bowers, Melody Hobson, and Cara Small. No opposition, motion carried.

Next Meeting Date: Wednesday, March 18, 2020 - approve funding allocations



Nebraska Early Childhood Education Endowment

**Board of Trustees
Wednesday, March 18th, 2020
Minutes**

Welcome & Introductions

The meeting of the Sixpence Board of Trustees was called to order at 1:10 p.m. on March 18th, 2020, at Nebraska Children and Families Foundation, 215 Centennial Mall South, 2nd floor Conference Room, Lincoln.

Trustees present: Melody Hobson (representing the Commissioner of the Nebraska Department of Education)

Trustees on zoom: Nicole Vint (representing the CEO of the Nebraska Department of Health and Human Services), Kristy Feden, Holly Hatton Bowers, and John Levy (attending 1:24) Absent: Cara Small

Also in attendance: Amy Bornemeier (Sixpence Administrator) Kevin Cloonan (NCFE Finance)

Attending via zoom: Karen Pinkelman, Stephanni Renn, Deb Reiman (Sixpence Administrative Education Specialists), Dan Harshman, and Jennifer Utemark (NDE Finance), Elizabeth Everett (First Five Nebraska.) Quentin Brown Executive Director Educare, Shelby Watson LPS Early Childhood Budget Coordinator

Approve Minutes from January 15th, 2020

A motion was made by Kristy Feden to approve the January 15th minutes. Second, by Nicole Vint. Voting yes: Kristy Feden, Nicole Vint, and Holly Hatton Bowers. Absent, John Levy. No opposition, motion carried

Update on Long-term Funding Strategies Regarding Public and Private Endowment Funds and Projected Funding Needs

A group consisting of two Sixpence Board Members, NDE Finance, NCFE staff, and First Five Nebraska policy staff met on March 3rd to receive advisement provided by the Nebraska Investment Council to allow access to the realized gains.

Kevin Cloonan spoke with the Investment Council regarding the definition of earnings. The Investment Council relies on an opinion written by the attorney general's office is that states realized gains are considered corpus. The Attorney General's opinion discusses eight different endowment funds that the majority define earnings as interest and dividends only. First Five Nebraska guided language that would need to possibly be changed required for a potential legislative bill to allow access to the realized gains.

The Board discussed the sustainability of Sixpence Cash Fund and determined the next steps would be to have a strategic planning surrounding funding.

Review all Grantee Status Report

Karen Pinkelman, Stephanni Renn, and Deb Reiman provided highlights from each District's programs, including the status of funds expended, Step Up to Quality ratings, enrollment, and turnover rate of home visitors.

Review and Approve 2020-2021 Funding Allocations

TA staff made recommendations on allocation, and the Board discussed the following districts.

Millard: The Board was informed that the Quality Indicators, Intensity, and Duration of Service, Supervision, and Enrollment has been, and currently are concerns. Due to the lack of follow-through with grant requirements, Millard was provided an action plan. As a result of the action plan, a file review was conducted again with multiple check-in provided by Sixpence TA. The same quality indicators were still not being met during this subsequent review. Funding allocation options were discussed. Karen Pinkelman asked the Board to give Millard time to restructure and recommended partial funding with the ability to receive additional funding mid-term if action items were satisfactorily addressed. Intensive TA will continue to be provided.

Omaha Educare Home-Based Program: The Board was informed that the Quality Indicators Supervision and Enrollment has been, and currently are the concerns. Due to the lack of follow-through with grant requirements, Omaha Educare was provided an action plan. As a result of the action plan, TA provided intensive TA. Funding allocation options were discussed. Karen Pinkelman asked the Board to give Omaha Educare time to restructure and recommended partial funding with the ability to receive additional funding mid-term if action items were satisfactorily addressed. Intensive TA will continue to be provided.

A motion was made by John Levy to approve the funding allocations as presented with the exception of Millard Public Schools for \$43,638 and the Omaha Educare Home Visitation program for \$79,855 Seconded Melody Hobson. Voting yes: Melody Hobson, Nicole Vint, Holly Hatton Bowers, and John Levy. No opposition, motion carried.

<u>Grantee School District</u>	<u>Program Model</u>	<u>Recommended 2019-20 Allocation</u>
Alliance	Center	\$95,250
Auburn	Home	\$84,392
	CCP	\$200,000 (CCDF funded)
Aurora	Home	\$86,250
Broken Bow	Home	\$183,500
Central City	Home	\$86,250
Chadron	CCP	\$202,057 (CCDF funded)
Columbus	Home	\$160,000
Crete	Home	\$327,500
Falls City	Home	\$273,958
	CCP	\$225,000 (CCDF funded)
Fremont	Home	\$322,000
Garden County	Home	\$86,000
Gering	CCP	\$238,376 (CCDF funded)
Grand Island	Home	\$159,870
	CCP	\$225,000
Hastings	Home	\$85,000
	CCP	\$225,000 (CCDF funded)
Humboldt Table Rock	Home	\$86,000
Steinauer		
Kearney	Home	\$230,000
	Center	\$284,712
	CCP	\$274,350 (CCDF funded)
Lexington	Home	\$244,450
Lincoln	Center- Educare	\$379,900
	Home	\$205,200
Lincoln	Center- SCLCs	\$408,300
Loup City	Home	\$161,250
Millard	Home	\$43,638 (partial funded)
Norfolk	Home	\$160,000
Omaha	Center- Educare	\$581,250
	Home- Educare	\$79,855(partial funded)
	Center- OELCs	\$534,040
Ord	Home	\$90,250
Papillion-LaVista	Home	\$86,000
Plattsmouth	Home	\$75,000
Santee	Center	\$88,750
Schuyler	Home	\$326,000
Scottsbluff	Home	\$323,000
Seward Consortium	Home	\$167,000
Sidney	CCP	\$174,823 (CCDF funded)
St. Paul	Home	\$86,250

Umo ⁿ ho ⁿ Nation	Center	\$121,050
Winnebago	Center- Educare	\$250,000
York	Home	\$321,610
	CCP	\$225,000 (CCDF funded)
Total Allocations	Home & Center	\$7,405,967
Total Allocations	CCP	\$1,989,606 (CCDF funded)
Grand Total Allocations		\$9,395,573

Discuss Implications of COVID-19 (Coronavirus) on Requirements for In-Person Contacts for Home Visiting and Childcare Partnership Programs

Discussion held surrounding potential effects of COVID-19 in the Sixpence program and policies. Board recommended following local health department's guidance as well as continue to communicate with NDE. TA will work with UNMC to guide how to proceed with assessments.

Review and Approve Revised Quality Criteria/Indicators for All Sixpence Grant Models

Amy Bornemeier presented revision to Sixpence Quality Criteria Evaluation Indicator for the Childcare Partnership Programs. Which will go into effect July 1, 2020.

A motion was made by Kristy Feden to approve the revised quality indicators. Second by Holly Hatten Bowers. Voting yes: Kristy Feden, Holly Hatton Bowers, Melody Hobson, and John Levy. Absent, Nicole Vint. No opposition, motion carried.

Discuss Potential Changes to UNMC Evaluation

The Sixpence Board members, Holly Hatten Bowers and Kristy Feden, have been meeting with Sixpence TA staff to explore possible cost-saving options, including evaluation efficiencies.

The meeting ended at 3:22 p.m. with a ***motion to adjourn*** Melody Hobson. Second by Kristy Feden, Voting yes: Kristy Feden, Holly Hatton Bowers, Melody Hobson, and John Levy. Absent, Nicole Vint. No opposition, motion carried.

Next Meeting Date: Wednesday, June 10th, 2020; approval of continuation funding allocations and evaluations budgets



Nebraska Early Childhood Education Endowment

Board of Trustees
Wednesday, June 10, 2020
Minutes

Welcome & Introductions

The meeting of the Sixpence Board of Trustees was called to order at 1:03 p.m. on June 10, 2020, via zoom.

Trustees on zoom: Nicole Vint (representing the CEO of the Nebraska Department of Health and Human Services), Melody Hobson (representing the Commissioner of the Nebraska Department of Education), Kristy Feden, Holly Hatton Bowers (absent at 2:00), Cara Small, and John Levy

Also in attendance: Stephanni Renn (Sixpence Administrator), Kevin Cloonan (NCFE Finance), Karen Pinkelman, Deb Reiman (Sixpence Administrative Education Specialists), Dan Harshman, (NDE Finance), Amy Bornemeier, Elizabeth Everett (First Five Nebraska.) Shelby Watson, (LPS Early Childhood Budget Coordinator) Helen Raikes

Approve Minutes from March 18, 2020

Nicole recommended the following edit- changing the title of Commissioner of the Nebraska Department of Health and Human Services to the CEO. Also, Board Member Cara Small was not present, as the minutes reflected.

A motion was made by Nicole Vint to approve the March 18 minutes with edits recommended. Second by Holly Hatten Bowers. Voting yes: Kristy Feden, Nicole Vint, and Holly Hatton Bowers, Cara Small, and John Levy. No opposition, motion carried

Review Financial Reports, funding forecast and status of CCP contracts

The Board reviewed financial reports, including expenditures from the Child Care Partnership programs. Dan Harshman presented the NDE Financial Reports. Kevin Cloonan presented the five-year Forecast Report, which reflects the State and Private funds as reported by NDE. Kevin used a historical trend for what the State has contributed from general funds and the Public Endowment, and what the Private Endowment has contributed to the cash fund, to project funding and current obligations. The Board discussed the current interest rate the Sixpence

Cash Fund is receiving and the possible decrease in State general fund allocations. The Board determined it may be best to have a strategic planning meeting s regarding funding. A group consisting of Sixpence Board Members, NCCF staff, NDE, and First Five Nebraska policy staff will meet to discuss possible action steps if funding does decrease. The group will report back to the rest of the Board members at the September Board Meeting.

Review and Approve Norfolk Carry Over Request

The Board reviewed Norfolk Public School’s budget carryover request of \$5,694.25,

A motion was made by John Levy to approve Norfolk Public School’s carryover request. Second, by Kristy Feden. Voting yes: Kristy Feden, Nicole Vint, Cara Small, Holly Hatton Bowers, and John Levy. No opposition, motion carried

Review and Approve 2020-2021 Continuation Funding Requests

TA staff made recommendations on Continuation Requests, based on compliance with Sixpence Quality Indicators.

Continuation Funding Requests:

<u>District</u>	<u>Model</u>	<u>Budget</u>	<u>TA Recommendation</u>
Alliance	Center	\$95,250	continued funding
Auburn	Home	\$84,392	continued funding
Auburn	CCP	\$200,000	continued funding
Aurora	Home	\$86,250	continued funding
Broken Bow	Home	\$183,500	continued funding
Central City	Home	\$86,250	continued funding
Chadron	CCP	\$202,057	continued funding
Columbus	Home	\$160,000	continued funding
Crete	Home	\$327,500	continued funding
Falls City	Home	\$273,958	continued funding
Falls City	CCP	\$225,000	continued funding
Fremont	Home	\$322,000	continued funding
Garden County	Home	\$86,000	continued funding
Gering	CCP	\$238,376	continued funding
Grand Island	Home	\$159,871	continued funding
Grand Island	CCP	\$225,000	continued funding
Hastings	Home	\$85,000	contingent upon evaluation compliance
Hastings	CCP	\$225,000	continued funding
Humboldt Table Rock	Home	\$86,000	continued funding
Kearney	Center	\$284,712	continued funding
Kearney	Home	\$230,000	continued funding
Kearney	CCP	\$274,350	continued funding

Lexington	Home	\$244,450	continued funding
Lincoln	Home	\$205,200	continued funding
Lincoln Educare	Center	\$379,900	contingent upon supervision compliance
Lincoln SLC	Center	\$408,300	continued funding
Loup City	Home	\$161,250	continued funding
Millard	Home	\$43,137	contingent upon enrollment, documentation, supervision & compliance
Norfolk	Home	\$160,000	continued funding
Omaha Educare	Home	\$79,855	contingent upon enrollment, documentation, supervision & compliance
Omaha Educare	Center	\$581,250	continued funding
Omaha ELCs	Center	\$534,040	continued funding
Papillion-LaVista	Home	\$86,000	continued funding
Plattsmouth	Home	\$75,000	continued funding
Ord	Home	\$90,250	contingent funding
Santee	Center	\$88,750	contingent upon ratio & documentation compliance
Schuyler	Home	\$326,000	continued funding
Scottsbluff	Home	\$323,000	continued funding
Seward-Milford-Centennial	Home	\$167,000	continued funding
Sidney	CCP	\$174,823	continued funding
St Paul	Home	\$86,250	continued funding
Umo ⁿ ho ⁿ Nation	Center	\$121,050	continued funding
Winnebago Educare	Center	\$250,000	continued funding
York	Home	\$321,610	continued funding
York	CCP	\$225,000	continued funding

Additional Funding Requests CCP:

Auburn	\$28,590 for professional development and social emotional materials
Falls City	\$12,330 for professional development
Grand Island	\$25,000 for professional development and materials and supplies
Hastings	\$28,976 for child-care scholarships
Kearney	\$67,080 for child-care scholarships
York	<u>\$2,000 for materials and supplies</u>

Total Additional Funding CCP **\$163,976**

Total Continuation Funding Home/Center: \$7,283,475

Total Continuation Funding CCP: \$2,065,857 (CCDF funded)

Grand Total Allocations \$9,349,332

A motion was made by Kristy Feden to separate out Garden County, Falls City, and Central City and to approve all other allocations as presented. Second, by John Levy. Voting yes: Melody Hobson, Nicole Vint, Cara Small, and John Levy. Absent Holly Hatton Bowers. No opposition, motion carried.

A motion was made by John Levy to approve the continued funding allocations for Falls City, Garden County, and Central City with continued funding based on appropriate documentation towards intensity due to COVID barriers. Second, by Kristy Feden. Voting yes: Melody Hobson, Nicole Vint, Cara Small, and John Levy. Absent Holly Hatton Bowers. No opposition, motion carried.

Review and Approve UNMC Evaluation Budgets and Scopes of Work

Stephanni Renn presented work scopes and budgets for Sixpence Evaluation, prepared by UNMC-MMI, noting the CCP plan is separate from Home-Visiting and Center-based programs.

A motion was made by John Levy to authorize the Board Chair and NCFE to approve the UNMC Evaluation scopes of work and budgets and sign the contracts. Second, by Kristy Feden. Voting yes: Melody Hobson, Nicole Vint, Cara Small, and John Levy. Absent Holly Hatton Bowers. No opposition, motion carried.

Discuss Biennial Report

Sixpence Staff members will be working with First Five Nebraska to create the Sixpence Biennial Report. A draft will be made available for the Board of Trustees review during the September Board Meeting.

A motion to adjourn the meeting was made by John Levy. Second, by Kristy Feden. Voting yes: Melody Hobson, Nicole Vint, Cara Small, and John Levy. Absent Holly Hatton Bowers. No opposition, motion carried.

Next Meeting Date: Wednesday, September 16, 2020, at 1:00pm The 2019-2020 Sixpence Evaluation Report will be presented.



Nebraska Early Childhood Education Endowment

Board of Trustees Minutes

Wednesday, September 16, 2020

Welcome & Introductions

The meeting of the Sixpence Board of Trustees was called to order at 1:03 p.m. on September 16, 2020, via zoom.

Trustees via Zoom: Melody Hobson (representing the Commissioner of the Nebraska Department of Education), Nicole Vint (representing the CEO of the Nebraska Department of Health and Human Services), Kristy Feden, Holly Hatton Bowers, Cara Small, and John Levy

Also in attendance via zoom: Stephanni Renn (Sixpence Administrator), Deb Reiman, Karen Pinkelman, Aiesha Rahn (Sixpence Administrative Education Specialists), Dan Harshman (NDE Finance), Amy Bornemeier, Elizabeth Everett (First Five Nebraska), Betty Medinger, Mary Jo Pankok, Kevin Cloonan, (Nebraska Children) Joan Luebbers (NDE Head Start Collaboration), Rosie Zweiback (UNMC)

Approve Minutes from June 10, 2020

A motion was made by John Levy to approve the June 10 minutes. Second, by Nicole Vint. Voting yes: Kristy Feden, Nicole Vint, Cara Small, John Levy, Melody Hobson, Abstaining, Holly Hatton Bowers.

Review Financial Reports, funding forecasts, and potential responses to funding

The Board reviewed the financial reports, including expenditures from the Child Care Partnership programs. Dan Harshman presented the NDE Financial Reports. Kevin Cloonan presented the five-year forecast report, which reflects the State and Private funds reported by NDE. A discussion was held concerning potential decreases in deposits from the Early Childhood Endowment Funds (public and private) and a possible reduction in State general fund allocations. Additionally, funding forecasting indicates that the Board will be overcommitted by \$1.3 million in FY 2022-23 based on current obligations and existing funding. Subsequently, deposits from the State (public) endowment are lower than in the past.

In light of the funding forecast and likely decrease in deposits from both Endowments and a possible reduction in state general funds, members explored strategies to cut costs and potentially raise revenue. The Board will further consider recommendations at the next meeting.

Review the 2019-2020 Evaluation Report

Rosie Zweiback from UNMC Monroe Meyer Institute presented the Sixpence 2019-2020 Evaluation Report. Rosie reviewed highlights from the evaluation of the center, home visitation, and CCP programs. The full report will be available on the Sixpence website. _

Review and Approve 2019 –2020 Carry Over Requests

Stephanni Renn presented the carryover requests from the Sixpence programs:

Fremont \$33,993.38

Omaha Educare Home \$11,431

Omaha Educare Center \$5,410

Columbus \$14,613

Crete \$29,392

Millard \$8,809

Scottsbluff \$4,851

Seward \$16,905

Lincoln Home \$12,249

Papillion \$1,158

York \$19,107

A discussion was held surrounding Columbus Public School's plan for carryover was to support families during COVID.

A motion was made by John Levy to deny carry over for all schools except for Columbus Public School's request for \$14,613, Second, Melody Hobson. Voting yes:

Melody Hobson, Holly Hatton Bowers, and John Levy. Absent, Nicole Vint. No opposition, motion carried.

Review all Grantee Status Report

Karen Pinkelman, Stephanni Renn, and Deb Reiman provided highlights and updates from each District's programs, including the status of funds expended, Step Up to Quality ratings, and enrollment. A discussion was held surrounding the Implications of COVID-19 for in-person contacts for home visiting, childcare partnership programs, and attendance for center-based programs.

Biennial Draft Report

Stephanni Renn presented to the Board a draft of the Biennial Report created by First Five. Approval of the Biennial Report will be an Action item for the November meeting.

Approve 2021 Board Meeting Dates

A motion was made by Jon Levy to approve the 2021 Board Meeting Dates of January 20, March 17, June 9, September 15, and November 11. Second, by Kristy Feden. Voting yes: Kristy Feden, Cara Small, John Levy, Melody Hobson, Holly Hatton Bowers. Absent, Nicole Vint No opposition, motion carried.

The meeting ended at 3:52 p.m. with a ***motion to adjourn*** Melody Hobson. Second by Cara Small, Voting yes: Kristy Feden, Holly Hatton Bowers, Melody Hobson, and John Levy. Absent, Nicole Vint. No opposition, motion carried.

Next Meeting Date: Wednesday, November 18, 2020



Nebraska Early Childhood Education Endowment

Board of Trustees Minutes

Wednesday, November 18, 2020

Welcome & Introductions

Kristy Feden called the Sixpence Board of Trustees' meeting to order at 1:03 p.m. on November 18, via Zoom and in person.

Trustees attended via Zoom: Melody Hobson (representing the Commissioner of the Nebraska Department of Education) and John Levy

Trustees attended in person: Nicole Vint leaving 3:17 (representing the CEO of the Nebraska Department of Health and Human Services) Kristy Feden, and Cara Small
Absent: Holly Hatton Bowers

Others attended via zoom: Deb Reiman, Aiesha Rahn (Sixpence Administrative Education Specialists), Dan Harshman (NDE Finance), Amy Bornemeier, Elizabeth Everett (First Five Nebraska), Betty Medinger, Kevin Cloonan, (Nebraska Children) Joan Luebbers (NDE Head Start Collaboration).

Others attended in person: Stephanni Renn (Sixpence Administrator) Karen Pinkelman (Sixpence Administrative Education Specialist)

Approve Minutes from September 16, 2020

A motion was made by John Levy to approve the September 16th minutes. Second by Nicole Vint. Voting yes: Kristy Feden, Nicole Vint, Cara Small, John Levy, Melody Hobson. Absent: Holly Hatton Bowers.

Review Financial Reports, funding forecasts, and potential responses to funding shortfall

The Board reviewed the financial reports, including expenditures from the Child Care Partnership programs. Dan Harshman presented the NDE Financial Reports. Dan informed the Board on the distribution of income of the public endowment went from \$343,000 a quarter to \$197,000.

Kevin Cloonan presented the five-year forecast report, which reflects the State and Private funds reported by NDE. A discussion was held concerning a decrease in deposits from the Early Childhood Endowment Funds (public and private) stemming from the current interest rate and a possible reduction in State general fund allocations. Additionally, funding forecasting

indicates that the Board will be overcommitted by \$1.3 million in FY 2022-23 based on current obligations and existing funding. Subsequently, deposits from the State (public) endowment are lower than in the past.

Discuss and approve TA recommendations to address Endowment shortfall.

In light of the funding forecast and decrease in deposits from both Endowments and a possible reduction in state general funds, members explored three options with strategies developed by the Sixpence administration to cut costs and potentially raise revenue.

Option A: Alternative Revenue Sources for existing costs:

- **Strategy 1:** Transfer a reasonable portion of personnel costs from Sixpence TA budget to the Childcare Partnerships budget (CCDF funds.) In the upcoming CCDF-funded CCP budget for 2021-2022 increase VP Early Childhood from 20% to 35% and increase two Sixpence TA staff by 15% each to better support coaches involved with CCP programs.

Savings to the Sixpence TA budget: \$51,374

- **Strategy 2:** Secure other funding sources, such as Preschool Development Grant and Rooted in Relationships, for existing costs that are supported in part through Sixpence TA and grantee program budgets.

Savings to the TA budget: \$34,000 in Facilitating Attuned Interactions (FAN) train the trainer costs.

Savings to program budgets: \$73,452 for Ready Rosie \$22,060, Circle of Security \$20,020 and Mental Health activities \$31,372

Total savings: \$107,452

Option B: Cut Costs:

- **Strategy 1:** Deny Carryover Requests from 11 grantees. This was an action item on the September 16, 2020 Board meeting agenda. According to Melody, any unspent funds go back to the general funds. Melody advised that sometimes the Governor will "sweep" all unspent funds and not let programs use the carryover. That has happened when the State runs a deficit, and the next year's outlook doesn't look good. Note, Norfolk's \$5,694 carryover request has previously been approved. Update: the Board approved Columbus' carryover request of \$14,613 and denied the remaining grantee requests.

Savings of \$143,305 left in cash fund in 2020-21 and not carried over into 2021-2022 term.

- **Strategy 2:** Reduce travel costs in TA Budget. Reduce travel, eliminate out of state professional development, etc. in TA budget. The reduction may need to happen based on the 10% cap of deposits into the Cash Fund allowable by statute as those deposits reduce.

Savings to the TA budget: \$10,971

Total savings: \$10,971

- **Strategy 3: Sixpence Board will send a letter for transparency of financial impact and notify Grantees to re-evaluate and submit new budgets prior to the 11/20/21 Sixpence Board meeting by eliminating out of state professional development, examining family involvement and sources of Grantee match.** Reduce individual grantee budgets based on TA recommendations before allocation approval at the March 2021 meeting. There is no precedence for this. Eliminate all out of state professional development; TA recommends budget lines that don't directly impact children/families to reduce. Estimated cost savings of \$61,779 professional development and \$86,457 travel and lodging. Additional cuts to programs with large amounts in family involvement and supplies (such as promotional items and incentives), based on TA budget audit for estimated cost savings of \$163,094.

Savings to program budgets: \$311,330

- **Strategy 4:** Reduce the UNMC evaluation budget. The reduction may need to happen based on the 10% cap of deposits into the Cash Fund allowable by statute as those deposits reduce. There's precedence for this. Reduce the frequency of Keys to Interactive Parenting Scales (KIPS) evaluation evaluations to every other year.

Savings to evaluation budget: \$25,000 every other year

- **Strategy 5:** Deny funding of individual program(s) with current and history of contingent funding (see chart below.) Note, the Board has a policy but has no precedence. Consideration: backlash, impact on communities in most need, and lack of notice – Notify in March that funding ends June 30, 2021. TA recommends cutting funding to Millard (home-based) \$87,264 & Omaha (home-based) \$159,710.

Savings to program budgets: \$246,974

- **Strategy 6:** Reduce all grantee budgets by 5-10% and allow grantees to determine where cost savings can be found. There is no precedence for this. In addition to suspending all out of state professional development, programs would select their budget lines to reduce.

Savings to program budgets of \$372,186 (5% cut) or \$521,061 (7% cut) or \$744,373 (10% cut)

Option C: Raise Revenue prior to beginning of 2021-22 term:

- **Strategy 1: Sixpence Board will write a proposal to submit to DHHS asking to:** Secure other public funding sources for existing programmatic costs, such as CCDF, to support child care (center-based) programs. Obtain additional CCDF monies to flow directly from DHHS to NCFE to support specific center-based programs. This will necessitate an additional contract/agreement and reimbursement process for any programs identified for funding through this temporary source of alternative

funding (2 years). Allowable Expenditures and documentation required by CCDF will need to be followed that will vary from current funding processes. NCFE is exploring this option.

Potential revenue: \$150,000/year for two years

A motion was made by Kristy Feden to approve Option A, numbers 1 and 2 and Option B, numbers 1 and 2. Additionally, the Board wishes to have Sixpence TA send a letter to Districts informing them of the financial shortfall and the need for them to trim their budgets to cut costs. Second, by Cara Small. Voting yes: Kristy Feden, Nicole Vint, Cara Small, John Levy, Melody Hobson, Absent, Holly Hatton Bowers. No opposition, motion carried.

Review all Grantee Status Report

Karen Pinkelman, Aiesha Rahn, and Deb Reiman provided highlights and updates from each District's programs, including the status of funds expended, Step Up to Quality ratings, and enrollment. A discussion was held surrounding the Implications of COVID-19 for in-person contacts for home visiting, childcare partnership programs, and attendance for center-based programs.

Approve release of remaining funds for Omaha Educare Inc. home and Millard Public School

Karen Pinkelman reported on the status of Millard Public School and Omaha Educare Inc.'s home visitation program. Millard's program is at full enrollment with full attendance and documentation procedures. Omaha Educare's home visitation program has restructured and is now housed within Omaha Early Learning Center at Kennedy. The program has two new bi-lingual home visitors going through the training process. It has been challenging for the program to recruit families during COVID. They have nine families on their caseload and are working towards full enrollment.

A motion was made by John Levy to release the remaining funds for Omaha Educare Home for \$79,855 and Millard Public School for \$43,137, Second, Cara Small. Voting yes: Melody Hobson, Kristy Feden, Cara Small and John Levy. Absent, Nicole Vint and Holly Hatton Bowers. No opposition, motion carried.

Review and approve Biennial Report

Mike Medwick from First Five Nebraska presented the biennial report to the Board. Board members expressed appreciation for his work on the report, stating the report's comprehensive nature and aesthetics.

A motion was made by Kristy Feden to approve the Biennial Report. Second, Cara Small. Voting yes: Melody Hobson, and John Levy. Absent, Nicole Vint and Holly Hatton Bowers. No opposition, motion carried.

The meeting ended at 3:52 p.m. with a ***motion to adjourn*** Melody Hobson. Second by Cara Small, Voting yes: Kristy Feden, Melody Hobson, and John Levy. Absent, Nicole Vint, Holly Hatton Bowers, No opposition, motion carried.

Next Meeting Date: Wednesday, January 20, 2021