Nebraska Early Childhood Education Endowment
Board of Trustees
Wednesday, November 20, 2019
Minutes

Welcome & Introductions

The meeting of the Sixpence Board of Trustees was called to order at 1:04 p.m. on November 20, 2019, at Nebraska Children and Families Foundation, 215 Centennial Mall South, 2nd floor Conference Room, Lincoln.

Trustees present: Lauri Cimino (representing the Commissioner of the Nebraska Department of Education), Nicole Vint, Kristy Feden, Helen Raikes (arrived at 2:01 p.m.), and Holly Hatton Bowers. Absent: Melody Hobson and Cara Small.

Also in attendance: Amy Bornemeier (Sixpence Administrator), Karen Pinkelman, Stephanni Renn, Deb Reiman (Sixpence Administrative Education Specialists), Cheryl Marks, Betty Medinger, Kevin Cloonan, and Mary Jo Pankoke, (Nebraska Children), Jennifer Mai and Harlan Feather (NDE Finance), Jennifer Goettemoeller, Joan Luebbers (NDE), Michaela Hirshman (DHHS), and John Miles (attorney representing Cline Williams).

Approve Minutes from September 18, 2019

A motion was made by Kristy Feden to approve the minutes. Second by Helen Raikes. Voting yes: Kristy Feden and Helen Raikes. Abstaining, Nicole Vint, Lauri Cimino, and Holly Hatton Bowers.

Amend June 12, 2019 Board Minutes to reflect the corrected continuation amounts

Amy Bornemeier reported that the incorrect amounts for three grants were recorded in the minutes, but they were accurate on the documents that the Board approved in June and reported to NDE for entry into the Grants Management System. The correct amounts are Alliance $95,250, Central City $75,000, and Kearney Center $284,712.

A motion was made by Helen Raikes to approve the amended minutes. Second by Nicole Vint. Voting yes: Kristy Feden, Nicole Vint, and Helen Raikes. Abstaining, Holly Hatton Bowers.

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Review Financial Reports and funding forecast; discuss Endowment Funds

The Board discussed financial reports prepared by Jennifer Mai.. Currently, there's $3.4M in the cash fund and $4.7M in state general funds for aid to grantees. Harlan Feather reminded the Board of the need , to keep a watchful eye on the cash balance pending the grantclaims that to fully expend their allocations .

Kevin Cloonan presented fiscal forecast reportson the state and private funds, and the CCDF funds for the Child Care Partnerships. Kevin's reports forecast public and private funds and expenditures beyond the current financial reports submitted by Jennifer Mai. Per discussion at the last Board meeting regarding $15M in the public endowment above the $40M original corpus, a small group met with representatives from the State Investment Council and discussed why the public endowment continues to grow but the deposits into the cash fund doesn't increase. The Investment Council representatives explained that they reinvest the capital gains rather than deposit them into the cash fund, and have verified this protocol with the State's Attorney General's office. The Investment Council also noted the projected earnings is 2.68%, which is more conservative than previous projections. Kevin advised that the fiscal forecast reports reflect this new rate starting in 2020-2021 which 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. Kevin noted that the CCDF funds for the Child Care Partnerships are subject to change every year per federal allocation.

The Board reviewed investment guidance provided by the Attorney General's office before the creation of the Early Learning Endowments, and referenced the Normal School Endowment, which states that interest and dividends are available for distribution and capital gains are allobalble to principal and reinvested. The Board also discussed the intent of creating the public and private endowments was to create a sustainable funding stream for programs, not to grow the endowment. The Board discussed options to access the $15M above corpus in the public endowment and $9M above corpus in the private endowment, which could potentially include clean up language in NDE's TA clean up bill, or a separate legislative clean up bill to provide clearer language to the Investment. Due to NDE's role, it was suggested that a small group meet with Melody to discuss legislative options. Trustees that expressed interest include: Helen Raikes, Kevbin Cloonan, Mary Jo Pancoke, Nicole Vint, Melody Hobson, Jen Utemark and representation from FFN. Amy Bornemeier will convene this group and report at the next Board meeting. The Board discussed possibly moving up the January meeting date to allow time for introducing legislation if the small group thought that was the best option.

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Review all Grantee Status Report

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

Review TA Plan

Amy Bornemeier presented the Sixpence Administrative Education Specialists' TA Plan, which includes recommendations from the 2017-18 Annual Report The Sixpence team transferred those recommendations into a goal-based work plan detailing the strategies and timelines for activities already implemented or planned, to improve the outcomes of all Sixpence programs.

Trustee Appointment Terms

Amy Bornemeier reviewed appointment terms ending dates: Holly Hatton Bowers' term expires December 31, 2020; Cara Smalls' term expires December 31, 2020; and Helen Raikes' term expires December 31, 2019.

Amy Bornemeier noted that due to low attendance, the Board would vote on a Chair and Vice-Chair for 2020 at the January meeting.

The meeting ended at 2:53 p.m. with a ***motion to adjourn*** Kristy Feden. Second by Helen Raikes. Voting yes: Kristy Feden, Holly Hatton Bowers, Nicole Vint, and Helen Raikes. No opposition, motion carried.

Next Meeting Date: Wednesday, January 15, 2020

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