



**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