

2nd EMERGENCY MEETING OF THE BOARD

November 2, 2007

Attendees: Ann Belleau, Danny Wells, Joyce McClellan, Frances Maney, John Pavek, Kevin Hedstrom, Sara Young Bird, Kathleen Sando, William Maes, Gil Gonzales, Vikki Bishop, Jacki Haight, Ralph Booth and Joe Henry. Also Greg Smith, NIHSDA Attorney and from TFA: Kathryn Helsel and Carol Wedel.

Ann called the meeting to order at 1:00 CDST.

Greg reported that he received a call yesterday afternoon (November 1, 2007) from Senator Edward Kennedy's key staffer, Alejandro Rodriguez, and Representative George Miller's key staffer, Ruth Friedman, Legislative Associate of the Committee on Education and Labor, and was presented with the following information:

Formula Principles

- The Secretary shall provide \$20 million for Indian and Migrant programs for purposes of expansion *and* provide a full COLA to all grantees (split evenly).
- In years 1-3, if there are insufficient funds to cover the COLA and \$20 million to Indians and Migrants, then 90% of new funds will go to COLA, 10% will go to Indians and Migrants for expansion.
- In years 4 and 5, if there are insufficient funds to cover the COLA and \$20 million to Indians and Migrants, 100% of available funds will go to COLA.
- In years 1-3, if appropriations are too low to allow programs to get 50% of a full COLA, then all available funds will go to COLA and Indians and Migrants do not get a special reservation.
- If funds for Migrants and Indian expansion are not obligated within 18 months, the Secretary would redistribute those funds through the remainder of the formula.
- Once Migrants and Indians have been allocated a total of \$100 million for expansion, the annual \$20 million would cease and their expansion would occur within the main formula such that Migrants would receive 4.5% of expansion funds and Indians would receive 3% of expansion funds and the Secretary shall use the results of the data studies to determine if those percentages should be increased, but may not use the results of those studies to decrease that percentage.

The Chairmen will present the proposal to the conference committee, and we will not be able to change what is done in conference. Greg also spoke to Representative Dale Kildee's staffer, Lloyd Horwich. He indicated that nothing more can be achieved. NHSA is not pleased with the proposal and is holding firm on the Friday, October 26, offer.

Greg said that the eventual goal of \$50 million to Indian Head Start will not go into effect immediately, but it is a good increase in tough budget times. Further, we are taking dollars away from some of Kennedy's pet projects. He also stressed that they will not waiver on the funds going toward expansion. We were shorted expansion funds in the past, and to make up for this loss, Indian Head Start is getting funds that others are not.

By next week Greg will know the number that the House Appropriations Committee is shooting for. The main question is how to divide the expansion funds between Early Head Start and Head Start. Since the focus is now more on Early Head Start, perhaps a greater percentage of funds should be allocated there. But, we need to give them a figure. If we do not, then they may allocate all to EHS. The group agreed to an allocation of 75% EHS and 25% HS.

After a thorough discussion the Board identified 6 suggestions to strengthen the formula.

1. See if a portion of the expansion funds can go from part-day to full-day
2. Explore startup funds for buildings for EHS
3. Request the split, 75% for EHS and 25% for Head Start
4. Explore funding going toward buses and construction
5. Expand home-based to center-based
6. Concern expressed about the first 18 months of start up time

The group agreed to the 6 points. There were no objections. Greg emphasized that at the end of the day this is a tremendous accomplishment, notwithstanding that we did not achieve everything we wanted.

The meeting adjourned at 1:55 p.m. CDST.

Below is what Greg sent to the key players.

-----Original Message-----

From: Gregory Smith [mailto:gsmith@johnstondc.com]

Sent: Sunday, November 04, 2007 5:38 PM

To: roberto_rodriguez@help.senate.gov; ruth.friedman@mail.house.gov; catharine_hildrum@help.senate.gov; michael_yudin@bingaman.senate.gov; lloyd.horwich@mail.house.gov

Subject: Additional Head Start Comments

Importance: High

As you work on the conference report, NIHSDA would like to make a few additional suggestions and respond to a question about where the new expansion funds for Indian Head Start should be spent.

- The NIHSDA board recommends that any new expansion funds be weighted towards early head start, perhaps at a 75-25 ratio to regular head start.
- NIHSDA asks that the conference report make clear that going from part-day head start to full-day head start is expansion.
- NIHSDA asks that the report make clear that the expansion funds can be used for construction, rehab and transportation that is directly associated with an expansion (for example, start up or expansion of early head start will often require some one-time construction and or rehab costs to bring facilities into conformance with the law and regs).
- NIHSDA recommends that it be made clear that expansion can include going from home-based to center-based programs.
- NIHSDA is concerned about the requirement that HHS obligate the funds within 18 months or they will be returned to the overall program. We fear that HHS will intentionally play games with awarding the funds so that they can get them back.

I hope these comments are helpful. Please do not hesitate to contact me with any questions. Thank you.

Greg