

MINUTES OF THE MEETING OF THE  
CADDO PARISH COMMISSION'S  
APPROPRIATIONS COMMITTEE  
HELD ON THE 5TH DAY OF MARCH, 2020

The Caddo Parish Appropriations Committee met in legal session on the above date, at 3:00 p.m., in the Government Chambers Conference Room, with Mr. Lyndon B. Johnson, Chairman, presiding, and the following members in attendance: Commissioners Chavez, Hopkins, Johnson, and Lazarus (4). ABSENT: Commissioner Cawthorne (1).

Also, in attendance were Director of Finance Hayley Barnett, Assistant Parish Administrator Erica Bryant, Parish Attorney Donna Frazier, and Commissioner Burrell.

Invocation was led by Mr. Lazarus and the Pledge of Allegiance was led by Mr. Chavez.

Mr. Johnson opened up the floor for Citizens Comments:

At this time, there were no agenda additions and there were no public comments.

Mr. Johnson moved to the first New Business item, *discuss funding Salvation Army Merkle Center of Hope*.

It was **moved by Mr. Johnson**, seconded by Mr. Chavez, *to remove discuss funding for Salvation Army Merkle Center of Hope from the agenda. Motion carried*, as shown by the following roll call votes: AYES: Commissioners Chavez, Johnson, and Lazarus (3). NAYS: None (0). ABSENT: Commissioners Cawthorne and Hopkins (2). ABSTAIN: None (0).

Mr. Johnson moved to the last New Business item, *discuss Childcare Assistance Program*.

Kristi Gustavson, CEO of Community Foundation of Northwest Louisiana, said that they are a funding organization for non-profits in the community. They have \$146 million in assets at the moment and last year they almost did \$8M worth in grants in the community. Through their competitive process, they did approximately \$3M to over 58 organizations. They take donations from private donors and then determine how to allocate those dollars to non-profits. One of her tasks is to figure out what are the problems that need to be solved in the community and how the from, a non-profit standpoint, can the Community Foundation help. An organization named Step Forward asked them to be a part of an Early Childhood Summit that occurred in the fall, which Commissioner Gage-Watts and Atkins attended. During that summit, they learned that 51% of the children in Caddo Parish are not kindergarten ready. In determining this, they are assessed with a tool that the State uses. The main problem is that children who live in poverty do not have access to quality childcare.

Ms. Gustavson stated she is certain the percentage of children in poverty, based on the fed poverty line with families under 5, are 37%. They trace that number every year and it continues to climb. They also know that being below the poverty line does not representative of whether or not they are able to pay for childcare. Sending a kid from age 0 to age 3 to childcare costs about \$15,000-16,000 a year and based on the median household income, that is expensive. For kids age 3 to 5, it usually costs about \$8,000 per year. Ms. Gustavson's task is to figure out what pots of money are available and if there are any funding streams locally or in the State that they are not taking advantage of.

Ms. Gustavson explained that there is a business tax credit that's available with dollar for dollar credit for businesses and families who file a Louisiana tax return. If they donate up to \$5,000 to their local early childhood network, they get a credit of \$5,000 on their tax return, and for non-profits they are able to get it back. Ms. Gustavson explained at the end of the year their team raised about \$160,000 in tax credits from local businesses in about a week and a half. She believes they can raise even more this year. She put an article in the newspaper thanking all the businesses who helped raise that money.

Ms. Gustavson then talked about the second funding source. It was started in 2017 by Louisiana Legislature, but it was not funded by them. It is called the Early Childhood Education Fund, which is to get local communities to take ownership of the issue that there is not enough quality early childhood care and encourages the local communities to help raise money for this cause. That fund matched a dollar for dollar match for early childhood education. She also noted that the State just started funding this in January of this year, starting with Harrah's money up to \$3.6M. The second funding mechanism is a 3% excise tax on CBD related sales; the BESE Board and the State are not sure how much money that could be. Currently, the only community in the State that has raised money for this purpose is New Orleans, raising \$1.5M and looking to raise \$3M.

Ms. Gustavson clarified that they would like this community to raise \$1M and get a \$1M match to be used for scholarships for students who are already CCAP (Child Care Assistance Program for Families) eligible and on the waiting list. She explained that CCAP is a stipend from the State that pays 80% of a child's tuition at a quality early childhood center. In order to qualify, they have to be below a certain income threshold and either working or in school. Currently, there are almost 200 kids on the waiting list. Those children could easily get into those schools with the \$1M. They also want to set aside some money to make the pot of money sustainable every year. They do not want to send kids to

preschool and not be able to send them the next year. The kid group she is referring to are the 0 to 3s to attend a privately run childcare center that takes state funding. The Caddo Parish School system is very good at education age 4's. The Department of Education now rates these locations. They will use the money and only send children from the waitlist to the centers that rate proficient and above.

She said they would like the community to help raise \$900,000, and the Community Foundation will donate \$100,000. Ms. Gustavson, in conclusion, asked the Commission of the Parish to participate in some degree. She is happy to go through the normal application process as any other NGO would. Ms. Gustavson distinctly stated that The Community Foundation funds non-profits and typically do not want to ask for funding from entities that would put them in competition with the non-profits they serve also. She explained that they are not taking the funding for themselves, but are holding it in a free account, which they do not normally do, and use 100% of it to pay for tuition. Ms. Gustavson further clarified that although they have \$165M of assets, but they do not ever spend the principal. She continued to inform that if the Community Foundation did not exist, 20 or 30 non-profit organizations in this community would likely not exist as well without their funding.

Mr. Chavez asked for clarification on the \$100,000 raised last year. Ms. Gustavson explained that there are two pots of money- the tax money and the pot that they are trying to raise. They raised the \$160,000 of tax money that is used to provide both curriculum and teacher training for the centers that take CCAP. The State requires the centers to follow certain rules, they will be graded and they must use a certain curriculum. She also mentioned that Northwest State University provides teacher training. Since the workers in the centers are paid minimum wage and are not trained teachers, the raised funds go towards that also.

Mr. Chavez also asked for clarification on what the funds the business tax credit can or cannot be used for. Ms. Gustavson stated that they cannot scholarship a child into a center and that is what they are trying to request separate money for.

Mr. Chavez restated his question to clarify that the state legislation drafted the fund which forces businesses to ask for tax money to pay for scholarships for kids and get a match. She explained that the Louisiana Early Childhood Fund is set up to be an intended dollar for dollar match for any local funds raised. She further explained that it does not have anything to do with the business taxes. The business tax credit pays for curriculum and teachers and the centers themselves. There are paid for schools for teachers to teach but nobody could pay for kids because there is not money in the local tax base. Mr. Chavez wanted to know what would happen if the Commission does not have any funds left. Ms. Gustavson explained that they would not receive matching dollars and that she is not sure exactly how much money would be available in the fund, but their goal is to scholarship the kids on the waitlist currently and track their progress from early childhood center to third grade.

Mr. Chavez wanted clarification from Parish Attorney Donna Frazier if they are able to fund a non-profit to fund a for-profit business. Attorney Frazier confirmed that the Commission can do that.

Mr. Johnson questioned is so basically the Parish itself utilizes Community Action Agency for Early Childhood Education so they already putting money into early childhood. Ms. Gustavson confirmed that what they fund is Head Start. Head Start has both State and Federal regulations, but CCAP centers, that are privately run, are restricted only by the State. The State overall has 1% of children age 0-1 in poverty have access to quality child care. They have 86% access for children at the age of four, then the percentage continues to go decrease due to costs. Head Start takes children from aged 3-5 costs about \$3,000 per year, but Early Head Start, for children ages 6 months old to age 3, costs \$16,000 per year. She stated that it costs more to take care of children in that age range, because they need so many more teachers per child.

Mr. Johnson wanted clarification on whether she is asking them to have early childhood to include children ages 0-4. Ms. Gustavson agreed that she is asking for them to expand it. Mr. Johnson stated that they have funds appropriated for Head Start, whereas the City does not.

Mr. Hopkins requested Ms. Gustavson provide a listing of the businesses that provide the early childhood service. Ms. Gustavson agreed that she will send it to the Deputy Clerk, Michelle Nations.

There being no further business to come before the Committee, the meeting was adjourned.

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Michelle Nations  
Deputy Commission Clerk