



**BOARD OF DIRECTORS
MEETING MINUTES
March 28, 2013**

Meeting: Early Learning Coalition of Pasco and Hernando Counties, Inc.
Board of Directors Meeting

Day/Date/Time: Thursday, March 28, 2013 at 8:30 a.m.

Location: Early Learning Coalition of Pasco and Hernando Counties, Inc.
15506 County Line Road, Suite 103
Spring Hill, FL 34610

Board of Director Members Present: Lisa Hammond, Chair; Bonnie Clark, James Cook, Jayne Goldstein, Gus Guadagnino, Steve Knobl, Joe Mascaro, Dave Meglay, Angela Porterfield

Board of Director Members Excused: Dawn Harvey, Steve Kanakis, Jean Rags, Heidi Rand, Kathryn Starkey

Board of Director Members via Phone: Marsha Carpenter, Teresa Suarez

Board of Director Members Absent: Ann-Gayl Ellis, Patrick McHugh

Coalition Staff Present: Danielle Berche, Kim Borrego, Bev Doucet, Jim Farrelly, Jak Jakubauskas, Betsy Kier, Katie Nelson

Guests Present: Gretchen Fremmer, Wee Care Preschool; Claudine Garrow, Community Member/Parent; Shane Harris, Learning Tree Day Care; Edna Lennox, Community Member/Coalition Volunteer

I. Welcome and Call to Order – Ms. Lisa Hammond, Chair

Ms. Hammond called the regularly scheduled meeting of the Early Learning Coalition of Pasco and Hernando Counties, Inc. Board of Directors to order at 8:40 a.m. Introductions were made.

II. Action Items

• Adoption of Agenda

Ms. Hammond requested a motion to adopt the agenda. Mr. Meglay so moved and Ms. Clark seconded the motion. All were in favor with no abstentions and the motion carried. (Action Item #1213-28)

- **Approval of Minutes, January 24, 2013 Board Meeting**

Ms. Hammond requested a motion to approve the minutes of the January 24, 2013 Board Meeting as presented. Ms. Clark so moved and Ms. Goldstein seconded the motion. All were in favor with no abstentions and the motion carried. **(Action Item #1213-29)**

- **Approval of Minutes, February 27, 2013 Special Board Meeting**

Ms. Hammond requested a motion to approve the minutes of the February 27, 2013 Special Board Meeting. Ms. Clark noted that on page 3 of the minutes it should read "Commissioner Starkey" not "Commission Starkey." Ms. Clark moved to approve the minutes with the noted correction and Ms. Goldstein seconded the motion. All were in favor with no abstentions and the motion carried. **(Action Item #1213-30)**

- **Presentation of Audit, FY 2012 – Mr. Rob Wardlow, CPA; Williams, McCranie, Wardlow & Cash, P.A.**

Mr. Wardlow had copies of the (attached) audit distributed to the Board. He stated the audit had a clean opinion on the financials, but some issues were found on compliance and internal controls.

After briefly describing the Statements of Financial Position, Statements of Cash Flows and Statements of Functional Expenses, Mr. Wardlow stated the report on Compliance and Internal Control began on page 14 and the Schedule of Findings began on page 20.

He directed the Board to Reference #12-01 and explained the reimbursement for cell phone expenditures for staff has now been corrected.

Reference #12-02 refers to approximately \$310,000, a liability that is due back to the state. He explained these funds go back years and have accumulated and carried over. He explained it would take a great deal of time and effort to go through all the financial documents to try and determine if some of these funds were actually part of the merger.

Reference #12-03 is a finding under the Sunshine Law and refers to a set of minutes that document a vote was taken by email. This has been researched and it has been found that the minutes are in error and should have reflected an email of information was distributed not a vote being taken. This is being shown as a finding as the minutes did reflect the vote even though the emails did not appear as votes.

Reference #12-04 refers to Match.

Mr. Guadagnino inquired why salaries and expenses were down, but the cost of employee benefits went up on page 6 of the audit. Mr. Wardlow believes this was due to health insurance increases. Mr. Guadagnino inquired why professional fees doubled. Mr. Wardlow explained it could be attorney fees, audit fees and IT fees. Ms. Hammond requested a breakdown from Ms. Berche to present at the next meeting.

Mr. Guadagnino commented that grant levels are decreasing and Mr. Wardlow agreed that fewer dollars are coming from the state.

Ms. Hammond requested a motion to accept the FY 2011-12 Audit as presented. Mr. Guadagnino so moved and Ms. Porterfield seconded the motion. Ms. Hammond inquired if there were any questions. Ms. Suarez stated as she was participating via phone, she did not have a copy of the audit to review. Ms. Hammond explained an action was needed to submit the audit to the state and if Ms. Suarez required additional information, Mr. Farrelly or Ms. Berche would be able to discuss it further.

Ms. Hammond called for a vote. All were in favor with no abstentions and the motion carried.

Mr. Farrelly thanked Mr. Wardlow for his service to the Coalition over the last five (5) years and stated that a new RFP for audit services would be created for the coming year.

- **Treasurer's Report – Mr. James Cook, Chair**

- A. Financial Statements – January–February, 2013**

Mr. Cook explained the School Readiness fiscal year spending budget for January was 58.81% spent with administration spending at 7.24% for the month and 5.84% year to date. Non-Direct Services spending was at 4.85%, Quality spending at 6.51% and Direct Services at 81.96%. Only \$73 had been secured for match and VPK administration spending was at 2.10% with Direct Services at nearly 98%.

For February, the spending rate was 58.81% with administration spending at 6.59% for the month and 5.93% for the year to date. Non-Direct Services spending was at 4.97%, Quality spending at 7.47% and Direct Services at 80.97%. The Coalition secured \$709.41 for match bringing the total raised to \$21,420.82 for the year. VPK administration spending was at 1.49% for the month and 3.06% for the year and Direct Services was at 98.51% for the month.

Mr. Cook moved to accept the financials for January and February as presented. Ms. Clark seconded the motion. All were in favor with no abstentions and the motion carried. **(Action Item #1213-31)**

III. Remarks from the Chair/Executive Committee Report – Ms. Lisa Hammond, Chair

- **Annual Board Reorganization – Report of Nominating Committee:**

Mr. Farrelly explained that on the Board Member Committee Assignment Sheet, Ms. Marsha Carpenter needed to be added to Program Committee and Dr. Kanakis added as Interim Quality Chair to the Executive Committee.

Ms. Hammond requested a motion to approve the Board Member Committee Assignments. Mr. Guadagnino so moved and Ms. Clark seconded the motion. All were in favor with no abstentions and the motion carried. **(Action Item #1213-33)**

- **Recommendation/Selection of Vice Chair**

Mr. Farrelly stated nominations are required from the floor. He explained that Mr. Meglay, the current Vice Chair is willing to accept another term. Mr. Guadagnino nominated Mr. Meglay for the position of Vice Chair and Mr. Cook seconded.

Ms. Hammond inquired if there were any other nominations; hearing none she requested a motion to approve Mr. Meglay as Vice Chair. Ms. Clark so moved and Mr. Cook seconded the motion. All were in favor with no abstentions and the motion carried. **(Action Item #1213-32)**

- **Executive Committee Update**

- **On-line Class for Board Members and Staff – Florida’s Code of Ethics, Sunshine Law & Public Records Act**

Ms. Hammond explained that one of the audit findings presented by Mr. Wardlow included the Executive Committee and the Sunshine Law. Meeting minutes recorded an on-line vote which was researched, but no evidence was found that an on-line vote was taken. This brought to light the need of a more thorough understanding of Sunshine Laws.

Ms. Hammond stated that an on-line course is offered by the Florida Institute of Government at Florida State University and the fee is \$35 for this 12-hour course. Mr. Farrelly and Ms. Jakubauskas have been directed to take the course. Ms. Hammond would also like to encourage Board members to take the course. She stated that the Executive Committee had recommended the Coalition reimburse the \$35 fee upon completion of the course, if reimbursement is requested. Ms. Jakubauskas will forward the link to access the course to Board membership.

Mr. Guadagnino moved that based on the recommendation of the Executive Committee that Board members complete the Florida’s Code of Ethics, Sunshine Law and Public Records Act as offered by the Florida Institute of Government and that Board Members be reimbursed upon successful completion of the course, if requested. Ms. Goldstein seconded the motion. All were in favor with no abstentions and the motion carried. **(Action Item #1213-34)**

Mr. Cook urged Board members not to use the reply all button when responding to emails from the Coalition. Respond only to the sender of the email, otherwise it would be considered a violation of Sunshine Laws.

- **Approval, Invoice over \$5,000 – Second Step Kits - \$7,162.05**

Mr. Farrelly explained the Second Step Kits are for centers with special needs children or children with social or emotional requirements. The kits will be distributed to centers upon the recommendation of an Inclusion Specialist and after completion of a special training.

Ms. Hammond requested a motion to approve the invoice in the amount of \$7,162.05. Mr. Mascaro so moved and Ms. Porterfield seconded the motion. All were in favor with no abstentions and the motion carried. **(Action Item #1213-35)**

Mr. Guadagnino inquired if the providers are charged for the kits. Mr. Farrelly explained there was no charge and the kits, along with the trainings, are free to the providers.

- **Approval, Vehicle Insurance Renewal**

Mr. Farrelly explained this invoice, in the amount of \$542.28, covers the contents of the Mobile Outreach Vans such as the WASPS and all educational materials.

Ms. Hammond requested a motion to approve the Vehicle Insurance Renewal. Mr. Guadagnino so moved and Ms. Clark seconded the motion. All were in favor with no abstentions and the motion carried. **(Action Item #1213-36)**

- **Approval, Health Insurance Renewal**

Mr. Farrelly explained this is the annual renewal for the staff's health insurance. This will be the final year under this type of plan as President Obama's Affordable Care Act will take effect January 1, 2014.

Ms. Hammond requested a motion to approve the Health Insurance Renewal. Mr. Guadagnino so moved and Mr. Cook seconded the motion. All were in favor with no abstentions and the motion carried. **(Action Item #1213-37)**

- **Approval, Worker's Compensation Insurance Renewal**

Mr. Farrelly explained the Coalition saw only a slight increase in the Worker's Compensation renewal for this year. The total amount is \$21,053 and the smaller increase is the direct result of establishing a Safety Policy and Safety Committee. Additionally, a drug testing policy for new staff is in discussion which may further decrease the overall amount.

Ms. Hammond requested a motion to approve the Worker's Compensation renewal of \$21,053. Ms. Clark so moved and Mr. Guadagnino seconded. All were in favor with no exceptions and the motion carried. **(Action Item #1213-38)**

IV. Utilization Reports – Ms. Betsy Kier, Assistant Executive Director

Ms. Kier explained that School Readiness enrollment was up by 180 children, but even with the increased number of children, the Coalition is still showing a projected surplus of \$239,652.81. The wait list has been opened to an additional 200 children and those slots should be filled by the end of the month. She reported that about 150 children still remain on the wait list.

Ms. Hammond inquired if the surplus can be spent out over the next three (3) months. Ms. Kier replied that when the numbers for March are available, viable options will be able to be presented at that time.

Ms. Kier continued with the VPK report stating February enrollment for VPK is down by 35 children. This could be due to some centers having programs that end in January. However, overall enrollment of 4-year olds is high with enrollments for the FY 2013-14 school year being well under way.

V. **Program Committee – Ms. Jayne Goldstein, Chair**

- **Committee Update**

Ms. Goldstein reported that the majority of centers are doing well with only a few under a current Corrective Action Plan (CAP).

- **Approval to transfer \$18,039 from VPK Outreach and Awareness to VPK Administration**

Ms. Goldstein requested Mr. Farrelly discuss this transfer of funds. Mr. Farrelly explained the Coalition is challenged to meet the 4% administrative maximum for VPK as a large amount of staff time is utilized enrolling children. VPK has a separate grant for Outreach and Awareness for advertising the program. The Coalition has utilized these funds in the past on billboards, newspaper inserts and direct mail pieces. However, a survey of VPK parents has shown that 85% of parents found out about VPK through word of mouth. The Program Committee has recommended moving these funds.

Ms. Hammond requested a motion to move the \$18,039 from VPK Outreach and Awareness to VPK Administration. Mr. Cook so moved and Mr. Guadagnino seconded the motion. All were in favor with no abstentions and the motion carried. **(Action Item #1213-39)**

- **Approval, Provider Contract Cancellation (Leading By Example Child Care in Port Richey) for Failure to Implement Curriculum**

Ms. Goldstein explained this is a family child care home which has been under a CAP and staff has been working with the center and providing trainings. Meetings have been held with the Provider, Mr. Farrelly and Ms. Borrego and Ms. Borrego also visited the home with Ms. La Cava and there still has been no evidence that a curriculum is being utilized.

Mr. Guadagnino moved to cancel the provider's contract and Ms. Porterfield seconded the motion. Mr. Guadagnino inquired how many hours of staff time were spent working with this provider.

Mr. Farrelly explained that staff hours were considerable to ensure due diligence to the provider. Ms. Goldstein explained the provider has a curriculum and has undergone training, but there is no evidence the curriculum is being utilized. Ms. Hammond stated the Coalition makes every effort to help providers succeed and they also have the ability to appeal through the grievance process.

Ms. Hammond called for a vote to the motion. All were in favor with no abstentions and the motion carried. **(Action Item #1213-40)**

- **First Reading, Age Range for School Readiness Services Policy**

Ms. Goldstein stated the policy is being presented for a first reading. Mr. Farrelly explained the special Board meeting in February brought about the changes highlighted in yellow. If the Board decides to change the age range from 0-kindergarten age, it will begin as of July 1, 2013 with no new 6, 7 or 8-year olds being enrolled in School

Readiness. The children enrolled currently will remain in the program until December 31, 2013, giving parents and Coalition staff time to find alternative placement for the children.

As of January 1, 2014, School Readiness services will only be available to 0-kindergarten age. However, Mr. Farrelly explained the policy would establish priorities, based on funding availability. First priority would be 0-kindergarten; second priority would be 6-year olds; third priority would be 7-year olds and fourth priority would be 8-year olds.

A discussion followed on what age children are mandated to be enrolled in kindergarten and who decides if they are ready for kindergarten, the parent or the provider. Ms. Goldstein explained in her experience she finds the parent will hold the child back because the child is not socially or emotionally ready for kindergarten. She stated that holding a child back is more expensive for the parent as the child remains in care while kindergarten is free.

Ms. Hammond invited the guests present to speak to the age range policy. Mr. Harris stated the first age range change benefitted his center by allowing more children to be placed in the School Readiness program. He explained that some centers are apprehensive about losing funding, but the younger children will help the center prosper. Mr. Harris is willing to speak to other providers.

Ms. Fremmer disagreed with Mr. Harris and stated that families are hurting; most families will leave their children at home and they will have no homework assistance. The children will suffer because they need the assistance and there are safety issues.

Ms. Fremmer explained that Ms. Garrow had left some comments for Mr. Farrelly as she had to leave. The comments are as follow from Ms. Claudine Garrow of Brooksville: "I have 2 school aged kids – currently one is eligible for assistance for after school care. If the age limit is decreased to VPK age and younger, it puts a lot of parents in a difficult situation. I can't afford to take a day off every month or anytime school is closed. Nor can I hire a sitter. None of my family is local to be off to watch my kids and they are too young to be home alone. Cutting assistance to school age children below age 8 would cause an even bigger financial strain on my family as well as others I know to include foster families that I work with through my job. This is a significant impact on many Pasco/Hernando families."

Ms. Hammond stated the Coalition does not have unlimited funding and current funding is shrinking. The Coalition needs to get the biggest return for these funds by ensuring we are preparing children to enter and succeed in school. The Coalition realizes older children require additional support, but that is not the Coalition's focus.

Ms. Hammond requested a motion to approve the Age Range Policy as presented. Mr. Meglay so moved and Mr. Cook seconded the motion. All were in favor with no abstentions and the motion carried.

VI. Finance and Audit Committee – Mr. James Cook, Chair

- **Committee Update**

Mr. Cook explained the increase in the administrative expense percentage was due in part to increased health care premiums and the Committee discussed employees properly designating where their time is spent, whether in administration, direct services or VPK on the Personnel Activity Report (PAR) form. Staff will be advised of the importance of designating their time properly.

Mr. Cook reported the new accounting system, SAGE, will eliminate a large number of calculations currently being done in QuickBooks. Ms. Hammond stated there is software available that monitors time and inquired what staff members were using now. Ms. Berche briefly explained the Coalition's PAR form and its twenty-nine (29) OCA codes. She explained the state changes the OCA codes annually.

Discussion followed on the increased administrative expense, fewer grant dollars, and the challenge to get the administrative expense below 5% and closer to 4% for next year. Ms. Hammond requested suggestions on electric time keeping and Mr. Farrelly explained that Ms. Berche is working on a solution to reduce the expense by half a percent. Mr. Farrelly will bring solutions to dramatically decrease the administrative expense to the next Finance and Audit Committee meeting.

Mr. Cook stated that Ms. Berche's timeline to run SAGE parallel to QuickBooks begins on April 1st and July 1, 2013 will see SAGE being fully utilized.

- **Approval, Sliding Fee Schedules for Hernando and Pasco**

Mr. Cook explained the federal government designates the poverty level and has boosted the amount earned to an annual amount of \$11,490.

Mr. Cook moved to accept the sliding fee schedules effective May 1, 2013. Ms. Clark seconded the motion. Mr. Meglay inquired about the number of persons in the family and Ms. Kier stated that many different groups use these scales for different programs. She explained the new schedules will benefit Coalition clients who make a little more money.

Ms. Hammond called for a vote to the motion. All were in favor with no abstentions and the motion carried. **(Action Item #1213-41)**

VII. Quality Committee – Dr. Steve Kanakis, Interim Chair

- **Committee Update**

In Dr. Kanakis' absence, Mr. Mascaro reported the Quality Committee had formed a Sub-Committee to make recommendations on a special incentive for providers. Four (4) new grants were approved for an Extreme Make-Over of a classroom, two (2) in each county. Each grant award was for \$2,000.

Ms. Borrego explained that after the centers/family child care homes were approved, each was visited with a large sign and balloons. An initial visit to each center/home has also been done to see what work will be required.

- **Approval to transfer \$13,951 from Incentive Funds to Direct Services**

Mr. Mascaro requested approval to transfer \$13,951 from Incentive Funds to Direct Services for slots. Mr. Guadagnino so moved and Ms. Clark seconded the motion. All were in favor with no abstentions and the motion carried. (**Action Item #1213-42**)

VIII. Ad Hoc Committee – Mr. Patrick McHugh, Chair

- **Committee Update**

In Mr. McHugh's absence, Mr. Farrelly stated the Committee has been hard at work and fundraising activities have been held over the past two (2) Saturdays. He reported the Applebee's give back night generated a total of \$69.57 from five (5) restaurants. This resulted in opening communication with a local family restaurant, Papa Joe's in Brooksville.

Mr. Farrelly reported that as part of the Committee's Plan of Action, Ms. Clark and Ms. Ellis are chairing a Spelling Bee on August 1, 2013 at the SNPJ Suncoast Lodge on County Line Road. He explained Board members are needed to sign up and sponsor other fundraising events. Mr. Farrelly reported that no financial information has been received to date from the center run fundraising events.

IX. Executive Director Report – Mr. Jim Farrelly, Executive Director

Mr. Farrelly explained, due to time constraints, the VPK Readiness Rates presentation will be postponed until the next Board meeting.

The "Baby Talk" video was played.

Mr. Farrelly introduced Ms. Edna Lennox, a volunteer on the Ad Hoc/Match Committee; she is a retired early educator from Hillsborough County.

Mr. Farrelly explained the impact from the federal sequester for this Coalition is being quoted (not yet confirmed) to be approximately \$65,000 total which should not affect programs. The state has informed Coalitions that it will absorb most of the impact from the sequester.

Mr. Farrelly reminded the Board of the Coalition's main event, Storybook Forest, on Saturday, April 6th. This year, a 30-second commercial promoting the event will air on several networks and in attendance will be the Berenstain Bears, Clifford the Big Red Dog and Olivia the Pig.

Mr. Farrelly reported that new legislation is being proposed that will affect early learning. Representative Kathleen Peters, who toured the Coalition earlier this month, is working on the legislation which is a result of her visit.

X. New/Unfinished Business

Ms. Hammond made a personal request and asked that Board members keep Ms. Jean Rags in their thoughts as her mother is passing.

XI. Public Input

Ms. Claudine Garrow, who was present earlier but had to leave to attend a meeting, called in and requested to speak to the age range for School Readiness children. She wanted to impress on the Board that working parents who have school age children, know they are not old enough to be home alone. But, it is expensive to provide care when centers are closed for school holidays or training days and there is no other family to care for the children. Ms. Garrow explained she also works with foster parents who are in the same dilemma.

Ms. Hammond informed Ms. Garrow that the Board appreciates the financial burden faced by families.

Ms. Fremmer stated she would like to update the Board on her review and explained that her grievance letter did not state that it was an official grievance letter and when she re-sent the grievance letter it was no longer within the time frame given.

Mr. Farrelly explained that Ms. Fremmer runs a center located in Pinellas County and that she did not complete the necessary application for School Readiness by the deadline date. The Coalition's attorney has reviewed the correspondence and has found there are no grounds for a grievance due to the elapsed timeframe. Ms. Fremmer may reapply for the new contract year beginning July 1, 2013.

XII. Adjournment

Ms. Hammond requested a motion to adjourn. Mr. Guadagnino so moved and this meeting of the Board of Directors of the Early Learning Coalition of Pasco and Hernando Counties, Inc. was adjourned without further discussion at 10:20 a.m.

Respectfully submitted by:

Ramute "Jak" Jakubauskas
Administrative Assistant