



**BOARD OF DIRECTORS
MEETING MINUTES
January 23, 2014**

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

Day/Date/Time: Thursday, January 23, 2014 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; Dr. Bonnie Clark, Josh Kelly, Dr. Steve Kanakis, Dr. Steve Knobl, Joe Mascaro, Pat McHugh, Dave Meglay, Angela Porterfield, Jean Rags, Heidi Rand, Diane Rowden, Toni Watkins

Board of Director Members Excused: Marsha Carpenter (excused from majority of meeting), James Cook, Joan DeMauri, Cathy Dofka, Gus Guadagnino

Board of Director Members via Phone: None

Board of Director Members Absent: None

Coalition Staff Present: Danielle Berche, Kim Borrego, Bev Doucet, Pattie Eacobacci, Jim Farrelly, Jak Jakubauskas, Betsy Kier, Sherri Sabadishin

Guests Present: None

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 8:38 a.m. She welcomed attendees and introductions were made.

II. Action Items

• Adoption of Agenda

Ms. Hammond requested a motion to adopt the agenda. Dr. Clark so moved and Ms. Rags seconded the motion. All were in favor with no abstentions and the motion carried. (Action Item #1314-15)

- **Approval of Minutes, September 26, 2013 Board Meeting**

Ms. Hammond requested a motion to approve the minutes of the September 26, 2013 Board Meeting. Mr. Meglay so moved and Dr. Kanakis seconded the motion. All were in favor with no abstentions and the motion carried. (**Action Item #1314-16**)

- **Treasurer's Report – Mr. Pat McHugh, Chair**

- A. Financial Statements – September/October/November/December, 2013**

Mr. McHugh explained the Board packet contained the financial information for September, October, November and December. The financial highlights were that approximately 86% of the budget was directed to School Readiness and another 5% for Quality resulting in 90-91% of the budget expended on children. He explained the VPK administrative rate was approximately 3% with 93% of the budget expended on services for children.

Ms. Hammond requested a motion to accept the financials for September and October as presented. Dr. Clark so moved and Ms. Watkins seconded the motion. All were in favor with no abstentions and the motion carried. (**Action Item #1314-17**)

Ms. Hammond requested a motion to accept the financials for November and December as presented. Mr. Meglay so moved and Dr. Knobl seconded the motion. All were in favor with no abstentions and the motion carried. (**Action Item #1314-18**)

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

- **Executive Committee Update**

Ms. Hammond explained that recent developments from the January Executive Committee meeting will be deferred to Mr. Farrelly to cover in his report.

- **Revisions, Personnel Policies (page 2)**

Mr. Farrelly explained this policy is being revised to reflect that employees are fingerprinted with a renewal every five (5) years. He informed the Board that if any arrests are made, management is notified immediately.

Ms. Hammond requested a motion to approve the revision to the Personnel Policies. Dr. Clark so moved and Mr. Meglay seconded the motion. All were in favor with no abstentions and the motion carried. (**Action Item #1314-19**)

- **Update/Approval, Executive Director Survey – Goals for FY 13-14**

Mr. Farrelly explained the results from the Executive Director Survey completed last year were condensed into 8-10 goals. The Executive Committee reviewed those goals and prioritized the four (4) goals noted here for the Executive Director to achieve this fiscal year.

Ms. Hammond requested a motion to approve the Executive Director's goals for FY 2013-2014. Ms. Rags so moved and Mr. McHugh seconded the motion. All were in favor with no abstentions and the motion carried. (**Action Item #1314-20**)

- **Review/Approval Required IACET Materials**

Mr. Farrelly explained these policies are required for the Coalition to become a CEU provider. The application to become a CEU provider is ready to be filed, but these four (4) new policies are required as part of the application and are being presented for approval.

- **Approval, Training Discrimination Policy**

Ms. Hammond requested a motion to adopt the Training Discrimination Policy. Mr. Kelly so moved and Mr. McHugh seconded the motion. All were in favor with no abstentions and the motion carried. (**Action Item #1314-21**)

- **Approval, Disclosure of Proprietary Interest Policy**

Ms. Hammond requested a motion to approve the Disclosure of Proprietary Interest Policy. Ms. Rags so moved and Dr. Clark seconded the motion. All were in favor with no abstentions and the motion carried. (**Action Item #1314-22**)

- **Approval, Intellectual Property Rights Policy**

Ms. Hammond requested a motion to approve the Intellectual Property Rights Policy. Dr. Knobl so moved and Mr. McHugh seconded the motion. All were in favor with no abstentions and the motion carried. (**Action Item #1314-23**)

- **Approval, Privacy and Security Policy**

Ms. Hammond requested a motion to approve the Privacy and Security Policy. Mr. McHugh so moved and Dr. Clark seconded the motion. All were in favor with no abstentions and the motion carried. (**Action Item #1314-24**)

- **Additional Spending Recommendations, FY 2014**

Mr. Farrelly explained that each month a detailed financial analysis is prepared. The Finance Committee had suggested the need for a forecasting model which the Finance Director created. In November, based on School Readiness Direct Services dollars, the forecast model projected a surplus for June, 2014 of \$1.7 million.

The Coalition's historical rate of attrition results in the monthly loss of up to 8% of children enrolled because parents do not re-certify or the children no longer qualify for services. He stated there is no way to know how many children could enroll for services between now and June, but the state will begin to look at the surplus and will request the return of funds as early as this month.

Mr. Farrelly explained that after reviewing best case scenarios, a plan with ten (10) recommendations to spend the surplus was discussed during the January Executive Committee meeting. The Executive Committee recommended the following three (3) elements of the plan for additional spending.

Mr. Farrelly explained the first item recommended by the Executive Committee is a 10% Provider Rate Increase as Coalition providers have not seen a rate increase in Pasco since

1995 and in Hernando since at least 2007. At 10%, the cost would be \$500,000 for the remainder of FY 2013-14 and will commit the Coalition to \$1.2 million of next year's yet unknown budget.

The second item recommended by the Executive Committee is the Temporary Expansion of Age Range Services to continue funding children that were due to "age out" on December 31, 2013. Mr. Farrelly explained this would have impacted 700 children who turned 9 years old, but he made the decision to continue funding these children, but only through June of 2014. This will require no new additional funds, but new clients in this age group would be accepted through June 30, 2014.

The third item recommended by the Executive Committee is a 5% Salary Increase for Coalition staff as they have not received an increase since 2009/2010. This will impact the budget by \$78,000 for FY 2013-14 and by \$78,000 for FY 2014-15.

Mr. Farrelly informed the membership that since the Coalition's has two (2) Provider Representatives on the Board, legal opinion was sought and these members may have the opportunity to discuss the issue of a Provider Rate Increase, but they may not vote as the vote would directly affect them.

Mr. Farrelly also explained that Ms. Hammond had requested an independent audit to determine whether the forecasting model and the surplus are correct. Mr. Curt Bromund, CEO of Childhood Development Services and a former Coalition Board member, spent time on January 22, 2014 with Ms. Berche and Mr. Farrelly. Mr. Bromund's findings were the forecast uses accurate data to #1 - project spending and #2 - worst case scenario, without a single child being dropped, (zero attrition), there would still be a \$600,000 surplus.

Mr. Farrelly requested that members look at the spending options, in particular the Provider Rate Increase. This increase would be permanent and his concern is the 10% figure. Mr. Farrelly suggested a more conservative percentage or raising the rate in small increments due to the unknown future budget and future spending.

At this time, Ms. Hammond opened the floor for discussion. Highlights of the discussion included:

- Dr. Kanakis stated he agreed with the salary increase for staff and the temporary age range extension. He is concerned about the 10% increase for providers and stated that 5% could be provided this year and possibly 5% next year.
- Mr. Meglay responded saying that many providers have not had an increase in 18 years. He has learned that providers are doing only the bare minimum in their centers and cannot afford to enhance their programs. He explained there are three (3) critical pieces to the Coalition: the providers, the staff and the children. If a piece is missing, there will not be a quality organization. Approximately ten (10) providers have already closed this year and if more close, there will be fewer providers to serve our children. He believes they are entitled to a 10% increase.
- Mr. McHugh stated the projection model was reinforced by an outside expert and, even based on ultra conservative recertification, a \$600,000 surplus is being forecast.

Also, the state will take back funds and the budget for next year will be adjusted for less. He believes that Mr. Meglay is correct.

- Ms. Hammond remarked that committing \$1.2 million for a provider increase could affect 600 children next year by denying them services. She does not believe a 10% Provider Rate Increase would be prudent.
- Commissioner Rowden also agreed with Mr. Meglay explaining she has watched over the years how budget cuts have affected the community and the need to use resources to serve as many children as possible.
- Dr. Clark suggested a 5% increase now with a re-evaluate within the next few months.
- Ms. Watkins explained that centers are in survival mode and requested the Board to consider an increase.
- Ms. Rags stated that any plan approved by the Board must also be approved by the state. She agreed there is a need for an increase and recommended a 7% increase while continuing due diligence to see if another increase would be feasible. She also suggested the possibility of using Quality dollars for centers to replace books, bookshelves, toilets, etc. She suggested a one-time funding of items centers cannot afford to enhance their quality. She also agreed to the staff increase as there is a need for quality people to keep staff turnover low.
- Mr. Farrelly explained that a 7% increase would calculate to approximately \$300,000 for this fiscal year and approximately \$799,000 for next year.
- Ms. Hammond explained that years ago the Coalition offered mini-grants for items such as playground equipment. Ms. Rags recalled the Coalition had purchased these items and through mini-grants the items were awarded to providers. Ms. Hammond suggested looking at provider needs and how items would benefit the children in their centers. She suggested \$500,000 could be put aside to benefit providers.

At this time, Dr. Kanakis moved to grant a 7.5% increase to providers and a 5% increase to staff. Commissioner Rowden inquired if the motion would be retroactive to January 1, 2014. Dr. Kanakis amended his motion and added that the increase would be retroactive to January 1, 2014. Dr. Knobl seconded the motion. All were in favor with no abstentions and the motion carried. (NOTE: Ms. Watkins and Mr. Kelly recused themselves from voting as per signed documentation.)

Mr. Farrelly informed the Board that at 7.5% the cost would be approximately \$400,000 for six (6) months and \$800,000 for next fiscal year. Ms. Berche will prepare the actual figures which will then be emailed to the Board.

Ms. Hammond stated that further discussion on mini-grants is necessary and stated a Board meeting will be held in February. There may still be a surplus of funds so new initiatives to fund providers will be examined. Suggestions from the Program and Quality Committees will also be discussed.

Mr. Kelly inquired if a provider meeting would be scheduled to obtain ideas on their needs. Mr. Farrelly explained that an electronic survey would have a better response. Staff will prepare a survey to discover provider needs.

Mr. Farrelly thanked the Board for this healthy discussion and requested a new formal motion with the specific wording as indicated on the Spending Plan which is required to submit to the state as the Coalition's new plan.

Ms. Rags moved to approve a 7.5% rate increase effective January 1, 2014 in all age and service categories for Pasco and Hernando contracted providers of Early Learning, to be payable upon approval of the Coalition's Plan Amendment by the state Office of Early Learning; and to approve the amendment to the Coalition's Board Policy, "Age Range for School Readiness Services," on a temporary basis only, to allow children who attain age 9 to continue receiving School Readiness services through 6/30/14; and approve awarding a 5% base salary increase to Coalition staff retroactive to 7/1/2013; and finally, to submit a Coalition Plan Amendment to the state Office of Early Learning to implement a 7.5% rate increase effective 1/1/14 in all age and service categories, for Pasco and Hernando contracted providers of Early Learning. Mr. Meglay seconded this motion. All were in favor with no abstentions and the motion carried. (NOTE: Ms. Watkins and Mr. Kelly recused themselves from voting as per signed documentation.) **(Action Item #1314-25)**

- **Budget Revision, FY 2014**

Mr. Farrelly explained this budget will reflect what has been approved here today with the impact on salaries. Ms. Hammond requested a motion to approve the Budget Revision for FY 2014. Mr. McHugh so moved and Dr. Knobl seconded the motion. All were in favor with no abstentions and the motion carried. **(Action Item #1314-26)**

- **Tribute to Board Member**

This will be tabled until the next meeting.

IV. Program Committee – Ms. Jean Rags, Chair

- **Committee Update**

Ms. Rags reported the 6th Annual Conference was a success with 905 attendees and a high level of satisfaction with "Dr. Mel", the keynote speaker. She informed the Board the next conference is scheduled for Saturday, October 25, 2014. The Program Committee also discussed CLASS as provided by the state and Teachstone and, as it is being administered today, would cost the Coalition approximately \$15,000 to implement.

Ms. Rags reported that eight (8) providers were under a Correction Action Plan (CAP), but at least half of them have already met their objectives. She explained that the majority of providers are achieving scores of 87% and above on their assessments.

- **Revision to Grievance Policy and Procedures**

Ms. Rags explained this policy has been changed to include that a provider grievance may be heard by a Volunteer Mediator.

Ms. Hammond requested a motion to approve the revision to the Grievance Policy. Mr. Meglay so moved and Ms. Watkins seconded the motion. All were in favor with no abstentions and the motion carried. (**Action Item #1314-27**)

- **Revision, to Age Range for School Readiness Services Policy**

Ms. Rags explained these revisions included the new rollover/waitlist methodology information from the state and is strictly based on providing services if state funds are available.

Ms. Hammond requested a motion to approve the revisions to the Age Range policy. Dr. Clark so moved and Mr. McHugh seconded the motion. All were in favor with no abstentions and the motion carried. (**Action Item #1314-28**)

V. Finance and Audit Committee – Mr. Pat McHugh, Chair

- **Committee Update**

Mr. McHugh explained the Committee is wrestling with the budget projections and the annual audit is currently underway.

- **Second Reading – Travel Policy Revisions**

Mr. McHugh explained the indicated revisions will bring the policy in line with the state. A brief discussion on the wording followed and it was determined the wording would be changed and this policy will be brought back for approval.

VI. Quality Committee – Mr. Joe Mascaro, Chair

- **Committee Update**

Mr. Mascaro reported the Committee had met this month and approved five (5) incentives for providers. Additionally, the Committee voted to hold back approximately \$15,000 this quarter and will discuss initiatives for the funds at the February meeting. He explained that Ms. Doucet had held a training on the incentive program for providers. Ms. Doucet gave a brief report on the training.

VII. Match Fundraising Committee – Dr. Bonnie Clark, Chair

- **Committee Update**

Dr. Clark reported the Committee had met in December and the Spring Hill Kiwanis had donated \$1,000 to the Coalition from the Golf Tournament

- **Update, Wine Tasting Event**

Dr. Clark reported this event had not been as successful as last year's event. There were only seventeen (17) attendees, of which eight (8) were staff members. The event raised \$783. A brief discussion followed on holding the wine tasting during the weekend versus

a week night. Dr. Clark also reported the Committee is looking at hosting a beer tasting event.

Dr. Clark reported the Crowdfunding campaign did not do as well as anticipated. After expenses, it netted approximately \$370. The Committee also plans to hold another Spelling Bee event in August.

VIII. Ad Hoc Board Self-Evaluation Committee – Mr. Jim Cook, Chair

- **Committee Update**

Mr. Farrelly stated as the Chair of this Committee is not in attendance, the report will be held until the next meeting.

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

Ms. Kier reported that enrollment in the School Readiness program was up by 20 children overall due to the no wait list. VPK enrollment was up by 429 children from the previous year.

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

Mr. Farrelly played a 60 second child-centered video for the Board members.

- **Coalition Update**

He reported that with the zero wait list, media notices are being sent and he has presented information to the Speaker of the House and other legislative delegates at a recent town hall meeting.

He reported that three (3) presenters from November's Annual Conference had articles featured in an international journal, "Education in Practice."

Mr. Farrelly reported that former Board member, Commissioner Pat Mulieri was instrumental in procuring the entire use of Crews Lake Park for the Storybook Forest event as well as free parking for all attendees. WEDU will be partnering with the Coalition and their character, "Super Why" will participate.

Mr. Farrelly reported that preliminary VPK Readiness Rates have been published, indicating a 24% decline of Providers on Probation within the Coalition. The biggest drop was seen within the Pasco County Schools. More information will be available in March.

Mr. Farrelly congratulated Dr. Clark on her new designation and appointment as the Vice President of Instruction, replacing Dr. Burt Harres on his retirement.

- **Report, Annual Conference**

Mr. Farrelly remarked this is a wonderful event for the Coalition. Plans are well underway for the 2014 event.

- **Presentation, Annual Report**

Mr. Farrelly explained the report had been prepared and mailed to the entire Board. Additional copies are available.

- **Foundation Update**

Mr. Farrelly reported that during the staff's annual holiday party, staff had presented Mr. Farrelly with \$500, in his honor, to the Foundation.

- **Plans for Dancing with the Hernando Stars (Partnership with Leadership Hernando)**

Mr. Farrelly explained that Mr. Gus Guadagnino is the Chair for this event, but it has been placed on a back burner as "stars" and/or titled representatives from the community are required to participate. He anticipates the event being held in May or June.

He reminded the Board that the annual Statement of Understanding forms are due. He also announced that Ms. Sherri Singleton had recently been married and is now Mrs. Sabadishin.

XI. New/Unfinished Business

None.

XII. Public Input

None.

XIII. Adjournment

Ms. Hammond requested a motion to adjourn. Dr. Clark 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 10:04 a.m.

Respectfully submitted by:

Ramute "Jak" Jakubauskas
Administrative Assistant