



**BOARD OF DIRECTORS
MEETING MINUTES
January 28, 2016**

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

Day/Date/Time: Thursday, January 28, 2016 at 8 a.m.

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

Board of Director Members Present: Dr. Steve Kanakis, Chair; Dr. Amy Anderson, Florence Buono, Joan DeMauri, Jessica Griffin, Gus Guadagnino, Josh Kelly, Dr. Steve Knobl, Pat McHugh, David Meglay, Beth Narverud, Angela Porterfield, Sam Shrieves, Mary Beth Wehnes

Board of Director Members Present via Phone: None

Board of Director Members Excused: Cathy Dofka, Dr. Lori Romano, Diane Rowden

Board of Director Members Absent: None

Coalition Staff Present: Shannon Dewey, Jenny Dodson, Pattie Eacobacci, Jim Farrelly, Rachel Hardy, Jak Jakubauskas, Betsy Kier, Maria Marcoux, Joe Mascaro, Kelli Rodriguez, Ljubica Sevic, Audrey Stasko

Guests Present: Rodney MacKinnon, Florida's Office of Early Learning; Bimal Bhojani, Kids R Kids Boyette; Eric Fontana, Fontana CPAs; Jayne Goldstein, TodayCare Child Center; Eppie Green, Hernando County Schools; Edna Lennox, Volunteer

I. Welcome and Call to Order – Dr. Steve Kanakis, Chair

Dr. Kanakis called the regularly scheduled meeting of the Early Learning Coalition of Pasco and Hernando Counties, Inc. Board of Directors to order at 8:00 a.m. After the Pledge of Allegiance, introductions were made.

II. Action Items

- **Adoption of Agenda**

Dr. Kanakis requested a motion to adopt the agenda. Mr. Meglay so moved and Dr. Anderson seconded the motion. All were in favor with no abstentions and the motion carried. **(Action Item #1516-28)**

- **Approval of Minutes, October 22, 2015 Board Meeting**

Dr. Kanakis requested a motion to approve the minutes of the October 22, 2015 Board Meeting. Mr. Guadagnino so moved and Mr. McHugh seconded the motion. All were in favor with no abstentions and the motion carried. **(Action Item #1516-29)**

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

- A. Financial Statements – October, 2015**

Mr. McHugh explained that 86% is expended on School Readiness with another 4% spent on Quality for a total of 90% of the budget spent on children. VPK's budget shows 96% of funds spent on children. The Coalition is projecting a deficit but, actions are being taken by staff to eliminate the deficit.

Dr. Kanakis requested a motion to approve the Financial Statements for October. Ms. Buono so moved and Mr. Guadagnino seconded. All were in favor with no abstentions and the motion carried. **(Action Items #1516-30)**

- B. Financial Statements – November, 2015**

Dr. Kanakis requested a motion to approve the Financial Statements for November. Dr. Anderson so moved and Dr. Knobl seconded the motion. All were in favor with no abstentions and the motion carried. **(Action Items #1516-31)**

- C. Financial Statements – December, 2015**

Dr. Kanakis requested a motion to approve the Financial Statements for December. Ms. Porterfield so moved and Mr. Guadagnino seconded the motion. All were in favor with no abstentions and the motion carried. **(Action Items #1516-32)**

III. Remarks from the Chair/Executive Committee Report – Dr. Steve Kanakis, Chair

- **Welcome to Mr. Rodney MacKinnon, Executive Director, Office of Early Learning, State of Florida**

Mr. Farrelly introduced Director Rodney MacKinnon and explained this was the first visit with the Board by a Director of OEL in Mr. Farrelly's nine (9) years with the Coalition. He explained that Mr. MacKinnon is an attorney and the former Inspector General for OEL.

- **Welcome to New Board Members:**

Dr. Kanakis welcomed the following new members to the Board of Directors:

- Mr. Sam Shrieves, President, Pasco/Hernando, Capital City Bank – Private Sector – Hernando County
- Dr. Steve Knobl, At-Large Member – Pasco County

- **Presentation of FY 2015 A-133 Audit – Mr. Eric Fontana, Fontana, CPAs**

Mr. Fontana explained the audit being presented is for fiscal year ending June 30, 2015. It has been reviewed by management staff as well as the Executive Committee. Overall, the audit went smoothly due to the very good job being performed by Ms. Hardy and he explained this was important for the Board to know.

Mr. Fontana briefly reviewed the audit explaining the current assets were within normal ratios. He also explained the noted liabilities are due to accrual of benefits as OEL does not allow accrued PDO time to be billed resulting in an unrestricted deficit of \$110,000 within net assets.

Mr. Fontana explained the Schedule of Findings shows one material weakness. Audit adjustments totaling \$226,000 were required and, as this amount was over the allowed threshold, it required reporting. He explained these funds related to beginning balances from the change-over to Sage software more than a year ago. This finding has been corrected and there were no others. Additionally, though not a finding, it was noted that the Coalition did not raise match, of which OEL is aware.

Mr. MacKinnon inquired of Mr. Fontana if raising match is an issue, would a low risk audit improve the threshold. He then inquired about accrued PDO not being reimbursed and explained that state employees receive a payout and if Mr. Fontana was aware of any ruling or guidelines on the subject. A brief discussion followed on the impact paying out accrued PDO time would have on the Coalition's budget for services to children. Mr. MacKinnon stated he would like Coalitions to have the flexibility to have the same options as state employees as up to 240 hours of their hours are paid out. He believes that if Coalitions have the funds they should be allowed to pay out PDO hours.

Ms. Porterfield inquired if qualifying as low risk due to match would have any benefit. Mr. Fontana explained that match is in another category and will not have any impact. Mr. Farrelly explained the Coalition has not met even 50% of the required match amount over the last nine (9) years. The Coalition is not able to apply to OEL for a match exemption; however, the Board had committed to raising match dollars. Mr. Farrelly explained this Coalition receives no funds from either county commission or local United Ways.

Dr. Kanakis thanked Ms. Hardy and Mr. McHugh for their efforts.

Dr. Kanakis requested a motion to accept the audit as presented. Mr. Guadagnino so moved and Mr. McHugh seconded the motion. All were in favor with no abstentions and the motion carried. **(Action Item #1516-33)**

- **Executive Committee Report**

Dr. Kanakis reported that in November the Executive Committee voted to approve \$7,200 to advertise on Facebook to promote VPK. In December, the Committee accepted Mr. Shrieves and Dr. Knobl to the Board and approved an additional invoice from the auditor. Also approved was a new Request for Proposal (RFP) for audit services. In January, the draft audit was approved and Mr. Guadagnino was accepted for a second 4-year Board term.

Mr. Meglay inquired how the \$7,200 spent on Facebook advertising will be tracked. Mr. Farrelly stated this will be reviewed in the reports that follow.

- **Strategic Planning KPI Team Reports:**

Mr. Farrelly explained this is the second year of the Strategic Plan and the Board had six (6) goals come out of last year's meeting.

Community Outreach – Ms. Stasko reported that a Speaker's Bureau has been created and the first meeting was held with ten (10) volunteers that include providers, staff and Board members. The bureau will be available to speak at various community group meetings and their first outing will be on the buses at Storybook Forest informing attendees about the Coalition and the importance of early learning. Also developed was a Year of the Young Child 2017 Committee to celebrate children and continue to spread the importance of early learning by inspiring children.

Ms. Stasko also reported that a list of approximately 50 local pediatricians has been created to distribute VPK brochures and a good response has been received from initial contact with these offices. Coalition staff will assist in distributing the brochures. She reported that as of January 27, 2016, the Coalition's Facebook advertising had registered 14,000 views, it has been shared over 60 times and only \$50 has been spent to date. Ms. Stasko played the VPK video for the Board and thanked Ms. Goldstein and Mr. Bhojani for their assistance with the video.

Community Partnerships – Ms. Narverud reported she has reached out to the United Way of Hernando County and was informed that the deadline to apply for grants was in November. However, their Executive Director is interested in meeting with the Coalition and seemed receptive to a grant application for next year. Mr. Farrelly stated that Dr. Knobl had made in-roads with United Way of Pasco County and is also looking at working with the Pasco County Commissioners. Ms. Narverud stated she would also reach out to the Hernando County Commissioners.

Marketing & Public Relations – Mr. McHugh reported channels have been identified for the distribution of materials and thanked Ms. Porterfield for sharing locations that Head Start utilizes.

Parent Outreach & Education – As Ms. Dofka was out of town, there was no report.

Provider Partnerships – Mr. Farrelly reported that provider outreach has been intensified through the addition of QRIS and Sunshine Stars. Sunshine Stars has been very successful thanks to staff efforts as nearly 50 out of 200 School Readiness providers are in one stage or another of the program. Currently, twelve (12) banners are flying throughout Pasco and Hernando Counties with one (1) being a 5-star banner. He reported that providers seem to be becoming more competitive among themselves concerning quality development. The single 5-star provider has reported a spike in their enrollment since they began flying their banner.

Succession Planning - Mr. Farrelly reported this goal has been completed and a succession plan is in place.

Dr. Kanakis informed the Board that he had requested copies of the Spotlight Newsletter be distributed as he found it to contain very good information. Mr. Farrelly explained this is a quarterly newsletter written by providers for providers and distributed electronically.

IV. Presentation from Rodney MacKinnon, Director, Florida's Office of Early Learning

Mr. MacKinnon thanked the Board and expressed appreciation for the efficiency of the meeting format. He provided a brief background on himself and spoke of upcoming changes that will impact school-aged children and the Coalition's predictions and calculations for future placements. He explained that OEL's bill should pass, usually within the last several days of the current legislative session, so as not to dis-enroll approximately 60,000 children. Mr. MacKinnon also reported another bill is being presented to identify and provide assistance to struggling readers within School Readiness programs.

Mr. MacKinnon discussed OEL's rollout of VPK enrollments through OEL's Family Portal and that a number of Coalitions feel their enrollment has dropped because of the on-line enrollment process. Mr. Farrelly stated this Coalition has seen enrollment increase by 7% since last year alone and since VPK enrollment opened as of January 4th, over 600 enrollments have been processed.

Mr. MacKinnon briefly discussed VPK providers and that half of the state's providers have not administered the entire assessment, only the observational assessment. He explained OEL has drafted a preliminary rule to present to the state board in March that will allow the use of this observational tool which should result in a large number of VPK providers coming off probation.

He reported that Governor Scott has earmarked \$20 million for School Readiness and another \$10 million for Quality which has yet to pass the legislature. OEL has proposed to cut their own expenses to be able to fund additional children. Mr. MacKinnon believes that School Readiness is a good investment and K-12 spending is at an all-time high. However, VPK spending is less now than it was in 2005.

Ms. Porterfield inquired about local school boards offering VPK and receiving additional clarification on reading strategies. Mr. MacKinnon stated he was not opposed to public schools presenting VPK and they should be able to compete on the same field as private providers. However, reading and instruction programs will need to wait until OEL's bill passes. Mr. MacKinnon briefly touched on a summer "boot camp" program for struggling readers who score poorly on VPK post assessments which may help prepare them for kindergarten.

Mr. Kelly inquired about funding for before and after school programs for children aged 6 and above. Mr. MacKinnon explained that if changes do occur within the School Readiness program, Coalition's will not have the funds to serve certain age groups.

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

Ms. Kier reported the Coalition is projecting a Direct Services deficit. As of the end of December, 4,030 children are enrolled which is the highest enrollment since FY 2010/11

when ARRA funding was available. Mr. Farrelly explained management is working diligently to reduce the deficit as the waitlist continues to grow. Currently, approximately 600 children are on the waitlist.

For VPK, Ms. Kier reported a 7% increase in VPK enrollments over last year and due to the on-line family portal, the Coalition has eliminated nearly all paper applications for VPK. Based on the 600 children enrolled since the beginning of January, enrollment trends will continue to be high.

Dr. Kanakis expressed his concern regarding the high number of mandated placements which overwhelm the Coalition's budget. Mr. MacKinnon stated the waitlist encourages fraud as DCF staffers have been found to sell at-risk referrals. OEL is working with DCF to tighten up criteria for mandated placements. He encouraged verification of referrals with the originating agency.

VI. Committee Updates

- **Finance and Audit Committee – Mr. Pat McHugh, Chair**

Mr. McHugh explained the Committee has been paying close attention to the deficit and has been working on bringing more of a science to predicting enrollments. Administrative actions are already being taken regarding the deficit and Ms. Hardy will begin to attach a financial figure to these actions.

- **Ad Hoc Marketing Committee Update – Mr. Pat McHugh, Chair**

Mr. McHugh reported the VPK video resulted from the Committee's actions and thanked Ms. Stasko for her involvement.

VII. Executive Director Report – Mr. Jim Farrelly

A. Review, Centers Below and Above Monitoring Standards

Mr. Mascaro reported the new School Readiness Monitoring Tool has been utilized since September with 19 providers having at least one (1) finding that put them out of compliance. An additional seven (7) providers were monitored with zero findings.

Mr. Farrelly explained the Coalition has six (6) Provider Specialists and a Supervisor, Ms. Ljubica Sevic who are very aggressive in their work with providers who are under a Corrective Action Plan (CAP) to help keep the providers in compliance.

B. Project Status: Early Learning Florida, Sunshine Stars, Performance Pilot Funding

Mr. Mascaro explained the Early Learning Florida (ELF) began in January and this is the first year for this program. This is the fourth week of an eight (8) week course and currently 22 teachers are enrolled in the on-line courses with 100% participation.

The Performance Pilot Funding Project is in its second year with six (6) providers participating. All providers have achieved their current benchmarks.

Mr. Mascaro stated he expects more providers will be enrolling in Sunshine Stars due to the success of the program.

C. Coalition Update

Mr. Farrelly welcomed back Dr. Knobl to the Board and welcomed Mr. Shrieves as the Coalition's newest Board member. He explained the waitlist has approximately 600 children waiting for services with at least 50 children enrolling each week. At this point, he cannot project when the waitlist will open.

He reported the Coalition is nominated for three (3) WEDU awards and 4,000 attendees are anticipated at the upcoming Storybook Forest event. Additionally, payroll has been moved in-house, which will save funds, and he thanked Ms. Hardy and Ms. Eacobacci for their efforts. The first payroll flawlessly occurred two (2) weeks ago.

Mr. Farrelly stated this week is Florida's Children's Week and the Coalition has been encouraging providers to host special events such as "Hanging of the Hands."

He requested Board members put Storybook Forest on their calendars for Saturday, March 5 with the ribbon cutting beginning at 10 am. Additionally, the 9th Annual Early Learning Conference will be taking place on Saturday, October 15 and this year there will be an international partnership with three (3) agencies in the United Kingdom and we will be sharing keynote speakers.

Mr. Farrelly announced that OEL's annual report shows our Direct Services spending at 86% which was exceeded by only one other Coalition. For administrative spending, we were at 3.3% - higher than only six (6) other Coalitions. VPK administrative costs were at 3.67% - higher than only (7) other Coalitions.

VIII. Public Input

Ms. Goldstein thanked Mr. MacKinnon for his visit and stated her center is a huge supporter of the Coalition which is an amazing team putting children first while providing resources, training and information to providers.

IX. Adjournment

Dr. Kanakis requested a motion to adjourn; Dr. Anderson so moved and this meeting of the Board of Directors of the Early Learning Coalition adjourned at 9:52 a.m. without further discussion.

Respectfully submitted by:

Ramute "Jak" Jakubauskas
Administrative Assistant I