



FINANCE/AUDIT COMMITTEE MEETING MINUTES
Monday, February 18, 2013 at 4 p.m.
15506 County Line Road
Spring Hill, FL 34610

Board Members Present: Jim Cook, Chair; Bonnie Clark, Gus Guadagnino, Patrick McHugh

Committee Members Present via Phone: None

Committee Members Excused: Steve Knobl

Staff Present: Danielle Berche, Jim Farrelly, Jak Jakubauskas

Guests Present: None

I. Welcome and Call to Order – Mr. Jim Cook, Chair

Mr. Cook called this meeting of the Finance/Audit Committee to order at 4:02 p.m.

II. Review and Adoption of Draft Minutes from January 22, 2013 Meeting

Mr. Cook requested a motion to approve the minutes from the January 22, 2013 meeting. Ms. Clark so moved and Mr. Guadagnino seconded the motion. All were in favor with no abstentions and the motion carried.

III. Review, January, 2013 Financial Statements

Ms. Berche explained the year to date spending down of the School Readiness budget was expected to be at 60.40%, but actually was 58.81%. Administration spending is higher for January due to three (3) payrolls during the month and is at 5.84% for the year to date; Non-Direct spending is at 4.15%; Quality is at 5.862% and Direct Services is at 84.16%.

Ms. Berche explained the Coalition has raised \$20,711.05 toward match. This total exceeds the total amount raised for match last year.

Ms. Berche referred the Committee to the School Readiness Utilization Report and explained the projected surplus is \$169,121.50. She stated the wait list has been opened to an additional 200 children in an effort to reduce the surplus.

Ms. Berche explained the VPK utilization report indicates the spending rate is 54.45% with year to date administrative spending at 3.39%, below the 4% maximum. VPK enrollment continues to be high, exceeding last year's enrollment numbers.

Ms. Berche referred the Committee to the Budget vs. Actual Report and explained there was nothing eventful other than the three (3) payroll periods for the month.

Mr. Cook inquired about the fees for the storage rental and Mr. Farrelly explained the Coalition has three (3) units to store equipment and office documents, as mandated by the state.

A brief discussion followed on match, the possibility of the state reducing the annual allocation of funds, and new fundraising endeavors being generated by the Ad Hoc Match Committee. The Committee also discussed how some Coalitions are supported with donations through their local United Ways, Chambers and County Commissions that can be applied to their match.

Mr. Farrelly briefly discussed the possibility of a federal sequester occurring on March 1, 2013 resulting in a possible loss of 7.62% of federal funds or approximately \$70-80,000 per month to School Readiness. If this transpires, further budget cuts will be enacted internally and externally.

IV. Approval, Change in Payroll Service Provider

Mr. Farrelly explained that because the Coalition did not purchase the payroll software program for SAGE initially, payroll continues to be outsourced. Because of the amount of recent mistakes that have been made by the current payroll provider, Paychex, the Coalition solicited a quote from ADP which will save approximately \$800 annually.

Ms. Berche explained that once SAGE is operational, the Coalition will discuss purchasing the \$3,500 payroll module to begin bringing payroll services in-house, possibly as of January 1, 2014.

Mr. Cook requested a motion to approve the change in payroll service provider. Mr. Guadagnino so moved and Mr. McHugh seconded the motion. All were in favor with no abstentions and the motion carried.

V. OEL Financial Audit Findings

Ms. Berche reviewed each of OEL's Financial Monitoring Audit Findings (attached) with the Committee and stated the findings are minor and she does not expect any of them to re-occur.

VI. Update, SAGE Accounting System

Ms. Berche explained the training is going well. She stated the software is much more cohesive than QuickBooks and she is able to modify some of the report functions which will streamline inputting information. The Coalition is on track to begin using SAGE as

of April 1 and running it parallel to QuickBooks for April, May and June before it becomes fully implemented and utilized as of July 1, 2013.

Ms. Berche informed the Committee that recent Desk Reviews for March 2012 and June 2012 have been completed by the state electronically and no questions were generated.

VII. Schedule, Next Meeting Date on March 18, 2013 at 4 p.m.

The next Finance/Audit Committee meeting is scheduled for Monday, March 18, 2013 at 4 p.m.

VIII. Public Input

None.

IX. Adjournment

Mr. Cook adjourned this meeting of the Finance/Audit Committee at 4:50 p.m. without further discussion.

Respectfully submitted by,

Ramute "Jak" Jakubauskas,
Administrative Assistant