



**FINANCE & AUDIT COMMITTEE MEETING MINUTES**  
**Tuesday, January 21, 2014, 4 p.m.**  
**15506 County Line Road, Suite 103**  
**Spring Hill, FL 34610**

**Committee Members Present: Pat McHugh, Chair; Cathy Dofka, Dr. Steve Knobl**

**Committee Members Excused: Jim Cook, Gus Guadagnino**

**Committee Members Present via Phone: None**

**Coalition Staff Present: Danielle Berche, Jim Farrelly, Jak Jakubauskas**

**Others Present: None**

**I. Welcome and Call to Order – Mr. Pat McHugh**

Mr. McHugh called the Finance and Audit Committee to order at 4:15 p.m. and welcomed Committee members.

**II. Review and Adoption of Draft Minutes from Finance/Audit Committee Meeting of December 16, 2013**

The adoption of the minutes was delayed until quorum was achieved.

With quorum being realized at 4:20 p.m., Mr. McHugh requested a motion to approve the minutes from the December 16, 2013 meeting. Dr. Knobl so moved and Ms. Dofka seconded the motion. All were in favor with no abstentions and the motion carried.

**III. Review, December 2013 Financial Statements**

Ms. Berche reported that the Coalition is meeting all mandated requirements. Spending for Administration was at 4.08% for the month and 3.39% for the year; Non-Direct spending was at 8.19% for the month and 6.41% for the year; Quality was at 6.37% for the month and 5.28% for the year and Direct Services was at 81.36% for the month and 84.92% for the year.

Ms. Berche explained a surplus is being projected and additional spending initiatives were discussed at the Executive Committee meeting and will be discussed at the January Board meeting. She also explained that the comparison for the prior year is not accurate due to the re-classifying of Other Cost Accumulators codes that was done at this time last year.

She reported that the VPK Administration rate was at 3.92% and 4.06% for YTD with Direct Services at 96.08% for the month. She explained the higher administrative cost this month was due to having three (3) pay periods in December.

Ms. Berche then reviewed the Statement of Revenues and Expenditures referring the Committee to the Percent Total column indicating the budget amounts remaining. She explained that the Quality percentage was high because providers are not utilizing the Quality Incentive Award program.

Ms. Berche referred to the School Readiness Utilization Report and explained the wait list is at zero with enrollments up in Pasco County. The VPK report also shows an increase in children served.

Mr. Farrelly referred to the Historical Chart that shows 3,736 School Readiness children being served in December. He explained a projected surplus of \$1.5 million may increase to as high as \$1.8 million. He reported the Executive Committee had adopted a conservative approach to spend some of the surplus funds and will present this at the January Board meeting scheduled for Thursday, January 23, 2014. He stated the Coalition is only halfway through the year and continues to project numbers so funds are not returned to Tallahassee.

Mr. Farrelly also reported that an outside expert was requested to come and review the forecasting model and that he has supported the forecasting formula and calculations.

A brief discussion followed on some of the historical enrollments from previous years being high due to the stimulus funding received during FY 2009-2010.

#### **IV. Forecasting Model for SR Direct Services Spending**

Mr. Farrelly explained the forecast model is predicting a \$1.5 million surplus at a 6% dis-enrollment rate and \$1.8 million at 8%.

#### **V. FY 2012-13 Audit Update**

Ms. Berche explained the audit is progressing, but the current auditor is experiencing challenges obtaining information from the Coalition's former auditing firm. OEL has been informed and will continue to be informed. Mr. Fontana, the current auditor, has assured Ms. Berche there will not be a problem finishing the audit and presenting at the March Board meeting.

#### **VI. Schedule, Next Meeting Date on Monday, February 17, 2014 at 4:00 p.m.**

The next Finance/Audit Committee meeting was scheduled for Monday, February 17, 2014 at 4:00 p.m. Dr. Knobl stated he may not be available for this meeting.

#### **VII. Public Input**

None.

**VIII. Adjournment**

Mr. McHugh adjourned the Finance/Audit Committee meeting at 4:35 p.m. with no further discussion.

Respectfully submitted by,

Ramute Jakubauskas  
Administrative Assistant