



FINANCE & AUDIT COMMITTEE MEETING MINUTES
Monday, February 16, 2015, 4 p.m.
15506 County Line Road, Suite 103
Spring Hill, FL 34610

Committee Members Present: Pat McHugh, Chair; Dr. Amy Anderson, Deacon Scott Conway

Committee Members Present via Phone: None

Committee Members Excused: None

Committee Members Unexcused: Cathy Dofka, Gus Guadagnino

Coalition Staff Present: Jim Farrelly, Rachel Hardy, Jak Jakubauskas

Others Present: None

I. Welcome and Call to Order

Mr. McHugh called the Finance/Audit Committee to order at 4:02 p.m. and welcomed Committee members.

II. Review and Adoption of Draft Minutes from Finance/Audit Committee Meeting of January 20, 2015

Mr. McHugh requested a motion to approve the minutes of the January 20, 2015 Finance/Audit Committee meeting as presented. Dr. Anderson so moved and Deacon Conway seconded the motion. All were in favor with no abstentions and the motion carried.

III. Review, January 2015 Financial Statements

Ms. Hardy reported that all of the spending rates are within their minimums and maximums for Direct Services with 84.55% going to Direct Services for the year to date. She reported that \$32.52 had been received for match funds bringing the year to date total to \$1,389.60.

Ms. Hardy explained the January Utilization Report indicates a surplus of \$657,042.38 with a 4% attrition rate. The spending rate for VPK is 55.29% with 96.50% of the budget going directly to services. A brief discussion followed related to the attrition rate for School Readiness which was 6% in the past and is now being calculated at a rate of 4%.

Dr. Anderson moved to accept the financials as presented and Deacon Conway seconded the motion. All were in in favor with no abstentions and the motion carried.

IV. Report, Budget Transfers

- \$25,000 from Salaries/Benefits to Board Expenses for Strategic Plan
- \$6,000 from Salaries/Benefits to Postage/Shipping
- Internal Budget Reallocations below 10%

Ms. Hardy explained that approval is required on both transfers from Salaries/Benefits and the other reallocations are informational only. Mr. Farrelly stated that funds are available in Salaries/Benefits to be moved due to savings in staff positions. He also explained the postage expense is due to sending reminders to parents who are re-certifying. These postage costs should decrease in the future as re-determination has been changed from an every 3-month process to every 6-months.

Deacon Scott moved to approve the budget transfers and Dr. Anderson seconded. Dr. Anderson requested further discussion on how funds were saved from staff salaries.

Ms. Hardy explained that a Mobile Outreach Position was not filled and the funds designated for that position are now used for the Accountant position. Additionally, the trainings previously performed by the Curriculum Specialist have been assumed by the Training Specialist. Mr. Farrelly also explained that the ASQ screenings performed by the Child Screening Specialist were absorbed and are being performed by the Receptionist.

Dr. Anderson inquired if future postage savings could possibly occur through e-mails. Mr. Farrelly explained that “paper” re-certification letters and notifications are required.

Mr. McHugh called a vote to the motion; all were in favor with no abstentions and the motion carried.

Mr. McHugh inquired if the refund from worker’s compensation insurance had arrived. Ms. Hardy reported that it had and is currently showing as a budget surplus within that line item. However, the Coalition is expecting at least two (2) additional bills for claims from previous employees for unemployment. Mr. McHugh and Deacon Scott both stated their organizations pay into a state pool instead of paying individual claims and are billed monthly for unemployment compensation. Mr. Farrelly requested additional information be provided to the Coalition on this “pool.”

V. Forecasting, SR Direct Services Spending

Mr. Farrelly explained the Coalition’s yearly goal is to take the School Readiness budget and expend it fully on children by June 30th. With the attrition rate of children terming out of service being forecast at 4%, the Coalition is projecting a \$657,000 surplus. He explained if the attrition rate was to remain at zero, the projected surplus would be \$102,000, if the attrition rate increases to 6%, the projected surplus would be \$913,000 and at 8% the projected surplus would be \$1.2 million.

He explained that during December and January there was no attrition and an increase in enrollment of 1.5%. If these numbers continue, by the end of June only a projected surplus of \$51,000 will remain in the budget. Mr. Farrelly explained that if less than 100 new children were enrolled by March 1st, the budget surplus would be erased.

Mr. Farrelly explained the Coalition has been aggressively seeking to enroll new parents through increased media releases. Additionally, a new idea has been generated where the Mobile Outreach Van and several staff members would go out on a Saturday to a highly populated location such as a Walmart parking lot and set up an information table with eligibility literature. The Committee discussed various locations within the community to set up such an information table.

Mr. Farrelly indicated that any surplus could be used to purchase additional office supplies; however, this may increase the administrative expense category over the maximum 4%.

VI. Schedule, Next Meeting Date on Monday, March 16, 2015 at 4:00 p.m.

The next Finance/Audit Committee meeting has been scheduled for Monday, March 16, 2015 at 4 p.m. Dr. Anderson indicated she would have to call in for this meeting.

VII. Public Input

None.

VIII. Adjournment

Mr. McHugh requested a motion to adjourn. Deacon Conway so moved and this meeting of the Finance/Audit Committee was adjourned at 4:41 p.m. with no further discussion.

Respectfully submitted by,

Ramute "Jak" Jakubauskas
Administrative Assistant