



FINANCE/AUDIT COMMITTEE MEETING MINUTES
Thursday, April 20, 2011 at 8:30 a.m.
15506 County Line Road
Spring Hill, FL 34610

Board Members Present: Elizabeth Callaghan, Chair; Bonnie Clark, Jim Cook

Committee Members Present via Phone: Susan Arnett, Debora Martoccio

Committee Members Excused: Pat Mulieri

Staff Present: Jim Farrelly, Ramute “Jak” Jakubauskas, Betsy Kier

Guests Present: None

I. Welcome and Call to Order –Ms. Elizabeth Callaghan, Chair

Ms. Callaghan called the meeting of the Finance/Audit Committee to order at 4:02 p.m. Introductions were made.

Ms. Callaghan requested a motion to approve the draft minutes from the Joint Committee Meeting of March 17, 2011. Ms. Clark so moved and Mr. Cook seconded the motion. All were in favor with no abstentions and the motion carried.

II. Review, Year to Date Financial Statements

Ms. Kier stated that currently the School Readiness actual spending rate is at 74.05% and VPK is at 81.66%. She stated that VPK is slightly high, but the majority of programs will be ending at the beginning of June and provider payments will begin to decrease between now and the end of June.

Ms. Callaghan inquired if the Coalition’s spending rate was at 66%, could the difference be used to pay off the deficit. Mr. Farrelly replied no, it would have to be used for slots. A brief discussion followed on the administrative percentages.

Ms. Callaghan requested a motion to accept the Year to Date Financial Statements as presented. Ms. Clark so moved and Ms. Martoccio seconded the motion. All were in favor with no abstentions and the motion carried.

III. Discussion, Development of Plan to Reduce Deficit

Mr. Farrelly stated this is a long-term challenge and the Coalition would require a major infusion of funds such as the grant received from Mid-Florida Community Services. Another grant of this size could eliminate the deficit within two (2) years. He stated there are currently approximately 750 children on the wait list.

Mr. Farrelly informed the Committee that any funds raised do not go toward the deficit; they go toward match and slots. The Coalition must raise funds for match, to reduce the deficit and to fund the Foundation. Currently, the Coalition has only raised approximately \$32,000 for this year's match which is only 10% of the funds required. Mr. Farrelly stated that next year even less will be raised as the dollars from Hernando County Commission will no longer be available. The Coalition received \$20,000 from Hernando County for FY 2010-11.

He explained that donations from community events can be applied toward reducing the deficit. Mr. Farrelly stated the Coalition is attempting to keep the deficit from increasing by not spending any unfunded dollars. Further discussion followed including the fact that the deficit does not appear on the monthly Financial Statements, but will appear on the June 30, 2011 statement.

Mr. Farrelly stated the following steps are currently being taken in an effort to reduce the deficit:

1. No unfunded spending;
2. Actively seeking alternate sources of funding;
3. Making all Board members aware to forward any grant funding information that could benefit the Coalition.

Mr. Farrelly stated he believes that the State will begin to deduct any funds not raised by match from budgets. This will be part of the grant agreement with the State. Currently more than half of the state-wide Coalitions do not meet match. The ones that have exceeded match, such as Miami-Dade, have been able to have Florida's Coalitions meet the state-wide federal requirement for match.

IV. Discussion, Committee Meeting Dates

The Committee briefly discussed the projected meeting dates for FY 2011-12. A number of the Committee members will not be able to attend the majority of meetings on the dates currently selected. Ms. Callaghan requested that the Coalition send out a survey to determine what dates and times would be better for the majority of the Committee to meet.

V. Discussion, Next Meeting Date on May 18, 2011 at 4:00 p.m.

A new meeting date will be determined from the survey results.

VI. Public Input

None.

VII. Adjournment

Ms. Callaghan requested a motion to adjourn the Finance/Audit Committee meeting. Ms. Martoccio so moved and Mr. Cook seconded. The meeting was adjourned at 4:35 p.m. without further discussion.

Respectfully submitted by,

Ramute "Jak" Jakubauskas,
Administrative Assistant