

Early Learning Coalition of Florida's Heartland, Inc.

www.elcfh.org

ELCFH Finance Committee Meeting Minutes
Tuesday, January 26, 2010 – 9:00 a.m.
ELCFH Charlotte Office

Members Present: Alan Grimes, Ed Osborne, Dr. Mary Harder (via conference call); Deb DeKeulenaere (via conference call)
Members Absent: Kathleen Roehm, Dr. Sharon Goodman
Staff: Anne Bouheben, Anna Brookbank, Helena Sloan, Pam Greve, Arvilla Brito

I. Introductions (Alan Grimes)

Meeting brought to order at 9:00 a.m.
Introductions were made.

II. Overview of Current Financials/Utilization/Trends (Anna Brookbank)

▪ **Utilization and Expenditure Summary (page 1)**

Anna stated the Coalition served 1,483 children in December and if every child was sitting in the same seat as a best case scenario that there would be a projected over-expenditure of \$148,082.96. That number has come down significantly as in December it was projected to be at \$350,000. Anna stated this is due to a shift in School Readiness children with ARRA dollars as there were 64 children enrolled and now there are 198. Anna stated future financial reports will include ARRA slot dollars so that the Committee can see what is being spent directly in School Readiness and School Readiness ARRA dollars. ARRA dollars are for parents that are unemployed or collecting unemployment compensation up to a maximum of 6 months. Parents that are able to use the ARRA dollars are being pulled in from the wait list. The numbers for SR have gone down but ARRA numbers have gone up. The ELCFH is continuing to utilize slot dollars and setting up appointments. Hardee, Highlands and DeSoto wait lists have been cleared and Charlotte just completed a small pull. The ELCFH is continuing to be aggressive at this mid point of the fiscal year.

- School Readiness Expenditures are 52.3% spent at 50% of the fiscal year (ending 12/31/09). Numbers are in alignment for Salaries and Operating, however high in Slot/Scholarships.
- Expenditure Summary for VPK is 52.0% spent at 50% of the fiscal year. VPK Administration (of a total maximum of 4.85%) is low at 4.1% and year to date is at 4.1%. Coalition expenditures for SR at 50% of the fiscal year is 1.3% (of a total maximum of 5%); SR-Eligibility/Non-direct is at 6.0% (of a total maximum of 14%).



♥ **Charlotte Office**
3028 Caring Way, Suite 4
Port Charlotte, FL 33952
Phone: (941) 255-1650
Fax: (941) 255-5856

♥ **DeSoto Office**
4 West Oak Street, Suite H
Arcadia, FL 34266
Phone: (863) 494-5233
Fax: (863) 494-5291

♥ **Hardee Office**
324 N. 6th Avenue
Wauchula, FL 33873
Phone: (863) 767-1002
Fax: (863) 767-1007

♥ **Highlands Office**
209 N. Ridgewood Drive
Sebring, FL 33870
Phone: (863) 314-9213
Fax: (863) 314-4480



"INVESTING IN CHILDREN – INVESTING IN OUR FUTURE"



- **Attendance, Referrals and Enrollments** (*page 2*)
Anna stated the coalition served 198 ARRA children last month with the year to date unduplicated child count (July-November 2009) is at 4,394 for School Readiness.
- **Balance Sheet and Cash Flow** (*pages 9-10*)
Anna stated the balance as of 1/26/10 is \$1,449,519.61. Provider payments for School Readiness were paid on 1/14/10 and VPK payments will be paid on 1/28/10. The payment dates for February will be 2/12/10 for School Readiness and 2/25/10 for VPK.
- **Match Reports** (*pages 11-16*)
Anna reviewed the match reports and stated the match waiver request applied for DeSoto last month has been received. The ELCFH received two additional awards – Wachovia for \$10,000 and Walmart for \$1,000. These will be reflected in next month's reports.
- **Utilization Graphs** (*pages 21-29*)
Anna reviewed the snapshot of the utilizations on page 21 which shows the roll-up of the four counties and stated the slot dollars are being managed well. The ELCFH has started reviewing the budget to see where dollars are not being spent on line items and will start doing some allocations back to slots so that the ELCFH can continue to serve more children. Anna stated these budget adjustments will be reflected next month. Charlotte and DeSoto are on target; Hardee and Highlands are under utilized. Anna noted the entire wait list was pulled in November however, notification for January has not been done.
- **HIPPY Expenditures** (*page 30*)
Anna stated the open balance as of 12/31/09 was \$48,603 that will be expensed through the remainder of the fiscal year.

III. New Business (Alan Grimes)

- **Expenditures over \$5,000**
There were two checks over \$5,000:
 - Ready Set Grow annual license of the ELAP and website;
 - Children's Forum
- **Quarterly Credit Card Review**
Alan stated he reviewed and approved the quarterly credit card expenditures.
- **Wait list pull results**
Anna referred to page 32 which is a waitlist pull report showing the pulls that were completed on 12/14/09. There were a total of 419 children pulled with 134 placed at the initial mail out. As a result of the follow up calls to non-responders there were an additional 40 children placed. There were 44 ineligible or not in need of service; 31 did not show for appointments and 87 did not respond.

A discussion ensued about the pre-screening process and the need for refinement so that ELCFH staff is not spending time following up on families after a wait list pull that are ineligible or not in need of service. ELCFH will research what is making up that ineligibility and determine if there is a way to refine the pre-screening process to eliminate those ineligible.
- **FY 09 Fiscal Monitor review draft**
Anna stated the fiscal monitor review was done on 12/14/09 and completed on 12/17/09. The ELCFH has replied back to the CPA firm that did the monitoring on site and are currently awaiting AWI to come back with their final report so that the ELCFH can reply. Anna stated the monitoring was a great

process and further stated that the ELCFH had two fiscal monitors in one calendar year for two fiscal years. Anna stated there has been conversation back to AWI with reference to the cost allocation plan. Anna complimented the finance department on learning the new accounting system and understanding how the reports could be pulled out of MIP. Anne stated that AWI will issue the final report directly to the ELCFH Board Chair.

- **FY 11 Budget process**

Anna stated the fiscal budget process for FY 10-11 will begin in February/March. A draft of the budget will be submitted to the Committee in March with another review in April. The budget will then be presented to the Board in May with final approval in June. Anna further stated that due to the fact there is no information from the state on grant dollars for next year that the ELCFH will only be able to work on current budgets.

Provider Reimbursement Rate Follow up

Alan stated this topic had been tabled at the last Board meeting in order to get additional information. Anne stated the ELCFH has obtained additional informational and also referred to excerpts from the minutes of the last Board meeting with reference to provider reimbursement rate review.

The ELCFH asked the following ELC's when they last raised provider rates:

ELC of Southwest Florida (4 county coalition) raised rates for Hendry and Glades in April 2008; Lee and Collier in September 2006. They submitted a request to AWI to raise rates for Lee and Collier however AWI denied the request due to the wait list being too large.

ELC of Sarasota raised rates in 2007 and had wanted to raise last year but had a deficit and now they have a large wait list. They stated they are planning a proposal to increase the infant/toddler rate in the near future.

ELC- IRMO (Indian River, Martin, Okeechobee) raised rates in 1999.

The ELCFH last raised rates in August 2007 for all four counties. Prior to that Hardee and Highlands received a rate increase in 2006; Charlotte and DeSoto had not received an increase since 2004. Anne stated part of the concern from the Board was if the ELCFH waited another two years then it would be that much more to pay out to providers. Anne stated the annualized cost for the four counties was a total of \$227,000. It would be a \$70,000 increase across the four counties with a 2% increase. Anna stated the last increase was with an effective date of October 1st and currently if a rate increase was approved it would be effective in March. She further stated that July 1st will start a new fiscal year at a higher rate. The other piece to look at was how ARRA funds were going as ARRA funds can be used for any School Readiness deficits. The ELCFH is in the process of bringing in ARRA children which is currently at 298 and a significant increase from last month. ARRA funds are still 17% spent.

Alan stated considering the fact that the providers surveyed did not want an increase because it affects the other rates; the surrounding coalitions are not going to raise rates and given the uncertainty of funding and the affect of the increase on the next fiscal year's budget he recommends not increasing rates at this time. A discussion ensued and the Committee agreed to re-visit this topic in a few months after it is known what the budget will be to see if it can support the increase continuously. Anne Bouhebert will give an update to the Board at the meeting scheduled for January 27, 2010.

The Committee recommends discussing the provider reimbursement rate increase in September 2010.

IV. **Open Forum (Alan Grimes)**

Anna informed the Committee that the fidelity bond has been renewed. This was a result of the audit process last year and is the second year renewal at the same rate. She also noted that the finance department's staff is being cross trained in the processes of MIP.

Alan asked for an update on the DeSoto office expansion. Anne stated the move has been completed and staff is now occupying the offices.

V. **Adjournment (Alan Grimes)**

Meeting was adjourned at 9:50 a.m.

REMINDER:

Next ELCFH Finance Committee Meeting Date:

Tuesday, February 23, 2010 @ 9:00 a.m.