

EARLY LEARNING COALITION OF SARASOTA COUNTY
BOARD OF DIRECTORS

School Board of Sarasota County, Brown Awning Building
The Landings, 1960 Landings Boulevard, Sarasota
6:00 PM – March 17, 2010

MINUTES

1. ATTENDANCE

a. Voting Members Present:

Laura Bauman	Mike Breton	Tami Conetta
David Hicks	Jill Jacoby	Janice Mee
Nicole Parker	Kathryn Stuckey	John Stump
Pauline Tracy	Amy Tuck-Farrington	Cheryle Williams

b. Non-Voting Members Present:

Judy Corso	Connie Snyder
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c. Absent (Voting):

Chris Kofler	Bill Little	Steve Spangler
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d. Absent (Non-Voting):

Hope Kinney	Sonia Figaredo-Alberts
Lisa Williams	

e. Staff:

Janet Kahn	Linda Mason	James Pawlak
Valerie Walton	Mary Wolf	

f. Visitors:

Jennifer Ourednik	Barbara Schimmel	Randee Tolbert
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2. CALL TO ORDER

The meeting was called to order at 6:01. Tami Conetta welcomed everyone and said that she will need to leave the meeting early tonight and that Amy is going to take over the meeting at 6:30.

3. CONSENT AGENDA

Tami stated she is going to amend the agenda and move the discussion on the action item to right after her chair report. Tami asked for a motion to approve the consent agenda. Janice Mee made a motion to approve the consent agenda. No comments. Motion passed.

4. CHAIR REPORT

Tami reported that everyone should have received handouts on talking points that AWI has put out. There is one for School Readiness Funding and one for VPK funding. These will be very helpful as a quick reference to talk on and why it is so important to keep funding where it is. The latest information is that it looks like the subsidized child care piece of our funding will be fully funded so that we don't risk losing any of the federal matching dollars. VPK funding is at risk. They are looking at cutting back the provider payment rate and increasing class size. In terms of legislation, Tami stated that Amy will keep the Board updated on issues that can impact us.

5. ACTION ITEM

a. Board approval for provider rate increase

Tami stated that at the end of last month's meeting information was handed out to everyone regarding provider rate increase and hopefully everyone has had time to review further. Janet presented a power point presentation of information. Janet stated that the last time the Coalition implemented a rate increase was 2007 and it was based on 2006 data. The market rate is updated every other year and information is provided to Coalitions from AWI that shows the market rate and the maximum allowable based on a 75th percentile calculation in each category.. We have information that was issued in the Spring of 2009, based on Fall data, so we are already a

year behind from current rates. There is a significant gap between the allowable rate and what we are currently paying, particularly for infant and toddlers, the most costly care category. In looking at the rates, there is currently a \$25 a week difference in infant care and there is \$35 a week difference for toddlers in centers. For the older children there is still a significant difference but you can have larger group sizes with these age groups and providers are able to structure their classrooms somewhat to make up for the difference. For infants and toddlers the ratios are very low so when you have a gap like this even if you have one or two school readiness children providers are either losing a significant amount of money or they are passing the difference onto the parents. This then impacts parents' decisions on where they are placing their children and may be forced to choose a provider based on the cost.

Staff is proposing a two phase approach:

1. Increase the Infant and Toddler care levels and possibly the 2 year rates too, effective April 2010 provided we receive AWI approval.
2. Approve the rate increase for the remaining levels tentatively to be effective July 1, 2010. This would be revisited depending on what happens with our budget.

The rationale is that:

- Infant/Toddlers and twos are the most costly to care for and the current difference is the greatest.
- We want to encourage sites to continue to care for I/T and it is often the most limited and it is often the one that a provider may give up because it is too hard to manage.
- Classrooms of the 3 year olds and above can have higher ratios and thus a provider can earn more, so waiting on those rates will have less hardship impact.
- Multi phase approach allows the Coalition to continue to monitor utilization and overall budget.

The Financial Impact:

- It is always difficult to fully determine as not all providers are at the maximum rate and we use a snapshot of a point in time. This is always an estimate based on the number of children.
- Refer to the cost analysis charts based on current factors: number of children and % of providers impacted.
- Annual average cost per year per child is \$4000 to determine the impact on children served.

Estimated cost to raise each age group, based on point-in-time snapshot as of February 1st and number of children that potentially could not be served if we incurred the cost of the rate increase:

	Dollar Amt Impact	# of children impacted
Infant	\$35,724	9
Toddler	\$114,868	29
2 YR	\$146,302	37
PR3	\$144,144	36
PR4	\$104,442	26
Grand Total	\$545,480	137

These are annualized costs. There would not be a huge effect for this fiscal year. We are looking at the implication to continue this for next year.

\$545,480 is the weighted annual potential total based on all enrolled children in each care level as of 2/1/10, for those providers eligible for an increase.

Providers impacted: We can determine this by looking at what we currently pay a provider based on their current public published rate. We can only pay what our approved rates, up to their public rate, so we can see the number of providers that have a published rate higher than we are able to pay. Using the new possible rates based on the market study, the number of providers who would be eligible for a rate increase, presuming we raise it to the new maximum allowable:

- Infant 26
- Toddler 55
- 2 YR 61
- PR3 60
- PR4 54

Tami asked what normally happens with this difference of published rate and reimbursed rate; do the providers normally absorb that amount or do they have the parents contribute? Janet stated that most try to have the parents contribute to the difference. But they may also try to scholarship parents that have hardships or

sometimes they don't collect it all. There might be a couple of providers that will not pass the difference on and those could possibly be constantly operating in a deficit. Connie Synder stated that at her site the parents are responsible for the difference but right now it is really tough on them and she will work with them so that they can get over temporary financial bumps. Tami asked Connie if she thinks this is the norm. Connie stated that she thinks some providers do and some don't and the infant/toddler rooms are the toughest to run and you would make things up with the other students. The rooms with the older children do have higher ratios but while working on quality, she does not max out on her capacity.

81% of all SR providers would be eligible for a rate increase in at least one care level. There seems to be a particularly big gap between the 2007 rates and now. Ultimately we need to raise the rates across the board but we can't do this all at once.

The percent of total providers entitled to a rate increase in each of the respective age groups are:

- Infant 30%
- Toddler 54%
- 2 YR 55%
- PR3 54%
- PR4 46%

Staff could prepare the plan amendment forms for AWI approval very quickly and they could potentially approve it for April. An additional plan amendment could be prepared to have ready for July pending final approval of the Board and the status of the budget and overall utilization, etc. Pauline Tracy asked how our rates compare to other Coalitions. Janet reported that every county is different and depends on their individual market rates. Charlotte and Manatee County have raised their rates recently. In some other counties they have not raised rates in years due to funding or not wanting to lose the number of children they are currently serving.

Cheryl Williams asked if proceeding with this increase would jeopardize us with the number of children served. The number of childcare slots we would lose was reviewed again and it was discussed that this would be a small percentage of the total number served. This would be 38 children based on the current budget and a point in time which would be a typical month. Looking back at the rate increase in 2007 it was a comparable number. Mike Breton asked how this would be phased in. Janet stated that this is based on an annual percentage. You have to plan for it with attrition and reduce future slots. No children will be taken out of care. Tami stated that it looks like we may have a little bit of a surplus. James Pawlak stated that we are still currently enrolling children each week and we always have to meet the 70% threshold. Janet stated that doing a rate increase will actually help with meeting the 70% due to the increase of the slot payments. Janet commented that last year there was a Coalition that had a surplus and they were able to put in a temporary rate increase to assist them in reaching their 70% threshold. This helped providers out for a short period. We also have ARRA dollars for this year. Tami was concerned about what happens with next year budget and this increase and if our budget is reduced by 10% she thinks we would have to revisit this issue because that would have a significant impact on the number of children we serve.

Janet also showed the board a chart prepared by the state that showed the impact of potential SR funding cuts and stated that as of last night the legislature restored some funding. With the ARRA funding still filling some holes, staff is she is tentatively expecting a \$400,000 loss at some point in the near future. She reminded the board that several years ago that the board decided that quality is more important than quantity and this is the same kind of circumstance. If we keep waiting the rates will fall even further behind and both providers and parents will be impacted further. Connie stated that parents have in the past chosen family members, neighbors, etc many being elderly, to take care of children when they can't afford other childcare. Janet stressed the importance of infant brain development and how it could possibly be affected when children are being cared for in an environment that does not provide appropriate stimulation and learning.

Tami asked for a general consensus of the board and if this is something they would favor doing just for this fiscal year and revisit at the beginning of next fiscal year or do they want to consider for full implementation without any reconsideration although she feels if the cuts are bad we would have to reconsider regardless and we will have to remain flexible. Tami also stated that if we do approve, the providers will need to be made aware that it could only be temporary if we receive budget cuts. Janice Mee asked if we were considering doing the Infant/Toddler piece first. Tami confirmed that Janet and staff recommendation is to start with I/T and see where our budget numbers come in for next year and phase in some of the other ages at a later time. Pauline asked about the two year olds. Janet stated that this is something that needs to be decided and she is sort of pushing for the three care levels but the total for the three would be \$295,000 annually. Tami stated that the increase does not necessarily have to

be the full \$25 of the difference and it could possibly be incremental so maybe we could spread the increase a little more across the board. The numbers would have to be rerun and doing this would postpone the increase by another month. Janet suggested that we could stick to the plan for the Infant/ Toddler first and then for the 2, 3 & 4yrs look at how we might do smaller increases but wait until July. This could always be revisited in a year. Tami asked if we can only do increases once a year. Janet reported that we can request approval from AWI through Plan amendments at any time (with Board approval first) but we have the challenge of the expectation of not having a waiting list when a rate increase is requested. There may be a way to get some exceptions. John Stump asked if there has ever been a time where the Coalition had to go back and take away an increase. Janet stated that we have never had to do this but other counties have taken back temporary increases..

A motion was made by Janice Mee and seconded by Pauline Tracy to increase the Infant provider rate from \$150 a week to \$175 a week for centers; for Licensed homes from \$125 a week to \$150 a week and the Toddler provider rate from \$130 a week to \$165 a week for centers and for Licensed homes from \$120 a week to \$150 a week,(based on the most recent market rate chart from AWI) with the twos and older being revisited at a later date Cheryle Williams stated that she still does not see that our Economy is such that we can do this. Jill Jacoby stated that if we don't give a market rate increase then we may be looking at providers possibly not taking infants anymore because they are losing so much money they can't afford. No further discussion. Ten board members voted for the motion. Motion passed.

Cheryle Williams stated that Sarasota has increased by 62% of people receiving assistance; the highest in the state, and last month was the first month that there was a decrease, but only attributed to the income tax refunds. Last week her staff of 11 each had received 38 applications for assistance in one day. So she sees that we still have a problem with our economy. She understands that we don't want to lose the providers but we also need to make sure that families have access to care. Janet stated that the families that Cheryle is serving go into work diversion programs and will still have priority for child care services through those mandated TANF referrals. The potential slots lost would not be the families she serves, they would be the general BG8 working families. Cheryl also stated that the families she is now serving are not the same that have been served in the past which never qualified before for services. Staff agreed that many families being served now with SR scholarships were never previously eligible.

6. WORKGROUP REPORT

a. Legislative/Communication Workgroup Report

Amy Tuck Farrington reported that the budget issues are going to be an ongoing concerns and she will continue to have emails sent out to everyone. Janet stated there might be a point where phone calls and advocacy may be needed. Amy will put together an Excel spreadsheet to send out on Fridays with updates on the bills and website information. The Wise bill removes the prior exemption for Sarasota, Osceola and Santa Rosa County Coalitions but the number of total Coalitions remains 31. The special exemption for Sarasota that Lisa Carlton put in is removed in this bill and we would no longer have that protection, especially since there is the long standing arbitrary requirement to serve 2000 children monthly. There are multiple other changes, with several amendments. We need to continue to watch it. The only thing that balances this is that the number of total Coalitions is allowed to be 31 and an old waiver provision still in there. The bill analysis actually provides a good history of School Readiness and Early Learning Coalitions. It does have a similar bill in the House. There are two bills that are similar that have certain credentialing requirements for workers that would not become effective until July 2013 but are not moving that fast at this point. There are 2 bills that are identical that amend the calculations for certain children in licensed home care and advertising regulations and one of these only has one more stop. Jill stated that Sarasota County is already meeting the requirements of this bill. The background check bill that we have talked about before is still not moving anywhere and the one in the House has been withdrawn. There are two bills that are kind of the same as the Wise bill that have been filed in the last couple of weeks, one by Senator Bennett, and there are a little more favorable. Amy will go through these more in-depth and keep the board updated.

Janet stated that the requirement of serving 2000 children is a prior arbitrary number that no one knows where it came from (there was no documented study to determine that this was the "magic" number) and currently there may be several Coalitions that would not be able to meet this requirement, even ones that have previously merged.. This was from the bill several years ago that wanted to consolidate Coalitions and there was an assumption that larger coalitions are "better", which is not necessarily true.. Mike stated that typically the logic of consolidation is that is that there would be a fixed cost per unit of service and if you have the ability to add more work to that fixed amount you can leverage it to have fewer Coalitions. Janet stated that there has been analysis done to reduce coalitions and the cost savings were not shown to be significant in the merged Coalitions. Mike agreed that such anticipated savings are not always borne out. Discussion ensued regarding the multiple past

problems of counties that were forced to merge. Mike asked if it would be possible to have someone sponsor an amendment to change the 2000 number. It could.

Janet asked if the other bill to consolidate the state agencies has gone away or is it going to be rolled into something else. This bill talked about DOE's function going to AWI. Kathy Stuckey stated that her understanding is there is a real push at this point to consolidate DOE & DCF into AWI. Amy was going to look and see what happened with this bill.

Laura Bauman asked about the bill regarding the increase in credentials. Senate Bill 848 tries to meet new credentialing requirements for workers. Jill stated she saw this was for the VPK classroom. Janet said there is a credentialing bill that requires Bachelors by 2013 then the latest budget issue increases the VPK group size and lowers the payment rate by almost \$400, so how realistic is this going to be.. Discussion ensued regarding the ability to hire staff with bachelor degrees, the reality of the economy and community, VPK being under the department of DOE and other teachers under DOE have to have degrees. But there is lack of understanding of how this impacts preschools within the community with such disparity as it is between wages in child care and those of the school district.

Laura asked if we know how many of our current teachers that wouldn't meet the new requirements. Janet stated that we should be able to run a report that shows how many teachers have degrees. Mike asked if there would be any grandfathering or would staff have to be terminated if they didn't have the degree. Kathy Stuckey stated that a time frame would be given to complete the credentialing which would be July 1, 2013. At that time if someone does not have the degree they would not be able to teach VPK. This bill has been ongoing for about 4 years. Kathy Stuckey also stated that the scholarships that the Coalition is offering have been wonderful to help and support our teachers.

7. EXECUTIVE DIRECTOR REPORT

Janet sent out a written report prior to the meeting, but addressed some highlights:

She was going to show the Channel 13 video but the internet connection is not working. After the WEDU documentary, Channel 13 picked up on this and wanted to do a feature on the Coalition. They decided to do a feature on our part of the LEAF program where we put preschool books into the middle schools. We have books at Booker Middle and Woodland. The idea is to expand to all middle schools. Preschool books are in the media centers and middle school children can check out the preschool books to take home and read to their younger siblings. The students then become LEAF champions and you can track how many times they check out books. This also helps any middle school student that might be struggling readers as it helps reinforce their reading and they can practice, and if they are not struggling it helps infuse reading in the home and reinforces bonding between the children. They filmed in the middle school; talked to some children and filmed them checking out books then filmed a child reading to another child, and did some interviews. The whole piece came together very nicely. Janet will send the link via e-mail.

The Look for the Star assessments are well under way again and staff is excited to see the results. The Team Leader of the Children's Forum was asking Mary Wolf what we were doing with the providers because she is seeing a huge difference in the quality and the overall attitude of Sarasota providers and their commitment to quality is noticeable. Janet and Mary both commented on the commitment of our providers and how proud we are of them.

The Ready Set Grow fair is coming up. This year it will be August 7th and will be in the Mall this year instead of Roberts Arena. This is the event that United Way/ Success by Six spearheads but we are a major partner. The venue will have more space and be air conditioned.

Janice Mee asked about what is happening with the stronger focus on childhood obesity. Mary continues to work with Jill Collins and Growing Healthy Kids. The County has applied for a grant that would have multiple aspects and one piece would be childhood obesity. Even if the county does not get the grant, Janet would like this to be an issue that is looked at and be aware of. We need to remind people about the issue and have more activity within preschool. There are many exciting programs available now related to this issue

Janet mentioned a couple of pending grants. We have partnered with the Arts Council to bring artists to preschools. We have also put in a grant to provide more intensive mentoring/support to the Family Child Care homes. This grant was submitted with Manatee and Polk ELC's as a three county collaborative initiative.

Janet also mentioned that we are going to continue to stay at the Ringling/ Tuttle location for our core program services because it really is the best location for our families. Our landlord doesn't want us to leave and came up

with a proposal for a two year lease for \$6.75 / sq. foot. Linda Mason negotiated with the landlord. This is actually less than the Glasser-Schoenbaum center. We are moving into Building L from K-1. We are working with getting the IT set up. We will be moving the Resource Room by July 1st as part of the plan to consolidate space. Overall with the move and new lease, we will be still be saving in occupancy costs.

8. PUBLIC COMMENT:

A. Randee Tolbert reported that she has received phone calls from some family child care providers participating in the Look for the Stars who are upset that in the February Newsletter it stated that teachers were going to receive retention bonuses.

Randee stated that these family providers felt they had been working hard and have been in business for many years and should be eligible for the bonuses just as the teachers were. Randee also stated that her calls had not been returned. Mary Wolf said that she was under the impression that Marjorie Fondacaro had already discussed this issue with Randee. Randee reported she had not talked to Marjorie although a couple of other providers did speak with Marjorie. Mary stated that what Marjorie had explained to the family providers was that this retention bonus was for center teachers because centers rely on teachers and want to retain teachers over time, to encourage continuity and consistency of care, a quality indicator.

Janet stated that in this context family providers are considered more as directors or independent business owners, and that several center directors had also asked why were not included. Janet also clarified that family providers do get all the same benefits as centers in terms of mini grants, trainings, support and scholarships. The retention bonuses, as they are structured now, were for teachers in the classroom not directors or owners

Jennifer Ourednik reminded the group that the whole idea is to reduce turnover and that is why the Quality Child Care Council approved the retention bonuses for teachers in the first place.

Janet stated that the Coalition has and will always address concerns raised by providers. Mary asked that Randee give her the names of the providers that had concerns and she will follow up directly with them.

B. Judy Corso asked if the Coalition does any type of prioritization of children with special needs that are on the waiting list. Linda Mason stated that we have a weighted system that does include special needs as an indicator and that she would be glad to share more information on that with Judy.

9. OLD BUSINESS:

a. 10 Year Anniversary

Janet stated that there has been lots of discussion with KSC and a communication meeting will be held soon. We are still throwing around different ideas on what to do. We do want to have some sort of event that is manageable and will have multiple impacts. She just put it on the agenda to keep everyone reminded that this is coming up but we haven't quite decided on the details.

10. FINANCE Report:

James Pawlak presented the finance report stating that this month was basically the same amount as what he forecasted the month before. Our percentages for total expenditures are almost exactly the same in each category. Our threshold indicators are all within appropriate ranges. We are down to \$33,000 in surplus in SR child care slots and by the end of March it should be zero. His suggestion to Janet will be to still ask for the amount that we had to carry over from the prior year, the \$88,000 in additional funds. He would probably ask for \$100,000 in additional SR funds. If for some reason we do not receive this we do have the option with our ARRA funds that could be used.

In VPK we were able to use our ARRA money, something that had been a prior concern. However the state informed us that they took some money back so we had a reduction in our grant this week of \$170,806. This reduced the total VPK grant down to 4.4 million from 4.6 million. Overall, we stand currently at \$90,000 projected deficit and we started with \$120,000 deficit from the prior year. Staff reminded the Board that VPK is an entitlement program and we are not allowed to reduce enrollment to manage costs like we can in SR. The state assures us that eventually the costs will be covered. We are still at 4.1% for Admin costs. Janet stated that we still have to watch the Admin costs due to the cuts and we may not have enough money to cover increased VPK enrollment expenses for May and June. James is going to have to closely watch the Admin costs as well as provider payments costs as we don't have money to float the costs. Linda may have to stop enrolling VPK and wait until the new fiscal year starting July 1st to resume. We cannot go over the 4.8% threshold for the Admin costs. Jill stated that she read somewhere today that they will be lowering the Administrative costs to 4.5% next

year. Janet confirmed this as true. James stated that the reduction in our grant was due to the state reallocating funds for all Coalitions which they do every year. James stated that the June expenses may become an issue.

11. ANNOUNCEMENTS.

None

12. ADJOURNMENT.

Meeting adjourned at 7:20 p.m. Next meeting will be April 21st.