

EARLY LEARNING COALITION OF SARASOTA COUNTY  
**BUDGET AND FINANCE COMMITTEE MEETING**  
Cavanaugh & Company, LLP, Conference Room, 2381 Fruitville Road, Sarasota  
26 MAY 2006  
**MINUTES**

**1. ATTENDANCE.**

**a. Members:**

Steve Spangler (Treasurer)   Kim Binkley-Seyer   Chris Kofler   Janet Kahn  
Linda Mason

**b. Staff:**

Mike Miller

**2. CALL TO ORDER.** The meeting was called to order at 8:00 am.

**3. OLD BUSINESS.** None.

**4. NEW BUSINESS.**

**a. FY2006 CCC Reports.**

1. **Invoicing** – The Invoicing Report for April reflected an expected decrease in slot payments from \$441K in March to \$373K in April. This will go down again in May to somewhere around \$360K, hopefully, and not much lower. This will be close to the average monthly figure we can support for FY2007.

2. **OEL Utilization** – The variety of actions taken by staff, and later directed by the Board, resulted in a significant decrease in Utilization in April. Then, in late April the state augmented our Grant Award by \$300K, the amount we originally predicted as a deficit (*by straight line analysis*). On 17 May the Board directed staff to make preparations to begin pulling from the Waiting List to draw down at least some of the \$300K the state made available. We will probably be able to start placing kids again after 1 June.

**3. SR Spending Plan**

a. Based on numbers in the Invoicing report above, Mike's current projection shows us only using a small amount of the \$300K given by the state. Mike's analysis, however, was based on staff making no changes to procedures implemented in April. Based on discussions at the 17 May Board meeting, we will implement the Provider Rate Increase effective 1 May (*approximately \$30K cost over two months*), pay the F/T rate for School aged kids during the Summer (*undetermined impact*), and begin processing families for SR services again after 1 June. Our goal is to reach about 1,300 enrolled by the end of June, so that we can begin the new fiscal year in an advantageous position.

b. Mike is redesigning the format of the SR and the VPK Spending Plan to be more user-friendly and "readable" by the Board, incorporating the earmarks and spending caps that the Board would like to review each month.

4. **VPK Spending Plan** – The VPK Summary for the committee showed that we continue to operate under budget for the administrative OCA's (*Admin, Enrollment, and Monitoring*). The cap is 5% of total expenditures, and we are projecting to be at 4.8% through June.

b. **Accountant Reports.** The Treasurer observed that the "extra" VPK funds we will not use for program expenses skew the entire Coalition Income and Expenses reports. It looks like we

have lots of dollars that are in excess of our needs, which is not really correct. He suggested that Fontana CPAs redesign the Financial Reports to put the VPK income and expenses "below the line". The VPK funds can only be spent on "slots" there, and are available if we need them, but we won't for this year. The state's allocation of VPK funds to us and other Coalitions was based on initial projections of use. According to Janet, the allocations remain the same for FY2007. Enrollment is already heavy for Fall VPK, but this may still be the case next year, where we have a higher allocation than will be needed based on projections. Since it is still a new program, we don't have a method to predict ultimate utilization.

- c. *FY2006 AWI Audit and Coalition Response*. Janet reported that according to the exit report, we were informed that we received no "Findings" on our annual state financial audit last week, and only two "suggestions" were noted.

## **5. DISCUSSION.**

- a. The Coalition Chair suggested that we should release a PR article at the end of the year letting County residents know how many families and children we had helped during FY2006.
- b. Janet announced that the state will institute new procedures for requesting and receiving "Advances" next year that will be based on projections of expenses, not always easy to project accurately. If we have an unexpected high utilization month, it will be difficult to manage the funds.
- c. There will be no VPK advance next year, and this will probably make it more difficult for Coalitions to pre-pay providers on time.

6. **ADJOURN.** The meeting was adjourned at 8:50 am. The next meeting will be at 8:00 am, Monday, 19 June, at Cavanaugh & Company, LLP.

Mike Miller