

EARLY LEARNING COALITION OF SARASOTA COUNTY
BUDGET AND FINANCE COMMITTEE MEETING
Cavanaugh & Company, LLP, Conference Room, 2381 Fruitville Road, Sarasota
30 April 2010
MINUTES

1. ATTENDANCE.

a. Members:

Linda Mason Chris Kofler Steve Spangler Janice Mee

b. Staff:

James Pawlak

2. CALL TO ORDER. The meeting was called to order at 8:00 a.m.

3. OLD BUSINESS. *None*

4. NEW BUSINESS.

a. FY2010 CCC/Business Manager Reports.

1. **SR & ARRA Enrollment & Provider Payments** – In March our SR slot payment was \$328,935 with 1,041 children served and our ARRA slot payment was \$29,362 with 89 children served. As in the previous month, James moved twenty five children out of ARRA funding into BG8 funding. The goal is to transition as many children into permanent BG 8 slots from the temporary ARRA as possible and also to maintain our minimum of 70% of our base allocation of SR grant funds for Child Care Slots.
2. **News's and Terms** – In March, net "News" were forty-four. Linda stated we had just sent out another letter mailing to 125 more parents/children currently on our waitlist. James stated that should be the last letter sent out to waitlist parents for SR services that would be rendered in FY2010.
3. **BG1 SR Enrollment & Provider Payments** – For March, BG1 costs of \$52,865 continue to be in line with our Budgeted amount of \$52k. James reiterated that we are properly budgeted for this category for the remainder of FY2010.
4. **BG3 SR Enrollment & Provider Payments** – As with the previous two months, BG3 costs for March hit an all time monthly high of \$48,579. We are now (\$68k) over budget in this category. We continue to see an increase in the number of mandated referrals. James informed the Committee that when he submitted the March reimbursement invoice to AWI in mid-April, he moved an additional \$45k from BG1 funds to BG3 within the workbook to cover this overage. He now feels that we are properly budgeted in this category for the remainder of FY2010.
5. **SR Days Paid & Per Day "OEL" Cost** – March - OEL Cost per Child per Day came in at \$17.09 which is below the FY2009 average of \$17.43.
6. **Board Financial Indicators** – James stated our Admin and Non-Direct costs continue to be well contained (\$36k under Budget). Steve asked when we can move the Admin overage dollars into our BG8 slot payments. James informed the Committee that he usually moves those dollars when he completes the May SR invoice – which is completed in mid-June. The next three indicators covered by James were (Quality, Gold Seal and Infant & Toddler) He stated we continue to be in line to spend what we had budgeted for in each of these categories. Steve made a suggestion to move the Grant Earmark for the

Quality categories (Min 4%) – down one line to the *Subtotal* line. James replied that next month's Board Financial Indicators chart will show this change. SR Child care slots were discussed next, we are currently at 71.5% of total expenditures spent (the minimum required by AWI is 70%). James informed the committee that he has prepared a letter for our Board Chair to sign requesting from AWI an additional \$125k in SR Funds. We have asked for these funds to cover the overage in our BG3 costs. Last year we spent \$322k and this year we are budgeted to spend \$450k. Chris inquired if the State has those funds available for us. James replied that in the previous two years we have requested and received additional SR funds. He also stated that should AWI decline our request, we have ARRA funds to utilize which will cover our shortfall. James concluded that we will not come into FY2011 with a deficit.

The last two indicators reviewed were our VPK and VPK ARRA slots. James informed the Board that on March 11th – AWI reduced our VPK grant by \$170,806 to \$4,472,011. After paying our March VPK invoice in (mid-April) – James now projects a deficit of \$98k for FY2010 which will likely carry into the new fiscal year. This is an entitlement program so we cannot do anything to offset the deficit as we have to serve the children. All VPK-ARRA monies (\$536,873) have been utilized in FY2010.

7. **SR Spending Plan** – James informed the committee that all categories within the SR Spending are properly budgeted for the remainder of the Fiscal Year. Chris inquired why QOO is showing a \$10k increase in spending each month for the remainder of the Fiscal Year. James replied that our Quality costs are often higher in the 4th quarter of each year – ELC purchases more Provider Quality and Training materials in this quarter, some related to the local QIS. He added if there are any additional funds left over in this category after the processing of the June invoice, they will be moved to our SR slots category.
8. **VPK Spending Plan** – James reiterated the comment made previously that we looking at a potential VPK budget deficit of \$98k.

b. Accountant Reports.

James reviewed with the committee the outstanding items on the A/R aging summary report. We had one item in the over 90 day category – which was \$10,848.44. James informed the committee that these were October and November County PBS (Positive Behavioral Support) invoices, and payment was received and deposited on April 1st. We also had one item in the 31-60 category (\$53,428.60). This dollar amount represents our County and PBS invoice of January. Payment for these invoices was received and deposited on April 6th. The other item reviewed was for \$439.00 from the Gulf Coast Community Foundation of Venice. James replied that he is working with our Accounting Firm (Fontana CPA's) and will have a response at our May meeting.

5. DISCUSSION.

James informed the committee that he will begin preparing the FY2011 Budget in late May. Steve asked if we going to use the same Accounting firm (Berman, Hopkins, Wright & LaHam) to complete our FY2010 audit. James replied that we received the Engagement letter from Berman Hopkins yesterday (April 29th) and he will have Janet sign it next week. In closing, James stated that our FY2011 SR Grant looks to be the same amount of money as this year - \$5,297,533. Steve replied that this was great news and asked has this been finalized yet. James stated this figure came from the Finance Manager at AWI, but it is not final. James closed the meeting stating we are tentively scheduled to meet again on May 28th at 8:00 a.m.

6. **ADJOURN.** The meeting was adjourned at 8:25 am.

James Pawlak