

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

1. ATTENDANCE.

a. Members:

Linda Mason Janet Kahn Steve Spangler Chris Kofler 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 June, our SR slot payment was \$284,116 with 845 children served and our ARRA slot payment was \$136,827 with 343 children served. In June, we transferred 144 children from SR in SR-ARRA. This was done because we utilized the total amount of our FY2010 SR Grant award of \$5,297,533. Our final carryover SR deficit in FY2011 (excluding 13th invoice expenses) is \$10,753.37. In July, we will have to transfer the 343 ARRA children back into our regular SR grant as the ARRA funds are now ending.
2. **News's and Terms** – In June, net "Terms" were seventy-eight. This helped us to reduce our SR carryover deficit to only \$10,753 in FY2010 vs a carryover deficit of \$88,633 in FY2009. This reduction will allow us to start accepting new enrollment of children in August.
3. **BG1 SR Enrollment & Provider Payments** – June BG1 slot payment dollars were \$51K. We spent \$621k for FY2010 – down from last year's amount of \$789k. This is the first time in five fiscal years (since FY2006) that we saw a year over year decrease in BG1 slot payments. We hope that this trend will continue into FY2011.
4. **BG3 SR Enrollment & Provider Payments** – In FY2010 we saw record enrollment in this category with slot payments of (\$450,188). This represents almost a 100% increase in slot payouts in just 2 years – in FY2008 we paid out \$227,981. If the economic conditions do not improve over the next three to six months – James will have to increase the BG3 FY2011 budget of \$450k to \$500k.
5. **SR Days Paid & Per Day "OEL" Cost** – June - OEL Cost per Child per Day came in at \$19.55. Overall our FY2010 "OEL" cost per day was \$17.50 versus \$17.43 in FY2009 – which represents just a 0.4% percent year over year increase in our operating costs.
6. **Board Financial Indicators** – At Fiscal Year end, we were at 3.4% Admin and 9.9% Non-Direct costs as a percentage of total expenditures. James stated that these results were in line with expectations. The next three indicators covered by James were (Quality, Gold Seal and Infant & Toddler). These too ended in line with what we had budgeted for in each of these categories. Quality CCR&R was discussed next – we spent \$102,447 vs the Grant Earmark target of \$101,616. Janet reminded James that for next year the "Total Actual

Projected” column needs to be a realistic expectation for each individual indicator. She stated that after results in this category (CCR&R) in February of \$3,823 spent vs an average of \$9k the previous seven months, a red flag should have gone up and the Committee should have been made aware of the potential shortfall to the minimum Grant earmark set for this category earlier in the year. Projections are a tool, but past usage does not always guarantee current trend.. James agreed and has a system to now track it more effectively. The next indicator discussed was SR Child care slots, James reported that we finished at 73.2% of total expenditures spent (this % is over the minimum required by AWI - 70%).

The last two indicators reviewed were our VPK and VPK ARRA slots. VPK admin costs will finish FY2010 at \$185k, which is 3.6% of total expenditures. Since AWI restored \$250k to our VPK grant on June 1st – we ended up having a \$132,692 surplus. This will allow us to go into FY2011 with no carryover deficit. All VPK-ARRA monies (\$536,873) have been utilized in FY2010.

7. **SR Spending Plan** – As stated earlier in the meeting – James stated that the entire dollar amount our SR Grant - \$5,297,553 was utilized in FY2010. He added that he believed that the 13th invoice of SR expenditures would amount to \$10k – which would be our carryover deficit heading into FY2011. Because AWI did not give us additional funds this year, we had to utilize an additional \$148k in ARRA funds for June’s slot reimbursements. This left us with \$18,440 to utilize in FY2011. AWI has also just informed us that they will be taking some funds out of our FY2011 SR Grant and moving them into our SR-ARRA Grant in order to better utilize ARRA funds at the state level. At the time of this meeting, the dollar amount as yet to be determined.
8. **VPK Spending Plan** – James reiterated to the committee that we had a VPK surplus this year and will have no deficit heading into FY2011.

b. Accountant Reports.

James reviewed the one outstanding item on the A/R aging summary report. It was \$96,568.82 under the “Sarasota County” category. A check in the amount of \$87,801.48 (which represented the Main contract) was received and deposited on July 8th and a check for \$8,767.34 (which represented the PBS and BBB contracts) was received and deposited on July 13th. There were no outstanding items on the A/P report. The next report review was the Budget vs Actual report. James informed the Board that Eric provided him the breakout of the “Other Revenue” line of \$419,601.60 – it consisted of ten line items ranging from Jane’s Trust - \$169,488.49 being the highest dollar amount to STRDE funds \$2,830.00 being the lowest (details provided to the committee). James next went on to the Payroll line – ELC ended up \$35k under Budget, CCC came in just \$278.25 over budget and VPK came in \$10k under budget. Moving on, Steve asked if under the Contracted Support section – the QIS-Assessments (\$153k) and QIS-Promotions (\$75k) dollar amounts spent were indeed accurate. Janet replied that “Yes” both were correct – the Assessment unit cost was higher this year than last and we spent more on promoting the “Look for the Stars’ program than what we had originally anticipated. The next comment made was by Janet, who brought to James attention that the line to inform the Committee of the total amount spent under the “Equipment” line was not at the end of the report as was requested last month, it should state – “It was over budget due to receipt of Grant from GCCFV with equipment purchases made of approximately \$16k”. James stated he will add that in the report upon his return to the office. The last report covered was the Deferred Revenue report. James stated that we received next year’s allotment for our Early Literacy Grant - \$83,790.00. Janet asked James to inform Eric to drop off Wachovia and Selby on next month’s report as they are fully expended and add the new “Helios” grant.

5. DISCUSSION.

No additional items were brought up.

James reminded the Committee that we do not generally meet in August so our next Budget and Finance meeting is tentively scheduled for Friday, September 24th at 8:00 a.m.

6. ADJOURN. The meeting was adjourned at 8:35 am.

James Pawlak