

**Early Learning Coalition of Manatee County, Inc.  
Executive/Finance Committee Meeting  
of  
October 14, 2009**

The Early Learning Coalition of Manatee County, Inc. held a joint Executive and Finance Committee meeting on October 14, 2009 at 11:00 AM at 3526 Ninth Street West, Suite 200, in Bradenton, Florida.

**Executive Committee Members Present:**

Howard Veltz, Chair  
Dianne Kopczynski  
Linda Guritz

Dr. Kathy Stuckey  
Paul Sharff

**Executive Committee Members Absent:**

Adam Mohammadbhoy, Excused

Susan Miller, Excused

**Finance Committee Members Present:**

Dianne Kopczynski  
Andrew Minor

Melanie Shackelford  
Caroline Halfacre

**Finance Committee Member Absent:**

Susan Miller, Excused

**Board Members Present:**

Jennifer Radebach

Annette Larkin

**Coalition Attorney Present:**

Jason Henbest

**ELC Staff Present:**

Karen Holman  
Lisa Morrison  
Fred Bruneau  
Sharon Oakes  
Peter Hill

Pamela Behr  
Wendy Holden  
Pat Harmon  
Pamela Parmenter

*These minutes are a summary of the discussion and action items of the Early Learning Coalition of Manatee County Executive and Finance Committees meeting of October 14, 2009.*

**Welcome and Introduction**

Chairman Howard Veltz called the meeting of the Executive and Finance Committees to order at 11:00 AM. Mr. Veltz requested that Mr. Sharff conduct the roll call. Mr. Sharff conducted the roll call and stated that a quorum was present for the Finance Committee and the Executive Committee.

Mr. Veltz inquired if there were Citizen Comment Cards from individuals requesting time to speak at the meeting.

Ms. Janet Hamstra spoke in regards to the proposed provider payment rates.

**Finance Information Items**

Ms. Karen Holman presented the fiscal report through July 2009.

Mr. Sharff reported that revisions were made to the 2009-2010 Budget to reflect ARRA funds and to allocate funds as specific line items. AWI ARRA funds for VPK were allocated as a separate line item and VPK O&A awards were added. Additional revenues were added for VPK Outreach Awareness, School Readiness ARRA funds, and county funding.

Mr. Sharff reported that School Readiness Program slots in 2008-2009 were \$7,444,085, and have been increased by \$1,609,080 to \$9,053,165 for 2009-2010. The county funding slots for 2009-2010 are \$1,329,835 with administrative costs being cut from 15% to 11%. The Family Empowerment Grant of \$142,995 has been allotted to salaries and administrative costs. Payroll expenses will increase due to several cases of fraud that are currently under investigation by the Provider Payment Department.

Ms. Kopczynski stated that the new budget would be presented at the Board of Directors meeting on October 21, 2009.

*Upon motion duly made by Ms. Melanie Shackelford, and seconded by Ms. Caroline Halfacre, the financial report was unanimously approved as presented.*

Ms. Dianne Kopczynski, Chair of the Finance Committee, reported that discussions with the audit firm Purvis Gray, which was selected to perform the ELC's independent audit, has resulted in a decision to recommend to the Board of Directors disengagement of the firm.

Purvis Gray indicated that the ELC should have filed Form 990 (Income Tax Return for Exempt Organizations); however, the ELC has a waiver and is not required to file the form. It was further indicated that they would need to increase their fee due to having to enlarge the scope of the audit. Discussion ensued.

Ms. Kopczynski stated that the firm of Fontana CPAs has extensive experience in auditing other Early Learning Coalitions in this area. Their proposal was \$10,500 for the audit and \$1,000 for the 990 if required. The Audit Committee recommends that the Board engage Fontana CPAs to perform the independent audit. Discussion ensued.

*Upon motion duly made by Ms. Caroline Halfacre, and seconded by Mr. Andrew Minor, the motion to disengage Purvis Gray and engage Fontana CPAs to perform the independent audit was unanimously approved as presented.*

#### **Chief Executive Officer's Report**

Mr. Sharff reported that School Readiness Children in Care for 2009 was 2,615, an increase of 556 children from 2008. Children enrolled in the VPK program is 2,361.

The Wait List was at 1,521 in October 2008 and has decreased to 921 as of October 2009.

School Readiness Providers were paid \$1,857,167.42 in July and August of 2009, an increase of \$282,409 from July and August of 2008.

Mr. Sharff reported that the staff is working on a Provider Appreciation Day and hope to hold in early 2010.

Mr. Bruneau reported that the Triennial Review was concluded and based on site findings, there were no significant Compliance issues found.

Ms. Sharon Oakes stated that the Provider Payment Department was now doing attendance monitoring and explained the process. Ms. Oakes stated that two cases were currently being investigated for fraud. If the investigations reveal that the provider provided fraudulent information, the cases will be turned over to the Florida Department of Law Enforcement for further investigation and possible charges.

Mr. Sharff reported that four requests were made to Manatee County to amend the Early Care and Education Contract. Three of the four requests were denied. The county denied the request for reimbursement of the Gold Seal differential to providers through direct childcare reimbursement or through the match funding provided by the county. The request to increase the reimbursement rate for children with mild disabilities and the request for reimbursement of recognized holidays to providers through direct childcare reimbursement or through the match, funding provided by the county was also denied. The request to establish a priority-funding group for Relative Care Givers who are determined ineligible for state funding was approved.

## **Executive Committee Action Items**

### **Approval of Committee Minutes**

Mr. Veltz requested a motion for approval of the minutes of the Executive/Finance Committee meeting of August 19, 2009.

*Upon motion duly made by Ms. Caroline Halfacre, and seconded Ms. Melanie Shackelford the minutes of August 19, 2009 were unanimously approved as presented.*

### **Recommendation to Board for Approval of Amendment #1**

Mr. Veltz called for a motion to recommend approval of Amendment #1 to the SR 2009-2010 Provider Agreement to the Board of Directors.

Ms. Parmenter reported that Amendment #1 deals with paying for holidays for school-age children who are only enrolled over holidays, cross-references corrections and changes in procedures for reporting at-risk children.

*Upon motion duly made by Dr. Kathy Stuckey, and seconded by Ms. Linda Guritz, the motion to recommend to the Board of Directors approval of Amendment #1 was unanimously approved as presented.*

### **Recommendation to Board for Approval to Increase Provider Payment Rates**

Mr. Veltz called for a motion to recommend for approval the request to increase provider payment rates.

Mr. Sharff reported that the current rates that providers are receiving were implemented in 2005. Since that time, the providers have had to absorb the increased costs out of pocket or by increasing their rates to parents.

Ms. Oakes stated that the proposal increases the provider reimbursement rates for Infants, Toddlers, 2 year olds, and 3 year olds by 3%, effective January 1, 2010. This increase will hopefully expand the current limited care for infants and assist pre-school care levels. The additional cost for the remainder of this fiscal year is approximately \$90,000 with an annualized cost going forward of \$180,000. The estimates are based on the current average daily cost per care level, times the increase, times the number of children in care at each level. Discussion ensued.

*Upon motion duly made by Dr. Kathy Stuckey, and seconded by Ms. Dianne Kopczynski, the motion to recommend to the Board of Directors the approval to increase provider payment rates was unanimously approved as presented.*

### **Recommendation to Board for Approval to Change or Retain Law Firm**

Mr. Sharff reported that he had requested that the full Board decide if it was necessary to change law firms. The reason for the request was that his personal attorney, Bill Galvano, is a partner in the law of Grimes, Goebel, Grimes, Hawkins, Gladfelter, and Galvano. Jason Henbest, the current Board Council, is also an attorney with Mr. Galvano's firm. Numerous newspaper blogs have stated that this is a conflict and that is not proper for Mr. Galvano's firm to represent both parties. Due to public perception, Mr. Sharff stated that he felt that the issue should come before the Board to decide if the Coalition should change law firms. Discussion ensued.

Mr. Veltz called for a motion to recommend to the Board of Directors a vote for replacement or retention of Board Attorney.

*Upon motion duly made by Ms. Dianne Kopczynski, and seconded by Dr. Kathy Stuckey, the motion to recommend to the Board of Directors a vote for replacement or retention of Board Attorney was unanimously approved as presented.*

**Old Business**

There was no old business to come before the committees.

**New Business**

There was no new business to come before the committees.

**Public Comments**

Ms. Janet Hamstra spoke regarding the transparency of the Coalition.

**Adjournment**

There being no further business to come before the Executive/Finance Committees, the meeting adjourned at 12:59 PM.

Minutes prepared by:

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Pamela Behr

Minutes approved by:

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Howard Veltz, Chairman