

**Early Learning Coalition of Escambia County
Board Meeting Minutes
June 13, 2019 - 10:00 a.m.
Chair: Van Mansker**

Members in Attendance

Van Mansker	Mary Ann Winstead	Mary Ann Bickerstaff
Shawn Jennings	Sheryl Rehberg	Brian Wyer
Christina Doss		

Members Called In

Craig Jones	Roger Thompson	Melody Meier
-------------	----------------	--------------

Members Absent

Mona Jackson	Drew Hardgrave	Richard Wright
Edna Williams	Peggy Steward	Wendi Ochs
Judy Dickinson	Dr. Laura Edler	Cindy Kirk

Staff

Bruce Watson	Becki Rutchland	Paula Rollins
Dawn Engel		

Public

Jamie Phelps

Welcome and Introductions:

The Board meeting was called to order by Mr. Mansker.

I. Public Comments:

There were no public comments.

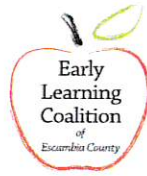
II. Chair Comments:

- a. Approval of Consent Agenda: Meeting Agenda, and Minutes of February 14, 2019, and January and February 2019 Financial Statements.**

Mr. Mansker informed the Board that there were a few items on the Agenda that did not go before the Executive Committee, however, because these items were time sensitive and needed to be addressed the Chair approved presenting them directly to the Board. Upon a motion made by Ms. Bickerstaff, with a second by Ms. Rehberg, the Consent Agenda consisting of the Agenda, the Minutes of April 11, 2019 and the March 2019 Financials were approved and accepted without objection.

IV. Executive Committee Report:

- a. 2017-2018 IRS Form 990 and Formal Acceptance of A-133 Audit (BA)**



The Coalition tax return for Fiscal Year 2017-2018 was provided for acceptance. The return was prepared by Warren Averett in conjunction with the annual audit. The Executive Committee brought forward the motion to accept the IRS Form 990 (tax return) for Fiscal Year 2017-2018. Additionally, Mr. Watson informed the Board that after the April 2019 Board meeting, he realized that the Board overlooked formally accepting the audit results for 2017-2018. Warren Averett presented the audit at the April meeting, and the Coalition had a “clean audit” with no findings or questioned costs. On a motion made by the Executive Committee, seconded by Ms. Bickerstaff, acceptance of the A-133 Audit for Fiscal Year 2017-2018 and the IRS Form 990 (tax return) for Fiscal Year 2017-2018 were approved without objection.

b. Revised Minutes for December 2018 Board Meeting (BA)

Mr. Watson informed the Board that this year’s OEL Accountability Review revealed a mistake in the Board minutes for December 2108 that needed to be corrected for the record. Ms. Brenda Hardy was accidentally recorded as a Board member and mistakenly credited with having made a motion. On a motion made by the Executive Committee, seconded by Ms. Winstead, the revised minutes of the December 2018 meeting of the Board were approved without objection.

c. SR Program Assessment Implementation Policy, ELCEC 4301.1A (BA)

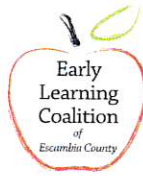
The Coalition was required by OEL to develop a local policy for implementing Rules 6M-4.740 and 6M-4.741 which address School Readiness Program Assessments (SRPA). The Coalition copied verbatim the key requirements out of the Rules to develop our local process. On a motion made by the Executive Committee, seconded by Ms. Bickerstaff, the acceptance of the SR Program Assessment Implementation Policy, ELCEC 4301.1A was approved without objection.

d. Provider Contract Eligibility Policy and Procedure, ELCEC 3201.1E (BA)

The statutory change that granted Coalitions authority to not contract with Providers who have a received any DCF Class 1 violations, did not include provisions for Class 2 and 3 violations. It is OEL’s position that because Class 2 and 3 violations are not addressed in statute then the Coalition cannot prohibit a Provider from contracting with the Coalition because they have received multiple DCF Class 2 and/or 3 Violations. Therefore, OEL has required the Coalition to remove this provision from the policy. Section 4 of this policy has been edited accordingly. On a motion made by the Executive Committee, seconded by Ms. Doss, revision of the Provider Contract Eligibility Policy and Procedure, ELCEC 3201.1E was approved without objection.

e. Stars Over Escambia Quality Rating Improvement System (QRIS) (BA)

OEL is implementing a new system for paying Provider’s rate incentives based on their SRPA results. This was the primary purpose of the Coalition implementing the Stars Over Escambia QRIS. Therefore, the State system makes it unnecessary to continue the local program in its’ original form. However, when OEL adopted the Rule 6M-4.500 to pay these incentives they chose not to pay anything for Providers who scored between 3.00 to 3.99. It is the Coalition position that a year OEL led Providers to believe that they would receive an incentive if they scored above a 3.00. The Coalition has many Providers that are in this range, and they should be recognized for their efforts. The new Rule also limits the amount Provider can receive for



quality payments (rate incentives) to 20% above their private pay rate. The total of State incentives available is 15%, which effectively leaves Coalitions only 5% they can dedicate to quality incentives. Under the proposed change to the Coalition QRIS program Providers can receive rate incentives totaling up to 5% above the Coalition base rates. The incentives are:

1. If a provider has 50% or more of their staff trained in MMCI they can receive a 1% rate incentive.
2. If their SRPA CLASS score is between 3.00-3.49 they can receive a 1% rate incentive.
3. If their SRPA CLASS score is between 3.50-3.99 they can receive a 2% rate incentive.
4. If half of their staff are trained and reliable in a child assessment tool and they are screening at least 50% of their children, they can get a 2% rate incentive.

Ms. Winstead declared her conflict of interest as her program can receive funding from this program and submitted a Conflict of Interest Form for the Coalition records. On a motion made by the Executive Committee, seconded by Mr. Jones, the revised Stars Over Escambia Quality Rating Improvement System was approved without objection.

f. DOH Medical Support Contract (BA)

There are no substantive changes to the contract this year. Last year's budget was \$99,223, this year it went down to \$93,612. Staff salaries were increased, however, benefit costs decreased. Ms. Shawn Jennings declared her conflict of interest as her agency receives funding from the Coalition and submitted a Conflict of Interest Form for the Coalition records. On a motion made by the Executive Committee, seconded by Ms. Bickerstaff, the DOH Medical Support Contract was approved without objection.

V. Executive Director's Report:

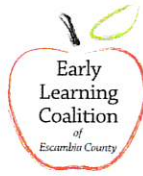
a. SR/VPK Fiscal Year Benchmark, Utilization/Enrollment/Wait List Status and Contracting Summary Status Reports

1. Benchmark Report:

The Coalition is still under budget. The Coalition has spent \$10.4 million of the SR grant award. The Coalition is still unable to enroll enough children to expend the total grant award as families are just not applying for services. The Coalition continues to clear the Wait List weekly. There are 20-30 new enrollments weekly, however, approximately 20-30 children are also disenrolled. Around 50% of the parent's submitting applications are either not responding to funding notifications (no response) or not completing the enrollment process (incomplete response).

2. Enrollment/Wait List Status Report

Enrollment/Wait List Status Reports from EFS MOD are still considered unreliable. The EFS Legacy system indicates as of June 8, 2019 we have 3,130 children enrolled, of which 1,130 were school age children. Several other Coalitions throughout the state are in the same situation with their number of enrollments dropping and a lack of new applicants. Despite the lack of children, however, for certain age groups there are issues with space availability. Some School Readiness Providers are not operating at full capacity due to a lack of staff not children.



Recently there have been cases where families have been approved for care, but they cannot find a spot for their child(ren). However, capacity alone is not the issue, sometimes it is also they cannot find care with a Provider who offers all the desired services, such as transportation.

There are currently 1,437 children approved for 2019-2019 VPK school year. This is the highest number we have had approved at this time of the year in the past four years.

3. Contracting and Fraud Summary Report

A very significant fraud case is now being prosecuted in the amount of \$352,000.00. There may or may not be additional prosecution related to this case, however, DFS and the State Attorney is taking the case one step at a time. The Chair took a moment to inform the Board that Ms. Engel and her team, the Program Integrity Unit, did an excellent job preparing the package requested by DFS in support of their investigation of this case. The Chair also discussed with the Board the importance of volunteering to sit on a Review Hearing Committee. The accused in this fraud case also had been the subject of, or a concerned party, at Review Hearings convened to dispute several SR contract terminations they had an interest in.

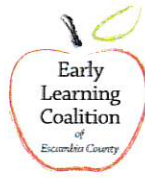
b. 2019-2020 Continuation Budget (BA)

Mr. Watson informed the Board that normally at the June meeting the Coalition presents the draft budget for the new fiscal year. However, because of the inconsistencies of EFS MOD and a lack of information regarding several other pending OEL initiatives the Coalition has not been able to prepare a draft budget. There are several factors that must be considered, such as the cost of the new rate incentives. Mr. Watson has been assured the Coalition will receive no less this year than the original grant amount from last year, which was approximately \$14 million. This is more than enough to execute current enrollments and meet all other obligations. The Coalition is one of the most fiscally responsible throughout the state and is confident that the Providers were paid accurately this year. The Coalition will present a full budget at the August 2019 Board meeting. However, in the interim, the Coalition requests Board authorization to commence spending for Fiscal Year 2019-2020 in the form of approval of a continuation budget based on the budget for 2018-2019. On a motion made by Ms. Rehberg, seconded by Ms. Winstead, the acceptance of an interim Continuation Budget for 2019-2020 was approved without objection. Ms. Mary Ann Winstead and Ms. Shawn Jennings declared their conflict of interest as they receive funding from this budget.

VI. Old Business:

a. Early Learning Summit, May 22, 2019, SCI Building, Recap

The Early Learning Summit was a success. The subject this year was Children Services Councils (CSC), what are they and what does it take to get one. The guest speaker was Mr. Matt Guse, the CEO of the Florida Children's Council out of Tallahassee. There was much discussion among the participants and a few parties expressed interest and offered funds to help get a CSC off the ground. Mr. Watson will get together with some of the participants to further educate them regarding CSCs.



b. EFS MOD and Possible Impact on Reimbursements

The biggest issue as the fiscal year comes to an end will be making sure EFS Legacy and EFS MOD match when the year is closed out. The Coalition has already seen some significant differences between the two systems. Hopefully OEL will provide clearer instructions to the Coalitions on how to reconcile the differences.

c. SR Providers Attendance Submission

The Coalition was informed by OEL that we had the highest percentage of attendance submission out of all the Coalitions in the state. Through May, the Coalition had a 94% completion rate. The Coalition ran a report to see the status of attendance submission for the Providers. Thirty providers had submitted all their attendance. Twenty-four providers had started inputting their attendance. However, thirty had not entered any information at all. An email was sent to the Providers informing them that if they did not meet specific deadlines over the next two months, payments would be withheld until they completed submitting their SR attendance. The email was incentive enough to get the providers engaged in doing their submissions.

d. New EFS Help Email Address for Provider Assistance

The Coalition created a generic email address for all EFS MOD issues for Providers. This step has helped significantly as the providers have one outlet for reporting any issue they have. If a staff member could help with the issue, they would respond to that email.

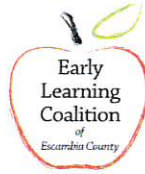
VII. New Business:

a. Employee Incentive Pay Policy, ELCEC 3501.1A (BA)

The Chair informed the Board that this policy has not had the opportunity to be presented to the Executive Committee therefore it is coming straight to the Board for approval. Mr. Watson informed the Board that prior to now he was under the impression that incentives for staff were not allowed, however, after speaking with other Coalitions he was informed otherwise. Mr. Watson informed the Board that since EFS MOD was implemented in July 2018 the Coalition staff has been doing double duty to maintain and operate in two very different systems. All employees at the Coalition have been affected in some way in their daily work activities. Research was conducted and with guidance from other Coalitions, Mr. Watson created the Employee Incentive Pay Policy. The policy details circumstances in which employees would receive incentive, or additive, pay. This policy will not be used to entice employees to do their work or compete for additional pay. Ms. Rehberg asked if all staff were eligible. Mr. Watson informed her that all staff were eligible. Ms. Rehberg advised that the policy be very clear as for some agencies this is a “sticky issue”. Mr. Watson verified that the policy is very detailed and clear. On a motion made by Mr. Jones, seconded by Ms. Winstead, the Employee Incentive Pay Policy, ELCEC 3501.1A was approved without objection.

b. Staff Retention Incentive

With the approval of the Employee Incentive Pay Policy, the Chair stated that the Coalition has over \$1 million dollars to give back to the state and he has been looking at the hard work the



Coalition staff has done. It is his position that a Staff Retention Incentive is in order to ensure that the Coalition retain qualified staff despite the hard work requirements they have endured this past year. He added that in order to keep people companies must consider providing pay incentives when conditions warrant it. The Chair proposed that every Coalition staff member receive a one-time retention incentive payment of \$1,000, to be paid by the end of June 2019. The Chair also proposed all Department Directors and Ms. Graves receive a one-time retention incentive payment of \$1,500 and for doing a magnificent job Mr. Watson receive a one-time retention incentive payment of \$2,500.

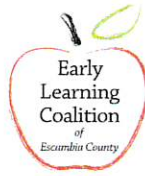
Ms. Doss asked if the funds that would be used for this incentive were funds that would go back to the state if not used. Ms. Doss stated she does not feel the Coalition is performing as well as required because enrollment numbers are less than what is necessary to expend all the money granted. Ms. Doss feels the Coalition is just trying to spend money that should go back to the state and she is not ok with that. Ms. Doss also feels that this is an incentive payment, and as such then each employee should be paid based on performance and everyone should not get the same amount. Ms. Doss feels that the Coalition is setting a bad precedence and disagrees with this process.

The Chair stated that he does not know how you hold the Coalition responsible for enrollments being down when the staff are doing their job and cannot control whether parents decide to apply for the program or not. The Chair explained that Ms. Doss may not fully understand or appreciate how hard the past year has been on staff. The Coalition took an unprecedented step in deciding to run two data systems. A step that has paid dividends because it has provided the Coalition the ability to accurately pay all the Providers.

Ms. Rehberg and Ms. Winstead both stated that it is the parents not that the Coalition that is not doing their job. Mr. Jones added that this is a private business and if the Coalition wants to give the staff a retention incentive, and there is an opportunity to do so, then the Coalition should take the opportunity.

Mr. Watson reiterated that this proposal is not meant to reward staff, this is being proposed to retain staff who have had to run two systems at the same time, doubling their workload daily, and make repeated corrections and changes in the new system because it is unreliable. Staff are entering and re-entering information into the new system repeatedly. As a result, staff are overworked and stressed, and this effort has affected all staff in some way. Mr. Watson is amazed that in spite of everything that morale has been good, but he feels strongly that steps need to be taken to ensure retention.

On a motion made by Mr. Jones, seconded by Ms. Winstead, the Staff Retention Incentive, at the amounts proposed by the Chair, was approved with objection by Ms. Doss.



c. Practitioner Career Commitment Incentives

Mr. Watson proposed that all practitioners receive a one-time \$300 career commitment (retention) incentive. Providers in Escambia County are losing people. The remaining staff are being overworked and child care workers in general are under paid. Due to being under staffed, Providers have capacity issues and cannot serve all the children the Coalition has enrolled. Therefore, the Coalition wants to assist Providers in retaining staff by offering this career commitment incentive. This proposal cost approximately \$200,000. Every employee at every contracted School Readiness Provider that has been employed since January 1, 2019 will receive the incentive. They must provide proof of employment, and W-9 form to receive this incentive. This is a quality initiative and is an extension of the Coalition Plan approved Skip Housh Early Educators Career Commitment Incentive Program. The Coalition would still be well above 78% spending for child care slots.

Ms. Doss stated she does not approve of this proposal because it is not based on merit, or performance of the individuals receiving the incentive. Mr. Watson stated there is not anyway for the Coalition retrieve this information, and it is not necessary because the proposal is not to reward performance, but to assist Providers in stemming the flow the of practitioner losses. The Coalition is reinforcing that child care is a career field worth remaining committed to. Mr. Jones stated he knows first-hand how difficult it is to get a teacher right now. An incentive to show a teacher that they are valued should be done. "Let's do this."

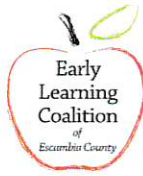
Ms. Mary Ann Winstead declared her conflict of interest as she is eligible to receive funding from this incentive, and she will fill out the Conflict of Interest Form for the Coalition records. On a motion made by Mr. Wyer, seconded by Mr. Jones, the Practitioner Career Commitment Incentive was approved with objection by Ms. Doss.

d. Anti-Fraud Plan, ELCEC 4101.1F (BA)

Rule 6M-9.400 states that every year Coalitions must submit to OEL a Board approved Anti-Fraud Plan even is there have been no changes to the plan. The only change to this plan is the date at the bottom of the page showing the plan was submitted to the Board as required. On a motion made by Ms. Rehberg, seconded by Ms. Winstead, the Anti-Fraud Plan, ELCEC 4101.1 was approved without objection.

e. Sliding Fee Scale

Coalitions are no longer required to raise the local 6% match. On average nineteen out of thirty Coalitions were not meeting this requirement each year. This fiscal year, local donations when they qualify will still be applied toward Federal match, but now they can also be used like funds in the Child Care Executive Program (CCEP). The Coalition can now use these funds to serve families over 150%, but still under the 200%. The Coalition will also get additional funding from OEL to the amount of OEL will match every dollar for dollar every dollar expended. This will require us to make expanded use of our Sliding Fee Scale and in turn significantly increase the population of children we can serve.



f. Press Release – Governor DeSantis VPK Provider-Readiness

The Governor has taken an interest in early learning due to all the press and public feedback after the release of the VPK Readiness Rates. There will be changes in the VPK program in the future that hopefully will come with additional funding. Providers are currently being paid less per child today than they were when the program first started. They have not been compensated for the increased cost of operations over the years.

g. VPK – Provider -Readiness Rates

The VPK Program overall makes a difference in Kindergarten Readiness. Statistics provided by OEL show that VPK completers score significantly better on the FLKRS than children who either do not complete VPK or do not attend VPK at all, and they scored better on the FLKRS than the state as whole, 62% compared to 59% Ready for Kindergarten. Similarly, children that attended some form of preschool, but not VPK, scored better than those who had no exposure to any form of preschool or child care, but not as well as those that attended VPK. However, the overall levels of preparedness of child for Kindergarten, with or without VPK, is unacceptable. This year half of the VPK Providers scored below 60. This is the last year VPK Providers will not be held accountable for their Readiness Rates, if they were then over half would be Low Performing Providers and placed on probation. The question is are half the VPK Providers in this state really performing as poorly as the VPK Readiness Rates would indicate. Improvements in results are certainly warranted, but locally many of the Providers who are considered good or better had low Readiness Rates too. OEL has acknowledged this and to mitigate this and to give credit for learning gains as demonstrated on the VPK Assessments a revision to Rule 6M-8.601 has been drafted. Credit will be awarded for the percentage of children that demonstrate learning gains from AP1 to AP3. This will be translated into points to be added to each Providers VPK Readiness Rate.

h. 18-19 OEL Accountability Review (BOD Conflict of Interest Training)

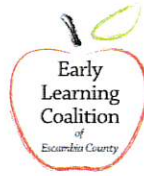
The OEL Accountability Review discovered one instance where a Board member declared conflict but did not complete the Conflict of Interest form. The Corrective Action for this Finding is to conduct Board member training on when to declare a conflict of interest and use of the Conflict of Interest form. Mr. Watson went over when to declare a conflict of interest and how to fill the form out properly with the Board members.

i. Coalition Credit Card Company Change

The current credit card company with our bank has been making changes to the account, such auto- withdrawals without authorization, that are of a concern. The Coalition decided to search for a new vendor. The bank the Coalition currently uses has suggested the company they are affiliated with. This vendors program adds some features of interest, such as a single corporate statement versus the three individual statements the current card company issues.

j. Coalition Line of Credit

Mr. Watson reminded the Board that every year at this time the Coalition makes preparations to open a line of credit in case the state requires an early return of the advance money and there is a



chance the balance of funds on hand may not be enough to cover all expenses. The line of credit is always a last recourse, and to date it is an option that has never been exercised.

k. 2019-2020 OEL Grant Agreement (BA)

Mr. Watson informed the Board that there were no notable changes to the OEL Grant Agreement for 2019/2020, however, it is a requirement every year that the Board grant approval for the Coalition to enter into the agreement. On a motion made by Mr. Thompson, seconded by Ms. Winstead, the Executive Director entering into the 2019-2020 OEL Grant Agreement was approved without objection.

VIII. ED/Chair Travel:

- a. ED: AELC/OEL ED/ELAC, July 15-17, 2019, Tampa
- b. CHAIR: ELAC, July 16, 2019, Tampa
- c. One Goal Conference: July 17-19, 2019, Tampa

IX. Adjourn

The Board meeting adjourned at 11:50 a.m.

Next Meeting: August 8, 2019 10:00 a.m. at the Early Learning Coalition Office, 3300 North Pace Boulevard, Suite 210, Pensacola, FL 32505

Minutes approved by:

_____ Sheryl Rehberg, Board Secretary

_____ Date