

Early Learning Coalition of Escambia County
Board Meeting Minutes
June 8, 2017 - 10:00 AM
Chair: Kermit Housh

Members in Attendance

Kermit Housh	Tammy Hicks	Roger Thompson
Pam Hagan	Craig Jones	Drew Hardgrave
Christina Doss	Mary Ann Bickerstaff	Melody Meier
Edna Williams	Jeanne Martin	

Members Called In

Mona Jackson	Wendi Ochs
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Members Absent

Kim Carmody	Brett Rowell	Marty Tutchtone
Brittany Curtis	Judy Dickinson	Cindy Kirk
Susan Nelms	Van Mansker	

Members of the Public

Shawn Jennings	Brenda Hardy
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Staff

Bruce Watson	Becki Rutchland	Dawn Engel
Vicki Pugh	Paula Rollins	Holly Stratton

I. Welcome and Introductions:

Mr. Housh called the meeting to order.

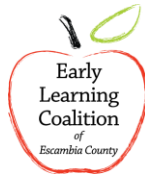
II. Public Comments:

There were no public comments submitted prior to the meeting.

III. Chair Comments:

A. Approval of Consent Agenda, Minutes of February 2017, January and February 2017 Financial Statements.

Mr. Housh requested amending the Agenda by adding the item Line of Credit for discussion during New Business. The amendment to the Agenda was approved on motion made by Mr. Hardgrave and seconded by Ms. Bickerstaff. The Consent Agenda, as amended was approved on motion made by Mr. Hardgrave and seconded by Ms. Bickerstaff.



IV. Executive Committee Report

A. Developmental Screening Process Procedure, ELCEC 4300.1A, Review and Approval

The Coalition created a new policy and procedure for conducting developmental screenings. The Developmental Screening Process Policy and Procedure states the Provider's and Coalition's responsibilities in accordance with Rule 6M-4.720, F.A.C. Mr. Watson gave kudos to the staff for putting together this policy. Ms. Martin commented that the first sentence of section 4.7 confuses her. Mr. Watson stated that a sentence was missing. He explained that it should read: "The Provider will note in the electronic system that the verification has been done and will also put a paper copy in the child's file." With the revision to section 4.7, upon a recommendation from the Executive Committee and seconded by Ms. Bickerstaff, the Board approved the Developmental Screening Process Policy and Procedure, ELCEC 4300.1A.

B. Anti-Fraud Plan, ELCEC 4101.1D, Policy Revision

Each fiscal year OEL requires the Coalition to update its Anti-Fraud Plan. Upon a recommendation from the Executive Committee and seconded by Mr. Hardgrave, the Board approved the revised Anti-Fraud Plan, ELCEC 4101.1D.

C. Legal Services Agreement

Mr. Watson presented to the Committee the annual agreement, Conditions of Service, between the Coalition and Fountain, Schultz & Associates, P.L. for legal services. Upon a recommendation from the Executive Committee and seconded by Mr. Hardgrave, the Board approved the legal services agreement.

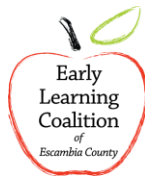
D. Capitalization Threshold

OEL allows the Coalition to have a Capitalization Threshold up to \$5,000. Mr. Watson is proposing that the Coalition increase its current threshold of \$1,000 to match the State's threshold of \$5,000. Upon a recommendation from the Executive Committee and seconded by Mr. Thompson, the Board approved the capitalization threshold increase.

E. Department of Health Contract for 2017/2018

There were no substantive changes in the contract for medical support services with the Department of Health for 2017/2018. The budget for the coming year is only slightly different in the total amount, and there were some changes in the cost allocations. A Conflict of Interest form was signed by Ms. Hagan. Upon a recommendation from the Executive Committee and seconded by Ms. Williams, the Board approved the Department of Health contract for 2017/2018.

F. Fiscal Year 2017/2018 Budget



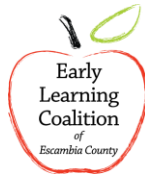
The draft Fiscal Year 2017/2018 budget assumes that next year's funding will be the same as this year's. Legislative actions this year resulted in only minor changes in the funding for early education programs. We are still waiting to see what impact, if any, these changes will have on local grant awards. Legislature is currently in special session to negotiate the education budget. When OEL provides the Coalition its' grant awards, the budget will be revised, if required, and presented to the Board. The Coalition is required to expend at least 78% of its School Readiness budget on direct child care services. The FY2017/2018 budget has dedicated 80.48% to slots and 7.82% to Quality. Mr. Watson requested a 3% increase in staff salaries, effective October 1, 2017. The Board thought 3% was not enough, and proposed 5% instead. After further discussion, Mr. Housh recommended that staff salary increases be readdressed after the final grant award is received. Mr. Watson thanked Ms. Rutchland for getting the FY2017/2018 budget completed. It was agreed that a final decision regarding an increase in staff salary would be delayed until the grant award for FY2017/2018 was received. Approval of the budget is necessary to give the Coalition staff the authority to expend funds starting July 2017. Upon a recommendation from the Executive Committee and seconded by Ms. Meier, the Board approved the FY2017/2018 budget as presented, except for the proposed staff salary increase.

G. QRIS Program Guide

The Coalition brought to the Board in April a proposal to implement a new Quality Rating Improvement System (QRIS) that is substantially different than the previous one. Mr. Watson reviewed the minor changes in the guide that have been made since the April version. For instance, for a Provider to achieve a 3, 4 and 5 STAR rating they must do child assessments. The child assessment of choice is Teaching Strategies Gold. The Board expressed concern that at the 3 STAR level only 50% of the School Readiness children are required to be assessed, and they wanted to know how will Providers decide which children get assessed and which ones do not. Mr. Watson explained that each Provider will decide which classes get assessed. The expectation is that once each Provider starts doing assessments and becomes familiar with the process they will quickly start doing them on all children. Upon a recommendation from the Executive Committee and seconded by Mr. Hardgrave, the Board approved the QRIS Program Guide with an amendment adding a requirement that providers submit to the Coalition how the provider will choose the 50% of children to assess, and amend the first bullet point under "Grounds for immediate suspension from, or ineligibility to participate in, Stars Over Escambia" to read as "One DCF Class 1 violation, or health and safety program equivalent, during the past 12 months."

H. Provider Rate Change

The cost differentials of various rate change proposals were provided to the Board. The change in service rates is proposed for two reasons; to bring the Coalition rates and market rate percentile closer to State averages, and use the cost saving benefits for rate incentives associated with a quality rating system. The RDC recommended



approval of the rate changes as suggested by the Coalition. The Coalition recommends that with other changes going into effect on July 1, that is better to wait until October 1 to implement the provider rate changes. The opportunity to apply for a STAR rating will be available to Providers starting in July. The Executive Committee recommends that the Board approve to cut the afterschool rate by 10%, cut all other rates by 5%, and keep the Gold Seal rate unchanged in FY2017/2018. Upon a recommendation from the Executive Committee and seconded by Ms. Hicks, the Board approved the provider rate changes.

I. QRIS Rates

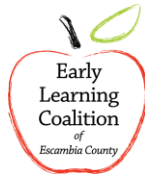
Two variable rate incentive options for a quality rating system were provided to the Board. Option A sets the maximum rate at 20%, and Option B sets the maximum rate at 15%. Option B could be implemented this year, and Option A could be implemented in two to three years after the program matures. However, the cost benefits of adopting Option B initially would be outweighed by the motivational benefits and enthusiasm of providers to participate in the quality rating system if Option A was implemented from the onset. Upon a recommendation from the Executive Committee and seconded by Ms. Hicks, the Board approved the quality rating system maximum rate at 20%, which is Option A.

J. Child Eligibility Proposal

Mr. Housh explained to the Board the mission purpose of early learning coalitions is to serve preschoolers, birth to five. The following discussion on policy change proposals for children served by the Coalition does not apply to Temporary Assistance for Needy Families (TANF), Transitional Child Care (TCC) and Protective Services (At-Risk) children. The Coalition has one of the highest percentages of school-age children in care in the State. There is currently an average of 600 to 800 children birth to five on the wait list. If providing early learning and serving children birth to five is the primary mission of the Early Learning Coalition, then it is recommended the Coalition reprioritize the ages of children served and reshape the composition of children being served across the various age groups. There are two separate but related recommendations.

Recommendation 1. As provided for in statute, it is recommended that all school-age children, with or without younger siblings, will be classified as Priority 6. This practice is common in other Coalitions, and is more in line with the original intent of the legislated priority classifications. This would become effective July 1, 2017. This would require that the Coalition discontinue its current policy of using a whole family approach and enrolling the school-age siblings of children birth to five in Priority 3.

Recommendation 2. The Coalition will no longer serve children in the Priority 6 category that are age ten or older. No child currently in care will be dis-enrolled. In all cases, children will be allowed to complete their current voucher, regardless of when they turn ten years old. Also, for this year, no child will lose their eligibility before



August 10, 2017 when public school resumes. Ms. Doss wanted on record that in her opinion the Coalition needs to cut as many children as necessary to get all birth to five off the wait list and make room for more parents who qualify with birth to five children to apply for child care. Upon a recommendation from the Executive Committee and seconded by Ms. Hicks, the Board approved the proposal to no longer serve children ages ten, eleven and twelve, and to reclassify all sibling school-age children formerly in Priority 3 as Priority 6.

K. Sliding Fees/Parent Fees and Income Caps

The School Readiness Program has requirement that parent do not pay more than 10% of their total income for child care. OEL is developing as part of EFS Modernization a more efficient and less costly method of calculating parent fees to ensure families do not spend more than 10% of their income on child care. It is recommended the Coalition not adopt a sibling discount program, but wait instead until OEL has implemented the functionality in EFS to compute parent fees as required. The Coalition, however, must submit to OEL by June 15, 2017 the new sliding fee scale for FY2017/2018. This scale includes the rates for parent co-payments. This Coalition has the highest parent fees in Northwest Florida, therefore, it is proposed to reduce parent fees by \$0.25 per day starting July 1, 2017. The costs to make this change is at most \$195,000 per year. This change in parent fees has the added benefit of bringing the parent fees for almost every family within the 10% income limit, and will significantly reduce the budgetary impact of implementing the OEL parent fee computation program later this year. Upon a recommendation from the Executive Committee and seconded by Ms. Hicks, the Board approved to adopt the Coalition's proposed changes to the sliding fee scale.

V. Executive Director's Report

A. SR/VPK Utilization/Projections, Enrollment/Wait List Status and Contracting Summary Reports

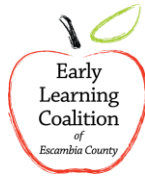
The reports were presented, but there was no discussion.

B. VPK Grant Status

For the first time, ever the Coalition has had to request a re-obligation of funds for their VPK grant from OEL because almost 200 more children enrolled in VPK in 2016/2017 than in 2015/2016. The grant amount for 2016/2017 was based on VPK attendance from the previous year. For the current fiscal year, the Coalition has already spent 100% of the VPK grant. The morning of the Board meeting, the Coalition received from OEL a new VPK grant that increased funding for VPK by \$326,000.

VI. Old Business

A. Accountability Review – January 23-25, 2017: OEL Report Pending



The Coalition and OEL are still working on the final report for the Accountability Review.

VII. New Business

A. Division of Blind Services Appreciation Award to ELCEC

The Division of Blind Services recently had their 75th anniversary celebration. They recognized the Coalition with an Appreciation Award for employing three blind people in the past three years, as well providing summer employment for students in their Teen Transition Program.

B. Board Member Changes and Farewells

1. DCF Representative Change/Retirement

Ms. Jeanne Martin will be retiring in November 2017 from the Department of Children and Families (DCF). She is the DCF designee to the Coalition's Board. The DCF has tentatively agreed to appoint Mr. Thompson as their designee to replace Ms. Martin on the Coalition's Board. Since Mr. Thompson's third term on the Board officially ends July 1, there may be a period after June 30 that he will not be a voting member of the Board.

2. Other Representative Changes

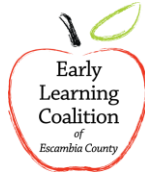
Ms. Mona Jackson's first term on the Board ends in August 2017. Mr. Watson discussed with Ms. Jackson a second term and she has agreed to accept a second term if it is offered to her. Upon a motion made by the Executive Committee and seconded by Ms. Doss, the Board approved Ms. Jackson for a second term.

Ms. Carmody's three-year term on the Board ends in August 2017. Mr. Housh brought up that recruitment needs to begin to fill the Board Vice Chair position being vacated by Ms. Carmody. The Executive Committee is of the opinion that Mr. Van Mansker would be a good recommendation as Vice Chair, however, no formal recommendation is being made at this time.

3. Provider Representative Turnover/Election Results

The three-year terms for Ms. Hicks and Ms. Brittany Curtis serving on the Coalition's Board as Provider Representatives will end in June. Three months ago, the Coalition solicited input from the Provider community to nominate candidates for a private pay representative and a faith-based representative to the Coalition's Board. There was only one nominee submitted in each category. Nevertheless, the Providers were asked to vote and given the opportunity to write-in a candidate. Mr. Watson shared the voting results; Ms. Peggy Steward from Jamison Street Preschool was elected the private pay representative and Ms. Mary Ann Winstead from Myrtle Grove Baptist was elected the faith-based representative. Upon a motion made by the Executive Committee and seconded by Mr. Thompson, the Board appointed both candidates.

4. DOH Representative Change/Retirement



Ms. Pam Hagan is retiring in June 2017 from the Florida Department of Health (DOH) in Escambia County. She is the DOH designee to the Coalition's Board. The DOH will appointment a new designee to the Coalition Board.

C. Line of Credit

Mr. Watson asked that the Board give him authority to apply for a \$300,000 line of credit for the Coalition from our bank. This line of credit will be used only if necessary. The Coalition is still waiting to hear from OEL as to whether the cost to do the line of credit increase can be invoiced to OEL. Ms. Williams suggested that the Coalition request an ongoing line of credit with the bank, or ask the bank to waive the origination fee each year. Ms. Jackson commented that a lot of non-profit organizations request a line of credit and the 4% interest rate is reasonable. Upon a motion made by Ms. Williams and seconded by Ms. Hicks, the Board approved Mr. Watson to apply for the line of credit under the terms as presented. Upon a motion made by Ms. Meier and seconded by Ms. Williams, the Board approved the Coalition to negotiate a longer term deal and rates with the bank.

VIII. Adjourn: Meeting adjourned at 12:25 p.m.

Next Regularly Scheduled Meeting

10:00 a.m. – Thursday August 10, 2017

3300 North Pace Blvd, Suite 210, Pensacola, FL 32505

Minutes approved by:

Brett Rowell, Board Secretary

Date