



Early Learning Coalition of Escambia County

Executive Finance Committee Meeting Minutes

November 21, 2019 8:30 a.m.

Members in Attendance

Van Mansker
May Ann Winstead

Sheryl Rehberg

Roger Thompson

Members Called In

None

Members Absent

Mona Jackson

Staff

Bruce Watson
Jamie Phelps
David Whipps

Vicki Pugh
Dawn Engel

Becki Rutchland
Paula Rollins

I. Welcome and Introductions

Notification of this meeting was posted to the Coalition Public Calendar Board and the Coalition website on October 31, 2019 and sent to the Pensacola New Journal for publication on October 28, 2019. The meeting was called to order by Mr. Mansker.

II. Public Comments

There were no public comments.

III. Consent Agenda

Upon a motion made by Mr. Thompson and seconded by Ms. Winstead, the Consent Agenda, consisting of the Agenda, Minutes of the September 26, 2019 Executive Committee Meeting and the June End of Year, August, and September 2019 Financial Statements, were approved without objection. There were no minutes for October 2019 as the meeting was cancelled.

IV. Status Reports

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

1. SR/VPK Fiscal Year Benchmark Report:

Coalition expenditures through the first quarter should be 25% but expenditures are currently at 21.78%, or approximately \$500,000-dollar short of goal. This a direct result of low enrollment numbers. Over the last month, the Coalition has sent solicitations to companies and hospitals informing them of the new SR match funding that is now available. Enrollments need to be around 3,500 but have held steady in the 3,250 to 3,000 range. Although there were a couple of

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weeks where enrollment was over 3,300, applications for services have not been able to sustain the higher numbers. Some of the ebb and flow is attributed to parents failing or choosing not to redetermine when their anniversary dates arise. Even though enrollment numbers in both EFS/MOD and Legacy are appreciably higher, the Coalition is only paying for close to 3,000 children each month.

This week, the parents of 94 children applied for services. This is the highest number of applicants in a week since July 2019. Mr. Mansker wants to encourage Providers to promote awareness of the new Match Funding. Ms. Winstead indicated that her program promotes awareness and aids with the application process. 42 children are enrolled in the new SR Match Program (SRMT). The total funding available is \$477,000 dollars which means the Coalition can serve about 120 children throughout the year. The Coalition has been working to get the word out about the program.

2. Enrollment/Wait List Status Report:

The Coalition has been unable to sustain enrollments over 3,300 which means that the Coalition falls further behind each month in spending the grant authorization. In order to spend all funding, enrollments would need to increase by about 300 children. However, Providers may not be able to serve an additional 300 children as most Providers are operating at about 75% capacity due to lack of staff. Currently, only two thirds of the licensed capacity of the combined total of all Providers is being used.

The parents of 94 children applied for services this week, but the trend continues that only around 50% of applicants complete the process and enroll their children. Approximately 20% of applicants fail to reply to the various notifications the Coalition sends them, and 25% start the process but never complete it. Mr. Watson stressed that applicants are more than welcome to visit the Coalition office and apply in person if they are disinclined to complete the process online. Since the online application process was implemented, the Coalition has seen a reduction in total enrollments of 200-300 children. There was a similar reduction in VPK enrollments four years ago when that programs application process went online.

3. Contracting and Fraud Summary Report:

Three new Providers are coming onboard by December and a Contract Briefing was held on November 20, 2019. There are 85 SR Providers and there have been no terminations this fiscal year. Six Providers chose to terminate their contract, in most cases, another party assumed operations at the facility. According to DCF license and registration information, the combined physical capacity of the SR Providers exceeds 6,000 children. Currently, there are around 3,300 children enrolled, however, parents are having difficulty finding space for their children, particularly for infants, toddlers, and school age children. There are 40 children enrolled but not yet placed in a facility. Many Providers are operating at something close to two-thirds of three-quarters of capacity due to a lack of staff. This is impacting parent's ability to find an available



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Provider. There are currently 78 VPK Providers. VPK capacity far exceeds the number of children. There were no new cases of Fraud to report.

V. Committee Recommendations

a. 2020-2021 Curriculum Requirements and Scholarships

The State has evaluated and updated the list of approved curricula for birth to five. All Providers will be required to have the new curriculum in order to contract with the Coalition next year. All but two, of the Providers use Creative curriculum. Centers who use Creative are currently using Editions 2 and 5. The new list of approved Curriculum requires they use Editions 3 and 6 and will be required as a condition of contracting with the Coalition. The cost for all Providers to make this change will be roughly \$234,000 to purchase new curriculum. This new list is the result of the OEL updating the Education Standards for Birth to Five. As a result, all curricula were evaluated against the new standards. Publishers did not submit their old curriculum for evaluation and OEL did not evaluate curriculum from their old list. Therefore, everything on the list is new. The last time OEL did such as review was five years ago. The Resource Development Committee recommended to the Executive Committee forward to the Board that the Coalition pay 50% of the Providers' cost for new curriculum. The cost the Coalition is approximately \$117,000, which would come out of Quality Funding. Reimbursement would be made only after the purchase is made and proof of payment is submitted. Mr. Mansker asked what timeline is anticipated and Mr. Watson indicated that if the Board approves the subsidy, reimbursements will be authorized starting in January 2020. The Coalition will highly encourage Providers to purchase the new curriculum sooner rather than later since Providers statewide will be making similar purchases and demand will be high, which means supplies could run low. In most cases, the Coalition plans to reimburse Providers within thirty days of submitting proof of purchase and delivery. Mr. Watson clarified that the Coalition will pay each Provider 50% of the total cost for one copy of the new curriculum per facility.

Upon a motion made by Ms. Rehberg and seconded by Mr. Thompson, the motion to recommend to the Board that the Coalition may pay Providers a 50% subsidy of the total cost of one unit of new curricula per Provider per facility, including shipping costs, at a total cost of approximately \$177,000, was passed without objection. Ms. Winstead abstained from voting on this matter and will submit a Conflict of Interest Form.

VI. Old Business

a. Budget Update

Since the last Executive Committee Meeting was held, the Coalition has received three additional NOAs. The revised budget, included in today's meeting packet, includes \$71,000 dollars in the PDG Grant that went to Quality, \$50,000 dollars that went to SR, and \$308,000 dollars in local SR Match funding. The Coalition used most of the PDG funding to purchase Hatch electronics which children use for about ten minutes a few times a week. The device does some of the teacher's work as it measures behaviors based on usage and puts the information back into teaching strategies. Ms. Pugh noted that this feature will be a huge time saver for



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teachers. Mr. Watson noted that the Coalition repurposed iPads that were on hand and opted to purchase just the software, as opposed to new devices. Ms. Winstead commented that the time savings to teacher will be a big help and that it will enable them to spend more time teaching and interacting with the children. Providers are encouraged to get into TSG now that another tool is available, and the Hatch tool reduces teacher workload. Providers who do TSG on all their children aged birth to five will receive a 5% rate incentive. SR Match funding went into SLOTS. There was no significant change to the budget but now that all the new funds are incorporated into the budget, there has been about a \$500,000 dollar increase in funding.

Upon a motion made by Mr. Thompson and seconded by Ms. Rehberg, the Executive Committee approved a recommendation to present the revised Coalition Budget to the Board. The motion was carried without objection. Ms. Winstead abstained from the vote and submitted a Conflict of Interest Form accordingly. For the record, Mr. Watson noted that because there was no change to the Coalition Budget that would affect CareerSource ESCAROSA, Ms. Rehberg was not required to abstain from the vote or submit a conflict of interest.

b. EFS Modernization Transition Update

There was no change in status. The system continues to be unreliable.

VII. New Business

a. Town Hall Meeting Recap

Mr. Watson conducted two Town Hall Meetings at the end of October and noted that the first session was better attended than the second session. Topics discussed at the Town Hall Meetings included SR curriculum, SR program assessments, SR rates, the future of EFS MOD, and Providers' responsibilities.

The School Readiness Program Assessment (SRPA) results for last year and the proposed Rule for the SRPA Program were discussed. SRPA scores statewide indicated that 75% of Providers scored 4.0 or better and 25% scored below 4.0. From this OEL has concluded that the minimum threshold for contracting is too low and needs to be raised to ensure quality statewide. OEL has decided that the current cutoffs of 2.5 to contract and 2.5 to 3.0 for Quality Improvement Program (QIP) are too low. In the proposed Rule, the new cutoffs will be 3.5 to contract and 3.5 to 4.0 to be on a QIP. Last year 57% of Coalition Providers scored between 3 and 4 and another 10% scored below that which means that two thirds of Providers will not meet the proposed new minimum standards. Looking ahead, if the new minimum standards are passed, the Coalition could be facing a serious negative impact to capacity. Exemptions for capacity needs may be granted, but the exemptions are only for a limited time period of three years. Mr. Watson informed the Committee that the Coalition has conducted 20 SRPA assessments and that of the 20 assessments, 13 are of concern. This follows the trend of last year. If the new contract minimum thresholds are passed in January, eight of the facilities already assessed would be ineligible to contract with the Coalition and five would be at risk and placed on a QIP. To be eligible to continue to contract with Coalition, the facilities would have to request a second



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assessment and work toward making improvements in order to meet the new proposed minimum requirements.

Provider Curriculum requirements were discussed. The State has revised the standards for birth to five and has conducted a curriculum review. As a result, a new revised list of approved curricula has been issued and the old editions are no longer acceptable. The second and fifth editions of Creative will no longer meet State standards but the third and sixth editions will meet the new standards. Mr. Watson indicated that this is the second time in about five years that the State has revised curriculum requirements. In order to remain eligible to contract with the Coalition, Providers will be required to purchase new curriculum by the end of the current contract year.

The new SR Match Program was also discussed. Mr. Watson informed the Providers that the State has completely revamped the Match Program. A copy of the Sliding Fee Scale color coded to identify families eligible for the Match Program was included in the meeting materials. Due to Legislative changes to match funding requirements, Coalitions may now use local funding to provide SR services to families who fall in the 150% FPL to 85% SMI range. When families submit their initial application online, the system provides a notice that applicants may be eligible for local funding if they are ineligible for the traditional SR program. The notice directs applicants to contact their local Coalition to enquire about eligibility for local funding. The Coalition was allocated \$168,934 in State Match Funding. Therefore, the first \$168,934 of local donations expended will be matched. The County grant alone exceeds this amount. The combination of State match, County grant, and United Way grant exceeds \$477,000. This is the amount that will be dedicated to serve children whose parents are deemed eligible to receive services using SR Match funding. In total this funding will allow the Coalition to provide services for a year to about 120 to 150 children. Additional children may be served by reclassifying and rotating families in and out of the program. At the end of August, the Coalition received authorization to utilize the new funding. The Coalition called all applicants who were just over 150% and previously deemed ineligible for services to let them know that they are now eligible for services under the new funding. 50 children are already enrolled. Flyers announcing the new funding guidelines were distributed in both English and Spanish.

b. EFS Modernization Transition Refresher Training

For the past month's Provider reimbursement claims, the Coalition kicked back electronic reimbursement submissions that did not match the paper copies that were submitted. Providers have been asked to review their records and revise them so that the two submissions match. The Coalition will make adjustments as part of their reconciliation for the first three months of the year. Based upon the rate of errors in Provider attendance submissions, the Coalition will offer refresher training on using EFS MOD on December 2 and 3. During the training, Providers will be trained by entering attendance for November for their own program.

c. Local Provider Rates and State Market Rates



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Bi-annual publication of State Market Rates that were scheduled for publication in 2019 still have not been published. Related to this, discussions are in process at both the OEL and the Legislature regarding increasing Provider rates. Further updates will be forthcoming once the State has put out more information regarding their plans. It is possible that some sort of rate changes may become effective before the end of this fiscal year. Because of ongoing issues with EFS/MOD, any State mandated rate changes will create problems for Coalitions.

d. Board and Committee Meeting Schedule 2020

Only two regular meeting dates for 2020 were affected by holidays. The Executive Committee meetings for November and December are scheduled for a week earlier than usual to deconflict with the Thanksgiving and Christmas holidays. The affected Executive Committee meetings are scheduled for November 19 and December 17.

e. DCF Trauma Informed Care Training

DCF has two new Trauma Informed Care courses available online. One course is introductory and shorter in length. The other session is more in depth, geared toward Directors, and is more of a college level course. Practitioners can use the introductory course toward their in-service hours. DCF is partnering with Pensacola State College for the courses. The longer course has five three-hour sessions and involves a heavy load of homework. To date statewide attendance and completion rates have been low.

f. Escambia Children's Trust Update

Progress continues to be made toward promoting establishment of a Children's Services Council in Escambia County and getting the issue on the ballot in 2020. A Call to Action notice has been circulated and donations are being solicited. Mr. and Mrs. Julian MacQueen generously donated a \$10,000-dollar matching gift to the Escambia Children's Trust Campaign to further efforts at exploring establishment of a Children's Services Council. Raw results from a poll of registered voters that was conducted recently indicates a 60% approval rate.

g. IT Security Brief

Mr. Whipps prepared an IT Security Briefing presentation for the Executive Committee to review and Mr. Watson provided an overview. It was noted that the number one cause of data breaches is attributed to employees clicking on malware. A program called Know Before is included in the Coalition's IT security package. Know Before sends false emails to measure Coalition employee responses. To date, no Coalition employee has had more than two occurrences this year. The average error rate for Know Before is around 15% and the Coalition rate is at about 2%.

Adjourn: Meeting was adjourned at 10:12 a.m.

Next Meeting: December 19, 2019 at 8:30 a.m. at the Early Learning Coalition Office, 3300 North Pace Boulevard, Suite 210, Pensacola, Florida 32505