



Early Learning Coalition of Escambia County

Executive Finance Committee Meeting Minutes

August 22, 2019 8:30 a.m.

Members in Attendance

Van Mansker

Roger Thompson

Sheryl Rehberg

Members Called In

Mary Ann Winstead

Members Absent

Mona Jackson

Staff

Bruce Watson

Dawn Engel

Becki Rutchland

Jamie Phelps

I. Welcome and Introductions

Notification of this Executive Committee meeting was posted to the Coalition Public Calendar Board, the Coalition website, and sent to the Pensacola New Journal for publication on July 18, 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 Ms. Rehberg and seconded by Mr. Thompson, the Consent Agenda, consisting of the Agenda and Minutes of the July 25, 2019 meeting, were approved without objection. Mr. Mansker noted that End of Year financials for June 2019 will not be available until after the 13th invoice for Fiscal Year 2018/2019 is processed.

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:

As previously noted by Mr. Mansker, financials were not provided because the End of Year financial report for June 2019 will not be available until after the 13th invoice is processed next month. For this same reason the benchmark report was also not available.

2. Enrollment/Wait List Status Report:

Mr. Watson noted that enrollment numbers are slowly increasing. He informed the Board that the next report will be slightly different because a new category of children will be added. Mr. Watson explained that in this year's state legislative session the SR Match program was revamped. Coalition's may now use local match funding to serve families whose initial income

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is over 150% of the Federal Poverty Level (FPL) up to the lesser of 200% FPL or 85% of the State Median Income (SMI). The Legislature appropriated \$30 million for this program, and the portion OEL has awarded the Coalition is \$186,934. This is the amount that can be drawn down to match dollar for dollar funds from local donors. Combined with County and United Way grants this equates to approximately \$477,000 for families in this new category and will allow the Coalition to serve another 100 to 150 children. Prior to now, the State Legislature had required all Coalitions to raise their proportional amount of the 16 to 1 match that is required by the Feds. However, VPK alone meets the Federal requirement for the State to put enough money into preschool education to match Federal funding. As a result of research conducted by OPAGA, the Legislature was advised to drop the local requirement to raise match. The new authority regarding which children can be served by local match funds is now similar to how funding was used in the Child Care Executive Program (CCEP) where companies contribute money for childcare for their employees and the State matched it on a dollar for dollar basis. Mr. Mansker indicated that the Coalition is asking for \$300,000 from the County this year compared to the \$238,000 received last year.

Mr. Watson was pleased to note that SR enrollments are slowly increasing and that there are currently 3,247 children enrolled of which 1,431 are school-age children. VPK enrollments appear a little low because the school district has not yet enrolled their 600 plus children. With the addition of the children attending the school district VPK program enrollments should exceed 2,000 children this year. Mr. Watson reminded the Committee that historically enrollments peak in late October and then trickle down for the remainder of the year. The Wait List Pull Results Summary included in this report summarizes activity for the 2018-2019 Fiscal Year. The two columns titled No Response and Eligibility Started Not Complete indicate that 48% of the parents who applied for the School Readiness program subsequently either decided not to complete the application or did not respond to the invitation for services. Mr. Watson expressed concern that there is a possibility that for some parents the new electronic system may be an impediment to completing the application and enrollment process, because they feel it is too complicated or too difficult. Unfortunately, this results in unspent funding and a lost opportunity for many of our children. Mr. Watson further noted that the Coalition experienced a decrease of about 200 VPK enrollments per year three years ago when the State went to an electronic application process for VPK.

3. Contracting and Fraud Summary Report:

There are 81 SR Providers contracted for Fiscal Year 2019/2020. There may be an additional two Providers contracting the first of September. There are 77 VPK Providers contracted; which is more than adequate to serve the number of children enrolled. Mr. Mansker asked Mr. Watson if the Coalition conducts a Provider Orientation and Mr. Watson indicated that he personally conducts an orientation that includes a presentation of over 30 slides and goes over every aspect of the contracts. Mr. Mansker expressed interest in attending an orientation session and indicated that it would be beneficial to know what the Providers are told, especially with respect to the Review Hearing process. Mr. Watson suggested the best session to attend would be the



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annual presentation. Mr. Watson further noted that it is written into the contract that, if the Coalition so chooses, the Provider may be required to attend the orientation session. He elaborated that two years ago the OEL IG Office conducted a statewide Provider onboarding survey and they were so impressed with the orientation the Coalition does that they made an orientation an option in the SR and VPK contracts. Ms. Rehberg stressed the importance of Providers being well informed. Mr. Watson added that the SR and VPK orientation briefings are posted on the Coalition web site. Mr. Watson closed by noting that there were no new fraud cases to report.

V. Committee Recommendations

None.

VI. Old Business

a. EFS Modernization Transition Update

Mr. Watson indicated that ELCEC is ready to close 2018/2019 but that adjustments will be ongoing over the next year. He further indicated that he had some encouraging discussions with the new Executive Director of OEL, Ms. Shan Goff. He noted that Ms. Goff was the OEL Director four years ago. The former Executive Director, Mr. Rodney MacKinnon, has been reassigned to the Governor's IG Office. Ms. Goff is working with both the OEL and DOE legal and finance teams to explore the possibility of how to account for the differences and errors created by EFS MOD. This may involve using an asterisk in the records to indicate that numbers may not be accurate due to transitioning to a new data system. Mr. Watson indicated that there is precedence for this action, but further discussions will be necessary before it can be determined if it can be done. Mr. Watson noted that at this moment there were outstanding issues with last year's data for two Providers that must be corrected before last year's records can be placed in a Closed status. Mr. Mansker asked what was wrong with the Providers' data. Mr. Watson said that one Provider has a four-month period where the system wants to pay double the rates and double the days which is creating over a half-million-dollar error. The other problem with the other Provider is that even though there are rates in the system for school-age children, they are not showing up on the invoice and because attendance is showing a zero. This is causing the system to lock up and not allow further action. Mr. Watson is hopeful that the Coalition will be able to successfully address the issue and avoid having to involve OEL in fixing the problem. He further indicated that if the issues can be corrected, the goal is to close and submit the year end invoice no later than Wednesday, August 28, 2019. He noted that even though the OEL submission deadline is in early September, once the period is closed the system will close out all open months, which in this case is from July 2018 to whatever date the closure occurs. Therefore, if the Coalition waits until early September to submit, it will close out August 2019 even though the Coalition will not be finished processing payments for that month.

VII. New Business

a. OEL New Executive Director



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Mr. Watson informed the Board that he is now on the AELC Executive Committee as the Medium Coalition representative. The AELC EXCOM met with the new Executive Director of OEL, Ms. Goff. This was her third day on the job, so they did not address any big issues. Mr. Watson said that, prior to becoming the Executive Director of OEL the first time, Ms. Goff was the head of the VPK Class Desk in DOE. At that time, it was a separate division from OEL. Ms. Goff said that the new Commissioner of Education has a very strong interest in VPK, and she intimated that the VPK program may change appreciably in the next two to three years. Mr. Watson speculated that if it is fiscally possible, VPK may become part of the K-12 system. Mr. Watson noted that the funding required to expand facilities so that they could accommodate VPK will be a major consideration and Ms. Rehberg added that funding for additional staff would be a consideration as well. Mr. Watson pointed out that the Escambia County School District is providing VPK to over 25% of all children participating in VPK. Ms. Rehberg added that providing transportation is another factor that must be taken into consideration. Ms. Goff mentioned there may be changes only with respect to VPK accountability. It is likely that some other sort of measurement tool may be in place in the next several years in order to track the performance of VPK Providers. Coalitions may pick up the additional duty of assessing the VPK Providers. Changes would be necessary in the VPK statutes and rules to allow Coalitions to administer assessments and keep administrative costs under 4%.

b. AELC New Executive Director

Mr. Watson was in Tallahassee last week to participate in the final interviews for the three candidates that made it through the final cut to be selected as the Executive Director for the Association of Early Learning Coalitions (AELC). A former OEL employee, Ms. Erin Smeltzer, was selected and she has formally accepted the position. Mr. Watson noted that all three candidates were strong, but that Ms. Smeltzer stood out during the face-to-face interviews.

c. ICQ Review

Mr. Watson indicated that OEL had made very few changes to the Internal Control Questionnaire from last year. Ms. Rehberg commented that it looked very much like reviews she was familiar with. Unlike two years ago when the IT section was added there were no additions.

While discussing the section on Fraud, Mr. Watson informed the Committee that he and Ms. Engel have been subpoenaed to give depositions for the pending trial for suspected fraud of two former Providers, Ms. Eboni Singer and Ms. Roletta Shelton. Ms. Engel indicated that they will review the case the week prior to the depositions which are scheduled to take place in September and October. Mr. Watson stressed that they will attest that, among other things, the onus is upon the Coalition to report suspected fraud and that reporting is mandatory, not optional. Mr. Mansker asked if either Mr. Watson or Ms. Engel have been deposed before and Mr. Watson replied in the affirmative. Mr. Mansker indicated that he has been deposed many times in the past and he highly recommended taking any written policies that pertain to the case so that they are available for reference during the deposition. Mr. Watson indicated that he and Ms. Engel will take copies of the Statutes, Rules, contracts and Coalition policies in effect for the period the



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fraud was reported. Ms. Engel asked if the defense would ask for that information during discovery and Mr. Watson indicated that he believes that they are in the discovery phase now as the alleged offenders were charged and arrested over a month ago. Mr. Watson thanked Mr. Mansker for his advice. Mr. Watson concurred that quoting from the written policy will prevent the need to quote from memory. Mr. Masker stressed that a crucial phrase to remember during a deposition is, "I don't recall." Mr. Watson noted that there is a possibility that comments and/or allegations of racial discrimination may occur during the process. Mr. Mansker suggested that in that case, Mr. Watson may wish to share that the Coalition Chair, who is an African American, conducted the Review Hearing regarding termination of their contract.

Ms. Rehberg asked if the Committee needed to act on the ICQ Review. Mr. Mansker responded in the affirmative. Upon a motion made by Mr. Mansker, and seconded by Ms. Rehberg, the ICQ was approved without objection.

d. BOD and Committee Packages Posted to Web Site Vice Emailed

Mr. Watson informed the Committee that he spoke with some of his contemporaries about how they publish meeting materials. He indicated that he would like to start posting meeting materials on the Coalition website before the meetings instead of trying to attach them to emails. The Coalition would email the Committee or Board members a link to the meeting packet along with the meeting notification and call in information. Mr. Watson indicated that the meeting materials will be removed from the web site after the meeting has taken place. Mr. Mansker expressed concern that this method may be time consuming and Mr. Watson informed Mr. Mansker that opening a single email with a link would save time, eliminate having to send multiple emails and dealing with delivery failures for large attachments. On a motion made by Mr. Thompson, and seconded by Ms. Rehberg, posting Board and Committee meeting materials to the Coalition website before meetings was approved without objection.

VIII. Adjourn: Meeting was adjourned at 9:09 a.m.

Next Meeting: September 26, 2019 at 8:30 a.m. at the Early Learning Coalition Office, 3300 North Pace Boulevard, Suite 210, Pensacola, Florida 32505

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