



## ELC of Northwest Florida May Board Meeting Minutes

Date: May 11, 2016

Location: ELCNWF Regional Office Three, Panama City, FL

Minutes Taken By: Suzan Gage

Time: Meeting Called to order at 11:05 am by Jon McFatter

Full Board:  Yes  No Quorum: YES - 15 in attendance

Executive Comm.  Yes  No Quorum #:

Roll Call to Include Board Members on Telephone:

I. Roll Call:

Exec. Committee	FIRST NAME	LAST NAME	ATTENDANCE			
●	Rita	Acoba	<input type="checkbox"/> Present	<input checked="" type="checkbox"/> Present via conference call	<input type="checkbox"/> Excused Absence	<input type="checkbox"/> Non Ex. Abs.
●	Tony	Bennett	<input type="checkbox"/> Present	<input checked="" type="checkbox"/> Present via conference call	<input type="checkbox"/> Excused Absence	<input type="checkbox"/> Non Ex. Abs.
	Phil	Edwards	<input type="checkbox"/> Present	<input checked="" type="checkbox"/> Present via conference call	<input type="checkbox"/> Excused Absence	<input type="checkbox"/> Non Ex. Abs.
	Kim	Gillis	<input type="checkbox"/> Present	<input checked="" type="checkbox"/> Present via conference call	<input type="checkbox"/> Excused Absence	<input type="checkbox"/> Non Ex. Abs.
	Linda	Hood	<input type="checkbox"/> Present	<input checked="" type="checkbox"/> Present via conference call	<input type="checkbox"/> Excused Absence	<input type="checkbox"/> Non Ex. Abs.
	Jackie	House	<input type="checkbox"/> Present	<input type="checkbox"/> Present via conference call	<input type="checkbox"/> Excused Absence	<input checked="" type="checkbox"/> Non Ex. Abs.
	Joe	Jernigan	<input type="checkbox"/> Present	<input checked="" type="checkbox"/> Present via conference call	<input type="checkbox"/> Excused Absence	<input type="checkbox"/> Non Ex. Abs.
	Doug	Kent	<input type="checkbox"/> Present	<input checked="" type="checkbox"/> Present via conference call	<input type="checkbox"/> Excused Absence	<input type="checkbox"/> Non Ex. Abs.
	Pamela	Kidwell	<input type="checkbox"/> Present	<input checked="" type="checkbox"/> Present via conference call	<input type="checkbox"/> Excused Absence	<input type="checkbox"/> Non Ex. Abs.
	Frank	Martin	<input type="checkbox"/> Present	<input type="checkbox"/> Present via conference call	<input type="checkbox"/> Excused Absence	<input checked="" type="checkbox"/> Non Ex. Abs.
<b>Non-Voting</b>	Jeannie	Martin	<input type="checkbox"/> Present	<input checked="" type="checkbox"/> Present via conference call	<input type="checkbox"/> Excused Absence	<input type="checkbox"/> Non Ex. Abs.
●	Al	McCambry	<input type="checkbox"/> Present	<input type="checkbox"/> Present via conference call	<input type="checkbox"/> Excused Absence	<input checked="" type="checkbox"/> Non Ex. Abs.
●	Jon	McFatter (P)	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Present via conference call	<input type="checkbox"/> Excused Absence	<input type="checkbox"/> Non Ex. Abs.
●	Mary	McKenzie (VP)	<input type="checkbox"/> Present	<input checked="" type="checkbox"/> Present via conference call	<input type="checkbox"/> Excused Absence	<input type="checkbox"/> Non Ex. Abs.
	Juliana	Melara	<input type="checkbox"/> Present	<input checked="" type="checkbox"/> Present via conference call	<input type="checkbox"/> Excused Absence	<input type="checkbox"/> Non Ex. Abs.
	Jeanna	Olson	<input type="checkbox"/> Present	<input type="checkbox"/> Present via conference call	<input checked="" type="checkbox"/> Excused Absence	<input type="checkbox"/> Non Ex. Abs.
	Johanna	Plummer	<input type="checkbox"/> Present	<input type="checkbox"/> Present via conference call	<input type="checkbox"/> Excused Absence	<input checked="" type="checkbox"/> Non Ex. Abs.
	Neal	Reeves	<input type="checkbox"/> Present	<input checked="" type="checkbox"/> Present via conference call	<input type="checkbox"/> Excused Absence	<input type="checkbox"/> Non Ex. Abs.
	Parnell	Smith	<input type="checkbox"/> Present	<input checked="" type="checkbox"/> Present via conference call	<input type="checkbox"/> Excused Absence	<input type="checkbox"/> Non Ex. Abs.
	Jerry	Sowell	<input type="checkbox"/> Present	<input checked="" type="checkbox"/> Present via conference call	<input type="checkbox"/> Excused Absence	<input type="checkbox"/> Non Ex. Abs.
	Guy	Tunnell	<input type="checkbox"/> Present	<input type="checkbox"/> Present via conference call	<input type="checkbox"/> Excused Absence	<input checked="" type="checkbox"/> Non Ex. Abs.
●	Darrin	Wall (S)	<input type="checkbox"/> Present	<input type="checkbox"/> Present via conference call	<input type="checkbox"/> Excused Absence	<input checked="" type="checkbox"/> Non Ex. Abs.
●	Richard	Williams	<input type="checkbox"/> Present	<input checked="" type="checkbox"/> Present via conference call	<input type="checkbox"/> Excused Absence	<input type="checkbox"/> Non Ex. Abs.
<i>Total</i>			1 Present	14 Present via conf. call	1 Excused Absence	6 Non Ex. Abs.

12 members = simple majority, 6 for Executive Committee

● Denotes Executive Committee Member

15 out of 22 members present. Quorum  was  was not established.

Coalition Staff Present: Lynne Eldridge, Joe Seabrook, Suzan Gage, and Adrienne Jenkins (via phone)

Visitors Present: N/A

II. Action Items:

1. Approval of Agenda

Motion: **To approve agenda as presented.**

Motion By: Linda Hood    Motion Seconded By: Tony Bennett

Member/s Recusing from Vote:  YES  NO

Yes Votes: 14    No Votes: 0

**The motion carried.**

2. Adoption of Consent Agenda

Consent Agenda includes the following information listed under letters, A –C. Board members may request that any item in the Consent Agenda be moved under the regular agenda for further discussion, prior to vote. Lynne Eldridge would like to add a discussion and vote to Item V on the consent agenda regarding hourly/salaried PTO process.

A. Approval of Minutes

Please refer to the Board Meeting Minutes for the *March 16, 2016* Board Meeting.

B. Financial Statements

Please refer to Financial Statements through *February 2016*.

C. Credit Card Transaction Report

Please refer to the Credit Card Transaction Report for *February 2016*.

Motion: **To approve consent agenda items as presented, to include addition of PTO discussion to Item V.**

Motion By: Jerry Sowell    Motion Seconded By: Rita Acoba

Member/s Recusing from Vote:  YES  NO

Yes Votes: 14    No Votes: 0

**The motion carried.**

3. Committee/Full Board Reports

A. PERSONNEL & POLICY COMMITTEE

1. *Related Party Contracts*

To be in compliance with Florida Statute, the Coalition Board must approve any contracts between ELC employees, ELC governing board members, and relatives of either group as s. 112.3143(10)(b),

F.S., defines and submit to Office of Early Learning for approval. The Coalition must comply with requirements in state statute and Office of Early Learning instructions (s. 1002.84(20), F.S.) as listed below:

- a) Any governing board member(s) benefitting from ELC contract(s) must disclose in advance the conflict of interest and must abstain from the vote process.
- b) The impacted individual must complete the necessary conflict of interest disclosure forms.
- c) The Coalition shall present all such contracts to the ELC governing board for a vote. A valid approval requires two-thirds vote of the FULL Coalition Board, a quorum must be established.
- d) The Coalition shall not enter into or execute a contract in excess of \$25,000 with a member of the ELC Board or relative of a Board Member without OEL's approval.
- e) The Coalition does not have to obtain OEL's prior approval for contracts below \$25,000.
- f) However, Coalition's must adequately disclose and properly report and track such contract activity.
- g) The Coalition shall report such contracts to Office of Early Learning within thirty (30) days after receiving approval from the Coalition governing Board.

A. *In Excess of \$25,000*

After receiving approval from the Coalition Board, any Related Party Contract in excess of \$25,000, is required to be submitted to the Office of Early Learning, for approval. Last year, this included the Coalition's contract with Career Source Chipola Office for rental space.

Due to the budget constraints the Coalition has experienced this year, the Board instructed the ED to determine where budgetary changes could be made, in order to reduce the Coalition's monthly expenditures.

While the Coalition is very grateful to CareerSource, Richard Williams, and his staff for the way Coalition staff were welcomed and cared for the last several years, we were able to access other space almost next door to CareerSource. After speaking with Mr. Williams and sharing the financial concerns we were facing, the Coalition was extended the same level of kindness, concern, and support that we have always received from Richard and his staff.

Richard's primary concern continues to focus on the Coalition's ability to provide excellent and convenient services to the Jackson County community and families. If there had been any thought or concern of breaking relationship with CareerSource, in any way, there would have BEEN NO DISCUSSION OF A MOVE and we would have found another way to meet budgetary demands.

The CareerSource must operate using a Cost Allocation Plan that mandates how space is divided, shared, and costs allocated. The Coalition also must use this type of plan once approved by Office of Early Learning. It is this plan that made it impossible for CareerSource to substantially reduce its rental costs, even though they certainly tried to find a way. We may be moving "next door" but

we are already feeling a sadness about leaving familiar surroundings and friends.

The Coalition is scheduled to move its Jackson County offices around July 1, 2016 and look forward to continued support of the CareerSource staff. At this time, we are unsure of the long-term savings as additional costs in other directions always seem to surface. However, it is anticipated that we will be under the \$25,000 threshold for Marianna and will not be required to enter into an RFP for rental space. At this time, we have no anticipation of moving from the Chipley offices and will continue to be housed with CareerSource in Chipley.

Richard Williams and Mary McKenzie declared a possible conflict of interest due to working for CareerSource Chipola and sitting on their Board of Directors and will abstain from voting in the event that this is indeed a conflict of interest.

**Motion: To approve the Related Party Contract as presented**

Motion By: Joe Jernigan Motion Seconded By: Tony Bennett

Member/s Recusing from Vote:  YES  NO Richard Williams, Mary McKenzie

Yes Votes: 12 No Votes: 0

**The motion carried.**

*B. Related Party Contracts Below \$25,000*

Trinity Pentecostal Tabernacle Church - Chipley

*Training/Meeting Space Rental - NTE \$15,000*

1. Disclosures

- a) Lynne Eldridge attends Pastor Mike McFatter's church, the Board Chair, Jon McFatter and Pastor Mike McFatter are brothers. Jon McFatter passes presiding Board Chair duty to Mary McKenzie for this vote and discussion due to conflict of interest. Lynne Eldridge passes Coalition discussion authority to Suzan Gage due to conflict of interest.
- b) The church sits in the middle of the Coalition's seven-county service area and have allowed us to pay a nominal fee to use all of its facilities to hold Provider Meetings, Staff meetings, and Staff Development opportunities.
- c) Provider's from the rural counties do not have to drive to Panama City to attend meetings and trainings and continue to express their gratitude at being able to meet in the middle.

**Motion: To approve the Related Party Contract as presented.**

Motion By: Jerry Sowell Motion Seconded By: Mary McKenzie

Member/s Recusing from Vote:  YES  NO Jon McFatter

Yes Votes: 13 No Votes: 0

**The motion carried.**

2. Provider Holidays for 2016-2017

The Board approved reimbursement for five (5) Provider holidays for 2015-2016. As the Coalition begins the contracting process for the 2016-2017 fiscal year, the Board must vote whether or not to continue five (5) paid holidays.

School Readiness Providers in attendance at the April 5, 2016 Coalition Connection, were asked to list the five (5) holidays they thought would best benefit the families they serve. The following list reflects the top five (5) responses in descending order:

1. July 4th
2. Thanksgiving Day
3. Memorial Day
4. Christmas Day
5. Labor Day

Parnell Smith and Linda Hood both represent contracted Providers and declare a conflict of interest and will abstain from voting.

**Motion: To approve Coalition reimbursement for five (5) paid Provider holidays, as presented, for FY 2016-2017.**

Motion By: Mary McKenzie                      Motion Seconded By: Rita Acoba

Member/s Recusing from Vote:  YES    NO   Parnell Smith, Linda Hood

Yes Votes: 12   No Votes: 0

**The motion carried.**

3. Sliding Fee Schedule/Parent Co-pay for 2016-2017

Each year, the Coalition is required to re-evaluate the Parent Co-Pay Sliding Fee Scale for School Readiness services, to ensure that the fee scale addresses cost sharing with families, without becoming a barrier to families receiving assistance (CCBG 2014).

Due to changes in the *Child Care and Development Block Grant*, the Office of Early Learning recommended that the Coalition determine the parent co-pay for fiscal year 2016, at not more than 7% of a parent's income, in order to be ready to implement required changes in upcoming years.

The 7% represents a 3% decrease in what a parent must pay. The 3% funding increase to the Coalition represents an increase of approximately \$200,000. However, this increase is a very gradual change and reflects only a thirty-five cent reduction for full time services and an eighteen cent reduction for part time services.

Parnell Smith and Linda Hood represent contracted Providers and declare a conflict of interest and will abstain from voting.

**Motion: To approve sliding fee schedule, as presented, for 2016-2017.**

Motion By: Rita Acoba      Motion Seconded By: Pamela Kidwell

Member/s Recusing from Vote:  YES  NO      Parnell Smith, Linda Hood

Yes Votes: 12 No Votes: 0

**The motion carried.**

4. Anti-Fraud Plan for 2016-2017

The Board is required by Office of Early to approve the Coalition's Fraud Plan, annually. The Fraud Plan aligns with the requirements of Chapter 6M-9, Florida Administrative Code and has been reviewed and approved by the Coalition's legal counsel, Mr. Derrick Bennett.

**Motion: To approve Coalition Anti-Fraud Plan as presented, for 2016-2017.**

Motion By: Tony Bennett      Motion Seconded By: Jerry Sowell

Member/s Recusing from Vote:  YES  NO

Yes Votes: 14 No Votes: 0

**The motion carried.**

5. Updated Coalition Policies

The Coalition submitted final revisions to specific policies, per Office of Early Learning guidance to meet updated state, federal, and grant requirements. The Coalition is waiting for final approval of these policies, in order to obtain final Work Plan approval. The areas are:

- a. Eligibility
- b. Tangible Personal Property
- c. Records Maintenance
- d. IT Security and Risk Management Controls
- e. PTO

**Motion: To approve giving Executive Director flexibility to make changes in regard to salaried employee PTO as employees transition to hourly due to new federal guidelines regarding overtime and salaried employees.**

Motion By: Doug Kent      Motion Seconded By: Phil Edwards

Member/s Recusing from Vote:  YES  NO

Yes Votes: 14 No Votes: 0

**The motion carried.**

6. School Readiness State-wide Provider Contracts 2016-2017

a. *Contract Renewals*

The Coalition is in the process of accepting School Readiness Contracts for the 2016-17 year. Providers have been given a deadline of May 15, 2016 to return completed contract documentation for the Coalition to review for completeness and accuracy. After notification, Providers with inaccurate or incomplete contract files will be given until May 31, 2016 to make necessary corrections. At the June 8, 2016 Board meeting, members will be given a list of Providers with incomplete contracts and will make recommendation of how to proceed with the contract.

b. *Contract Noncompliance Determination*

The Statewide School Readiness Provider Contract, Section 56 states:

**Corrective Action Notice.** If COALITION determines PROVIDER has failed to comply with the provisions governing the SR program as described in paragraph 5 or the requirements of this Contract, and COALITION concludes that corrective action will resolve the failure to comply, COALITION must notify PROVIDER in writing. (“Corrective action” means implementation of specific action(s) designed to correct the failure to meet a specific requirement.) The notice must identify the specific requirement(s) which PROVIDER failed to meet and describe how PROVIDER failed to meet each requirement. In addition, the notice must provide a detailed description of any required corrective action and set a deadline for completion of the corrective action. Finally, the notice must state that PROVIDER may request a review of the determination as described in paragraph 64. Upon determining that the PROVIDER has satisfactorily completed the corrective action, the COALITION shall notify the PROVIDER in writing.

c. **Probation:** If COALITION concludes that PROVIDER has received a corrective action notice for the same violation two or more times or have had multiple corrective action plans within the contract year or if the corrective action plan is not completed within the prescribed timelines, **PROVIDER shall be placed on probation for a period of up to six (6) months**. Probation may include one or more of the following conditions: training or staff development, monitoring or technical assistance by COALITION or submission of documentation related to the violation. COALITION must notify PROVIDER in writing of the terms and duration of the probation, including required timelines. The terms of the probation must correlate to the basis of the corrective action. A Provider may not receive new children when on Probation status. *In addition, Section 57 Termination for Cause* reads:

d. **Basis of Termination for Cause:** PROVIDER agrees that COALITION has the right to terminate this Contract for cause at any time. The following are grounds for termination for cause:

1. Action, or lack of action, which threatens the health, safety or welfare of children; The material failure to comply with the terms of this Contract, including, but not limited to, failure to implement corrective action or comply with the terms of probation as described in paragraph 56 above;
2. The refusal to accept any notice described under this Contract which COALITION is required to send to PROVIDER; or

3. Reasonable or probable cause for COALITION to suspect that fraud has been committed by PROVIDER as described in paragraph 63.

This fiscal year, Coalition staff are required to bring Provider Noncompliance's to the Board for recommendation concerning resolve, probation, and/or termination, as well as to have Coalition legal counsel review designated cases Provider Noncompliance.

## B. FINANCE COMMITTEE

### 1. Preschool and School Age Children - Provider Rate Increase

Office of Early Learning approved the increase for Preschool and School-age children, effective January 2016. This approval required that Coalition staff make adjustments in each child's file. To date, payment adjustments for eligible children have been completed and are apparent in Provider's March 2016 payment.

### 2. De-obligation of Funds

After completing last month's School Readiness utilization analysis, the Coalition submitted a request to Office of Early Learning to de-obligate \$600,000 in School Readiness funding. While we have identified several factors for lower enrollment this fiscal year, the primary cause appears to be a residual effect from last year's freeze on School Readiness funds.

This fiscal year, the Coalition Board has approved rate increases for all School Readiness children, birth to age ten (10) years, as well as Provider payment for five holidays.

## C. EDUCATION & PROGRAM COMMITTEE

### 1. Performance Funding Project

*Fiscal Year 2014-15:*

The Florida Legislature authorized this "quality" funding project for the first time in 2014-2015 with the intent of improving program outcomes as measured by the Classroom Assessment Scoring System (CLASS Observations). Providers in the pilot group attended Making the Most of Classroom Interactions training (MMCI). The Coalition had 15 Providers participate in 2014-15.

*Fiscal year 2015-16:*

The Legislature reauthorized the project in 2015 and 2016. The Office of Early Learning expanded the interventions offered in year 2 to include designated (MMCI) training for Providers new to the project and added coursework through University of Florida (Early Learning Florida (ELFL) for prior project participants. Technical assistance and the implementation of a child assessment complimented the intervention for Providers in Tier 2.

The Coalition had 27 Providers participate in 2015-16.

*Fiscal Year 2016-17:*

An increase in funding for fiscal year 2016-17 for this Performance Funded Project allowed Office of Early Learning to add a third “Provider Tier” with a different reimbursement structure.

Tier 1 and Tier 2 School Readiness Providers receive a quarterly participation payment of approximately and a bonus payment of approximately related to CLASS pre and post observation scores as in previous years.

Providers eligible for Tier 3 receive a substantially higher per child school-readiness rate than non-participating school readiness providers. The amount of the base allocation for Tier 3 providers is equivalent to the amount Tier 1 and Tier 2 providers receive. As of April 18, 2016, 19 providers have submitted their applications. Final participants will be chosen in mid-May.

State allocated funding for this project is approximately \$500,000 for those receiving a quarterly stipend. Tier 3 School Readiness participants will receive additional funding School Readiness based on a “reimbursement rate.”

The Coalition had thirty-three (33) providers apply. Of those that applied twenty-seven (27) are eligible. Final determinations will be made by the end of May.

D. LEGISLATIVE COMMITTEE

Signed Legislation from Governor:

Among twenty (20) bills Gov. Rick Scott signed into law, Thursday, April 14<sup>th</sup>, was a measure (HB 7053) bringing Florida into compliance with new federal requirements for subsidized child care. It allows the state to continue drawing down federal block-grant funding -- more than \$273 million in the last federal fiscal year. The bill, filed by Rep. Marlene O'Toole, implements the new requirements of the block grant, which was reauthorized by Congress in 2014. The bill requires pre-service and in-service training for staff at the child-care facilities and directs OEL to develop quality standards for subsidized child care. Now that the bill has been signed, the Coalition will begin to make required changes as necessary and /or directed by OEL.

E. EXECUTIVE DIRECTOR OVERVIEW

1. *Board Membership*

Brandie McCabe with Big Bend Community Based Care has submitted her resignation from the board due to accepting a new position and moving to Tallahassee. Brandie has been a tireless advocate for at-risk children during her service on our board. We wish her much success in her new position. She will be missed.

2. *Internal Controls*

The Office of Early Learning requires the Coalition to review and update its Internal Control systems by using the questionnaire to review the Coalition’s internal control. The Coalition continues to address identified areas as necessary.

3. *Wait List and Priority Placement*

As of 5/6/16, the Coalition has scheduled appointments for everyone listed on the Wait List or is waiting on information from families to complete required paperwork.

Appointment made:	Bay	Calhoun	Franklin	Gulf	Holmes	Jackson	Washington	Total
INF	13	1	-	1	2	2	2	21
TOD	15	3	-	1	2	3	1	25
2YR	15	1	-	2	4	4	2	28
PR3	12	4	1	1	2	7	2	29
PR4	7	-	-	3	1	4	-	15
PR5	10	1	-	-	4	1	-	16
SCH	36	2	-	-	4	9	-	51
	108	12	1	8	19	30	7	185

To hear back:	Bay	Calhoun	Franklin	Gulf	Holmes	Jackson	Washington	Total
INF	2	-	-	1	1	1	1	6
TOD	5	1	1	-	-	-	-	7
2YR	5	1	-	1	-	4	-	11
PR3	3	-	-	-	-	1	-	4
PR4	4	-	-	1	1	2	-	8
PR5	1	-	-	-	-	-	-	1
SCH	7	-	-	-	-	2	-	9
	27	2	1	3	2	10	1	46

4. DCF Report

N/A

5. Public Comment

N/A

6. Next Meeting

June 8, 2016

7. Adjournment

This meeting of the Early Learning Coalition of Northwest Florida, Inc. Board of Directors was adjourned by Jon McFatter at 11:44 a.m. CST.

Submitted by:  
Darrin Wall, Secretary  
DW:sg