



Monday, April 17, 2017 at 3:30 p.m.
6800 N. Dale Mabry Highway, Suite 134
Tampa, Florida 33614
Call-in: 866-866-2244
Access Code: 5194796

I. CALL TO ORDER

A. Patel

II. PLEDGE OF ALLEGIANCE

III. PUBLIC COMMENT I

Individuals wishing to address the Early Learning Coalition of Hillsborough County Board of Directors must complete a Public Comment Request Card and submit it to the official recorder prior to the noticed start time of the meeting. Said comments will be limited to three (3) minutes per individual on a first come, first serve basis, and only at such time as is identified on the official meeting agenda for public comment. All public comment in Public Comment I must pertain to an item on the approved agenda.

IV. CONSENT AGENDA (Pg. 4-15)

The "consent agenda" is a single agenda item typically addressed first after convening the board meeting and establishing that a quorum is present. The consent agenda encompasses all the routine, pro forma and noncontroversial items that the Board needs to vote on.

- A. Approval of February 13, 2017 Board of Directors Minutes (Pg. 3)

V. EXECUTIVE REPORTS

- A. Chair's Report

A. Patel

- i) Recognitions

- B. CEO Report

S. Knobl

VI. OLD BUSINESS

VII. ACTION ITEMS

- A. Approval of 2017-2018 Budget (Pg. 8)

S. Costner

- B. Contract Allocation for Sub-recipients (Pg. 18)

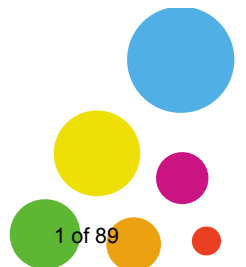
S. Costner

- C. Lease Agreement with Career Source (Pg. 19)

B. Davis

- D. Provider Contract Progressive Enforcement Policy (Pg. 20)

K. Perkins



VIII. COMMITTEE REPORTS

- A. Executive/Finance Committee A. Patel/Joe McElroy
 - i) Audit
- B. Communications & Outreach (Pg. 28) D. Jacob
- C. Governance Committee (Pg. 30) S. Robinson
- D. Legislative Affairs Committee (Pg. 40) S. Murman
- E. Service Delivery & Efficiency (Action Item VII.D.) A. Chowning

IX. DISCUSSION ITEMS

X. INFORMATION ITEMS

- A. Audit (Pg. 42)
- B. Dashboard (Pg. 65)
- C. Fiscal Monitoring (Pg. 69)
- D. Andrew Valenti Information Sheet (Pg. 89)

XI. PUBLIC COMMENT II

Individuals wishing to address the Early Learning Coalition of Hillsborough County Board of Directors must complete a Public Comment Request Card and submit it to the official recorder prior to the noticed start time of the meeting. Said comments will be limited to three (3) minutes per individual on a first come, first serve basis, and only at such time as is identified on the official meeting agenda for public comment.

XII. ADJOURNMENT

Board/Staff Tasks & Assignments Completed from February 13, 2017 Board Meeting

Task	Owner	Date Completed
Email link to job descriptions/applications to Board members.	K Minney	2/20/17
Complete & return Evaluation of CEO/Self-Evaluations by March 14, 2017.	Board	3/14/17

UPCOMING MEETINGS

Executive/Finance Committee Meeting- Monday, May 8, 2017 at 3:30 pm.
Board of Directors Meeting- Monday, June 12, 2017 at 3:30 pm.

UPCOMING EVENTS

Monday, February 13, 2017 at 3:30 pm.
6800 N. Dale Mabry Highway, Suite 134
Tampa, Florida 33614

MEETING ATTENDANCE

Facilitator: Aakash Patel, Chair

Board Members Present:

Scott Barrish*, Robert Buesing, Luke Buzard, Marie Caracciola, Angela Chowning, Dr. Daphne Fudge*, Mary Hancock*, Lynne Hildreth*, Dr. Douglas Holt*, Dianne Jacob*, Joe McElroy, Brian McEwen*, Sandra Murman*, Kelley Parris*, Aakash Patel, Dr. Shawn Robinson, and Liz Welch.

Board Members Absent:

Tracye Brown, Carlos Del Castillo, Jill Hammond, Dr. Jacquelyn Jenkins, Jennifer Kuhn, and Edward Peachey.

ELCHC Staff:

Bobbi Davis, Stacey Francois, Lorinda Gamson, Sharon Hayes, Tracy Knight, Karen Perkins, Janet Stutzman, and Tracie White.

Other Attendees:

Kathy Kaaa, Marina Harkness, Rebecca Lopez, Sandy Show.

*Indicates attendance by phone.

CALL TO ORDER

Quorum Verification

Chair Patel called the meeting to order at 3:30 pm. Quorum was established at 3:35 pm.

The Board recited the Pledge of Allegiance.

The following items were included under the Consent Agenda:

- A. Approval of Agenda
- B. December 12, 2016 Board Meeting Minutes
- C. Allocation of Funds-School District of Hillsborough County

Dr. Shawn Robinson noted that Board members representing the School District of Hillsborough County should abstain on item IV.C. of the Consent Agenda.

Dr. Shawn Robinson made a motion to accept items A and B of the Consent Agenda. Luke Buzard seconded the motion. The motion carried.

Dr. Shawn Robinson moved to accept Allocation of Funds for School District Contract. Liz Welch seconded the motion. Marie Caracciola abstained. The motion carried.

Chair Patel and Dr. Steve Knobl recognized Board member, Joe McElroy and DEX Imaging for their donation of scanners to the Coalition. Mr. McElroy was presented a certificate of appreciation from the Coalition and was given a framed piece of children's art that was donated by the Ecopia Day School.

Chair Patel and Dr. Steve Knobl recognized Board members, Scott Barrish, Robert Buesing, Joe McElroy, and Dr. Shawn Robinson for their donation to the Early Learning Association of Chairs (ELAC) reception that was hosted by the ELCHC on January 12, 2017. The Board members were presented certificates of appreciation from the Coalition.

Chair Patel and Dr. Steve Knobl recognized Board member, Robert Buesing for his donation to the 1st Annual ELCHC/Lightning Teacher Appreciation Night which was held on February 2, 2017. Mr. Buesing was presented a certificate of appreciation from the Coalition and was given a framed piece of children's art that was donated by the Ecopia Day School.

Chair Patel and Dr. Steve Knobl recognized Board member Luke Buzard and TECO People's Gas for their donation to the 1st Annual ELCHC/Lightning Teacher Appreciation Night. Mr. Buzard was presented a certificate of appreciation from the Coalition and was given a framed piece of children's art that was donated by the Ecopia Day School.

Board Chair's Report

- Chair Patel reported that a press release from Governor's Scott office regarding his 17-18 budget specifically proposed an increase in funding for Voluntary Pre-Kindergarten (VPK) and School Readiness (SR) programs. Chair Patel added that a press release with Representative Jackie Toledo acknowledging the Governor's support had been disseminated.
- Chair Patel stated that the Legislative session would begin on March 7, 2017 in Tallahassee and that Commissioner Murman and Bobbi Davis would provide an update to the Board during their Committee report.
- Chair Patel reported that the 1st Annual ELCHC/Lightning Teacher Appreciation Night raised over \$3,000.00 and allowed 100 teachers to attend the hockey game on February 2, 2017. Chair Patel noted that \$600.00 was directed to the Coalition and that it would be used to supplement quality classroom grants.
- Chair Patel stated that the Tampa Bay Lightning had selected Andrew Valenti, a senior from Jesuit High School for the Junior Hometown Heroes Program. Chair Patel added that Mr. Valenti received a \$50,000.00 scholarship of which \$25,000.00 was donated to the ELCHC to start a Book Garden at the main office. Chair Patel noted that Mr. Valenti would be invited to the April Board meeting to talk about his project.
- Chair Patel reported that the ELCHC would participate in Give Day Tampa Bay on May 2, 2017. Chair Patel noted that Give Day was a great opportunity for non-profits to promote their cause through social media outlets.

CEO Report

- Dr. Knobl stated that IECF had officially moved into their new office space on January 17, 2017 and that staff had done a fantastic job with the move. Dr. Knobl added that the IECF grand reopening was scheduled for February 28, 2017 from 5:00 pm to 7:30 pm.
- Dr. Knobl stated that the cubicles from IECF had been moved to the ELC Administrative Offices and are being used in the Finance Department for VPK reimbursement.

- Dr. Knobl noted that over 305 providers attended the first quarterly provider meeting that was held on January 7, 2017 at the Hillsborough Community College-Dale Mabry Campus.
- Dr. Knobl reported that the Plant City provider visits went well on January 31, 2017. The next visits are scheduled for March 9, 2017 in Riverview and March 30, 2017 with a location to be determined.
- Dr. Knobl thanked Miriam Ortiz for attending the ELCHC/Lightning Teacher Appreciation Night and taking photographs of the event. Dr. Knobl added that over 100 providers received free entry to the hockey game.
- Dr. Knobl reported on the Tampa Bay Lightning Junior Hometown Hero's recipient, Andrew Valenti. Dr. Knobl stated that Andrew would be invited to the April Board meeting to talk about his project.
- Dr. Knobl reported on his community outreach opportunities at the Kiwanis of Tampa, Café Con, Kiwanis of Carrollwood, New Tampa Rotary, Kiwanis of Plant City, and Ultimate Medical Academy.
- Dr. Knobl stated that the ELCHC had hosted the Children's Movement of Florida Board meeting on February 1, 2017 in the new training space at IECF.
- Dr. Knobl, Steve Costner, and Bobbi Davis had met with Luke Buzard and the TECO Lean Sigma team on February 3, 2017. Dr. Knobl noted other community outreach and media opportunities which included Sulphur Springs district visits, Early Learning Conversation meeting, Op-ed that was published by the Tampa Bay Times on January 20, 2017, Chair Patel appeared on 10 News WTSP to promote Celebrate Literacy Week, and the ELAC reception that was hosted by the ELCHC.

Kelley Parris requested that Dr. Knobl provide an update to the Board on organizational structure, where he was with the development and implementation of policies and procedures, the operational efficiency, the total cost of migration of services to the ELCHC from the School District, and any operational plans that would be implemented such as IT, facilities, personnel, and communications.

Dr. Knobl reported that the senior leadership team had scheduled bi-weekly meetings to discuss the work ahead from an organizational structure and that a Human Resource Specialist position, Communications and Outreach Specialist position, and Communications and Outreach Liaison position was posted on the ELCHC website. Dr. Knobl added that he had received policies & procedures from other like size Coalitions to review and also noted, that once the migration of services had a full fiscal cycle that the Board would be updated on the total cost of the migration from the School District to the ELCHC.

Dr. Shawn Robinson stated that it was important to have Dr. Knobl in the community for the first 6 months to be visible and to bring awareness to the Coalition, but there was a need for a balance between external and internal activities.

PUBLIC COMMENT

There was no Public Comment.

OLD BUSINESS

There was no Old Business

ACTION ITEMS

Budget Parameters

Steve Costner reported on the 2017 budget parameters noting that the occupancy line item was lower than projected and that professional fees, educational supplies, outreach, and other operational costs were currently under budget. Mr. Costner added that there was a lapse of \$8,474.00 in personnel due to an addition of staff positions for VPK reimbursement.

Dr. Shawn Robinson requested that Mr. Costner describe the difference between approving budget parameters and approving a budget. Mr. Costner stated that budget parameters are a broad guideline that would allow staff to start work on a more detailed budget with specifics to staff positions and individual line items.

A discussion was held regarding proposed salary increases and new job positions. Mr. Costner noted that a 3 or 4 percent salary increase would be proposed for ELCHC staff in 2018. Mr. Costner stated that the proposed increase would be across the board and not based on merit. Dr. Knobl added that the new job positions included two Communications and Outreach positions and one Human Resource Specialist. Dr. Knobl stated that of the two communications specialist positions, one was a replacement position as the current specialist had resigned.

Chair Patel requested that the link to the job applications and job descriptions would be emailed to the board.

Dr. Shawn Robinson made a motion to accept the budget parameters as presented. Liz Welch seconded the motion. The motion carried unanimously.

COMMITTEE REPORTS

Communications & Outreach Committee

- Diane Jacob reported that Sparxoo had finalized the design for all the template pages and that the new website launch date was February 28, 2017.
- Ms. Jacob noted that Hillsborough Day of Play was scheduled for March 12, 2017 and that staff had secured the morning drive team of Holly & Miguel from HOT 101.5 FM radio.
- Ms. Jacob added that the grand re-opening of The Tampa Bay Institute for Early Childhood Professionals (IECP) was scheduled for February 28, 2017. Ms. Jacob encouraged Board members to attend the event.
- Ms. Jacob stated that staff had been working with three other coalitions on a radio promotion package for the Voluntary Pre-Kindergarten (VPK) program. Ms. Jacob added that the collaborative effort had been spearheaded by the Early Learning Coalition of Pinellas County, and that it would enable all ELC's to target an audience of 18-34 year olds for a total cost of \$2,000.00. The package would offer a shared landing page to promote VPK enrollment, public service announcements, and individual booking of morning drive radio personalities "Holly & Miguel."

Governance Committee

Dr. Shawn Robinson reported that the Governance Committee had met on January 4, 2017 and had discussed creating an interim evaluation for the CEO and a self-evaluation of Board members. Dr. Robinson noted that an evaluation of peers was rejected by the Committee. Dr. Robinson

added that the Committee had voted and passed a motion that reduced the size of the Board to 24 members. Dr. Robinson stated that he had not set a date for the evaluation of the CEO and the self- evaluation of Board members to be completed.

Chair Patel made a motion to make a deadline for evaluations for self and CEO to be completed by 3:00 pm on March 14, 2017. Dr. Shawn Robinson seconded the motion. The motion carried unanimously.

Legislative Affairs Committee

Commissioner Sandy Murman reported that the Committee had been preparing for Hillsborough Day at the Capital on March 22, 2017 and that Board members were encouraged to attend. Commissioner Murman stated that the Governor's budget was a recommendation to the legislature for additional funding for the Voluntary Pre-kindergarten (VPK) program. Commissioner Murman added that anyone interested in serving on the Florida State Constitutional Review Commission to contact the Speaker of the House or the Governor's Office.

Service Delivery & Efficiency Committee

Angela Chowning reported that the Committee had been working on progressive enforcement procedures for School Readiness (SR) and Voluntary Pre-Kindergarten (VPK) contracts. The enforcement procedures would provide guidance providers of what would be expected of them and the consequences of contract non-compliance. Ms. Chowning stated that the enforcement procedures would be finalized and presented to the Board at the April meeting.

DISCUSSION ITEMS

Board Meeting Times

The Board discussed a 3:30 pm start time for the April Board meeting and rescheduled the Board meeting from April 10, 2017 to April 17, 2017.

ADJOURNMENT

Citing no further business, Chair Patel made a motion to adjourn the meeting at 4:50 pm. Liz Welch seconded the motion. The motion carried unanimously.

ELCHC BOARD OF DIRECTORS MEETING- APRIL 17, 2017

ACTION

ITEM VII.A.

ISSUE:	Operating budget for fiscal year ending 6/30/18
FISCAL IMPACT:	\$4,892,345
FUNDING SOURCE:	SR, VPK, QCFK, BOCC
RECOMMENDED ACTION:	Approve the Early Learning Coalition of Hillsborough County FY 2018 operating budget.

NARRATIVE:

Please see attached documents for the proposed budget for fiscal year ending 6/30/2018.

Early Learning Coalition of Hillsborough County

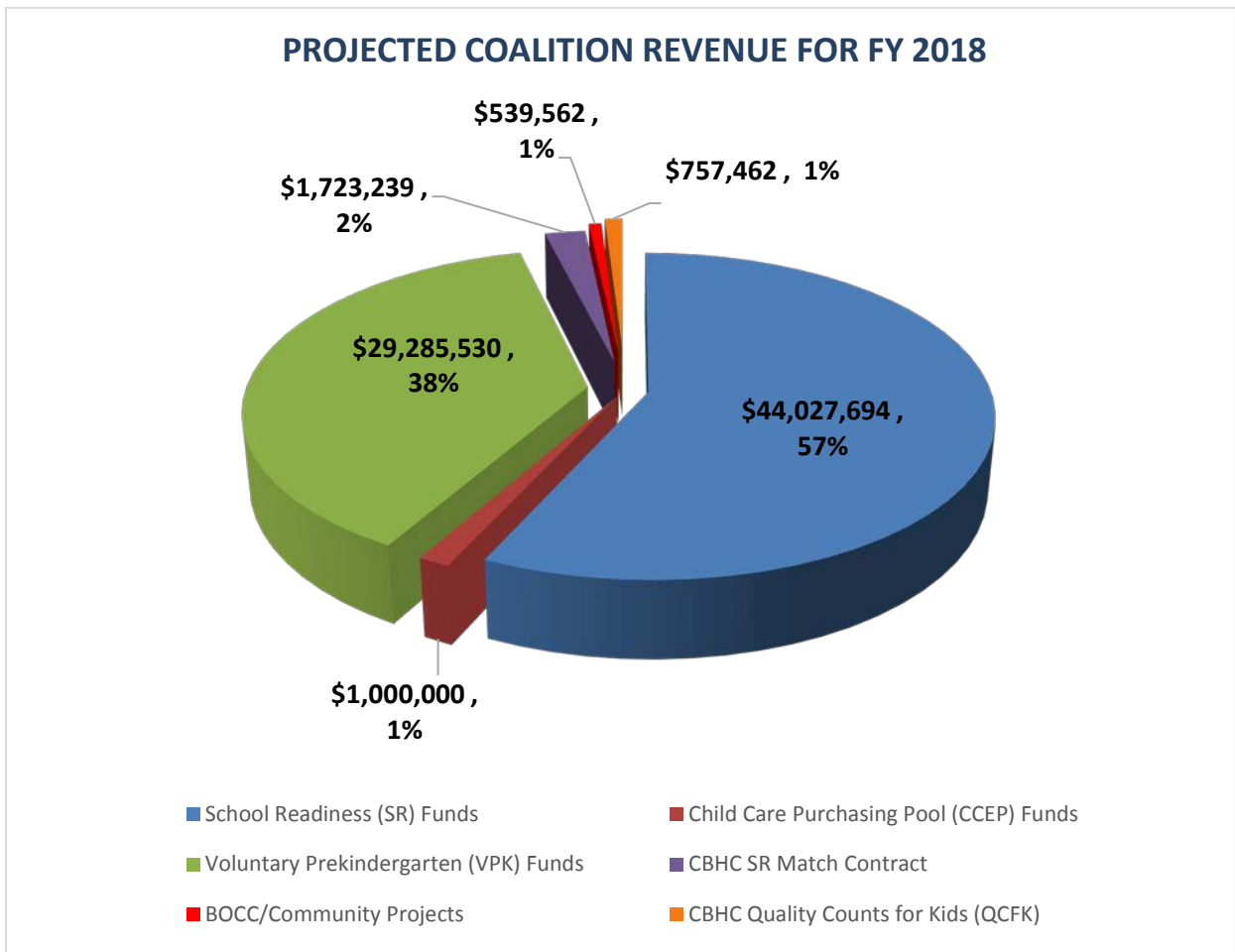
Budget Overview

Fiscal Year Ending 06/30/18

Revenue to support the Coalition’s operations and services are derived primarily from grants and contracts with the Office of Early Learning (OEL), the Children’s Board of Hillsborough County (CBHC), Hillsborough County Board of County Commissioners and various community projects with which the Coalition is involved. FY 2018 allocation information has not been received from the Office of Early Learning (OEL). The OEL revenue figures indicated here are based on the original allocations for FY 2017. The allocation from the Children’s Board (CBHC) will be received later this year. The budget will be revised once final allocations are available from OEL and CBHC. Total projected revenue is as follows:

Projected Coalition Revenue for FY 2018

School Readiness (SR) Funds	\$44,027,694
Child Care Purchasing Pool (CCEP) Funds	\$1,000,000
Voluntary Prekindergarten (VPK) Funds	\$29,285,530
CBHC SR Match Contract	\$1,723,239
Community Initiatives	\$539,562
CBHC Quality Counts for Kids (QCFK)	\$757,462
Total Projected Revenue	\$77,333,487



COALITION OPERATING BUDGET

The Coalition's operating expenditures are derived from the following sources: OEL-School Readiness Funds, OEL-VPK Funds, CBHC-Quality Counts for Kids, Hillsborough County Board of County Commissioners and various community initiatives.

The proposed Coalition operating budget is summarized below:

Funding Source	FY 2017	FY 2018	% Change
School Readiness	\$2,342,542	\$2,919,976	25%
Voluntary Prekindergarten	\$ 825,001	\$1,123,498	36%
Quality Counts for Kids	\$ 666,748	\$ 570,493	(14%)
Community Initiatives	\$ 660,887	\$ 278,378	(58%)
Total Budget	\$4,495,178	\$4,892,345	9%

- The proposed FY 2018 operating budget totals \$4,892,345 for all Coalition operations and personnel expenses.
 - This is an increase from FY 2017 revised budget of \$397,167 or 9%.
 - The School Readiness budget increased by \$577,434.
 - Costs associated with providing quality support to providers as part of the QCFK program were shifted to the School Readiness budget.
 - The VPK budget increased by \$298,497.
 - The budget for community initiatives decreased by \$382,509.
 - The QCFK operating budget decreased by \$96,255.
 - The funding for QCFK is subject to change with the new contract year beginning 10/1/17.

ADDITIONAL INFORMATION

The School Readiness, VPK, and QCFK allocations are subject to change.

- The final allocation from OEL has not been received yet. Once the final allocation is received, the budget will be revised.
- Contract negotiations with SDHC, Child Care Licensing, and Early Childhood Council have not been completed. The allocations for each of these subcontractors indicated in this budget are subject to change.
 - The allocated amount for the SDHC contract reflects the original allocation provided for FY 2017, in addition to funding for contracted slots and the performance funding project. The non-recurring funds released 9/30/16 are not included.
 - Unallocated School Readiness funds of \$400,000 were reallocated to direct services in 2017.
- The reduction in Quality Counts for Kids subcontractors reflects the reduced funding in the program.
 - The FY 2017 amount reflects the last 3 months of the contract, from July 1 thru September 30, 2016.

Early Learning Coalition of Hillsborough County
Agency Wide Proposed Budget Summary
Fiscal Year Ending 06/30/18

	Revised Budget FY 2017	Proposed Budget FY 2018	% Chg
Revenue			
School Readiness	45,237,820	45,027,694	0%
Voluntary Pre-Kindergarten	29,210,949	29,285,530	0%
CBHC Quality Counts for Kids	1,834,107	757,462	-59%
CBHC School Readiness Match	1,723,239	1,723,239	0%
Community Projects	608,000	539,562	-11%
Total Revenue	78,614,115	77,333,487	
Program Expenses			
<i>School Readiness</i>			
School District of Hillsborough County	42,330,678	40,618,840	-4%
BOCC Child Care Licensing	1,058,904	1,058,904	0%
Early Childhood Council	49,500	49,500	0%
Unallocated	77,868	416,474	435%
CBHC School Readiness Match	1,723,239	1,723,239	0%
<i>Total School Readiness</i>	<i>45,240,189</i>	<i>43,866,957</i>	
<i>Voluntary Pre-Kindergarten</i>			
Direct Services	28,363,948	28,162,032	-1%
Early Childhood Council	22,000	22,000	0%
<i>Total Voluntary Pre-Kindergarten</i>	<i>28,385,948</i>	<i>28,184,032</i>	
<i>CBHC Quality Counts for Kids</i>			
Subcontractors	320,609	181,568	-43%
<i>Total CBHC Quality Counts for Kids</i>	<i>320,609</i>	<i>181,568</i>	
<i>Other Program</i>			
School Readiness Match (CCEP)	102,100	102,100	0%
<i>Total Other Program</i>	<i>102,100</i>	<i>102,100</i>	
Total Program Expenses	74,048,846	72,334,657	
ELCHC Operating Expenses			
Personnel	3,313,230	3,642,327	10%
Occupancy	223,434	389,757	74%
Professional Fees	56,215	59,642	6%
Travel & Training	53,236	57,606	8%
Quality Action Grants	370,398	200,000	-46%
Insurance	16,261	22,025	35%
Technology	179,097	229,612	28%
Educational Supplies	88,145	53,565	-39%
Office Supplies	29,086	35,294	21%
Outreach	89,732	89,000	-1%
Printing/Binding	21,275	37,980	79%
Other Operating	55,069	75,536	37%
Unallocated	70,091	106,485	52%
Total ELCHC Operating Expenses	4,565,269	4,998,830	9.5%
Grand Total Expenditures	78,614,115	77,333,487	
Change in Net Assets	0	(0)	

Early Learning Coalition of Hillsborough County
Proposed Budget by Fund
Fiscal Year Ending 06/30/18

ELCHC Operating Expenses	SR	VPK	QCFK	COMPROJ	TOTAL
Personnel	2,282,071	911,831	408,398	40,028	3,642,327
Occupancy	264,762	64,525	54,470	6,000	389,757
Professional Fees	32,286	21,471	5,885	0	59,642
Travel & Training	39,296	11,130	6,580	600	57,606
Quality Action Grants	0	0	0	200,000	200,000
Insurance	10,116	11,395	514	0	22,025
Technology	132,638	63,186	33,789	0	229,612
Educational Supplies	26,250	2,000	25,315	0	53,565
Office Supplies	21,570	10,295	1,429	2,000	35,294
Outreach	64,000	5,000	3,250	16,750	89,000
Printing/Binding	24,600	10,900	2,480	0	37,980
Other Operating	22,387	11,766	28,383	13,000	75,536
Total ELCHC Operating Expenses	2,919,976	1,123,498	570,493	278,378	4,892,345

Early Learning Coalition of Hillsborough County
Budget Narrative
Fiscal Year Ending 06/30/18

	Revised Budget FY 2017	Proposed Budget FY 2018	Change	
ELCHC Program Expenses				
<u>School Readiness</u>				
School District of Hillsborough County	42,330,678	40,618,840	(1,711,838)	Represents contract allocation for SDHC to provide School Readiness services. Includes \$626,855 for the Performance Funding Project and \$746,814 for Contracted Slots. FY 17 contract amendments of \$400,000 (unallocated funds) and \$1,311,839 (non-recurring dollars) were removed from the FY 18 allocation.
BOCC Child Care Licensing	1,058,904	1,058,904	0	Allocation to provide child care licensing and inspection.
Early Childhood Council	49,500	49,500	0	Represents contract allocation to provide School Readiness Inclusion services.
Unallocated	77,868	416,474	338,606	Unallocated funds of \$400,000 were reallocated during fiscal year 2017.
CBHC School Readiness Match	1,723,239	1,723,239	0	Allocation for School Readiness match funds. \$897,900-Child Care Executive Partnership (CCEP) funds \$805,339-BG8 Match \$20,000-Metropolitan Ministries
<u>Voluntary Pre-Kindergarten</u>				
Direct Services	28,363,948	28,162,032	(201,916)	Allocation for VPK child care services.
Early Childhood Council	22,000	22,000	0	Represents contract allocation to provide Voluntary Prekindergarten Inclusion services.
<u>CBHC Quality Counts for Kids</u>				
Subcontractors	320,609	181,568	(139,041)	The University of South Florida and Early Childhood Council are no longer sub contractors for the Quality Counts for Kids program in FY 2018. This change was effective 10/1/16.
<u>Other Program</u>				
School Readiness Match (CCEP)	102,100	102,100	0	Represents the remaining portion of the \$1,000,000 budgeted for CCEP. This portion is funded by the BOCC.
ELCHC Operating Expenses				
Personnel	3,313,230	3,642,327	329,097	Total \$226,971 of the increase is reflected by an increase in FTEs over FY 2017. The proposed budget also includes a 4% increase for all employees at a cost of \$102,126. Staff received no pay increases in the current fiscal year.
Occupancy	223,434	389,757	166,323	The occupancy budget reflects the following: \$315,395-Lease for Dale Mabry offices. \$20,000-Lease for new School Readiness offices colocated with Career Source. \$7,292-Office equipment leases \$18,516-Internet access including dual ISPs \$8,430-Telephone service \$16,620-Janitorial service \$3,504-Security monitoring
Professional Fees	56,215	59,642	3,427	Includes legal, audit and payroll admin fees. With the increase in audit work related to VPK, the audit fees are budgeted \$2,000 higher. Also budgeting a slight increase of \$1,427 in payroll administrative fees.
Travel & Training	53,236	57,606	4,370	Reflects local travel for staff engaged in monitoring, assessments, and technical assistance as well as travel and registration fees for training and conferences.
Quality Action Grants	370,398	200,000	(170,398)	This line item decreased due to reduced funding for the Quality Counts for Kids program effective October 1, 2016.

Early Learning Coalition of Hillsborough County
Budget Narrative
Fiscal Year Ending 06/30/18

	Revised Budget FY 2017	Proposed Budget FY 2018	Change	
Insurance	16,261	22,025	5,764	Includes liability, D&O, and employee crime & dishonesty. Due to increased staffing, we are projecting an increase of \$5,764 for 2018.
Technology	179,097	229,612	50,515	Represents maintenance/support for hardware and software \$90,000-Managed IT services contract \$26,412-Monthly hosting fees for provider portal, accounting software. \$25,000-Software licenses related to OEL's current EFS legacy database. \$17,500-Software licenses as required by OEL for the new online portal. \$20,000-Upgrades to the provider portal. \$20,000-Upgrades/migration of internal systems to online solutions \$22,000-ERS software licenses for the QCFK program \$8,700-Maintenance/support for accounting, telephone, and backup software
Educational Supplies	88,145	53,565	(34,580)	Materials associated with training, technical assistance, and other resources such as MMCI, CLASS Score Sheets, Dimension Guides and ERS tools.
Office Supplies	29,086	35,294	6,208	Misc office supplies projected to approximate 2017 activity with an additional allowance for increase in FTE's.
Outreach	89,732	89,000	(732)	Represents targeted funding for outreach. \$5,000-Glazer Museum's Toddler Takeover \$8,000-Quarterly Provider Meetings \$15,000-Day Of Play Event (+/- \$7,500 (estimated) spent in FY 2017) \$5,000-Back to School Fair \$5,000-Quarterly Parent night \$4,000-Full Page Ads in Tampa Bay Parenting magazine \$8,000-Continued rollout of rebrand \$15,000-CCR&R Activities \$24,000--Additional Outreach activities
Printing/Binding	21,275	37,980	16,705	Includes production of publications such as the training bulletin, the Focus Magazine, QCFK brochures and internal copying/printing, based on actual activity in FY 2017. \$15,000 has been added for the printing of the VPK calendar.
Other Operating	55,069	75,536	20,467	Misc items including: \$5,536-Storage rental, postage \$7,000-Dues/Subscriptions for online software, annual filing fees, etc \$16,000-Membership fees for AELC, Tampa Chamber, NAEYC, etc \$7,000-Bank service charges \$40,000-This line item also includes the cost of background screenings for child care providers. This is a revenue generating activity. The coalition charges the provider a fee for processing the background screenings. FDLE subsequently charges the coalition for the service.

Early Learning Coalition of Hillsborough County

FTE Summary

Fiscal Year Ending 6/30/2018

Position	FTE	Funding Source(s)
Accountant I	1	SR, VPK, QCFK
Chief Executive Officer	1	SR, VPK, QCFK
Chief Financial Officer	1	SR, VPK, QCFK
Chief Program Officer	1	SR, VPK, QCFK
Communications/Outreach Liaison (Vacant)	1	SR, VPK
Communications/Outreach Specialist (Vacant)	1	SR, VPK
Data Analyst	1	SR, VPK
Database Administrator	1	SR, VPK, QCFK
Director of Communications & Outreach	1	SR, VPK, QCFK
Director of Administration	1	SR, VPK, COMPROJ
Executive Administrator	1	SR, VPK
Family Services Coordinator	1	SR, VPK
Family Services Specialist	1	SR, VPK
Family Services Specialist	1	VPK
Family Services Specialist	1	SR, VPK
Family Services Specialist	1	SR, VPK
Family Services Specialist	1	SR, VPK
Family Services Specialist	1	SR, VPK
Family Services Specialist	1	SR, VPK
Family Services Specialist	1	VPK
Finance Manager	1	SR, VPK
Senior Finance Specialist	1	VPK
Finance Specialist	1	VPK
Finance Specialist	1	VPK
Finance Specialist	1	VPK
Senior Finance Specialist	1	VPK
Human Resources Specialist (Vacant)	1	SR, VPK, QCFK
Professional Development Coordinator	1	SR, QCFK
Professional Development Coordinator	1	SR, QCFK
Professional Development Coordinator (Vacant)	1	SR, QCFK
Professional Development Liaison	1	SR
Professional Development Liaison	1	SR, QCFK
Professional Development Specialist	1	SR, QCFK
Professional Development Specialist	1	SR, QCFK
Professional Development Specialist	1	SR, QCFK
Professional Development Specialist	1	SR, QCFK
Professional Development Specialist	1	SR, QCFK
Professional Development Specialist	1	SR, QCFK
Professional Development Specialist	1	SR, QCFK
Professional Development Specialist	1	SR, QCFK
Professional Development Specialist	1	SR, QCFK
Professional Development Specialist	1	SR, QCFK

Early Learning Coalition of Hillsborough County

FTE Summary

Fiscal Year Ending 6/30/2018

Professional Development Specialist	1	SR, QCFK
Program Compliance Manager	1	SR, VPK
Provider Services Coordinator	1	SR, VPK
Provider Services Coordinator	1	SR, VPK
Provider Services Specialist	1	SR, VPK
Provider Services Specialist	1	SR, VPK
Provider Services Specialist	1	SR, VPK
Provider Services Specialist (Vacant)	1	SR, VPK
Provider Services Specialist	1	SR, VPK
Provider Services Specialist	1	SR, VPK
Provider Services Specialist	1	SR, VPK
Provider Services Specialist	1	SR, VPK
	53	

**COMBINED ELCHC &
SDHC
FYE 6/30/16**

**ESTIMATED ACTUAL
FYE 6/30/17**

Operating Expenses

Salaries	547,438	730,766
Payroll Taxes	39,545	55,904
Benefits - Reemployment	1,924	8,140
Health	102,227	103,457
Retirement	43,752	16,550
Life and disability, other Benefits	7,156	9,664
Staff Development	322	1,101
Accounting	10,937	8,298
Legal	1,451	1,162
Printing and Reproduction	4,543	5,572
Repairs and Maintenance	18,196	22,560
Other	27,323	32,064
Occupancy	85,057	55,650
Postage/Freight	3,700	0
Rentals - Office Equipment	1,879	2,621
Office Supplies and Office Expense Items	24,133	15,000
Communications	7,658	7,932
Insurance & Surety Bonds (D&O)	5,038	7,556
Insurance and Surety Bonds (Workers)	733	1,301
Equipment	9,612	9,904
Quality and Classroom materials	33	0
Consumer Education and Outreach Materials	1,526	114
Travel - In-State - Travel	3,282	2,253
Travel - Out of State - Travel	577	2,540
Bank Fees	699	1,632
Dues and Subscriptions	2,062	6,529
Miscellaneous/other current charges	119	2,957
Total Operating	950,920	1,111,225

ELCHC BOARD OF DIRECTORS MEETING – APRIL 17, 2017

ACTION

ITEM VII.B.

ISSUE: **Subcontractor Allocation for FY2017-2018**

FISCAL IMPACT: School Readiness \$40,353,575
VPK \$22,000

FUNDING SOURCE: School Readiness and VPK Funds

RECOMMENDED ACTION: Approve the allocation of funds to the School District of Hillsborough County, Child Care Licensing, and Early Childhood Council for FY 2017-2018.

NARRATIVE:

School District of Hillsborough County	<u>FY 2016-17</u>	<u>FY 2017-18</u>
School Readiness total contract amount	39,245,171	39,245,171
Child Care Licensing	<u>FY 2016-17</u>	<u>FY 2017-18</u>
School Readiness total contract amount	1,058,904	1,058,904
Early Childhood Council	<u>FY 2016-17</u>	<u>FY 2017-18</u>
School Readiness total contract amount	49,500	49,500
VPK	22,000	22,000

ELCHC BOARD OF DIRECTORS MEETING – APRIL 17, 2017

ACTION

ITEM VII.C.

ISSUE:	Related Party Contract for Career Source for SR Services Space
FISCAL IMPACT:	School Readiness \$20,306 (annualized)
FUNDING SOURCE:	School Readiness Funds
RECOMMENDED ACTION:	Approve the allocation of funds to the Career Source for FY 2017-18.

NARRATIVE:

On April 1 2017, the School Readiness Office at North Tampa relocated to space in the Career Source Center as their lease with the current owner was expiring. This new location preserved the neighborhood School Readiness site occupied by staff from the School District for Enrollment and Eligibility Services and allowed the Coalition to execute a short-term lease at more favorable terms. The new space located at 9215 N. Florida Avenue results in a lease savings of \$106,261 which will be available for use for services.

ELCHC BOARD OF DIRECTORS MEETING – APRIL 17, 2017

ACTION

ITEM VII.D.

ISSUE:	School Readiness Contract Enforcement
FISCAL IMPACT:	Not applicable
FUNDING SOURCE:	Not applicable
RECOMMENDED ACTION:	Approve the Service Delivery Committee's Recommended Enforcement Actions

NARRATIVE: The Statewide School Readiness (SR) Provider Contract (Contract) establishes the requirements providers must meet for delivery of the SR Program. The Contract also establishes the Coalition's authority to enforce the provisions of the Contract and grants the ability to take action for noncompliance.

The draft Contract Enforcement Actions were developed by the Service Delivery Committee which represents a variety of perspectives – child care providers, child care licensing, Board Members, Hillsborough County Public School Staff and ELCHC staff. The task force met four times between September 2016 and February 2017.

The Committee articulated that contract enforcement actions should be consistent (applied equally across all providers), transparent (easy to understand), reasonable (providers not excessively penalized, especially for violations that immediately corrected) and predictable (providers know what to expect when they do not comply with the terms and conditions of the School Readiness Contract).

The Committee also agreed that the enforcement model would be based on a progressive structure of self-correction that takes into account providers' ability to correct deficiencies and sustain compliance. In this progressive model, enforcement actions substantially increase in seriousness and severity when the same term of the contract is violated repeatedly. Additionally, the Committee acknowledged that some contract issues are serious enough to warrant restrictive penalties on the first violation.

The Committee's recommended sanctions for non-compliance were reviewed by the Board's attorney, Steve Lee. Mr. Lee indicated that the proposed sanctions are either required by rule or statute or are within management's discretion. Mr. Lee suggested that the Board consider adding the following language:

"These guidelines are not binding. The Coalition reserves the right to take any action deemed in the best interest of the Coalition and the public based upon the severity of the violation or the number of violations. Multiple violations may increase the level of sanctions to be imposed."

As stated previously, it is the ELCHC's responsibility to ensure that the early care and learning programs meet the requirements of the School Readiness contract. The creation and organization of the Committee demonstrates ELCHC's commitment to transparency, shared decision making, and continuous quality improvement to support child care programs.

Attachment I outlines the Committee's recommendations for non-compliance with the terms and conditions of the State-Wide School Readiness Contract.

SCHOOL READINESS CONTRACT COMPLIANCE

Indicator Number	INDICATOR	ENFORCEMENT ACTIONS
1.	Conduct Developmental Screenings (if applicable) in accordance with Rule 6M-4.720, FAC.	<p>1st non-compliance: Written corrective action from provider within 7 days outlining the system that will be implemented to ensure compliance.</p> <p>2nd non-compliance: Provider is placed on probationary status and must take all actions required by the Coalition to correct the deficiency.</p> <p>3rd non-compliance: Contract terminated for 2 calendar years from the date of the non-compliance.</p>
2.	Completion and submission of annual CCR&R Provider Updates in accordance with Rule 6M-9.300(5), FAC.	
3.	Accurate completion of monthly enrollment/attendance certifications in accordance with Rule 6M-4.500(2), FAC.	
4.	Use of statewide information system as applicable.	
Indicator Number	INDICATOR	ENFORCEMENT ACTIONS
1.	Children enrolled in accordance with SR payment certificate. (Children are attending facility listed on the payment certificate. In the event that the provider has multiple locations, the provider MUST notify and obtain approval from the Coalition prior to changing the location where the child is being served.)	Provider will not be paid for services provided prior to obtaining permission to change a child's service location.
2.	Provider provides a healthy and safe environment pursuant to s. 402.305(5), (6), and (7), as applicable, and as verified pursuant to Rule 6M-4.620(2)(a), FAC.	Enforcement for this indicator is specified in OEL rule.
3.	Provider implemented an approved Developmentally Appropriate Curriculum (as it specified in OEL-SR 20 and Attachment C of Form OEL-SR 20M). (III-13).	<p>1st non-compliance: Written corrective action from provider within 7 days outlining the system that will be implemented to ensure compliance.</p> <p>2nd non-compliance: Provider is placed on probationary status and must take all actions required by the Coalition to correct the deficiency.</p> <p>3rd non-compliance: Contract terminated for 2 calendar years from the date of the non-compliance.</p>

4.	Provider implemented the character development program as it identified in OEL-SR 20. (III-14)	<p>1st non-compliance: Written corrective action from provider within 7 days outlining the system that will be implemented to ensure compliance.</p> <p>2nd non-compliance: Provider is placed on probationary status and must take all actions required by the Coalition to correct the deficiency.</p> <p>3rd non-compliance: Contract terminated for 2 calendar years from the date of the non-compliance.</p>
5.	Parent sign-in/sign-out daily attendance forms completed in accordance with rule (6M-4.500(1)-(4), FAC).	<p>Any disallowed costs will be withheld from the next reimbursement period.</p> <p>1st non-compliance: Written corrective action from provider within 7 days outlining the system that will be implemented to ensure compliance.</p> <p>2nd non-compliance: Provider is placed on probationary status and must take all actions required by the Coalition to correct the deficiency.</p> <p>3rd non-compliance: Contract terminated for 2 calendar years from the date of the non-compliance.</p>
6.	Provider's monthly enrollment/attendance certifications completed in accordance with rule (6M-4.500(1)-(4), FAC). (III-20)	<p>Any disallowed costs will be withheld from the next reimbursement period.</p> <p>1st non-compliance: Written corrective action from provider within 7 days outlining the system that will be implemented to ensure compliance.</p> <p>2nd non-compliance: Provider is placed on probationary status and must take all actions required by the Coalition to correct the deficiency.</p> <p>3rd non-compliance: Contract terminated for 2 calendar years from the date of the non-compliance.</p>
7.	Provider notified the coalition if a child was absent for five (5) consecutive days with no contact from parent by the close of the fifth (5th) day, according to rule.	<p>1st non-compliance: Written corrective action from provider within 7 days outlining the system that will be implemented to ensure compliance.</p> <p>2nd non-compliance: Provider is placed on probationary status and must take all actions required by the Coalition to correct the deficiency.</p> <p>3rd non-compliance: Provider shall not receive payment for any children that are absent for more the (5) consecutive days unless documentation is uploaded to the portal explaining the child's absence.</p>

8.	Provider adhered to the provisions of the Rilya Wilson Act for each at-risk child under the age of school entry by documenting any notification contact made with the DCF or community-based agencies' case manager.	1 st non-compliance: Provider is placed on probationary status with a stipulated agreement. 2 nd Termination for one calendar year
9.	Provider allow coalition staff (contractor or sub-contractor) or OEL staff immediate access to facility per contract. (V-34)	1 st non-compliance: Payment shall be withheld for any day that Coalition, OEL and/or local licensing is not granted access to the facility and spaces used to offer the SR Program. 2 nd Termination for 2 calendar years
10.	Provider allowed coalition staff (contractor or sub-contractor) or OEL staff immediate access to records per contract. (V-35)	Payment shall be withheld for any day that Coalition, the US Department of Health and Human Services and/or Child Care Licensing does not have access to SR program records.
11.	Staff completed confidentiality agreements in accordance with provider contract. (VI-36)	1 st non-compliance: Written corrective action from provider within 7 days outlining the system that will be implemented to ensure compliance. 2 nd non-compliance: Provider is placed on probationary status and must take all actions required by the Coalition to correct the deficiency. 3 rd non-compliance: Contract terminated for 2 calendar years from the date of the non-compliance.
12.	Provider maintained attendance records for audit purposes for a period of five (5) years from the date of the last reimbursement request for that fiscal year or until the resolution of any audit findings or any litigation related to this Contract, whichever occurs last. (VI-37)	1 st non-compliance: Written corrective action from provider within 7 days outlining the system that will be implemented to ensure compliance. 2 nd non-compliance: Provider is placed on probationary status and must take all actions required by the Coalition to correct the deficiency. 3 rd non-compliance: Contract terminated for 1 calendar year from the date of the non-compliance.
13.	Provider reported changes to the coalition to its private pay rate no later than the close of business on the day of the change. (VII-43)	1 st non-compliance: Written corrective action from provider within 7 days outlining the system that will be implemented to ensure compliance. 2 nd non-compliance: Provider is placed on probationary status and must take all actions required by the Coalition to correct the deficiency. 3 rd non-compliance: Contract terminated for 1 calendar year from the date of the non-compliance.
14.	Provider provided the parent with a list of any fees it charges and, if applicable, written notice of the difference between the private pay rate	1 st non-compliance: Written corrective action from provider within 7 days outlining the system that will be implemented to ensure compliance.

	and SR reimbursement, prior to the parent enrolling his/her child. (VII-44)	2 nd non-compliance: Provider is placed on probationary status and must take all actions required by the Coalition to correct the deficiency. 3 rd non-compliance: Contract terminated for 1 calendar year from the date of the non-compliance.
15.	Provider notified the coalition if it received military subsidy payments through or from the Child Care Aware of America© (formally NACCRRRA) or any legal successor organizations, on behalf of any child enrolled in the provider's SR program. (VII-45)	Intentional Program Violation -
16.	Provider has a method for documenting and collecting the required copayment and issuing receipts to parents. (VII-46)	1 st non-compliance: Written corrective action from provider within 7 days outlining the system that will be implemented to ensure compliance. 2 nd non-compliance: Provider is placed on probationary status and must take all actions required by the Coalition to correct the deficiency. 3 rd non-compliance: Contract terminated for 1 calendar year from the date of the non-compliance.
17.	If applicable, the provider's Head Start program in addition to and not in substitution for its school readiness program. (VII-52)	1 st non-compliance: Written corrective action from provider within 7 days outlining the system that will be implemented to ensure compliance. 2 nd non-compliance: Provider is placed on probationary status with a stipulated agreement. 3 rd non-compliance: Contract terminated for 1 calendar year from the date of the non-compliance.
18.	If applicable, the provider's public school program in addition to and not in substitution for its school readiness program. (VII-53)	1 st non-compliance: Written corrective action from provider within 7 days outlining the system that will be implemented to ensure compliance. 2 nd non-compliance: Provider is placed on probationary status and must take all actions required by the Coalition to correct the deficiency. 3 rd non-compliance: Contract terminated for 1 calendar year from the date of the non-compliance.
19.	The coalition has received any formal complaints regarding this provider related to discrimination against children on the basis of race, national origin, ethnic background, sex, religious affiliation, or disability or regarding discrimination against staff persons on the basis of religion. (IX-55)	1 st non-compliance: Written corrective action from provider within 7 days outlining the system that will be implemented to ensure compliance. 2 nd non-compliance: Provider is placed on probationary status and must take all actions required by the Coalition to correct the deficiency.

		3 rd non-compliance: Contract terminated for 1 calendar year from the date of the non-compliance.
20.	Provider reported unusual incidents on file during the visit to the coalition by no later than the close of business on the day of the incident? An unusual incident is defined in Form OEL-SR 20 (August 2014) at number 69 as incorporated by reference in Rule 6M-4.610, FAC. (XI-70)	1 st non-compliance: Written corrective action from provider within 7 days outlining the system that will be implemented to ensure compliance. 2 nd non-compliance: Provider is placed on probationary status and must take all actions required by the Coalition to correct the deficiency. 3 rd non-compliance: Contract terminated for 1 calendar year from the date of the non-compliance.
21.	Provider submitted a written report of the incident on file during the visit to the coalition within three business days. (XI-70)	1 st non-compliance: Written corrective action from provider within 7 days outlining the system that will be implemented to ensure compliance. 2 nd non-compliance: Provider is placed on probationary status and must take all actions required by the Coalition to correct the deficiency. 3 rd non-compliance: Contract terminated for 1 calendar year from the date of the non-compliance.
22.	Provider has Workers' Compensation insurance that covers the term of the contract. (III-19)	1 st non-compliance: Loss of school readiness funds for days not covered by insurance. Provider has 10 business days to provide proof of insurance which must be prepaid for the remainder of the term of the policy. If the policy is scheduled for renewal during the term of the contract, the Coalition must receive the new/renewal policy 10 days prior to the termination date of the original policy 2 nd instance: termination for 1 year Should provide engage in any improper practices regarding insurance coverage, the contract will be terminated for a period of 5 years.
23.	Provider has Unemployment Compensation insurance that covers the term of the contract? (III-19) (if applicable)	1 st non-compliance: Loss school readiness for days not covered by insurance. Provider has 10 business days to provide proof of insurance which must be prepaid for the remainder of the contract term. 2 nd instance: termination for 1 year Should provide engage in any improper practices regarding insurance coverage, the contract will be terminated for a period of 5 years.

24.	Provider maintained general liability insurance (including transportation insurance if applicable) and provided the coalition with written evidence of coverage. (OEL-SR20 L, FFN, LE)	<p>1st non-compliance: Loss of school readiness funds for days not covered by insurance. Provider has 10 business days to provide proof of insurance which must be prepaid for the remainder of the term of the policy. If the policy is scheduled for renewal during the term of the contract, the Coalition must receive the new/renewal policy 10 days prior to the termination date of the original policy</p> <p>2nd instance: termination for 1 year Should provide engage in any improper practices regarding insurance coverage, the contract will be terminated for a period of 5 years.</p>
25.	Provider submitted advance written notice of cancellation or changes to insurance coverage a minimum of ten (10) calendar days to the coalition. (OEL-SR20 L, FFN, LE)	<p>Provider has 10 business days to provide proof of insurance which must be prepaid for the remainder of the contract term.</p> <p>2nd non-compliance: Provider is placed on probationary status and must take all actions required by the Coalition to correct the deficiency. Should provide engage in any improper practices regarding insurance coverage, the contract will be terminated for a period of 5 years.</p>
26.	Provider is found to have given cash or other consideration to the client in return for receiving a payment certificate.	The matter shall be referred to the Department of Financial Services for investigation. The provider shall be suspended until the completion of any investigation by the Office of Early Learning, the Department of Financial Services, or any other state or federal agency, any subsequent prosecution or other legal proceeding.
27.	Coalition has reasonable cause to believe that provider has committed fraud.	The matter shall be referred to the Department of Financial Services for investigation. The provider shall be suspended until the completion of any investigation by the Office of Early Learning, the Department of Financial Services, or any other state or federal agency, any subsequent prosecution or other legal proceeding.
28.	Provider or owner, officer, or board director is found guilty of or pleads guilty or nolo contendere to, regardless of adjudication, or is acting as the beneficial owner for someone who has been convicted of, found guilty of, or pleads guilty or nolo contendere to regardless of adjudication to public assistance fraud.	Contract shall be immediately terminated for a period of 5 years.
29.	Provider is placed on the United State Department of Agriculture National Disqualified List.	Contract will be terminated immediately for cause for a period of 5 years.
30.	Provider share an officer or board director with a provider that is on the United States Department of Agriculture National Disqualified List,	Contract will be terminated immediately for cause for a period of 5 years.

at the statewide Inclusion Retreat held on March 10, 2017 in Orlando. The presentation was well received.

MEDIA & COMMUNICATIONS OUTREACH

3/9 – Contribution for Tampa Bay Parenting blog post for Day of Play

3/29 – OpEd - *“OPINION: Early Childhood Education: Preparing Today’s Children for the Future”*

UPCOMING OUTREACH & COMMUNICATIONS OPPORTUNITIES

OpEd/Articles:

- May w/ SDHC Superintendent – Topic to be determined
- May/June – Depending on final approved budget and session outcomes, OpEd on any gains/impacts from bills passed during session.
- Tampa Bay Parenting Magazine Guest Editorial (May)- *Summer Tips for Parents: Preparing Your Preschooler to Transition to a Child Care Setting*
- May – Provider Appreciation Day is 5/12 – Letter to Editor about *Living Wage for Child Care Providers*

TV/Radio:

- June/July – Coverage for launch of Book Garden (coordinate w/ Jesuit)
- May 1-7, 2017 Children’s Book Week

Outreach:

- Quarterly Provider Meeting – Sat., April 22, 2017
- Week of the Young Child (April 24th- April 28th)- Daily activities (to be released to board and staff next week for involvement opportunities) Corresponding social media campaign.
- Education is Key Breakfast @Glazier on April 27th
- MyOn Summer Reading Summit on May 9th – Location to TBD
- Launch of digital Parent Newsletter – April 15, 2017
- CBHC Monthly Provider Forum – Presentation on VROOM
- Head Start Advantage Awards Luncheon, May 18, 2017

ELCHC BOARD OF DIRECTORS MEETING – APRIL 17, 2017

COMMITTEE REPORT

ITEM VIII.C.

ISSUE: **Governance Committee**

The Governance Committee met on March 31, 2017 and discussed the following items:

1. Mid-year CEO evaluation and plan for sharing data and summary with board (*attachment*)
2. Board policies
3. Review CEO contract duties section
4. Executive/Finance Committee Composition
5. Vice chair vacancy
6. 2017-2018 board calendar (*attachment*)



INTERIM EVALUATION OF ELCHC CEO SUMMARY

Question 1: Overall rating to date of the CEO:

- 10=excellent performance.
- 9=excellent performance.
- 9=excellent performance.
- 9=excellent performance.
- 9=excellent performance.
- 9=excellent performance.
- 9=excellent performance.
- 8 =excellent performance.
- 8=excellent performance.
- 8=excellent performance.
- 8=excellent performance.
- 8=excellent performance.
- 8= excellent performance.
- 7= good performance.
- 7=good performance.

Question 2: What has the CEO done well since becoming CEO?

- Highly motivated, willing to listen, and passion for education.
- The CEO has done an excellent job working with partners. Specifically, he has worked to create a collaborative relationship with the Hillsborough County Public Schools, connected with other agencies and organizations throughout the community.
- Organized and communicates well with board members and staff. Very energetic and willing to learn.
- Dedicated himself in the organization to understand the dynamic and programs and has engaged his team.
- Reached out to all board members. Many speaking engagements in the community promoting good publicity and recognition for the ELC. Conducted a major move while continuing to provide services effectively.
- Taken the time to introduce himself via a one on one meeting. Very informative. He has made a solid effort to get out in the community and make himself and the ELCHC known.
- I think Dr. Knobl has done a great job engaging the provider community with his monthly visits.
- Community Outreach.



- Provided a vision for ELC.
- Communicating to the board and working with other like-minded organizations to repair relationships. He has also been good at understanding the strengths of each board member so that he can call on them as needed.
- He's done a great job at reaching out to board members and soliciting feedback and understanding what the needs of our providers and community partners. Believe he is on track to further execute our organizational goals now that he has taken the time to figure out all the issues that need to be resolved.
- Much activity in the community, making him very available and visible. Very professional. Provided the leadership to implement the expanded services which have been transferred from HCPS to ELCHC. Implemented the relocation of institute/training programs and services from the former location at Hwy 301 to the main ELCHC on North Dale Mabry Hwy.
- Gotten out in the community and community awareness through social media.
- Steve has engaged his partners and started the healing process with the School Board. I spoke with the Supt. last week and he indicated things were going better than they have ever been (under Steve's leadership). ELC needs the School System for obvious reasons and does not need to publicly or privately indicate they are not working together. Steve is developing trust within the community and needs to continue this journey. ELC like CBHC is a pass through agency and needs to keep in mind the goal is High Quality Early learning and tax payer accountability.
- Dr. Knobl has been excellent at community outreach, provider support, and improving staff morale. He has been great at creating a huge shift in the perception of the ELC as just a financial pass through and oversight body to an organization that is designed to support early learning initiatives and those providing pre-k education. He has done a great job of introducing himself to the community and can now go into a maintenance phase like other CEO's of major organizations.

Question 3: What does the CEO need to focus his time and efforts on for the organization?

- Get past the transition period and implement his administration and vision. Need to have more information than required at his fingertips concerning financial decisions, leases, contracts, budget projections, etc.
- The ELCHC could benefit from the CEO focusing on the internal organization. He has done a wonderful job in the first 6 months connecting with the community. However, with the increase in responsibility of providing services, time spent focusing on the growth and development of the ELCHC staff, would be beneficial.
- He is doing fine. In this kind of job, finding the balance with all the different demands is going to take some time but he is for sure on that task.
- Continue to ensure the organization is staffed and organized appropriately to succeed. Continue to build relationships with the organizations that are aligned with early childhood education to impact our community in a grander manner.
- Imperative to build a strong, effective leadership team. Increase expectations for a strong knowledge base among staff in all areas. Foster good communication among all stakeholders.

- Fundraising commitments, legislative work and increasing community support combined with enhancing the efforts of the ELCHC by streamlining processes and making changes where inefficiencies exist. Making the hard calls.
- I imagine that he needs to continue to learn the different departments and what they do within the organization.
- (Note: question not answered on survey).
- Quality of providers.
- Putting our house in order. Now that Dr. Knobl has made his debut in the community we need to do a deep dive into the operation of the coalition. There is still a lot of perceived inefficiencies that need to be verified to build trust in the organization.
- Continue to strengthen community partnerships and develop innovative ideas to help support the providers and the children they serve.
- Assess the discoveries gathered from the range of field trips observations by staff and ELCHC Board members, regarding licensed childcare centers and family child care setting locations. This information could be useful for ELCHC in its use of its system of quality effort for practices throughout the county.
- Gain more investment in ELC from businesses and corporations.
- Building the infrastructure. Any organization or personal investor is going to review the infrastructure for accountability prior to lending their name or financial backing to an agency. Lack of infrastructure will lend itself not only to litigation, but for the Board, a legacy of failure.
- For the next few months, I believe Dr. Knobl needs to focus primarily (70% +) of his time on staff development, staff reorganization, and assessment of staff duties and responsibilities. I believe that the ELC may have staff members who are not being utilized to the best of their abilities and the CEO needs to have time devoted to learning what each member of the team does and can do. He should not be focused so heavily on external initiatives just for the sake of being on television, on the internet or in the **(Note: the sentence was cut off)**.

Board Self-Evaluation Summary

Question 1: How do you assess your contribution to this organization?

- Chair the Provider Review Committee. Participate in board meetings via phone conference. Participate in Executive/Finance Committee via phone conference.
- I assess my contribution by the board meetings that I attend, along with my work on the Legislative Committee, and other events for and by the ELCHC.
- I rarely miss a meeting and will participate by phone if that is the only way I can join. I attend committee meetings and am engaged. I am willing to help on fundraising calls if asked.
- Board meeting participation, educating the community on the issues of early learning, corporate sponsorship and advocacy.
- Excellent attendance at board meetings and participate in and supportive of ELCHC events.
- Primarily attendance at board meetings. I have personally met with a variety of the team members so as to be acquaint myself with the mission. Lots to learn.
- I attend all of the board meetings scheduled. In addition, I chair the Service Delivery & Efficiency Committee and participate in Coalition community events.
- My attendance at board meetings and committee work. Also outreach provided to child care providers through provider meetings.
- Meeting attendance.
- I have attended all board meetings to date (I believe) and other events as noticed. During the ELC's rebranding, I worked closely with staff and our consultants and chair the marketing committee.
- Attendance and participation at board meetings, assisting management with feedback on preliminary board materials, and serving on a committee.
- I have been a board member since fall of 2015, so I am now midway through my 2nd year at this point. My attendance has been adequate, but not prize-awarding through my attendance so far.
- Attendance and establishing a QA process to address transparency and accountability.
- I have been very active in the governance committee, special committees (CEO selection, website, etc.), and attendance at board meetings. Even though it took me a few years to find my voice at the table, I believe I am contributing to help ground the board.
- As a new member to the board, I have simply observed and asked questions to better my understanding/education of what the board does and the ELCHC does.



Question 2: Do you feel that your time or financial contributions to the organization are at a level which is “personally significant” for you? Why or why not?

- With my current work load, I am constrained to maintain an in-person role with the general board. Hopefully, I will be able to attend meetings in person again.
- AS someone who has a true interest in and passion for early learning, I feel my time spent supporting the ELCHC is personally significant.
- Yes. The cause is very meaningful for me and it is a high priority for me. If we do our job well, we will impact the success of this community for decades to come.
- Yes, my time is significantly limited between my profession and raising 3 children and I still appreciate the chance to contribute to the ELC.
- I do feel that my commitment of time is significant. I carefully review agenda packets in preparation for meetings and participate in same. As rep of the HCPS I do not have financial resources to offer from the school district.
- I feel like I am getting better at contributing. Minor successes here and there. One definitely walks on to a rapidly moving playing field when one becomes a part of the board.
- I do believe that my time contributions are significant through my committee work.
- I feel my time contribution to this organization is at a level of personal significance. I am very committed to the ELCHC and have willingly devoted time to promoting our organization and educating other providers and community educated in its importance.
- Yes, keeps me informed of a program that directly influences the future health of the community.
- Yes, my company is very involved in early learning so if I contributed to every organization that we fund on a personal level, it would be beyond my capacity.
- No, we support a great cause and I am happy to continue to serve and help in any capacity. I believe the importance of the ELCHC organization and its duties. I appreciate the function of a volunteer governing Board of Directors for such an organization.
- I am a volunteer board member assigned by state statute. My time is part and parcel of the responsibility. I would assign a surrogate if I thought the agency was in a good place structurally.
- I believe that I am contributing my time at a level that I am making an impact. I am proud of my involvement with the ELC. My financial contributions have not been large, but I believe they have been helpful.
- Still evaluating.

Question 3: How has our organization invested in your growth as a board member?

- I would like to see more professional development being a member of the board.
- The orientation for new board members was very informative.
- Yes. The retreats have value in that.
- Offered opportunities to tour facilities, share successes and challenges of our programs at board meetings, offered many ways to learn and engage with the ELC.
- My professional growth as a board member was not positively impacted under the former CEO. All board members have an opportunity to genuinely participate in the transparent, open environment Dr. Knobl is working to create.

- Solid introductions to staff and other board members.
- I actually have learned a tremendous amount about the different services the ELC provides. I have also had the opportunity to get to know the staff of the Coalition and their role in the early childhood community.
- I am much more aware of the needs of the overall Early Childhood concerns in our county as well as the commitment from our business partners.
- Provided learning opportunities.
- My purpose in joining the ELC was twofold. First, since PNC is vested in early learning, I wanted to learn more about the funding pipeline and legislative issues. Secondly, early learning has become a passion and I intend to learn as much as possible for future advocacy purposes.
- I have now had the experience of being a member of ELCHC's large number board of directors. It seem big. Too big? Is that negotiable for ELCBHC choosing? I have had the experience of participating in the meeting on the conference call process. It felt to me as a conference caller is invisible to those members who are in the room. I get the value of achieving voting for the board's action; I don't get that a caller is particularly engaged for the rest of the meeting.
- It has given me good exposure to areas that have helped me focus on personal career growth that I am not always subjected to in the workplace or any other social setting.
- N/A.
- The ELC has given me opportunities to meet some major players in the community and to expand my leadership skills. The ELC has given me time to grow and learn while contributing to the success of the ELC.
- Still evaluating.

Question 4: What would you like to contribute to or involve yourself in if you were to serve another term?

- I really enjoy the chairing the Provider Review Committee. I also enjoy being on the Executive/Finance Committee. I would like to have greater involvement with the legislative affairs committee by meeting with the Hillsborough County Legislative delegation and other key Florida and US legislators given my past experience with politics.
- I would like to continue working on legislative issues and ways to engage the community in early learning.
- Keep improving the links in the community to this key mission.
- Continue to develop relationships with organizations we should be aligned with to tackle the challenges of early learning.
- Not certain another term is a viable option due to the amount of time my new role at my employer requires.
- I would like to continue to serve on the committee I currently serve on.
- I would continue to reach out to the private providers and further inform them about the role of the ELCHC. I feel much more comfortable with the board as time goes on and therefore, would also share with the Board concerns and issues from the providers' perspective.

- Not sure.
- Strategic Planning. It's my strong suit and where I can assist in driving the coalition forward. That said, I think it is critical that we get our house in order during 2017 so that we can assess our progress and advance our cause as a result of a solid base of operations.
- HCPS has a deep commitment to high quality early childhood education and care in our community. Working together with the ELC, we can have a significant, positive impact on the providers, children and families we serve in Hillsborough County- Marie Caracciola
- Not sure at this point.
- Per my answer on question #1 above, if I'm right on my length of services memory, this issue of serving another term is 2 years premature regarding me. If the term is shorter than 4 years, please straighten up my understanding on that.
- N/A
- I would like to help the CEO and Chair focus on internal affairs to strengthen the ELC from the inside so it can regain its handle on helping improve the early learning space in Hillsborough County through direct services.
- Still evaluating.
-

Question 5: How would you like our organization to invest in and facilitate your personal development as a board member?

- Provide training on Robert's Rules of Order. Provide workshops of funding streams. Go through the same training as much as possible as providers in the Quality Counts for Kids program to understand their perspective a little better.
- I am currently receiving what I need to continue my growth as a board member.
- ELCHC does a good job of getting Board information out ahead of meetings so we can be better prepared.
- Continue to educate on By-laws and board meeting protocol. Continue to educate on the manner in which we facilitate and administer the programs we offer.
- Short videos featuring both centers and family child care homes providing service to children and brief comments from staff about successes and challenges would be most helpful in making the decisions that have such profound impact on providers, their businesses and staff as well as the children and families served.
- A clearer understanding of the frame work would be beneficial. There are so many moving parts that a forest for the trees intro would have been beneficial. That has yet to occur.
- I would like more training on the do's and don'ts of Board membership. I am also not up to speed on the Roberts Rules—more information on that would be helpful.
- Please continue to work with me in engaging the private providers in participating more as a team to better the early childhood programs in our community.
- Am satisfied with the current efforts.
- Additional communication has been coming our way since Dr. Knobl has taken the lead. That has been helpful. Seeing the coalition at work would help as well. I'm not able to go on the tours until summer when my job slows and would like to do more of that sort of thing.

- I think my interaction from management with board members helps provide better understanding and awareness for them to become more active and involved.
- See feedback on question #1 (specialized role on the board for the special population; underutilized role) & #3 (use of effective engagement for board participation) above.
- Allow the CEO time to address all necessary infrastructure issues to create an organization that will be able to grow and expand with credibility, accountability, and efficiency.
- I would like to have 5-10 minute tutorials at the board meetings about the different units within the ELC. I would like to have specifics on what each individual board member can do to improve the ELC.
- Still evaluating.

FY 2017-2018 MEETING SCHEDULE

EXECUTIVE/FINANCE COMMITTEE MEETING SCHEDULE

Tuesday, August 22, 2017

Tuesday, October 17, 2017

Tuesday, January 16, 2018

Tuesday, March 27, 2018 (Budget Workshop)

Tuesday, May 22, 2018

All meetings of the Early Learning Coalition of Hillsborough County Executive/Finance Committee are held at **3:00 pm** until the conclusion of business at 6800 N. Dale Mabry Hwy, Suite 134, Tampa, FL 33614 unless otherwise publicly noticed and/or noted above.

BOARD OF DIRECTORS MEETING SCHEDULE

Tuesday, September 19, 2017

Tuesday, November 14, 2017

February 13, 2018

Tuesday, April 24, 2018

Tuesday, June 12, 2018

All meetings of the Early Learning Coalition of Hillsborough County Board of Directors are currently held at **3:00 pm** until the conclusion of business at 6800 N. Dale Mabry Hwy, Suite 134, Tampa, Florida 33614, unless otherwise publicly noticed and/or noted above.

PLEASE NOTE: *This meeting schedule is posted on the ELCHC website located at <http://www.elchc.org>. Changes to any dates, times and locations of these meetings will be posted at all times. Members of the public may confirm by phone by calling (813) 515-2340. 3/17 km*

ISSUE: Legislative Affairs Committee Report

REPORT SUMMARY

Legislative Committee members Sandra Murman (Chair) and Scott Barrish attended the March 23, 2017 Hillsborough Day event in Tallahassee at the Capitol. Also attending were Board Chair Aakash Patel and ELC staff members Steve Knobl (CEO) and Bobbi Davis (Director of Administration).

Board Chair Aakash Patel and Board Member Scott Barrish visited members of the Hillsborough County Legislative delegation and other influential legislators to promote the state-wide Early Learning priorities and to promote our own accomplishments.

The following state-wide priorities were discussed with legislators:

- 2017 State ELC Legislative Priorities and our local ELC agreement with them requesting an increase of \$50/child for VPK; advocating local control on some issues with providers; and general education regarding ELC's work with legislators.

Following the delegation visits, the Hillsborough ELC Board and staff members attended the evening reception at the Governor's Club to network with Hillsborough business leaders and delegation members.

The following delegation members were visited by the ELC Board and/or staff during the Hillsborough Day period:

Florida Senate:

Sen. Dana Young
Sen. Darryl Rouson
Sen. Tom Lee
Sen. Bill Galvano
Sen. Jeff Brandes (Pinellas)

Florida House of Representatives:

Rep. Jake Raburn
Rep. Ross Spano
Rep. Jackie Toledo
Rep. Sean Shaw
Rep. Janet Cruz
Rep. Shawn Harrison
Rep. Newt Newton
Rep. Ben Diamond (Pinellas)

FOLLOW-UP

Thank you messages have been sent to delegation members. ELC staff is continuing to monitor the work of the legislature on the bills and budget items connected to Early Learning. At this time, the Senate PreK-12 Appropriations Subcommittee has recommended a \$17 million increase to the Office of Early Learning primarily for the VPK base student allocation. The House PreK-12 Appropriations

Subcommittee budget kept funding level. While bills were filed in both houses addressing local control for Coalitions, they have not made significant progress.

ELC staff will continue to communicate with Delegation members and encourage them to visit our offices, participate in child care provider visits in the communities that they represent, and utilize our resources when appropriate.

ELCHC BOARD OF DIRECTORS MEETING – APRIL 17, 2017

INFORMATION

ITEM X.A.

ISSUE: **FY 2015-2016 Audit**

BACKGROUND:

The Coalition's FY 2015-2016 final Annual Independent Audit by Moore Stephens Lovelace, P.A. is enclosed for your review.

**HILLSBOROUGH COUNTY SCHOOL
READINESS COALITION, INC.
(d/b/a Early Learning Coalition of
Hillsborough County, Inc.)**

FINANCIAL STATEMENTS

Years Ended June 30, 2016 and 2015

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
The Hillsborough County School Readiness Coalition, Inc.
d/b/a Early Learning Coalition of Hillsborough County, Inc.
Tampa, Florida

We have audited the accompanying statements of financial position of The Hillsborough County School Readiness Coalition, Inc. d/b/a Early Learning Coalition of Hillsborough County (the "Coalition") as of June 30, 2016 and 2015, and the related statements of activities, functional expenses, and cash flows for the year then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

To the Board of Directors of
The Hillsborough County School Readiness Coalition, Inc.
d/b/a Early Learning Coalition of Hillsborough County, Inc.

Opinion

In our opinion, the financial statements referred to in the first paragraph of this report present fairly, in all material respects, the financial position of the Coalition as of June 30, 2016 and 2015, and the results of its activities and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards, State Financial Assistance, and Local Awards is presented for purposes of additional analysis, as required by Title 2 *U.S. Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”), and Chapter 10.650, *Rules of the Auditor General*, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2017, on our consideration of the Coalition’s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance, and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Coalition’s internal control over financial reporting and compliance.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.

Certified Public Accountants

Tampa, Florida
March 30, 2017

HILLSBOROUGH COUNTY SCHOOL READINESS COALITION, INC.
d/b/a Early Learning Coalition of Hillsborough County, Inc.

STATEMENTS OF FINANCIAL POSITION

June 30, 2016 and 2015

ASSETS		<u>2016</u>	<u>2015</u>
CURRENT ASSETS			
Cash		\$ 711,477	\$ 961,732
Grants receivable		13,661,091	11,876,725
Other assets		<u>2,724</u>	<u>2,619</u>
	TOTAL ASSETS	<u>\$ 14,375,292</u>	<u>\$ 12,841,076</u>
 LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Accounts payable and accrued expenses		\$ 3,019,875	\$ 1,151,780
Deferred revenue		129,744	32,999
Due to School District of Hillsborough County		<u>9,815,346</u>	<u>10,269,083</u>
	TOTAL CURRENT LIABILITIES	12,964,965	11,453,862
 NET ASSETS			
Unrestricted		<u>1,410,327</u>	<u>1,387,214</u>
	TOTAL LIABILITIES AND NET ASSETS	<u>\$ 14,375,292</u>	<u>\$ 12,841,076</u>

The accompanying notes are an integral part of the financial statements.

HILLSBOROUGH COUNTY SCHOOL READINESS COALITION, INC.
d/b/a Early Learning Coalition of Hillsborough County, Inc.

STATEMENTS OF ACTIVITIES

Years Ended June 30, 2016 and 2015

	2016	2015
REVENUES AND SUPPORT		
Program support:		
Grant revenue	\$ 75,261,434	\$ 75,807,688
Other	-	67
	75,261,434	75,807,755
TOTAL REVENUES AND SUPPORT		
	75,261,434	75,807,755
EXPENSES		
Program services:		
School Readiness	43,937,657	46,413,161
Quality Counts for Kids	1,729,372	2,133,339
Voluntary Pre-K	28,264,368	26,891,923
Other programs	434,178	-
	74,365,575	75,438,423
TOTAL PROGRAM SERVICES		
	74,365,575	75,438,423
Supporting services:		
Management and general	872,746	531,103
	872,746	531,103
TOTAL EXPENSES		
	75,238,321	75,969,526
CHANGE IN NET ASSETS	23,113	(161,771)
UNRESTRICTED NET ASSETS, BEGINNING OF YEAR	1,387,214	1,548,985
UNRESTRICTED NET ASSETS, END OF YEAR	\$ 1,410,327	\$ 1,387,214

The accompanying notes are an integral part of the financial statements.

HILLSBOROUGH COUNTY SCHOOL READINESS COALITION, INC.
d/b/a Early Learning Coalition of Hillsborough County, Inc.

STATEMENTS OF FUNCTIONAL EXPENSES

Year Ended June 30, 2016

	<u>Program Services</u>				<u>Support Services</u>		<u>2016</u>	<u>2015</u>
	<u>School Readiness</u>	<u>Quality Counts for Kids</u>	<u>Voluntary Pre-K</u>	<u>Other Programs</u>	<u>Total</u>	<u>Management and General</u>		
Salaries	\$ 785,367	\$ 368,111	\$ 213,990	\$ 83,239	\$ 1,450,707	\$ 324,791	\$ 1,775,498	\$ 1,514,533
Fringe benefits	304,356	145,675	86,491	11,520	548,042	107,179	655,221	565,607
TOTAL SALARIES AND RELATED EXPENSES	1,089,723	513,786	300,481	94,759	1,998,749	431,970	2,430,719	2,080,140
Payments to subrecipients	42,354,366	822,280	27,943,334	-	71,119,980	-	71,119,980	72,199,510
Contractual services	456,487	184,413	13,620	186,636	841,156	97,198	938,354	1,095,619
Rent and utilities	-	82,842	-	983	83,825	103,013	186,838	159,734
Office supplies and equipment	11,984	68,106	2,704	13,856	96,650	68,995	165,645	162,377
Maintenance contracts	10,468	8,845	90	50,189	69,592	57,171	126,763	47,036
Promotional activities	474	165	-	49,663	50,302	5,253	55,555	17,245
Accounting and auditing	-	-	-	31	31	44,308	44,339	40,453
Travel	2,424	20,519	2,893	11,317	37,153	3,944	41,097	35,436
Dues and memberships	5,000	5,174	-	6,993	17,167	9,221	26,388	20,954
Telephone and communication	545	8,007	682	173	9,407	13,315	22,722	16,448
Staff training and development	1,589	8,913	-	11,016	21,518	781	22,299	20,722
Printing and copying	3,840	4,704	452	1,480	10,476	11,753	22,229	36,140
Insurance	-	472	-	-	472	18,923	19,395	17,113
Postage and shipping	227	658	112	4,675	5,672	3,715	9,387	5,951
Bank charges	-	-	-	1,616	1,616	2,475	4,091	3,152
Other	530	268	-	776	1,574	711	2,285	11,278
Books for providers	-	220	-	15	235	-	235	218
TOTAL EXPENSES	\$ 43,937,657	\$ 1,729,372	\$ 28,264,368	\$ 434,178	\$ 74,365,575	\$ 872,746	\$ 75,238,321	\$ 75,969,526

The accompanying notes are an integral part of the financial statements.

HILLSBOROUGH COUNTY SCHOOL READINESS COALITION, INC.
d/b/a Early Learning Coalition of Hillsborough County, Inc.

STATEMENTS OF CASH FLOWS

Years Ended June 30, 2016 and 2015

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 23,113	\$ (161,771)
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Increase in grants receivable	(1,784,366)	(2,856,721)
Increase in other assets	(105)	(440)
Increase in accounts payable and accrued expenses	1,868,095	472,919
Increase (Decrease) in deferred revenue	96,745	(20,196)
Decrease in due to School District of Hillsborough County	(453,737)	(1,533,730)
	(250,255)	(4,099,939)
NET CASH USED IN OPERATING ACTIVITIES		
	961,732	5,061,671
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR		
	\$ 711,477	\$ 961,732
CASH AND CASH EQUIVALENTS - END OF YEAR		

The accompanying notes are an integral part of the financial statements.

**HILLSBOROUGH COUNTY SCHOOL READINESS COALITION, INC.
d/b/a Early Learning Coalition of Hillsborough County, Inc.**

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2016 and 2015

NOTE 1 - NATURE OF ORGANIZATION

Hillsborough County School Readiness Coalition, Inc. d/b/a Early Learning Coalition of Hillsborough County, Inc. (the “Coalition”) is a non-profit corporation organized under the laws of the State of Florida. The Coalition’s role is to develop and administer a comprehensive school readiness program and Voluntary Pre-Kindergarten (VPK) delivery system that prepares children to succeed in school and in life. This is an ongoing process that involves building on existing services, working in cooperation with other programs for young children, and coordinating and integrating program funding to achieve efficiency and effectiveness.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

Basis of Accounting

These financial statements, which are presented on the accrual basis of accounting, have been prepared to focus on the Coalition as a whole and to present revenue, expenses, and net assets based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Unrestricted net assets – Net assets not subject to donor-imposed stipulations.

Temporarily restricted net assets – Net assets which are subject to donor-imposed stipulations that may or will be met by actions of the Coalition and/or the passage of time. At June 30, 2016 and 2015, there were no temporarily restricted net assets.

Revenue is reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Federal, state, and local grants are considered exchange transactions and are recorded as unrestricted revenue when earned.

Contributions received with donor-imposed restrictions that are met in the same year as received are reported as revenue of the unrestricted net asset class. Contributions are recognized when the donor makes a promise to give to the Coalition, that is, in substance, unconditional.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES
(Continued)

Property and Equipment

Equipment is stated at cost, if purchased, or at estimated fair value at the date of receipt, if acquired by gift. Depreciation is calculated using the straight-line method over the estimated useful lives of the respective assets. Major renewals and betterments are capitalized. Maintenance, repairs, and minor renewals are expensed as incurred. It is the policy of the Coalition to maintain all property and equipment in good condition.

Property acquired with governmental funds is considered to be owned by the Coalition while used in the program for which it was purchased or in future authorized programs; however, its disposition, as well as the ownership of any proceeds there from, is subject to applicable regulations.

Deferred Revenue

Funds received under contractual agreements are deferred until earned.

Functional Allocation of Expenses

Expenses are allocated between program services and management and general. Salaries are allocated based on actual time spent in these activities or administration of programs. Other expenses are allocated based on direct usage or management's estimates of the benefit derived by each activity.

Use of Estimates

Management of the Coalition has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities, as well as pro rata allocations in the recording of expenditures, to prepare these financial statements in conformity with accounting principles generally accepted in the United States of America. Actual results could differ from those estimates.

Income Taxes

The Coalition is exempt from Federal income taxes under Section 501(c) (3) of the Internal Revenue Code and from state income taxes under similar provisions of the Florida Income Tax Code. Accordingly, no provision for income taxes has been included in the accompanying financial statements. The Coalition is subject to the accounting standards on accounting for uncertainty in income taxes. Management does not believe it has taken any tax positions that are subject to a significant degree of uncertainty. The Coalition's income tax filings for periods after fiscal year ended June 30, 2013, remain subject to examination.

NOTE 3 - RELATED PARTIES

The Coalition receives funding from the Children’s Board of Hillsborough County (“CBHC”) for operation of the Quality Counts for Kids program. The Coalition also receives funding from the CBHC for the local match in the School Readiness program.

The Coalition provides funding to the School District of Hillsborough County (“SDHC”) to assist eligible children and families with access to scholarship, school readiness, and VPK child care services.

The Coalition also provides funding to the Hillsborough County Board of County Commissioners (“BOCC”) Child Care Licensing program. This program ensures compliance with Hillsborough County’s local child care licensing ordinance.

Certain members of the Board of Directors are mandated in the State of Florida School Readiness Act. The related party members include three personnel from the School District of Hillsborough County, the Executive Director of the CBHC, the BOCC county commissioner, and the general manager of the BOCC Child Care Licensing program.

The amounts of approximately \$69,649,000 and \$989,000 were paid by the Coalition during the year for services provided by the SDHC and the BOCC, respectively.

NOTE 5 - DEFERRED COMPENSATION PLAN

The Coalition sponsors a 401k Deferred Compensation Plan (the “Plan”) and makes both Employer Safe Harbor and Employer Profit Sharing Contributions to the Plan.

The Employer Safe Harbor portion of the Plan provides that the employer matches 100% on the first 4% contributed by the employee. Vesting is simultaneous with the contribution. Employees are allowed to contribute on a pre-tax basis not to exceed amounts dictated by U.S. Treasury Regulations.

The Employer Profit Sharing portion of the Plan provides that the Coalition contribute 6% of an employee’s salary for the fiscal year ended June 30, 2016. Vesting is 100% after 6 years of employment with the Coalition with a 20% increase in vesting for each year of employment.

NOTE 6 - CONCENTRATIONS

Approximately 94% of the Coalition’s revenue for both years ended June 30, 2016 and 2015 is provided by the State of Florida Office of Early Learning (“FOEL”).

NOTE 7 - OPERATING LEASE

The Coalition leases its office space under an operating lease that expires in fiscal year 2020. Additionally, the Coalition had a lease for a training facility that expired in January 2017 and was not renewed. Total rent expense was approximately \$169,000 and \$107,000 for the years ended June 30, 2016 and 2015, respectively.

Future minimum lease payments under operating leases that have remaining terms in excess of one year as of June 30, 2016, are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2017	\$ 172,535
2018	147,881
2019	151,530
2020	<u>50,921</u>
	<u>\$ 522,867</u>

The Coalition has the option to cancel their office space lease if more than 25% of the Coalition's primary funding is eliminated from the FOEL with no less than six months prior written notice. The Coalition also has the option to cancel the training facility lease upon written notification if government funding is not appropriated or allocated to the Coalition. The funding for fiscal year 2017 has been approved by FOEL as of June 30, 2016.

Effective November 2016, the Coalition amended its office lease to include addition space under similar terms for a base price increase of approximately \$170,000 annually.

NOTE 8 - COMMITMENTS AND CONTINGENCIES

The Coalition may be subject to audit examination by funding sources to determine compliance with grant conditions. In the event that expenditures would be disallowed, repayment could be required. Management believes the Coalition is in compliance with the terms of its grant agreements.

NOTE 9 - SUBSEQUENT EVENTS

The Coalition has evaluated events and transactions for potential recognition or disclosure in the financial statements through March 30, 2017, which is the date the financial statements were available to be issued.

**HILLSBOROUGH COUNTY SCHOOL READINESS COALITION, INC.
d/b/a Early Learning Coalition of Hillsborough County, Inc.**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS,
STATE FINANCIAL ASSISTANCE, AND LOCAL AWARDS**

Year Ended June 30, 2016

<u>Federal Agency/State Agency/Pass-Through Grantor/ Program Title</u>	<u>Grant Period</u>	<u>Federal CFDA #</u>	<u>Contract #</u>	<u>Federal Expenditures</u>	<u>Transferred to Subrecipient</u>
FEDERAL AWARDS					
U.S. Department of Health and Human Services:					
Child Care Development Fund (CCDF) Cluster:					
<i>Passed through State of Florida Office of Early Learning</i>					
Child Care Development Block Grant	7/1/15-6/30/16	93.575	SR 256	\$ 15,853,508	\$ 14,222,808
Child Care Development Block Grant	7/1/15-6/30/16	93.575	PP609	430,378	-
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	7/1/15-6/30/16	93.596	SR 256	1,364,281	1,364,281
Total Child Care Development Fund (CCDF) Cluster				<u>17,648,167</u>	<u>15,587,089</u>
<i>Passed through State of Florida Office of Early Learning</i>					
Social Services Block Grant	7/1/15-6/30/16	93.667	SR 256	15,396	15,396
Temporary Assistance for Needy Families	7/1/15-6/30/16	93.558	SR 256	12,078,600	12,078,600
Total Expenditures of Federal Awards				<u>29,742,163</u>	<u>27,681,085</u>
	<u>Grant Period</u>	<u>State CSFA #</u>	<u>Contract #</u>	<u>State Expenditures</u>	<u>Transferred to Subrecipient</u>
STATE FINANCIAL ASSISTANCE					
State of Florida Office of Early Learning					
Voluntary Pre-K	7/1/15-6/30/16	48.108	SV 256	28,491,605	27,943,333
Total Expenditures of State Financial Assistance				<u>28,491,605</u>	<u>27,943,333</u>
<u>Grantor/Pass-Through Grantor Program Title</u>	<u>Grant Period</u>			<u>Local Expenditures</u>	<u>Transferred to Subrecipient</u>
STATE MATCHING AND LOCAL FUNDS					
Florida Office of Early Learning					
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	7/1/15-6/30/16	93.596	SR 256	3,718,577	3,718,577
Temporary Assistance for Needy Families	7/1/15-6/30/16	93.558	SR 256	9,139,404	9,139,404
Hillsborough County Board of County Commissioners					
Match for School Readiness Funding	7/1/15-6/30/16			342,195	-
Children's Board of Hillsborough County, Inc.					
Quality Counts for Kids Program and Operating Match for School Readiness Funding	10/1/15-9/30/16			1,870,903	822,280
	10/1/15-9/30/16			1,815,300	1,815,300
Total State Matching and Local Funds				<u>16,886,379</u>	<u>15,495,561</u>
Total Federal Awards, State Financial Assistance, and Local Funds				<u>\$ 75,120,147</u>	<u>\$ 71,119,979</u>

**HILLSBOROUGH COUNTY SCHOOL READINESS COALITION, INC.
d/b/a Early Learning Coalition of Hillsborough County, Inc.**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL,
STATE, AND LOCAL AWARDS**

Year Ended June 30, 2016

(1) General:

The accompanying Schedule of Expenditures of Federal Awards, State Financial Assistance, and Local Awards include the grant activity of the Coalition and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”), and the Rules of the Executive Office of the Governor of the State of Florida. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements.

Indirect cost rate is dictated by federal and state contract terms. The 10-percent de Minimis indirect cost rate, as allowed under the Uniform Guidance, is not in effect nor is it available under these contracts.

(2) Other State Financial Assistance Received:

The Coalition received funding from the FOEL that was not subject to Section 215.97, Florida Statutes, as follows:

<u>Florida’s Office of Early Learning</u>	<u>Contract Number</u>	<u>Current Year Expenditure</u>
A. Matching Funds for Federal Programs:		
State Matching Funds - 93.596 School Readiness CCDF Mandatory and Matching	SR 256	\$ 5,015,114
State Matching Funds - 93.558 Temporary Assistance for Needy Families	SR 255	<u>9,139,404</u>
Total State Funds awarding for Matching		<u>\$ 14,154,518</u>

(3) Reconciliation to Statewide School Readiness Data and Reporting System:

The Coalition performs reconciliations of its financial reports to the Statewide School Readiness Data and Reporting System in a timely and satisfactory manner.

**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors of
The Hillsborough County School Readiness Coalition, Inc.
d/b/a Early Learning Coalition of Hillsborough County, Inc.
Tampa, Florida

We have audited the accompanying financial statements of The Hillsborough County School Readiness Coalition, Inc. d/b/a Early Learning Coalition of Hillsborough County (the “Coalition”), as of and for the year ended June 30, 2016, and have issued our report thereon dated March 30, 2017. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Coalition’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Coalition’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Coalition’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

To the Board of Directors of
The Hillsborough County School Readiness Coalition, Inc.
d/b/a Early Learning Coalition of Hillsborough County, Inc.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Coalition's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



MOORE STEPHENS LOVELACE, P.A.

Certified Public Accountants

Tampa, Florida

March 30, 2017

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

To the Board of Directors of
The Hillsborough County School Readiness Coalition, Inc.
d/b/a Early Learning Coalition of Hillsborough County, Inc.
Tampa, Florida

Report on the Financial Statements

We have audited the financial statements of The Hillsborough County School Readiness Coalition, Inc. d/b/a Early Learning Coalition of Hillsborough County (the "Coalition") as of and for the fiscal year ended June 30, 2016, and have issued our report thereon dated March 30, 2017.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"); and Chapter 10.650, *Rules of the Auditor General*.

Other Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control Over Compliance in Accordance with the Uniform Guidance and Chapter 10.650, *Rules of the Auditor General*, and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated March 30, 2017, should be considered in conjunction with this management letter.

Other Matter

Section 10.654(1)(e), *Rules of the Auditor General*, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements or state project amounts that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

To the Board of Directors of
The Hillsborough County School Readiness Coalition, Inc.
d/b/a Early Learning Coalition of Hillsborough County, Inc.

Purpose of the Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, the Board of Directors, and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.

Certified Public Accountants

Tampa, Florida
March 30, 2017

INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE AND CHAPTER 10.650, RULES OF THE AUDITOR GENERAL

To the Board of Directors of
The Hillsborough County School Readiness Coalition, Inc.
d/b/a Early Learning Coalition of Hillsborough County, Inc.
Tampa, Florida

Report on Compliance for Each Major Federal Program and State Project

We have audited the compliance of The Hillsborough County School Readiness Coalition, Inc. d/b/a Early Learning Coalition of Hillsborough County (the “Coalition”) with the types of compliance requirements described in the U.S. Office of Management and Budget (“OMB”) Compliance Supplement, and the requirements described in the Department of Financial Services’ State Projects Compliance Supplement, that could have a direct and material effect on each of its major federal programs and state project for the year ended June 30, 2016. The Coalition’s major federal programs and state project are identified in the summary of auditor’s results section of the accompanying Schedule of Findings and Questioned Costs.

Management’s Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs and state project.

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for each of the Coalition’s major federal programs and state project based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”); and Chapter 10.650, *Rules of the Auditor General*. Those standards, the Uniform Guidance, and Chapter 10.650, *Rules of the Auditor General*, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state project occurred. An audit includes examining, on a test basis, evidence about the Coalition’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion. However, our audit does not provide a legal determination on the Coalition’s compliance with those requirements.

To the Board of Directors of
The Hillsborough County School Readiness Coalition, Inc.
d/b/a Early Learning Coalition of Hillsborough County, Inc.

Opinion on Each Major Federal Program and State Project

In our opinion, the Coalition complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs and state project for the year ended June 30, 2016.

Report on Internal Control over Compliance

The management of the Coalition is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs and the state project. In planning and performing our audit, we considered the Coalition's internal control over compliance with the requirements that could have a direct and material effect on a major federal program or state project to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with Uniform Guidance and Chapter 10.650, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Coalition's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with the type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and results of that testing based on the requirements of the Uniform Guidance and Chapter 10.650, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.



MOORE STEPHENS LOVELACE, P.A.

Certified Public Accountants

Tampa, Florida
March 30, 2017

**HILLSBOROUGH COUNTY SCHOOL READINESS COALITION, INC.
d/b/a Early Learning Coalition of Hillsborough County, Inc.**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2016

Section I - Summary of Independent Auditor's Results

Financial Statements

Type of Auditor's Report Issued:

Unmodified Opinion

Internal control over financial reporting:

- Material weakness(es) identified? ___ Yes X No
- Significant deficiency(ies) identified? ___ Yes X None reported
- Noncompliance material to financial statements noted? ___ Yes X No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ___ Yes X No
- Significant deficiency(ies) identified? ___ Yes X None reported

Type of report issued on compliance for major federal program:

Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with Section 200.516 of the Uniform Guidance? ___ Yes X No

Identification of Major Federal Programs:

CFDA Numbers

Name of Federal Program or Cluster

93.558

Temporary Assistance for Needy Families (TANF)

Dollar threshold used to distinguish between Type A and Type B programs:

\$892,265

Auditee qualified as low-risk auditee?

X Yes ___ No

**HILLSBOROUGH COUNTY SCHOOL READINESS COALITION, INC.
d/b/a Early Learning Coalition of Hillsborough County, Inc.**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

Year Ended June 30, 2016

Section I - Summary of Independent Auditor's Results (Continued)

State Financial Assistance

Internal control over major project:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported

Type of report issued on compliance for major state project: **Unmodified Opinion**

Any audit findings disclosed that are required to be reported in accordance with Rules of the Auditor General, Chapter 10.656? Yes No

Identification of Major State Project:

<u>CSFA Number</u>	<u>Name of State Project</u>
48.108	Voluntary Pre-Kindergarten Education Program

Dollar threshold used to distinguish between Type A and Type B projects: \$854,748

FOEL's grant terms require auditors to test and report on whether the Coalition's monthly reconciliation of its financial records to the statewide School Readiness data and reporting system was completed in an accurate and timely manner. Based on our testing, we confirm that the Coalition completed the required monthly reconciliations in a timely and satisfactory manner.

Section II - Findings Related to the Financial Statement Audit, as Required to be Reported in accordance with *Government Auditing Standards*

None reported.

Section III - Findings and Questioned Costs for Federal Awards and State Financial Assistance Reported in accordance with the Uniform Guidance and *Rules of the Auditor General, Chapter 10.650*

None reported.

Section IV - Prior Year Audit Findings

None reported.

ISSUE: Dashboard

School Readiness Waiting List
April 3, 2017

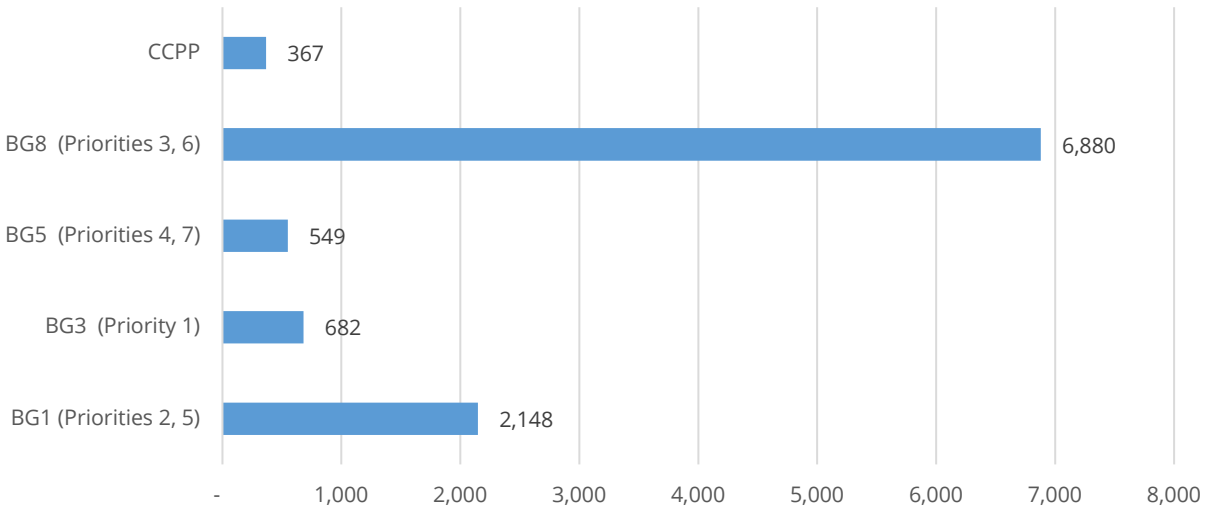
SR Waiting List	Infant	Toddler	2 Year Old	Preschool 3	Preschool 4	Preschool 5	School Ager	Total Children
BG8-ECON - Priority 3	235	366	293	279	208	66	257	1704
BG8-ECON - Priority 6							491	491
Totals	235	366	293	279	208	66	748	2195

Currently there are 2,195 children on the School Readiness Waiting List in the state OEL Family Portal. Starting on March 21, 2017, 191 families with (275 children) have received letters offering them School Readiness financial assistance. An additional, 625 families (1,002 children) will receive letters offering them School Readiness financial assistance in the few weeks. These families will be processed by the School District to determine eligibility for services.

The Office of Early Learning Priorities for School Readiness Children on the Waiting List.

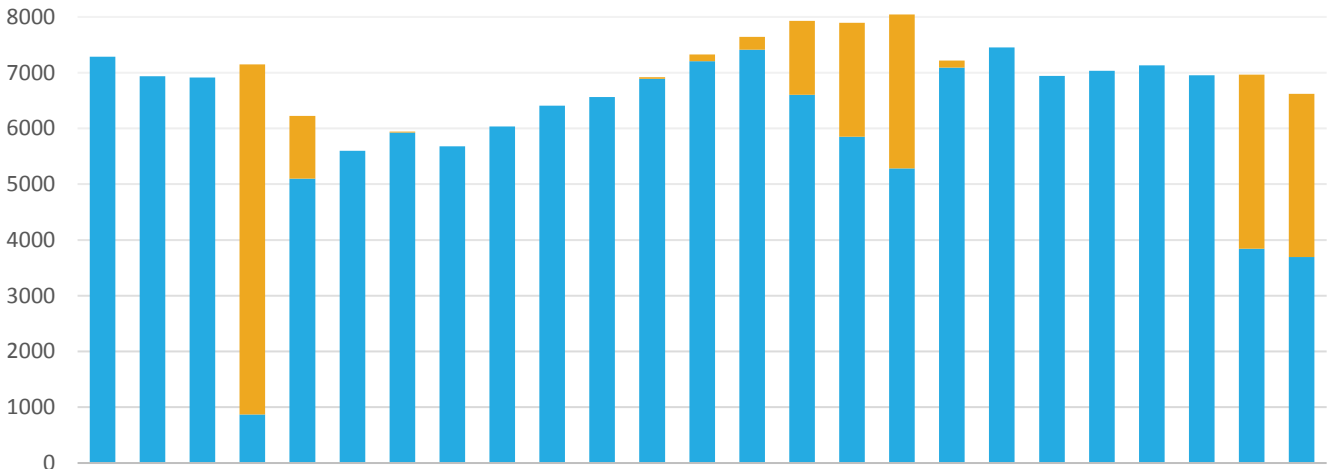
- **Priority 1** is given to children with families receiving TANF cash assistance (BG3 TANF) younger than 13 years old.
- **Priority 2** is given to Protective Service children (BG1 At-Risk) younger than 9 Years old.
- **Priority 3** is given to children with families Economically Disadvantaged (BG8) Children from birth to the beginning of the school year for Kindergarten have priority over their school age siblings, dependent on local revenues the coalition can fund the siblings of preschoolers.
- **Priority 4** is given to children of families no longer receiving TANF (BG5 – TCC) from birth to the beginning of the school year for Kindergarten.
- **Priority 5** is given to the protective services children (BG1 At-Risk) from 9 to younger than 13 years old.
- **Priority 6** is given to the children of families economically disadvantaged (BG8) in school with the priority of children with preschool siblings.
- **Priority 7** is given to the children of families no longer receiving TANF (BG5 – TCC) school age younger than 13
- **Priority 8** is given to the children with special needs not younger than 3.
- **Priority 9** is given to the children who is also enrolled concurrently in federal Head Start (HS) or the Voluntary Prekindergarten Education Program (VPK)

Active School Readiness Children Enrolled on 4/6/2017
10,710 Unduplicated Children



Economically Disadvantaged (BG8) children apply for the School Readiness on the Office of Early Learning’s Family Portal. When children are placed off the School Readiness Waiting List they are placed into the BG8 Billing group. When there is match funding in the Child Care Purchasing Pool (CCPP), some BG8 children can be rolled out of BG8 funding to use up CCPP funding as shown in the chart below.

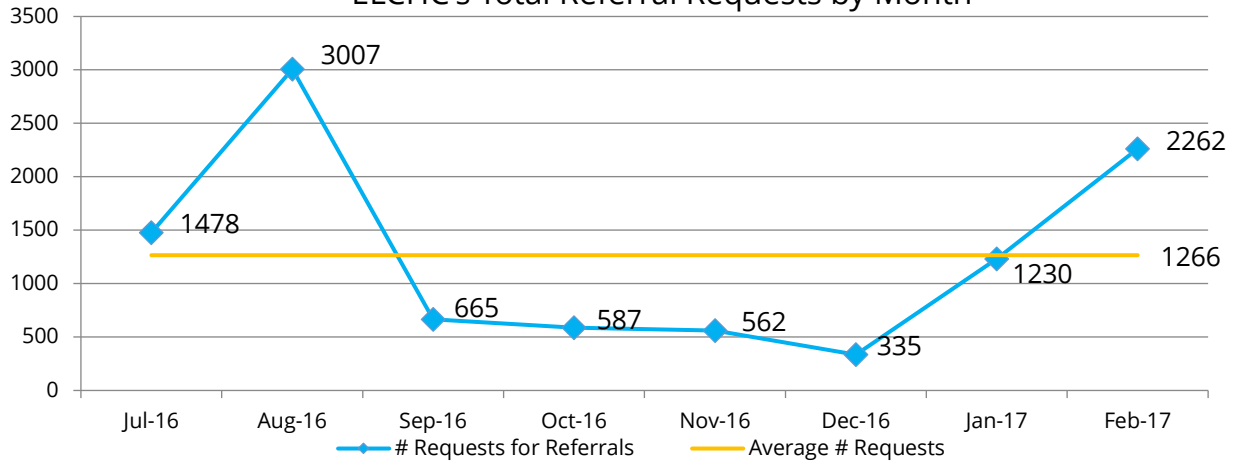
ECONOMICALLY DISADVANTAGED (BG8 & CCPP)
UNDUPLICATED CHILDREN SERVED
2015 - 2017



	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17
■ CCPP	0	0	0	6276	1122	0	18	0	0	0	0	25	124	229	1327	2042	2761	124	0	0	0	0	0	3120	2928
■ BG8	7284	6939	6912	871	5102	5599	5925	5679	6035	6407	6562	6892	7205	7414	6602	5852	5281	7093	7453	6943	7036	7130	6951	3845	3694

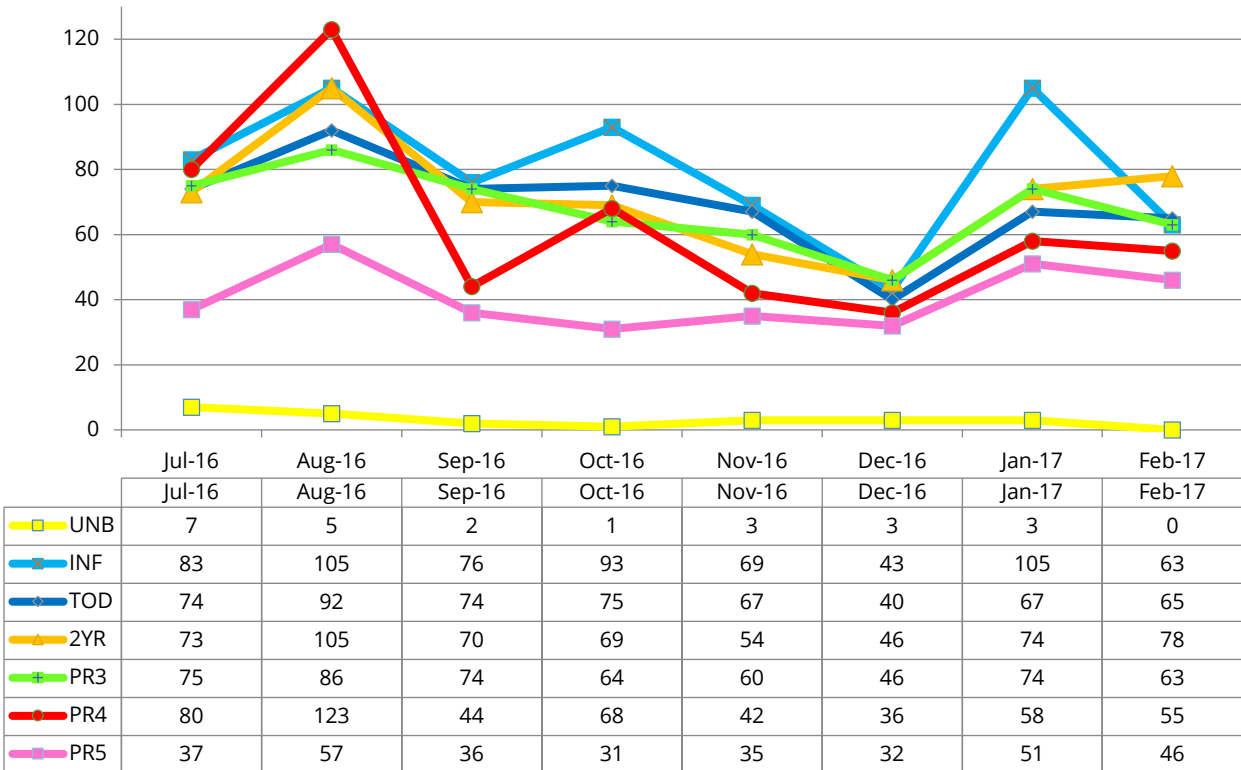
Child Care Resource & Referral

ELCHC's Total Referral Requests by Month



The Early Learning Coalition of Hillsborough County started providing Child Care Resource & Referral as of 7/1/2016. This chart shows that the average number of calls between July 2016 and February 2017 was 1266 calls per month.

ELCHC's Referral Requests by Child's Age



The Average number of requests for infant care was 80; Toddler care 29; 2 Year Old care 71; Preschool 3 care 68; Preschool 4 care 63; Preschool 5 care 41 during the July 2016 to February 2017 reporting period.

Requests for Special Needs	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17
DEVELOPMENTAL DELAY	1	1	2	2	1	1	2	2
SPEECH/LANGUAGE DELAY	1	2	2	3	2	1		1
AUTISM SPECTRUM DISORDERS		3	2	4		1		
ADHD/ADD	2			3			2	2
BEHAVIORAL DISORDER				1	3	1		
OTHER	3			1		1		
ALLERGIES (SEVERE)		1						
DIABETES		1						
MEDICALLY CHALLENGED			1					
MENTAL DISABILITY/DELAY	1							
Totals	8	8	7	14	6	5	4	5

There were a total of 57 requests for referrals with an average of 8 requests per month for children with special needs during the July-2016 to February-2017 reporting period.

ISSUE: OEL On-site Financial Monitoring Results for 2017**BACKGROUND:**

Each year, as part of the grant award requirement, the Office of Early Learning (OEL) performs financial monitoring of all Early Learning Coalitions. For 2017, the Coalition's financial monitoring was performed by audit firm Harvey, Covington, and Thomas (HCT) of South Florida. The 2017 on-site monitoring was performed from January 31, 2017 through February 3, 2017 and covered the period of January 1, 2016 through October 31, 2016. For this financial monitoring, there were four findings.

- Finding #1 –Corrective actions to document required sub award data elements are still in process.
 - The Coalition did not complete actions specified in its approved 2015-16 preventive/corrective action plan related to prior year finding #ELC 19-2015-16-002 (missing required data elements in sub recipient sub award agreement).
 - Coalition response:
 - The Coalition has acknowledged the finding and has taken the following action:
 - Update the active agreements found to ensure the missing required federal elements are included.
- Finding #2 –Non-allowable use of a retainer for executive search services.
 - Retainer for CEO recruitment and search services; Federal and state grant program guidance prohibits the use of retainers. In addition, supporting documents reviewed do not provide adequate detailed descriptions of the services performed/rendered to sufficiently support payments made.
 - Coalition response:
 - The Coalition has acknowledged the finding and has taken the following action:
 - In the future, all professional services contracts will be reviewed for retainer provisions prior to execution.
- Finding #3 –Outreach materials that did not include the required OEL logo.
 - Printing of presentation/ pocket folders (2,500 quantity @ .952/each) intended for outreach, resource, and referral-related tasks/events; The Coalition's grant agreement with OEL states the OEL logo and a statement of sponsorship will be included on all sponsorship materials.
 - Coalition response:
 - The Coalition has acknowledged the finding and has taken the following action:
 - All outreach ad/event flyers as well as social media, and the ELCHC website will contain the OEL logo and a statement of sponsorship.

-
- Finding #4 –Missing required federal data elements in contract.
 - During our detailed testing of two sampled sub recipient contracts, we noted missing data elements required for sub awards.
 - Coalition response:
 - The Coalition has acknowledged the finding and has taken the following action:
 - Update the active agreements found to ensure the missing required federal elements are included.
-

**Independent Accountants' Report on
Financial Compliance Advisory Services**

**Early Learning Coalition of Hillsborough County, Inc.
(ELC 19)**

2016-17 Financial Monitoring Report
Period Reviewed: January 1, 2016 – October 31, 2016

The Florida Office of Early Learning is an equal opportunity employer/program. The Florida Office of Early Learning will provide auxiliary aids and services upon request to individuals with disabilities. All voice telephone numbers on this document may be reached by persons using TTY/TDD equipment via the Florida Relay Service at 711.

Independent Accountants’ Report on Financial Compliance Advisory Services
Early Learning Coalition of Hillsborough County, Inc. (ELC 19)
2016-17 Financial Monitoring Report
Period Reviewed: January 1, 2016 – October 31, 2016

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February 3, 2017

State of Florida
Office of Early Learning
Tallahassee, Florida

We have performed specific financial compliance consulting services as described in the Florida Office of Early Learning's 2016-17 Onsite Financial Monitoring Tool for the Early Learning coalition of Hillsborough County, Inc. (ELC 19 or the entity). These services were contracted by the Office of Early Learning (OEL) to comply with its oversight and monitoring responsibilities as outlined in applicable federal regulations and state statutes.

- 45 Code of Federal Regulations (CFR) § 75.342(a), USDHHS, *Monitoring and reporting program performance*;
- 2 CFR § 200.328(a), *Monitoring and reporting program performance*;
- 2 CFR § 200.331(d), *Requirements for pass-through entities*; and
- Chapter 1002.82(2)(p), Florida Statutes (F.S.), *OEL; powers and duties*.

These advisory services were conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. OEL is solely responsible for the sufficiency of the procedures performed. Consequently, we make no representation regarding the sufficiency of the procedures performed, either for the purpose for which this report has been requested or for any other purpose.

On January 31, 2017 through February 3, 2017, we visited Early Learning coalition of Hillsborough County, Inc. (ELC 19) and performed financial compliance consulting services as summarized in OEL's 2016-17 Onsite Financial Monitoring Tool for the period January 1, 2016 through October 31, 2016. The procedures performed and our related findings begin on page 6 of this report.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the entity's compliance with the previously described financial management standards as outlined in applicable Office of Management and Budget Uniform Grant Guidance, Code of Federal Regulations, or other state and federal requirements. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to OEL.

This report is intended solely for the information and use of OEL and OEL's management, and is not intended to be and should not be used by anyone other than these specified parties.

HCT Certified Public Accountants & Consultants, LLC

HCT Certified Public Accountants & Consultants, LLC

Early Learning Coalition of Hillsborough County, Inc. (ELC 19)

2016-17 Financial Monitoring Report Period Reviewed: January 1, 2016 – October 31, 2016

Executive Summary

I. Executive Summary

1.0 Findings

We performed financial monitoring procedures based on the testing procedures included in OEL's 2016-17 Onsite Financial Monitoring Tool, which is available on OEL's website.

2016-17 Onsite Financial Monitoring Tool

http://www.floridaearlylearning.com/coalitions/hot_topics/monitoring_schedule.aspx

Our procedures were performed using firm and professional standards. A summary of the testing categories, or Objectives, used during this engagement and the related monitoring results are summarized here.

Early Learning Coalition of Hillsborough County, Inc. (ELC 19)		
2016-17 Monitoring Results		
Objectives ⁽¹⁾	Prior Period Findings	Current Period Findings
1.0 – Preventive /corrective action plan (PCAP) Implementation	-	1
2.0 – Financial management systems	1	-
3.0 – Internal control environment	-	-
4.0 – Cash management	-	-
5.0 – OEL's statewide information system ¹	N/A	N/A
6.0 – Prepaid program items	-	-
7.0 – Cost allocation and disbursement testing	-	2
8.0 – Travel	-	-
9.0 – Purchasing	-	-
10.0 – Contracting	-	-
11.0 – Subrecipient monitoring	1	1
TOTAL	2	4

(1) Objective 5.0 – For 2016-17, testing of this objective is not included in the scoped onsite financial monitoring tasks. This objective has been shown for disclosure purposes only.

Early Learning Coalition of Hillsborough County, Inc. (ELC 19)

2016-17 Financial Monitoring Report Period Reviewed: January 1, 2016 – October 31, 2016

Executive Summary

Included in the table below is a summary of the results from our review of prior period findings. New findings may occur in the current period if prior period findings which should have been corrected remain unresolved.

Early Learning Coalition of Hillsborough County, Inc. (ELC 19)				
Status of Prior Period Findings				
Finding	Resolved	Partially Resolved	Unresolved	New Finding
ELC 19-2015-2016-001 Financial management systems - Outreach activities without required OEL logo elements	X			None
ELC 19-2015-2016-002 Subrecipient monitoring – Missing required federal data elements in contract			X	See ELC 19– 2016– 2017-001

These financial monitoring procedures apply to both the School Readiness (SR) and Voluntary Prekindergarten (VPK) programs. Since Chapter 1002, F.S. does not provide specific financial monitoring steps for the federally-funded School Readiness program or the state-funded VPK program, the minimum federal standards have been applied to both programs.

The attached Schedule of Findings contains detailed information about current period and prior period findings. If the entity has current period findings it must submit a preventive/corrective action plan (PCAP) response to OEL within 30 days of receiving this report. Please contact OEL staff with any questions about the PCAP process.

Early Learning Coalition of Hillsborough County, Inc. (ELC 19)

2016-17 Financial Monitoring Report *Period Reviewed: January 1, 2016 – October 31, 2016*

Executive Summary

2.0 Observations

Other matters or circumstances may have been noted by us as we completed the indicated monitoring tasks. Detailed information about these observations is provided in *The Schedule of Observations* and is summarized here.

Observations from 2016-2017 onsite visit

The monitoring team noted no observations in the current period.

Items for OEL follow-up

The monitoring team noted no items for OEL follow-up.

This monitoring report is intended solely for the information and use of OEL and OEL's management and is not intended to be and should not be used by anyone other than these specified parties.

Early Learning Coalition of Hillsborough County, Inc. (ELC 19)

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Schedule of Findings

II. Schedule of Findings

We performed financial monitoring procedures based on the Testing Procedures included in OEL's 2016-17 Onsite Financial Monitoring Tool, which is available on OEL's website.

2016-17 Onsite Financial Monitoring Tool

http://www.floridaearlylearning.com/coalitions/hot_topics/monitoring_schedule.aspx

The monitoring procedures performed included tests of details of transactions, file inspections and interviews with the entity's personnel (1) to determine the status of recommendations from the prior period monitoring visit(s) and (2) to adequately support the current period findings and recommendations. Detailed information for these items is disclosed in the following sections of this report.

1.0 – Preventive/corrective action plan (PCAP) implementation

The current period monitoring procedures were performed to determine if the entity implemented the required preventive and corrective actions as described in the accepted PCAP from the most recently closed grant program year.

Prior Period Finding # ELC 19-2015-16-001

Financial management systems - Outreach activities without required OEL logo elements

Finding/Condition: During our detailed testing, we identified one outreach ad/event flyer for the Tampa Bay Kids Expo held on October 3, 2015 that did not include the required OEL logo disclosures. The Coalition's grant agreement with OEL states the OEL logo and a statement of sponsorship will be included on all sponsorship materials.

Status: **Corrective action resolved.**

Prior Period Finding # ELC 19-2015-16-002

Subrecipient monitoring – Missing required federal data elements in contract

Finding/Condition: During detailed testing of two sampled subrecipient contracts, we noted missing data elements required for subawards.

Status: **Corrective action unresolved.** Corrective actions to document required subaward data elements are still in process. [See current year finding # ELC 19-2016-17-001]

Early Learning Coalition of Hillsborough County, Inc. (ELC 19)

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Schedule of Findings

Finding # ELC 19-2016-17-001

Preventive corrective action plan (PCAP) Implementation – Noncompliance with accepted PCAP - Missing required federal data elements in contract

Finding/Condition: The Coalition did not complete actions specified in its approved 2015-16 preventive/corrective action plan related to prior year finding #ELC 19-2015-16-002 (missing required data elements in subrecipient subaward agreement). [See current year Finding # ELC 19-2016-17-004 for more details]

Criteria: Timely resolution of the approved preventive/corrective action plan regarding prior period findings.

Cause: The Coalition did not fully correct prior period finding.

Effect: Non-compliance with the approved corrective action plan. Failure to timely implement corrective actions can result in increased risk to the Coalition that additional inadvertent staff errors could be made.

Recommendation(s): The Coalition should complete tasks that include, but are not limited to, the following.

1. Confirm for OEL testing results described here and at finding #ELC 19-2016-17-004.
2. Review the Coalition's internal controls, policies and procedures regarding disclosure requirements for subrecipient subawards. Consult with OEL for technical assistance if needed.
3. Update internal controls, policies and procedures, as appropriate.
4. Conduct training to help ensure Coalition staff knows about and can follow established or revised internal controls, policies and procedures.

2.0 – Financial management systems

The current period monitoring procedures were performed to gain an understanding of the entity's financial and operational environments through review of policies and procedures, observation of processes, document inspection and interviews of entity personnel.

No findings were noted in the current period.

Early Learning Coalition of Hillsborough County, Inc. (ELC 19)

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Schedule of Findings

3.0 – Internal control environment

The current period monitoring procedures were performed to gain an understanding of the entity's internal control environment through testing of key internal controls and observation of entity operations to ensure compliance with Federal laws, regulations and grant program compliance requirements.

No findings were noted in the current period.

4.0 – Cash management

The current period monitoring procedures were performed to determine if sampled documentation demonstrated appropriate and sufficient cash management procedures are in place and being followed. The processes examined include cash management procedures related to sources of other non-grant revenues.

No findings were noted in the current period.

5.0 – OEL's statewide information system reporting and reconciliation – N/A for 2016-17

6.0 – Prepaid program items

The current period monitoring procedures were performed to identify any prepaid program activity for this entity. If such activity was found, monitoring procedures were applied to determine if all prepaid program items were appropriately safeguarded, managed, tracked and reported.

Based on results obtained from inquiries made to and an inspection of data items provided by entity personnel the monitors noted no current year prepaid program item activity.

7.0 – Cost allocation and disbursement testing

The current period monitoring procedures were performed to determine if sampled disbursements were appropriately incurred and posted within the entity's financial records. Sampled items were tested to ensure the activity: is allowable, has appropriate approval

Early Learning Coalition of Hillsborough County, Inc. (ELC 19)

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Schedule of Findings

(including pre-approval from OEL if needed), and meets the period of availability requirements for the grant monies used to fund disbursements. Sampled items are also tested to verify appropriate allocation in accordance with applicable cost principles, grant program compliance requirements and guidance issued by OEL.

Finding # ELC 19-2016-17-002

Cost allocation and disbursement testing – Non-allowable use of a retainer for recruitment search services

Finding/Condition: During testing we noted the following compliance issues for one of three contracts sampled.

- **Date:** 7/6/2016; **GL Code:** 60200 - Consulting Fees; **Amount:** \$12,666.00; **Grant period/OCA code:** 2016-17 / 97BBA, VPADM and other OCAs; **Vendor/Payee:** Young Search Partners LLC; **Description:** Retainer for CEO recruitment and search services; **Issue(s):** Federal and state grant program guidance prohibits the use of retainers. In addition, supporting documents reviewed do not provide adequate detailed descriptions of the services performed/rendered to sufficiently support payments made.

Criteria: Relevant Federal and State guidance excerpts are listed as follows.

2 CFR part 200.433(c), Contingency provisions

Payments made by the Federal awarding agency...for a “contingency reserve” or any similar payment made for events the occurrence of which cannot be foretold with certainty as to the time or intensity, or with an assurance of their happening, are unallowable...”

DFS Reference Guide for State Expenditures, Advances

Section 216.181(16), F.S., provides for program startup advances to governmental entities and not-for-profit organizations that shall not exceed the entity’s expected cash needs for the initial three months.

Cause: The vendor would not begin services unless a retainer was paid.

Effect: Noncompliance with federal grant program cost principles requiring adequate documentation for allowable costs that result in actual goods/services provided to benefit the programs charged. The Coalition has increased operating risks for improper or incorrect transactions when payments for professional services are made in advance. The Coalition cannot adequately document what services were paid for, what services were provided, or whether the services were provided in compliance with applicable grant program laws, rules and regulations. Such operating circumstances also increase the risk of inadvertent errors and potential questioned or unallowable costs.

Early Learning Coalition of Hillsborough County, Inc. (ELC 19)

2016-17 Financial Monitoring Report Period Reviewed: January 1, 2016 – October 31, 2016

Schedule of Findings

Recommendation(s): The Coalition should complete tasks that include, but are not limited to, the following.

1. Confirm for OEL the results described for the tested contract. Testing records indicate one sampled agreement includes descriptions for “retainer” fees for recruitment services totaling \$12,666.00.
2. Review Coalition records for the entire monitoring period to identify other purchases of professional services (if any). Review each of these agreements to verify whether “retainer” fee language is included that may need additional analysis.
3. If additional expenditures are found, prepare a summary to identify the amounts spent and the purpose for each disbursement item. Include details to identify the vendor/payee and the grant programs(s)/OCAs charged.
4. Submit summary from item #3 above (if applicable) to OEL for review. Upon review, OEL will provide technical assistance suggestions and instructions on applicable documentation requirements and remitting any funds determined to be incurred for unallowable costs (if applicable).
5. *For 2016-17 professional services agreement(s) identified with “retainer” fee language.* Prepare “after-the-fact” contract documentation to update the listed agreement and clarify the services intended for purchase by the Coalition. Also coordinate with the contractor as needed to
 - Add supporting documentation to other contract files as needed to show costs are not retainer fees.
 - Include enough details in each monthly invoice to describe actual services provided to help demonstrate retainer fee references are inaccurate.
6. Review the Coalition’s internal controls, policies and procedures related to documentation for professional service deliverables/actual services obtained to determine if revisions to existing controls, policies or processes will be necessary.
7. Update internal controls, policies and procedures, as appropriate.
8. Conduct training to ensure Coalition staff knows about and can follow established or revised internal controls, policies and procedures.

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Schedule of Findings

Finding # ELC 19-2016-17-003

Cost allocation and disbursement testing - Outreach materials without required OEL logo elements

Finding/Condition: During detailed onsite testing, we identified Coalition outreach materials that did not include the required OEL logo.

- **Date:** October 26, 2016; **GL Code:** 72100 – Printing/Binding; **Amount:** \$2,380.00; **Check/EFT:** #23243; **Grant period/OCA Code:** 2016 - 2017/97Q14; **Vendor/Payee:** Sol Davis Printing; **Description:** Printing of presentation/ pocket folders (2,500 quantity @ .952/each) intended for outreach, resource and referral-related tasks/events; **Issue:** The Coalition’s grant agreement with OEL states the OEL logo and a statement of sponsorship will be included on all sponsorship materials.

Criteria: For logo disclosure requirements, see 2016-17 grant agreement (Exhibit I, page 23), Section KK – *Sponsorship/public announcements*. Also, see section 286.25, F.S. - *Publication or statement of state sponsorship* - Any nongovernmental organization which sponsors a program financed partially by state funds or funds obtained from a state agency shall, in publicizing, advertising, or describing the sponsorship of the program, state: “Sponsored by (name of organization) and the State of Florida.” If the sponsorship reference is in written material, the words “State of Florida” shall appear in the same size letters or type as the name of the organization.

Cause: Management overlooked the related documentation and compliance requirements for these events.

Effect: Noncompliance with OEL grant agreement and state statutory instructions. Sufficient documentation to demonstrate costs incurred by grant programs are reasonable, necessary and provide a benefit to program operations is required to avoid potential questioned costs that could be determined to be unallowable. Without this documentation the Coalition has increased operating risks for sponsorship activities with unclear purpose and/or benefits to the grant program(s) charged.

Recommendation(s): The Coalition should complete tasks that include, but are not limited to, the following.

1. Confirm for OEL the results reported here. Tests indicate outreach-related materials and documents obtained/purchased to benefit local early learning program activities did not include OEL logo disclosures as required by the grant agreement.

Early Learning Coalition of Hillsborough County, Inc. (ELC 19)

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Schedule of Findings

2. Review Coalition operations for the monitoring period to determine if other purchases may have occurred. Prepare a summary schedule of any other outreach-related materials with missing OEL logo disclosures from program year 2015-2016 and 2016-17. The summary should include a list of materials, date of purchase, source of any funding used (SR or VPK program dollars), and total amount(s) spent.
3. Submit summary from item #2 to OEL for review. Upon review, OEL will provide technical assistance suggestions and instructions on applicable documentation requirements and remitting any funds determined to be incurred for unallowable costs (if applicable).
4. Review, and revise as necessary, the Coalition's internal control, policies and procedures for education and outreach-related Coalition materials in order to be in compliance with Federal and State statutes. Coordinate with OEL as needed for technical assistance.
5. Conduct training to help ensure Coalition staff know about and can follow established or revised internal controls, policies and procedures for OEL and Coalition logo requirements.

8.0 – Travel

The current period monitoring procedures were performed to determine if the entity's sampled travel-related expenditures are paid in accordance with applicable federal/state laws and rules, and entity-established policies.

No findings were noted in the current period.

9.0 – Purchasing

The current period monitoring procedures were performed to determine if the sampled procurement transactions comply with the appropriate federal or state procurement laws, as well as the entity's procurement policies.

No findings were noted in the current period.

Early Learning Coalition of Hillsborough County, Inc. (ELC 19)

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Schedule of Findings

10.0 – Contracting

The current period monitoring procedures were performed to determine if the sampled contract transactions demonstrate the entity's contracting processes comply with federal and state requirements, as well as the entity's own contracting policies.

No findings were noted in the current period.

11.0 – Subrecipient monitoring

The current period monitoring procedures were performed to identify any subrecipient activity for this entity. If such activity was found, monitoring procedures were applied to determine if the entity's disclosure requirements and subrecipient monitoring activities comply with federal grant program requirements, state laws and the entity's own policies and procedures.

Finding # ELC 19-2016-17-004

Subrecipient Monitoring – Missing required federal data elements in contract

Finding/Condition: During our detailed testing of two sampled subrecipient contracts, we noted missing data elements required for subawards. This issue was also noted during the 2015-16 monitoring cycle. [See page 6 for more details on finding ELC #2015-16-002]

- **Date**: Various; **GL Code**: 91200 – Quality Improvement - Inclusion; **Amount**: \$71,500.00; **Grant period/OCA Code**: 2015-2016 and 2016– 2017 /97QIN/VPADM; **Vendor/Payee**: Early Childhood Council of Hillsborough County, Inc.; **Description**: Inclusion training and technical assistance services to childcare providers; **Issue**: The Coalition's agreement is missing the listed data elements required for all subrecipient subawards.
- **Date**: Various; **GL Code**: 91800/91100 – Child Care Provider / Quality Initiatives; **Amount**: \$39,245,171.00; **Grant period/OCA Code**: 2015-2016 and 2016-2017/Various OCAs; **Vendor/Payee**: School Board of Hillsborough County; **Description**: central agency services to provide school readiness program services, eligibility determinations, enrollment management, provider payment services, training and technical assistance to providers; **Issue**: The Coalition's agreement is missing the listed data elements required for all subrecipient subawards.

Missing required data elements

- The sub-award was not clearly identified to the subrecipient as a sub-award

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- Subrecipient DUNS number (see 2 CFR Part 200.32 Data Universal Numbering System)
- Federal award identification number (FAIN)
- Name of the federal awarding agency, pass-through entity, and contact information for the awarding official
- CFDA number and name, must identify the dollar amount made available under each CFDA number at the time of disbursement
- The CSFA number, name and amount for state financial assistance

Criteria: 2 CFR § 200.331(a), *Requirements for pass-through entities*, provides a list of required subaward disclosures. When some of this information is not available, the pass-through entity must provide the best information available to describe the Federal award and subaward and notice of this information must be documented.

Cause: The Coalition acquired new accounting staff personnel and the subrecipient award was not updated to document these required data elements.

Effect: Non-compliance with the 2016-17 OEL grant award and 2 CFR Part 200 Section 200.331(d). Incomplete and/or inadequate disclosure of required data elements for subrecipient grant/contract services and/or the related terms and conditions increase the Coalition's risk of activities non-compliant with federal grant program regulations, which may result in potential questioned costs for contract-related disbursements.

Recommendations: The Coalition should complete tasks that include, but are not limited to, the following.

1. Confirm for OEL the test results described here. Tested records contracts with the Early Childhood Council of Hillsborough County, Inc. and the School Board of Hillsborough County (totaling \$ 41,070,510.00 annually) were missing one or more required federal data elements.
2. *Active 2016-17 contracts.* Review Coalition records for July 1, 2016 to the current date and prepare a listing of other active subrecipient agreements (if any). Review each of these agreements to verify required federal data elements for subrecipient awards are included. Coordinate with OEL for technical assistance.
3. Amend or update active Coalition agreements found (if any) for missing federal data elements required for subrecipient awards.
4. Submit summary from items #2 and #3 above (if applicable), to OEL for review. Upon review, OEL will provide technical assistance suggestions and instructions for obtaining

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Schedule of Findings

adequate “after-the-fact” documentation or for remitting any funds determined to be incurred for unallowable costs (if applicable).

5. Review, and revise as necessary, the Coalition’s policies, procedures and internal controls related to required federal data elements for subrecipient agreements to ensure adequate guidance to staff.
6. Conduct training as needed to help ensure Coalition staff knows about and can follow established or revised internal controls, policies and procedures.

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Schedule of Observations

III. Schedule of Observations

1.0 Observations from 2016-2017 onsite visit

The monitoring team noted no observations in the current period.

2.0 Items for OEL follow-up

The monitoring team noted no items for OEL follow-up.



ISSUE: **Andrew Valenti-Tampa Bay Lightning Community Hero of Tomorrow**

NARRATIVE:

On February 4, 2017, Andrew “Drew” Valenti was awarded \$50,000 from the Lightning Foundation, half of which goes toward a scholarship for his future education, and half to a charitable endeavor of his choice. Drew chose the Early Learning Coalition of Hillsborough County as his benefactor to receive the \$25,000. Drew’s gift will establish a “Book Garden” here at ELC’s office in the Family Services area. Renovations to the space will be done in the next weeks and Coalition staff will stock the Book Garden with age-appropriate books that children visiting our offices will be able to select as their “very own” to keep. There will be parent literacy information as well. We will also work with Drew and Key Club members who will volunteer to read at a child care provider’s site and provide books to the children at the site.

The Community Heroes of Tomorrow program is part of the Lightning’s longstanding Community Hero program, which recognizes, honors, and celebrates a local "hero," and donates funding to a non-profit charity of his or her choice at every Lightning home game. This year, a new category of awardee, Community Heroes of Tomorrow, was added. It celebrates inspiring public-spirited young people from the Tampa Bay community who have a history of past community service and volunteerism, but also have plans and ambitions to drive social change and make a positive future impact in the Tampa Bay community.

ELC will sustain the Book Garden through grants, fundraising, and other philanthropic endeavors.