



ELCHC Finance Committee Meeting

April 4, 2022 at 3:00 pm

Hybrid Meeting

6302 E. Martin Luther King, Jr. Blvd., Suite 100 Tampa, FL 33619

<https://us06web.zoom.us/j/91681969778?pwd=NWdqTVdITURwcEFGaHV5MG0wcHZWUT09>

Meeting ID: 916 8196 9778

Passcode: 751988



ELCHC Finance Committee Meeting

April 4, 2022

I. CALL TO ORDER

L. Bowers

- A. Roll call/Quorum Verification
- B. Approval of Minutes for February 7, 2022 Regular Meeting - 3

II. 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

III. FINANCIAL REPORT

- A. MSL Audit Report on FY 2020-2021 - 6 J. Goolsby
- B. IRS Tax Compliance Update J. Goolsby
- C. FY 2022 Financials through February 28, 2022, Budget to Actual - 32 G. Meyer

IV. ACTION ITEMS

- A. Audited Financials - Years Ended June 30, 2021 and 2020 - 35 G. Meyer
- B. Allocation of Funds to Teachstone for the Purchase of Quality Improvement Materials - 36 G. Meyer/S. Francois
- C. FY 2022-2023 Finance Committee Meeting Schedule - 37 G. Gillette

V. CEO REPORT

G. Gillette

VI. DISCUSSION ITEMS

- A. Facilities Expansion Update

R.
Rampersad/G.
Meyer

VII. ADJOURNMENT

Monday, February 7, 2022, at 3:00 pm
6302 E. Martin Luther King Jr. Blvd., Suite 100
Tampa, FL 33619

MEETING ATTENDANCE

Facilitator: Luke Buzard, Chair

Committee Members Present:

Luke Buzard*, Lee Bowers*, Carl Harness*, Candy Olson*, and Dr. Shawn Robinson*

Committee Members Absent:

ELCHC Staff:

Gordon Gillette, Kelley Minney*, Kiyana Scott, Gary Meyer*, Yarima Hernandez Tamayo*, Kevin Smith*, Abigail Perez*, Alison Fraga*, Helen Sovich*, Rick Rampersad, Megan Folts*, Hannah Goble*, Erica Turchin*, and Lorinda Gamson*

Other Attendees:

Kelley Parris*, Dr. Sara Aria-Steele*, and Maria Negron*

**Indicates attendance by Zoom Meeting platform.*

CALL TO ORDER

Quorum Verification

Noting a quorum was present, Committee Chair, Luke Buzard, called the meeting to order at 3:03 pm.

PUBLIC COMMENT

There was no Public Comment.

Approval of Minutes for October 4, 2021, Regular Meeting

Chair Buzard called a motion to approve the October 4, 2021, Finance Committee regular meeting minutes. Dr. Shawn Robinson made a motion to approve. Candy Olson made a second. The motion carried unanimously.

Approval of Minutes for October 18, 2021, Special Meeting

Chair Buzard called a motion to approve the October 18, 2021, Finance Committee special meeting minutes. Dr. Shawn Robinson made a motion to approve. Lee Bowers made a second. The motion carried unanimously.



ACTION ITEMS

A. Approve allocation of funds to Brookes Publishing

Gary Meyer, Chief Financial Officer, presented a proposal to the Finance Committee to purchase Ages & Stages Questionnaires (ASQ) kits for developmental screenings in the amount of \$45,000.

Candy Olson made a motion to approve the allocation of funds to Brookes Publishing in the amount of \$45,000. Dr. Shawn Robinson made a second. The motion carried unanimously.

B. Approve allocation of funds to Champions for Children

Alison Fraga, Chief Development Officer, reported that the Coalition drafted and posted an RFP (request for proposal) to solicit organizations for family engagement programs. The work of Champions for Children will focus on strategies to advance the education of children and help support child care providers with family engagement strategies.

Candy Olson made a motion to recommend to the Board approval of the allocation of funds to Champions for Children in the amount of \$174,433. Carl Harness made a second. The motion carried unanimously.

C. Approve allocation of funds to Learn & Play (Glazer Children's Museum)

Mrs. Fraga reported that the Coalition drafted and posted an RFP (request for proposal) to solicit organizations for family engagement programs. The work of the Glazer Children's Museum will focus on early learning engagement opportunities for families with children ages 0-5.

The Finance Committee recommended that staff include all funding sources for the allocation of funds.

Dr. Shawn Robinson made a motion to approve the allocation of funds to Learn & Play (Glazer Children's Museum) in the amount of \$41,000. Candy Olson made a second. The motion carried unanimously.

D. Approve allocation of funds to Travelers Casualty and Surety Company of America Insurance

Mr. Meyer presented a proposal to increase the Director and Officer (D&O) and Employment Practices Liability (EPL) insurance coverage limit from \$1M to \$3M for FY 2021-2022.

Mr. Meyer reported that the allocation of funds to Travelers Casualty and Surety Company of America in the amount of \$40,000 exceeded the CEO approval threshold and needed the Finance Committee's approval.

Dr. Shawn Robinson made a motion to approve the allocation of funds to Travelers Casualty and Surety Company of America Insurance of up to \$40,000 for FY 2021-2022. Lee Bowers. The motion carried unanimously.

FINANCIAL REPORT

Financials through December 31, 2021

Mr. Meyer reviewed and responded to the Committee's questions about the financial statements. Mr. Meyer highlighted the following items:

- 647 children are on the School Readiness Waitlist as of February 7, 2022.
- The Coalition informed the Division of Early Learning of the deobligation of School Readiness allocation.

IRS Compliance Update

Mr. Meyer reported that Moore, Stephens, Lovelace (MSL) CPAs & Advisors are assisting the Coalition with resolving the received penalty notices from the Internal Revenue Service (IRS).

CEO REPORT

A. American Rescue Plan Act (ARPA) Stabilization Plan

Mr. Gillette presented to the Finance Committee the ARPA Stabilization Plan and highlighted the following:

- The State of Florida received \$1.5B in funds to provide stabilization grants to child care providers.
- Intake of submitted ARPA applications from child care providers will begin in late February/March.

DISCUSSION ITEM

A. Facilities Update

Rick Rampersad, Chief Information Officer, gave an update on the facilities expansion and reported an increase in labor and material costs due to the economic conditions.

ADJOURNMENT

Dr. Shawn Robinson made a motion to adjourn the meeting at 3:44 pm. Candy Olson made a second. The motion carried unanimously.

Read and approved by: _____ Date: _____
Dr. Stephie Holmquist Johnson, Secretary

ELCHC FINANCE COMMITTEE MEETING – APRIL 4, 2022

FINANCIAL REPORT

ITEM III.

ISSUE: Financial Report

NARRATIVE: The Financial Report includes the following items:

- MSL Audit Report on FY 2020-2021
- IRS Tax Compliance Update
- FY 2022 Financials through February 28, 2022, Budget to Actual

(2 Attachments)

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

FINANCIAL STATEMENTS

Years Ended June 30, 2021 and 2020

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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, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years 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, 2021 and 2020, and the results of its activities and its cash flows for the years 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 and State Financial Assistance 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, 2022, 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.

MSL, P.A.

Certified Public Accountants

Tampa, Florida
March 30, 2022

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

STATEMENTS OF FINANCIAL POSITION

June 30, 2021 and 2020

	ASSETS		2021	2020
CURRENT ASSETS				
Cash		\$	7,485,743	\$ 5,382,503
Grants receivable			5,276,784	12,430,135
Other assets			63,344	63,344
	TOTAL ASSETS	\$	12,825,871	\$ 17,875,982
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts and provider payables and accrued expenses		\$	8,662,102	\$ 13,528,605
Due to School District of Hillsborough County			61,250	49,018
	TOTAL CURRENT LIABILITIES		8,723,352	13,577,623
NET ASSETS			4,102,519	4,298,359
	TOTAL LIABILITIES AND NET ASSETS	\$	12,825,871	\$ 17,875,982

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, 2021 and 2020

	2021	2020
REVENUES AND SUPPORT		
Program support:		
Federal and state grant revenue - general	\$ 81,105,149	\$ 90,825,426
Federal and state grant revenue - CARES and CRRSA	16,291,093	4,585,217
Local gifts and grant revenue and other	2,746,033	3,548,727
TOTAL REVENUES AND SUPPORT	100,142,275	98,959,370
EXPENSES		
Program services:		
School Readiness	73,980,234	63,867,475
Voluntary Pre-K	20,846,618	28,703,374
Other programs	2,465,573	509,624
TOTAL PROGRAM SERVICES	97,292,425	93,080,473
Supporting services:		
Management and general	3,045,690	3,082,806
TOTAL EXPENSES	100,338,115	96,163,279
CHANGE IN NET ASSETS	(195,840)	2,796,091
NET ASSETS WITHOUT DONOR RESTRICTIONS, BEGINNING OF YEAR	4,298,359	1,502,268
NET ASSETS WITHOUT DONOR RESTRICTIONS, END OF YEAR	\$ 4,102,519	\$ 4,298,359

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, 2021

	Program Services			Total	Support Services	2021
	School Readiness	Voluntary Pre-K	Other Programs		Management and General	
Salaries and related taxes	\$ 4,213,161	\$ 308,171	\$ 116,712	\$ 4,638,044	\$ 1,646,252	\$ 6,284,296
Fringe benefits	1,470,014	75,534	36,241	1,581,789	381,236	1,963,025
TOTAL SALARIES AND RELATED EXPENSES	5,683,175	383,705	152,953	6,219,833	2,027,488	8,247,321
Payments to providers	65,352,558	20,446,506	2,025,555	87,824,619	-	87,824,619
Contractual services	965,142	625	86,923	1,052,690	251,608	1,304,298
Payments to subrecipients	1,138,493	-	-	1,138,493	18,171	1,156,664
Office supplies and equipment	706,995	443	186,045	893,483	111,620	1,005,103
Rent and utilities	95,473	14,793	100	110,366	362,990	473,356
Accounting and auditing	-	-	3,510	3,510	82,376	85,886
Insurance	-	-	7	7	60,885	60,892
Staff training and development	17,589	-	6,653	24,242	23,665	47,907
Telephone and communication	100	-	2,114	2,214	34,807	37,021
Dues and memberships	6,095	-	-	6,095	29,222	35,317
Printing and copying	5,716	-	217	5,933	11,318	17,251
Bank charges	-	-	-	-	16,763	16,763
Postage and shipping	958	12	283	1,253	7,765	9,018
Travel	7,940	534	175	8,649	170	8,819
Maintenance contracts	-	-	-	-	4,384	4,384
Other	-	-	1,038	1,038	2,458	3,496
TOTAL EXPENSES	\$ 73,980,234	\$ 20,846,618	\$ 2,465,573	\$ 97,292,425	\$ 3,045,690	\$ 100,338,115

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 (Continued)

Year Ended June 30, 2020

	Program Services			Total	Support Services	2020
	School Readiness	Voluntary Pre-K	Other Programs		Management and General	
Salaries and related taxes	\$ 3,474,426	\$ 213,666	\$ 242,655	\$ 3,930,747	\$ 1,702,263	\$ 5,633,010
Fringe benefits	1,009,801	55,674	31,334	1,096,809	356,887	1,453,696
TOTAL SALARIES AND RELATED EXPENSES	4,484,227	269,340	273,989	5,027,556	2,059,150	7,086,706
Payments to providers	57,362,412	28,415,235	-	85,777,647	-	85,777,647
Payments to subrecipients	1,529,870	-	-	1,529,870	7,060	1,536,930
Contractual services	140,812	659	85,407	226,878	274,582	501,460
Office supplies and equipment	225,351	8,309	112,070	345,730	151,382	497,112
Rent and utilities	32,095	6,776	20,012	58,883	312,930	371,813
Staff training and development	56,185	-	5,563	61,748	53,815	115,563
Accounting services	-	-	-	-	83,561	83,561
Insurance	-	-	466	466	57,321	57,787
Travel	31,009	1,422	5,060	37,491	4,703	42,194
Dues and memberships	5,000	-	-	5,000	23,019	28,019
Printing and copying	265	1,239	-	1,504	23,434	24,938
Telephone and communication	50	-	1,410	1,460	20,911	22,371
Bank charges	-	-	35	35	5,540	5,575
Other	-	-	5,012	5,012	377	5,389
Maintenance contracts	-	-	-	-	5,021	5,021
Postage and shipping	199	394	600	1,193	-	1,193
TOTAL EXPENSES	\$ 63,867,475	\$ 28,703,374	\$ 509,624	\$ 93,080,473	\$ 3,082,806	\$ 96,163,279

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, 2021 and 2020

	2021	2020
OPERATING ACTIVITIES		
Cash received from:		
Grant income	\$ 104,549,593	\$ 91,200,400
Other income	<u>2,746,033</u>	<u>3,548,727</u>
TOTAL CASH RECEIVED	107,295,626	94,749,127
Cash paid for:		
Program services	102,146,696	86,836,198
Administrative expenses	<u>3,045,690</u>	<u>2,979,843</u>
TOTAL CASH PAID	<u>105,192,386</u>	<u>89,816,041</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>2,103,240</u>	<u>4,933,086</u>
NET INCREASE IN CASH	2,103,240	4,933,086
CASH - BEGINNING OF YEAR	<u>5,382,503</u>	<u>449,417</u>
CASH - END OF YEAR	<u><u>\$ 7,485,743</u></u>	<u><u>\$ 5,382,503</u></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 CASH FLOWS (Continued)

Years Ended June 30, 2021 and 2020

	2021	2020
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Change in net assets	\$ (195,840)	\$ 2,796,091
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Decrease (increase) in grants receivable	7,153,351	(4,210,243)
Decrease in other assets	-	102,963
(Decrease) increase in accounts payable and accrued expenses	(4,866,503)	6,684,154
Increase (decrease) in due to School District of Hillsborough County	12,232	(439,879)
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 2,103,240	\$ 4,933,086

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, 2021 and 2020

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 not-for-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. The Coalition provides these services primarily through recurring funding through Florida’s Division of Early Learning (“DEL”).

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:

Net Assets Without Donor Restrictions – Net assets not subject to donor-imposed restrictions.

Net Assets with Donor Restrictions – 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, 2021 and 2020, there were no net assets with donor restrictions.

Revenue is reported as increases in net assets without donor restrictions, unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. 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 net assets without donor restrictions. 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)

Grants Receivable

Grants receivable are recognized at the net amount that management expects to be collected based on established collection history and primarily represent amounts for services provided and reimbursable expenses requested from the DEL as of June 30, 2021 and 2020.

Property and Equipment

The Coalition capitalizes all assets acquired in excess of \$5,000 for property and equipment. Property and equipment are carried at cost for purchased assets and at fair value at date of donation for donated assets. The Coalition has no items recorded that met the capitalization requirement at June 30, 2021 and 2020.

Revenue Recognition

The Coalition receives substantially all of its grant revenue from federal and state agencies. Grant revenue is recognized up to the maximum amount provided in the Coalition's contracts, to the extent the performance obligations are satisfied or conditions on grants classified as nonreciprocal are met. Audits of these grants may result in disallowed costs, which may result in a liability to the Coalition. In the opinion of management, disallowed costs, if any, would not be material to the financial statements.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs are directly attributed to the specific program or supporting service, and other costs have been allocated. Salaries are allocated based on actual time spent and other expenses are allocated based on direct usage or management's estimates of the benefit derived by each activity.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the reporting period. 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.

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

New Accounting Standard Adoption and Basis of Presentation

There was no impact on the previously reported 2020 net assets or change in net assets from the adoption of Accounting Standards Update *Revenue from Contracts with Customers* (Topic 606) retroactive to July 1, 2019.

The Coalition expects to adopt the provisions of *Leases* (Topic 842) for the year ended June 30, 2023. The provisions of Topic 842 requires organizations to recognize most leases on the balance sheets as lease liabilities with a right-to-use asset.

NOTE 3 - LIQUIDITY ANALYSIS

The table below represents financial assets available to meet cash needs for general expenditures within one year at June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Cash	\$ 7,485,743	\$ 5,382,503
Grants receivable	<u>5,276,784</u>	<u>12,430,135</u>
	<u>\$ 12,762,527</u>	<u>\$ 17,812,638</u>

As part of a cash and liquidity management policy, the Coalition structures its financial assets to be available as its general expenditures, liabilities, and other obligations become due.

NOTE 4 - RELATED PARTIES

Certain members of the Board of Directors are mandated in the State of Florida School Readiness Act. This includes (a) a district superintendent of schools (or permanent designee) from the School District of Hillsborough County (“SDHC”), (b) the Executive Director of the Children’s Board of Hillsborough County (“CBHC”), (c) the Hillsborough County Board of County Commissioners (“BOCC”) county commissioner, and (d) the agency head of the BOCC Child Care Licensing Agency.

Approximately \$1,344,000 and \$1,035,000 was paid by the Coalition for services provided by the SDHC and the BOCC for the years ended June 30, 2021 and 2020, respectively. Payments to the BOCC are for compliance with Hillsborough County’s local childcare licensing ordinance. In addition, the Coalition received matching funds from the BOCC, which are designated to be used only for the school readiness and VPK programs, of approximately \$430,000 and \$483,000 for the years ended June 30, 2021 and 2020, respectively.

The Coalition received funding from the CBHC for the local match in the school readiness program of approximately \$697,000 and \$2,074,000 for the years ended June 30, 2021 and 2020, respectively.

NOTE 5 - DEFERRED COMPENSATION PLAN

The Coalition sponsors a 401(k) 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 years ended June 30, 2021 and 2020. Vesting is 100% after six years of employment with the Coalition, with a 20% increase in vesting for each year of employment.

NOTE 6 - CONCENTRATIONS AND GOVERNMENT SUPPORT

The Coalition receives a substantial amount of support from federal, state, and local government agencies. Governmental funding for programs is subject to statutory and regulatory changes, administrative rulings, interpretations of policy, intermediary determinations, and governmental funding restrictions. A reduction in the level of future support from the federal, state or local governmental agencies could have a substantial effect on the Coalition’s programs and activities.

NOTE 7 - OPERATING LEASE

The Coalition leases its office space under an operating lease that is set to expire in July 2026 with the ability to extend the lease for one additional term of five years. Total rent expense was approximately \$377,000 and \$336,000 for the years ended June 30, 2021 and 2020, respectively.

Approximate future minimum lease payments under the operating lease as of June 30, 2021, are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 388,000
2023	400,000
2024	412,000
2025	424,000
2026	252,000
	<u>\$ 1,876,000</u>

The Coalition has the option to cancel its office space lease if the Coalition receives more than a 50% decrease in funding from the DEL in any fiscal year.

NOTE 8 - COMMITMENTS AND CONTINGENCIES

Compliance

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.

COVID-19

On March 11, 2020, the World Health Organization declared a new coronavirus disease (“COVID-19”) a pandemic. COVID-19 has had a severe impact on the economy in general. The extent of COVID-19’s effect on the Coalition’s operational and financial performance will depend on future developments, including the duration, spread and intensity of the pandemic, all of which are uncertain and difficult to predict considering the rapidly evolving landscape. As a result, it is not currently possible to ascertain the potential impact of COVID-19 on the Coalition. However, if the pandemic continues to evolve into a severe worldwide health crisis, the disease could have a material adverse effect on the Coalition’s business, results of operations, financial condition and cash flows. These financial statements do not include any adjustments related to the ultimate outcome of these uncertainties.

NOTE 9 - SUBSEQUENT EVENT

The Coalition has evaluated events and transactions for potential recognition or disclosure in the financial statements through March 30, 2022, 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 AND
STATE FINANCIAL ASSISTANCE**

Year Ended June 30, 2021

<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 Division of Early Learning</i>					
Child Care Development Block Grant	7/1/20-6/30/21	93.575	EL251	\$ 47,234,830	\$ 1,725,221
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	7/1/20-6/30/21	93.596	EL251	8,450,232	-
Preschool Development Grant	7/1/20-6/30/21	93.434	EL251	540,475	-
Total Child Care Development Fund (CCDF) Cluster				<u>56,225,537</u>	<u>1,725,221</u>
<i>Passed through State of Florida Division of Early Learning</i>					
Social Services Block Grant	7/1/20-6/30/21	93.667	EL251	45,732	-
Temporary Assistance for Needy Families	7/1/20-6/30/21	93.558	EL251	19,958,024	-
Total Expenditures of Federal Awards				<u>76,229,293</u>	<u>1,725,221</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	7/1/20-6/30/21	48.108	EL251	21,448,023	13,380
Unrestricted General	7/1/20-6/30/21	48.108	OA251	37,811	-
Total Expenditures of State Financial Assistance				<u>21,485,834</u>	<u>13,380</u>
<u>Grantor/Pass-Through Grantor Program Title</u>	<u>Grant Period</u>	<u>Federal CFDA #</u>	<u>Contract #</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	7/1/20-6/30/21	93.596	EL251	1,375,665	-
Total State Matching and Local Funds				<u>1,375,665</u>	<u>-</u>
Total Federal Awards, State Financial Assistance, and Local Funds				<u>\$ 99,090,792</u>	<u>\$ 1,738,601</u>

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

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE**

Year Ended June 30, 2021

(1) General:

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance 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”), Chapter 10.650, *Rules of the State Auditor General*, 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 DEL 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	EL251	<u>\$ 1,375,665</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, 2021, and have issued our report thereon dated March 30, 2022. 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 the tests disclosed no instances of noncompliance or other matters that are required to be reported under *Governmental 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.

MSL, P.A.

Certified Public Accountants

Tampa, Florida
March 30, 2022



Certified Public Accountants

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 year ended June 30, 2021, and have issued our report thereon dated March 30, 2022.

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 Reporting Requirements

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, 2022, should be considered in conjunction with this management letter.

Additional Matters

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. The results of the tests disclosed no instances of noncompliance or other matters that are required to be reported under *Governmental 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.

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.

MSL, P.A.

Certified Public Accountants

Tampa, Florida
March 30, 2022



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, 2021. 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 Child Care Development Fund Cluster and Voluntary Pre-Kindergarten Education Program

In our opinion, the Coalition complied, in all material respects, with the types of compliance requirements referred to in the first paragraph that could have a direct and material effect on CFDA 93.575, CFDA 93.596, and CFDA 93.434 Child Care Development Fund Cluster and CSFA 48.108 Voluntary Pre-Kindergarten Education Program for the year ended June 30, 2021.

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 that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

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.

MSL, P.A.

Certified Public Accountants

Tampa, Florida
March 30, 2022

**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, 2021

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

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

93.575, 93.596, 93.434

Child Care Development Fund Cluster

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

\$2,286,879

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, 2021

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

State Financial Assistance

Internal control over major project:

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

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

Any audit findings disclosed that are required to be reported in accordance with *Rules of the Auditor General*, Chapter 10.656? ___ Yes X 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: \$734,575

Florida Office of Early Learning'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.



	Budget to Actual							
	February 28, 2022							
	Actual	Budget	Difference		Actual	Budget	Difference	
YTD	YTD	YTD favorable	%	2022 YTD	2022	YTD favorable	%	
		/(unfavorable)		Actual/Forecast	Budget	/(unfavorable)		
Program Revenue								
School Readiness	40,740,797	42,328,613	(1,587,816)	-3.8%	68,165,444	67,315,906	849,538	1.3%
School Readiness - CRSSA (Phase VI, etc.)	18,482,086	18,482,086	-	0.0%	18,482,086	-	18,482,086	100.0%
School Readiness - ARPA	-	-	-	0.0%	17,000,741	-	17,000,741	100.0%
School Readiness - Workforce	-	-	-	0.0%	3,617,293	-	3,617,293	100.0%
School Readiness Match - DEL	921,764	879,673	42,092	4.8%	1,319,509	1,525,882	(206,373)	-13.5%
School Readiness - Local Funders:								
Children's Board HC	700,770	700,770	-	0.0%	700,770	700,770	-	0.0%
Metro Ministries (Children's Board)	16,421	100,000	(83,579)	-83.6%	150,000	150,000	-	0.0%
Hillsborough County BOCC	255,963	184,000	255,963	139.1%	276,000	276,000	-	0.0%
HC Childcare -Licensing & Fees	214,198	278,638	(64,440)	-23.1%	417,957	430,000	(12,043)	-2.8%
City of Tampa	84,164	74,782	9,382	12.5%	74,782	-	74,782	100.0%
United Way	46,075	46,075	-	0.0%	69,112	69,112	-	0.0%
Caspers	50,000	50,000	-	0.0%	50,000	50,000	-	0.0%
School Readiness - Local Funders	1,367,591	1,434,265	(66,674)	-4.6%	1,813,403	1,675,882	137,521	0.0%
Total School Readiness Revenue	61,512,238	63,124,636	(1,612,399)	-2.6%	110,398,476	70,517,670	39,880,806	56.6%
Other Local Funders:								
HC Community Development, incl. ALICE>150	57,553	43,750	13,803	31.5%	87,500	175,000	(87,500)	0.0%
Hillsborough Infant/Toddler Initiative	156,369	156,369	-	0.0%	156,369	64,000	92,369	144.3%
Conn Foundation	58,000	42,833	15,167	35.4%	58,000	45,500	12,500	27.5%
Spurlino Foundation	11,000	-	11,000	100.0%	175,000	50,000	125,000	250.0%
SR Program Income (training, IECF memberships)	12,370	13,333	(964)	-7.2%	20,000	20,000	-	0.0%
HELN (Hillsborough Early Learning Network)	1,892	4,000	(2,108)	-52.7%	6,000	6,000	-	0.0%
ELFL (Early Learning Florida)	15,740	54,664	(38,924)	-71.2%	82,000	82,000	-	0.0%
Lastinger Project	112,500	141,333	(28,833)	-20.4%	212,000	212,000	-	0.0%
Misc. Donations	72,139	200,000	(127,861)	-63.9%	300,000	300,000	-	0.0%
Other Local Funders	497,563	656,283	(172,523)	-26.3%	1,096,869	954,500	142,369	14.9%
Total School Readiness Revenue and Local Revenue	62,009,800	63,780,919	(1,784,922)	-2.8%	111,495,345	71,472,170	40,023,175	56.0%
Program Expenses								
School Readiness								
Direct Services	32,678,004	33,954,923	1,276,919	3.8%	56,952,363	56,256,030	696,333	1.2%
School Readiness - CRSSA (Phase VI, etc.)	18,482,086	18,482,086	-	0.0%	18,482,086	-	18,482,086	100.0%
School Readiness - ARPA	-	-	-	0.0%	16,150,704	-	16,150,704	100.0%
School Readiness - Workforce	-	-	-	0.0%	3,436,428	-	3,436,428	100.0%
School Readiness Match - DEL	871,358	879,673	8,315	0.9%	1,319,509	1,551,647	(232,138)	-15.0%
School Readiness - Local Funders	1,233,643	1,434,265	200,621	0.0%	1,813,403	1,675,882	137,521	8.2%
General Contributions and Gifts	497,563	656,283	158,720	0.0%	1,096,869	686,500	410,369	59.8%
Total Direct Services	53,762,654	55,407,229	1,285,234	2.3%	99,251,362	60,170,058	39,081,304	65.0%
Personnel	4,965,829	5,172,862	207,033	4.0%	7,532,376	8,196,537	(664,162)	-8.1%
Staff Development	52,586	65,550	12,964	19.8%	103,518	103,518	-	0.0%
Professional Services	288,423	388,045	99,622	25.7%	640,820	640,820	-	0.0%
Occupancy	308,900	339,130	30,230	8.9%	507,945	507,945	-	0.0%
Postage, Freight and Delivery	5,601	3,189	(2,411)	-75.6%	4,777	4,777	-	0.0%
Rentals	2,565	10,499	7,934	75.6%	15,748	15,748	-	0.0%
Supplies	55,292	62,423	7,131	11.4%	93,031	63,982	29,049	45.4%
Communications	12,369	23,696	11,327	47.8%	35,501	35,501	-	0.0%
Insurance	66,006	34,193	(31,813)	-93.0%	51,211	51,211	-	0.0%
Tangible Personal Property	96,441	69,506	(26,935)	-38.8%	105,906	105,906	-	0.0%
Quality	574,179	793,393	219,214	27.6%	1,315,643	1,315,643	-	0.0%
Travel	18,308	30,057	11,748	39.1%	47,898	47,898	-	0.0%
Other Operating	54,950	68,527	13,578	19.8%	101,108	101,108	-	0.0%
Depreciation	-	-	-	0.0%	-	-	-	0.0%
Other Operating Expenses	1,535,619	1,888,208	352,589	18.7%	3,023,107	2,994,058	29,049	1.0%
ELCHC Operating	6,501,448	7,061,070	559,622	7.9%	10,555,483	9,613,612	941,871	9.8%
CCL/ECC	617,424	762,729	145,305	19.1%	1,149,500	1,149,500	-	0.0%
Inclusion Cost	98,172	203,904	105,732	51.9%	317,000	317,000	-	0.0%
Scholarships and Other	163,864	148,000	(15,864)	-10.7%	222,000	222,000	-	0.0%
Total School Readiness & Other Expenses	61,143,562	63,582,932	3,512,716	5.5%	111,495,345	71,472,170	40,023,175	56.0%
SR Change in Net Assets	866,239	197,987	(668,251)	-337.5%	-	-	-	0.0%



		Budget to Actual February 28, 2022								
		Actual	Budget	Difference		Actual	Budget	Difference		
		YTD	YTD	YTD favorable /(unfavorable)	%	2022 YTD Actual/Forecast	2022 Budget	YTD favorable /(unfavorable)	%	
GOALS										
< 5.00 %	School Readiness - Admin	3.6%	4.2%	-0.7%	-16.2%	4.2%	4.5%	-0.3%	-6.3%	
> 4.00 %	School Readiness - Quality	8.7%	8.6%	0.2%	2.3%	8.8%	8.3%	0.6%	6.9%	
< 22.00%	School Readiness - Non-Direct	19.2%	18.8%	0.4%	2.1%	19.2%	18.6%	0.6%	3.3%	
> 78.00 %	School Readiness - Direct	80.8%	81.2%	-0.4%	-0.5%	80.8%	81.4%	-0.6%	-0.8%	



	Budget to Actual February 28, 2022							
	Actual	Budget	Difference		Actual	Budget	Difference	
	YTD	YTD	YTD favorable /(unfavorable)	%	2022 YTD Actual/Forecast	2022 Budget	YTD favorable /(unfavorable)	%
VPK Revenue								
Voluntary Pre-Kindergarten	16,943,598	18,021,362	(1,077,764)	-6.0%	27,032,043	31,058,603	(4,026,560)	-13.0%
Total VPK Revenue	16,943,598	18,021,362	(1,077,764)	-6.0%	27,032,043	31,058,603	(4,026,560)	-13.0%
Voluntary Pre-Kindergarten								
Direct Services	16,408,970	17,290,992	882,022	5.1%	25,936,488	29,797,058	(3,860,570)	-13.0%
Personnel	375,045	519,837	144,792	27.9%	819,612	1,017,628	(198,016)	-19.5%
Staff Development	5,848	11,583	5,735	49.5%	16,005	16,005	(0)	0.0%
Professional Services	53,851	77,054	23,202	30.1%	115,858	115,858	-	0.0%
Occupancy	33,371	40,232	6,861	17.1%	61,095	61,095	-	0.0%
Postage, Freight and Delivery	589	344	(245)	-71.2%	523	523	-	0.0%
Rentals	568	2,501	1,933	77.3%	3,752	3,752	-	0.0%
Supplies	3,359	10,451	7,092	67.9%	15,732	5,118	10,614	207.4%
Communications	2,823	2,692	(130)	-4.8%	4,082	4,082	-	0.0%
Insurance	11,903	3,911	(7,992)	-204.4%	5,944	5,944	-	0.0%
Tangible Personal Property	26,005	9,060	(16,944)	-187.0%	13,693	13,693	-	0.0%
Quality	1,273	3,612	2,339	64.8%	5,689	5,689	-	0.0%
Travel	4,000	1,798	(2,201)	-122.4%	2,594	2,594	-	0.0%
Other Operating	10,321	7,387	(2,933)	-39.7%	10,977	10,977	0	0.0%
Depreciation	-	-	-	0.0%	-	-	-	0.0%
Other Operating Expenses	153,910	170,627	16,717	9.8%	255,944	245,330	10,614	4.3%
ELCHC Operating	528,955	690,463	161,509	23.4%	1,075,556	1,241,545	(165,989)	-13.4%
CCL/ECC	-	13,333	13,333	100.0%	20,000	20,000	-	0.0%
Total Voluntary Pre-Kindergarten	16,937,924	17,994,788	1,390,112	7.7%	27,032,043	31,058,603	(4,026,560)	(0)
VPK Change in Net Assets	5,674	26,574	20,900	78.6%	-	-	-	0.0%
Preschool Development Grant (PDG) Revenues								
PDG FY21 Carryover Revenues	151,398	151,398	-	0.0%	204,792	204,792	-	0.0%
PDG FY22 New Revenues	53,352	274,729	221,377	80.6%	412,094	412,094	-	0.0%
Total PDG Revenues	204,750	426,127	221,377	52.0%	616,886	616,886	-	0.0%
Preschool Development Grant (PDG) Expenses								
PDG FY21 Carryover Expenses	151,398	151,398	-	0.0%	204,792	204,792	-	0.0%
PDG FY22 New Expenses	48,352	274,729	226,377	82.4%	412,094	412,094	-	0.0%
Total PDG Expenses	199,750	426,127	226,377	53.1%	616,886	616,886	-	0.0%
Preschool Development Grant Change in Net Assets	5,000	-	(5,000)		-	-	-	0.0%
Total Revenue	79,158,148	82,228,408	3,070,260	3.7%	139,144,274	103,147,659	35,996,615	34.9%
Total Expenses	78,281,236	82,003,847	3,722,612	4.5%	139,144,274	103,147,659	35,996,615	34.9%
Change in Net Assets	876,912	224,561	(652,351)	-290.5%	-	-	(0)	0.0%
GOALS								
< 4.00 % VPK - Admin	3.2%	4.1%	-0.8%	-20.3%	3.8%	3.8%	0.0%	-0.7%

ELCHC FINANCE COMMITTEE MEETING – APRIL 4, 2022

ACTION

ITEM IV.A.

ISSUE:	Audit Report - Years Ended June 30, 2021 and 2020
FISCAL IMPACT:	No material fiscal impact
FUNDING SOURCE:	Florida Department of Education, Division of Early Learning, School Readiness, Voluntary Pre-kindergarten, School Readiness Match, and Local Funding
RECOMMENDED ACTION:	Approval of the Audit Report and Financial Statements for Years Ended June 30, 2021 and 2020

NARRATIVE: The Coalition’s external auditors, MSL, P.A., have determined that our Financial Statements for the years ended June 30, 2021, and 2020 are presented fairly with no deficiencies in internal controls. They issued an unqualified (clean) opinion.

ELCHC FINANCE COMMITTEE MEETING – APRIL 4, 2022

ACTION

ITEM IV.B.

ISSUE:	Allocation of Funds to Teachstone for the Purchase of Quality Improvement Materials
FISCAL IMPACT:	Up to \$60,000
FUNDING SOURCE:	Florida Department of Education, Division of Early Learning, School Readiness
RECOMMENDED ACTION:	Approve the allocation of funds to Teachstone for the purchase of quality improvement materials up to \$60,000.

NARRATIVE: The company Teachstone is the vendor for the Classroom Assessment Scoring System (CLASS) Tool that the ELCHC is mandated to conduct Program Assessments of School Readiness providers. Starting in August, all VPK providers as well. We are seeking approval to purchase CLASS observation Kits that will allow us to train new ELCHC team members to become certified CLASS observers. Additionally, we are seeking approval for the purchase of CLASS resources; (the Dimension Guides (800), Strategy Card Packs, and Primer Dictionaries (600), to give to prekindergarten providers to help guide quality improvement in preparation for meeting the minimum CLASS standards.

ELCHC FINANCE COMMITTEE MEETING – APRIL 4, 2022

ACTION

ITEM IV.C.

ISSUE: FY 2022-2023 Finance Committee Meeting Schedule

RECOMMENDED ACTION: Approval of FY 2022-2023 Finance Committee Meeting Schedule

NARRATIVE: The attached document outlines the proposed FY 2022-2023 Finance Committee Meeting Schedule.

(1 Attachment)

FY 2022-2023 MEETING SCHEDULE

FINANCE COMMITTEE MEETING SCHEDULE

Monday, August 8, 2022

Monday, October 3, 2022

Monday, February 6, 2023

Monday, April 3, 2023

Monday, June 5, 2023

All meetings of the Early Learning Coalition of Hillsborough County Finance Committee are held at **3:00 pm** until the conclusion of business at 6302 Martin Luther King Jr. Blvd. Bldg. 100, Suite 100, Tampa, FL 33619 unless otherwise publicly noticed and/or noted above.

PLEASE NOTE: *This meeting schedule is posted on the ELCHC website located at 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.*

