



ELCHC Finance Committee Meeting

June 7, 2021

Zoom Meeting



ELCHC Finance Committee Meeting Agenda Packet

June 7, 2021

I. CALL TO ORDER

L. Buzard

A. Roll call/Quorum Verification

B. Approval of Minutes for April 5, 2021 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

G. Meyer

A. Budget to Actual - April 30, 2021 - 6

IV. ACTION ITEMS

A. Request Approval: FY 2021-2022 Finance Committee Meeting Schedule - 9

L. Buzard

B. Request Approval: FY 2021-2022 Proposed Budget - 11

G. Meyer

C. Request Approval: Allocation of funds for Interstate Corporate Center lease expansion - 19

G. Meyer

D. Request Approval: Allocation of funds to the INCENTIVE\$ Program - 26

L. Gamson

E. Request Approval: Allocation of funds to the School Board of Hillsborough County - Early Intervention & Evaluation Services - 27

H. Goble

F. Request Approval: Allocation of funds to the Early Childhood Council - 28

H. Goble

G. Request Approval: Execute Agreement with United Way Suncoast - 29

K. Minney

H. Request Approval: Outdoor Science/Nature Classroom Materials for iSpy Tampa Bay 3-5 Initiative - 30

M. Folts

V. CEO REPORT

G. Gillette

A. FY 2021-2022 Local Funding/Match Commitments

VI. DISCUSSION ITEMS

VII. ADJOURNMENT

Monday, April 5, 2021, at 3:00 pm
Zoom Meeting

MEETING ATTENDANCE

Facilitator: Luke Buzard, Chair

Committee Members Present:

Luke Buzard*, Dianne Jacob*, Candy Olson*, and Dr. Shawn Robinson*

Committee Members Absent:

Joe McElroy

ELCHC Staff:

Alison Fraga*, Gordon Gillette*, Kelley Minney*, Kiyana Scott*, Abigail Perez*, Gary Meyer*, Yarima Hernandez Tamayo*, Lorinda Gamson* and Helen Sovich*

Other Attendees:

Jeff Goolsby*, Sheena Cisneros*, Tonia Williams*

*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 3:04 pm.

Approval of February 1, 2021 Finance Committee meeting minutes

Dianne Jacob made a motion to approve the February 1, 2021 Finance Committee meeting minutes. Candy Olson made a second. The motion carried unanimously.

PUBLIC COMMENT

There was no Public Comment.

FINANCIAL REPORT

MSL Report on FY 19-20

Jeff Goolsby, Shareholder, and Sheena Cisneros, Audit Manager from Moore, Stephens, Lovelace (MSL) CPAs & Advisors, presented the audited Financial Statements for Years Ended June 30, 2020 and 2019. Mr. Goolsby reported that MSL issued an unqualified clean opinion; no findings.

Mr. Goolsby provided the committee with an update on the Forensic Audit Procedures that were performed and noted that no unusual items were discovered during testing.



IRS Form 5500/990 FY 13-18 Compliance Update

Mr. Goolsby reported that the Early Learning Coalition of Hillsborough County (ELCHC) received two (2) penalty notices totaling \$31,000 from the Internal Revenue Service (IRS) for tax years 2015 and 2016 due to the 401(k) Deferred Compensation Plan (Form 5500) not being filed. Mr. Goolsby informed the committee that after an internal investigation, it was noted that the 401(k) third-party service provider entered the incorrect Employee Identification Number (EIN) for tax years 2013-2018. Mr. Goolsby reported that the 401(k) third-party service provider has filed to amend the form 5500 for tax years 2013-2018, and on March 22, 2021, MSL submitted a penalty abatement letter to the IRS. MSL is awaiting official confirmation from the IRS to waive the penalties for all tax years, but the confirmation may be delayed due to the COVID-19 pandemic.

Mr. Goolsby updated the committee on the issue of the ELCHC receiving a penalty notice in the amount of \$19,000 from the IRS due to the annual return Form 990 not being filed on time for tax year 2017. Mr. Goolsby reported the following resolutions:

- Form 990 for tax year 2017 was filed timely
- A response letter was submitted to the IRS in October 2020
- MSL had a call with the IRS and received a full waiver of the penalties

Mr. Goolsby stated that the ELCHC would receive a letter from the IRS confirming the resolution and penalty waiver.

IRS Form 990 FY 19-20 Update

Gary Meyer, Chief Financial Officer, reported that the Form 990 for FY 2019-2020 preparation is on course to meet the May 17, 2021 filing deadline.

Chair Buzard agreed to review the Form 990 before the Board of Directors' review and approval at the Board of Directors April 19, 2021 meeting.

Budget to Actual FY 20-21/Forecast

Mr. Meyer reported the Budget to Actual FY 2020-2021 and Forecast and highlighted the following:

- ELCHC was awarded \$5.8M for the School Readiness Provider Rate Increase, and based on the forecast, \$1M of the awarded amount may not be utilized. ELCHC is considering additional ways to use all funds.
- The forecast assumed reducing the School Readiness Wait List.
- Hillsborough County Infant & Toddler Initiative funds not spent in the FY 2020-2021 can be spent in the first quarter of FY 2021-2022.
- ELCHC staff authorized to work overtime and on Saturdays to reduce the School Readiness Wait List. Focused efforts by ELCHC have been made to minimize the impact of overtime.

ACTION ITEMS

A. Audit Report and Financial Statements for Years Ended June 30, 2020 and 2019

Jeff Goolsby and Sheen Cisneros presented and received the audit for financial statements for years ended June 30, 2020, and 2019.

Chair Buzard called for a motion to approve the Audit Report and Financial Statements for Years Ended June 30, 2020, and 2019. Candy Olson made a motion. Dianne Jacob made a second. The motion carried unanimously.

CEO REPORT

A. School Readiness Provider Rate Increase Implementation

Mr. Gillette provided an update on the implementation of School Readiness Provider Rate Increases and answered questions from Committee members.

B. House Bill 419

Mr. Gillette highlighted the following on House Bill 419:

- VPK Enhancements, Coordinated Screening and Assessment, VPK accountability, and requirement of annual submission of the Executive Director's performance evaluation
- The governance of the Coalitions by the Department of Education
- The current House Bill 419 may be consolidated with House Bill 7011
- Continuous of School Readiness Wait List and School Readiness Provider Rate Increase funding

C. 40 Hour Work Week

To align with OEL's policy guidance and an audit finding, Mr. Gillette informed the committee that the ELCHC moved from a 37.50 hour work week to a standard 40 hour work week effective March 29, 2021.

DISCUSSION ITEMS

There were no Discussion Items.

ADJOURNMENT

Dianne Jacob made a motion to adjourn the meeting at 3:53 pm. Candy Olson made a second. The motion carried unanimously.

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

ELCHC FINANCE COMMITTEE MEETING – June 7, 2021

FINACIAL REPORT

III.A.

ISSUE: **Budget to Actual – April 30, 2021**
FUNDING SOURCE: Florida Department of Education Division of Early Learning, School Readiness, School Readiness Match, VPK, and Local Funding
RECOMMENDED ACTION: Review of Budget to Actual – April 30, 2021

NARRATIVE: Budget to Actual – April 30, 2021.

(1 Attachment)



EARLY LEARNING

COALITION OF HILLSBOROUGH COUNTY

Budget to Actual April 30, 2021								
	Actual	Budget	Difference		Actual	Budget	Difference	
	YTD	YTD	YTD favorable /(unfavorable)	%	2021 YTD Actual/Forecast	2021 Budget	YTD favorable /(unfavorable)	%
Program Revenue								
School Readiness	46,598,955	48,302,720	(1,703,765)	-3.5%	60,717,014	59,610,395	1,106,619	11.7%
School Readiness - Cares	7,663,335	4,162,334	3,501,001	84.1%	8,001,864	4,162,334	3,839,530	92.2%
School Readiness - CRRSA for Phase V grants	-	-	-	-	10,003,500	-	10,003,500	100.0%
School Readiness Match - OEL	1,174,798	1,286,210	(111,412)	-8.7%	1,551,647	1,551,647	-	0.0%
School Readiness - Local Funders:								
Children's Board HC	568,810	467,180	101,630	21.8%	700,770	700,770	-	0.0%
Metro Ministries (Children's Board)	13,325	125,000	(111,675)	-89.3%	68,794	150,000	(81,206)	-54.1%
Hillsborough County BOCC	276,000	276,000	-	0.0%	276,000	276,000	-	0.0%
HC Childcare -Licensing & Fees (Carryforward)	482,788	362,091	120,697	33.3%	482,788	482,788	-	0.0%
HC Childcare -Licensing & Fees (Current)	373,975	322,500	51,475	16.0%	430,000	430,000	-	0.0%
City of Tampa	-	210,000	(210,000)	-100.0%	-	210,000	(210,000)	-100.0%
Robles Park	37,292	25,000	12,292	49.2%	37,292	25,000	12,292	49.2%
United Way	52,358	52,358	-	0.0%	62,829	62,829	-	0.0%
Caspers	50,000	50,000	-	0.0%	52,756	50,000	2,756	5.5%
St John	10,689	-	10,689	100.0%	10,689	-	10,689	100.0%
School Readiness - Local Funders	1,865,236	1,890,129	(24,892)	-1.3%	2,121,918	2,387,387	(265,469)	-11.1%
Total School Readiness Revenue	57,302,324	55,641,392	1,660,932	3.0%	82,395,943	67,711,763	14,684,180	21.7%
Other Local Funders:								
Hillsborough Infant/Toddler Initiative	36,763	132,500	(95,737)	-72.3%	95,000	159,000	(64,000)	-40.3%
Conn Foundation	70,500	45,500	25,000	54.9%	70,500	45,500	25,000	54.9%
Spurlino Foundation	60,000	50,000	10,000	20.0%	60,739	50,000	10,739	21.5%
ELCHC Program Income SRPI	17,277	-	17,277	100.0%	17,277	-	17,277	100.0%
Lastinger Project	177,334	176,667	667	0.4%	212,800	212,000	800	0.4%
HELN	4,208	-	4,208	100.0%	6,000	-	4,208	100.0%
ELFL	48,505	15,000	33,505	223.4%	82,000	15,000	33,505	223.4%
General Contributions and Gifts	72,613	250,000	(177,387)	-71.0%	150,000	300,000	(150,000)	-50.0%
Total School Readiness Revenue and Local Revenue	57,789,523	56,311,059	1,478,465	2.6%	83,090,258	68,493,263	14,596,995	29.8%
Program Expenses								
School Readiness								
Direct Services - SR	39,334,605	42,612,968	(3,278,363)	-7.7%	50,443,157	51,860,856	1,417,699	2.7%
School Readiness - Cares	7,663,335	4,005,334	3,658,001	91.3%	8,001,864	2,700,001	(5,301,863)	-196.4%
School Readiness - CRRSA for Phase V grants	-	-	-	0.0%	10,003,500	-	10,003,500	100.0%
School Readiness Match - OEL	1,174,798	1,286,210	(111,412)	-8.7%	1,551,647	1,551,647	-	0.0%
School Readiness - Local Funders	1,209,348	1,231,038	(21,689)	-1.8%	2,121,918	1,909,501	212,417	11.1%
General Contributions and Gifts	297,930	138,364	159,566	115.3%	458,247	781,500	(323,253)	-41.4%
Total Direct Services	49,680,017	49,273,913	406,103	0.8%	72,580,333	58,803,505	(13,776,828)	-23.4%
ELCHC Operating	6,763,823	5,974,411	(789,412)	-13.2%	8,887,003	8,094,258	(792,745)	-9.8%
CCL/ECC	805,091	738,208	(66,884)	-9.1%	1,216,384	1,149,500	(66,884)	-5.8%
Inclusion Cost	183,750	260,027	76,277	29.3%	240,723	317,000	76,277	24.1%
Scholarships and Other	66,029	64,500	(1,529)	-2.4%	165,816	129,000	(1,529)	-1.2%
Total School Readiness & Other Expenses	57,498,710	56,311,059	(1,187,651)	-2.1%	83,090,259	68,493,263	(14,596,996)	-21.3%
SR Change in Net Assets	290,814	-	290,814		(0)	-	0	0.0%
Other Revenue (Information Only)								
CARES- Rising Kindergarten Summer Program	1,245,600	1,245,600	-	0.0%	1,245,600	1,245,600	-	0.0%
Preschool Development Grant Services	416,953	8,116	408,836	5037.2%	513,523	359,000	154,523	43.0%
Other Expenses								
CARES- Rising Kindergarten Summer Program	1,245,600	1,245,600	-	0.0%	1,245,000	1,245,000	-	0.0%
Preschool Development Grant Services	416,953	8,116	408,836	5037.2%	513,523	359,000	154,523	43.0%
PDG Change in Net Assets	-	-	-		-	-	-	0.0%



	Budget to Actual April 30, 2021							
	Actual	Budget	Difference		Actual	Budget	Difference	
	YTD	YTD	YTD favorable /(unfavorable)	%	2021 YTD Actual/Forecast	2021 Budget	YTD favorable /(unfavorable)	%
VPK Revenue								
Voluntary Pre-Kindergarten	18,506,573	28,066,736	(9,560,163)	-34.1%	22,469,824	31,469,824	(9,000,000)	-28.6%
Total VPK Revenue	18,506,573	28,066,736	(9,560,163)	-34.1%	22,469,824	31,469,824	(9,000,000)	-28.6%
Voluntary Pre-Kindergarten								
Direct Services	17,627,723	26,927,618	(9,299,895)	-34.5%	21,358,564	30,092,151	8,733,587	29.0%
ELCHC Operating	871,196	1,122,451	251,254	22.4%	1,103,085	1,357,673	254,588	18.8%
ECC	4,842	16,667	11,825	71.0%	8,175	20,000	11,825	59.1%
Total Voluntary Pre-Kindergarten	18,503,761	28,066,736	9,562,975	34.1%	22,469,824	31,469,823	8,999,999	28.6%
VPK Change in Net Assets	2,812	-	2,812	100.0%	(0)	(0)	0	0.0%
Total Revenue	76,296,096	84,377,794	(8,081,698)	-9.6%	105,560,082	99,963,087	5,596,995	5.6%
Total Expenses	76,002,471	84,377,794	8,375,324	9.9%	105,560,082	99,963,086	(5,596,996)	-5.6%
Change in Net Assets	293,626	-	293,626	100.0%	0	0	0	
ELCHC Expenditure Categories:								
Personnel	5,847,277	5,353,739	(493,538)	-9.2%	7,798,982	7,305,444	(493,538)	-6.8%
Staff Development	13,360	46,070	32,710	71.0%	25,969	58,679	32,710	55.7%
Professional Services	305,039	447,056	142,017	31.8%	418,689	560,706	142,017	25.3%
Occupancy	355,532	420,833	65,301	15.5%	439,699	505,000	65,301	12.9%
Postage, Freight and Delivery	5,680	2,400	(3,280)	-136.7%	6,080	2,800	(3,280)	-117.1%
Rentals	5,828	20,000	14,172	70.9%	9,828	24,000	14,172	59.0%
Supplies	73,588	98,400	24,812	25.2%	96,588	121,400	24,812	20.4%
Communications	27,831	13,381	(14,450)	-108.0%	30,507	16,057	(14,450)	-90.0%
Insurance	52,885	59,000	6,115	10.4%	52,885	59,000	6,115	10.4%
Tangible Personal Property	39,092	55,500	16,408	29.6%	50,192	66,600	16,408	24.6%
Quality	848,077	483,899	(364,178)	-75.3%	981,463	617,285	(364,178)	-59.0%
Travel	2,496	34,717	32,221	92.8%	14,440	46,661	32,221	69.1%
Other Operating	58,333	61,867	3,533	5.7%	64,767	68,300	3,533	5.2%
Total ELCHC Operating Expenses	7,635,019	7,096,862	(538,157)	-7.6%	9,990,088	9,451,931	(538,157)	-5.7%
School Readiness Direct at least 78% target	85.2%							
School Readiness Quality at least 4% target	6.7%							
School Readiness Admin not greater than 5% target	2.9%							
School Readiness Other Non-Direct	5.2%							
VPK Admin not greater than 4% target	4.6%							

ELCHC FINANCE COMMITTEE MEETING – June 7, 2021

ACTION

ITEM IV.A.

ISSUE: FY 2021-2022 Finance Committee Meeting Schedule

RECOMMENDED ACTION: Approval of FY 2021-2022 Finance Committee Meeting Schedule

NARRATIVE:

The attached document outlines the proposed FY 2021-2022 Finance Committee Meeting Schedule.

(1 Attachment)

FY 2021-2022 MEETING SCHEDULE

FINANCE COMMITTEE MEETING SCHEDULE

Monday, August 9, 2021
Monday, October 4, 2021
Monday, February 7, 2022
Monday, April 4, 2022
Monday, June 6, 2022

All meetings of the Early Learning Coalition of Hillsborough County Governance 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 <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.*



ELCHC FINANCE COMMITTEE MEETING – June 7, 2021

ACTION ITEMS

ITEM IV.B.

ISSUE:	Approval of Proposed FY 2020-2021 Budget
FISCAL IMPACT:	\$102,355,772
FUNDING SOURCE:	Florida Department of Education Division of Early Learning, School Readiness, School Readiness Match, VPK, and Local Funding
RECOMMENDED ACTION:	Approve the Early Learning Coalition of Hillsborough County FY 2021-2022 Budget.

NARRATIVE:

The Coalition would like to present the Finance Committee with the proposed FY 2021-2022 Budget for approval.

(1 Attachment)

FY22 Budget Narrative

How does our budget map to the Three Pillars of our strategy?

ACCESS		QUALITY		EDUCATION	
School Readiness	\$ 62,434,063	INCENTIVE\$ and T.E.A.C.H.	\$ 780,000	VPK	\$ 31,058,603
ALICE > 150	\$ 1,685,881	Professional Development	\$ 872,915	CCR&R	\$ 1,277,235
		Performance Incentive Differentials	\$ 224,982	3Ts	\$ 12,500
		Infant/Toddler	\$ 149,272	3- to 5- Initiative	\$ 537,580
		Other	\$ 2,827,840	Community Partnerships	\$ 669,903
TOTAL	\$ 64,119,944	TOTAL	\$ 4,855,008	TOTAL	\$ 33,555,821

Further definitions are articulated below:

1. Access:
 - a. School Readiness
 - b. ALICE > 150: families that are Asset Limited, Income Constrained, Employed.
2. Quality:
 - a. INCENTIVE\$ and T.E.A.C.H. (Teacher Education and Compensation Helps) grants. INCENTIVE\$ supplement the salaries of qualified childcare providers, increasing stability, reducing turnover, and encouraging continued education.
 - b. Professional Development
 - c. Other quality initiatives funded by School Readiness funds
 - i. Performance Incentive Differentials: tiered additional provider reimbursement based on above-average program assessment composite scores.
 - ii. Infant/Toddler initiative, including establishing fully-outfitted classrooms equipped with the appropriate furniture, including cribs to care for infants and toddlers.
 - iii. Other
3. Education:
 - a. VPK
 - b. Child Care Resource & Referral (CCR&R): helping families identify quality early learning programs throughout the community, including early special needs intervention and special needs referrals.
 - c. Tune In, Talk More, Take Turns (3Ts)
 - d. Emerging 3- to 5-Year Initiative

e. Community Partnerships

Environmental Scan

We have assessed the early education environment, including the opportunities and risks, and prepared FY22 budgets focused on the following areas:

Family Services

1. The return to in-person work post-COVID will increase the demand for child care services.
2. We are following a period of children being out of formal care and potential exposure to trauma/ACES and behavior concerns. We are planning for the need for increased social-emotional supports.
3. The demand for services may not meet a purpose for care; the job search category is only a temporary purpose for care.
4. There is an increased demand for services while job search is a purpose for care.
5. Recent changes to the screening and assessment rule have increased the number of children screened and the number of children potentially needing individualized intervention support.
6. We continue to focus on increasing VPK child participation.

Provider Relations

1. There is a high demand for childcare provider employees and a shortage of early childhood educators— training and support for workers are needed.
2. The passage of the VPK bill requires materials to conduct CLASS observations, training materials needed for preparing VPK providers to use the CLASS and coordinated screening assessment.
3. We plan for supports and training for SR & VPK providers to maintain CLASS scores.
4. We have included supporting funds for the 3-5 initiative, including iSpy Tampa Bay.
5. We continue to support the Hillsborough Infant & Toddler Initiative.
6. There is an increased focus on Kindergarten Transition resources & Kindergarten Readiness through the 3- to 5 initiative.

Resource Development and Community Relations

1. We are expanding CCR&R resources, including an increase in outreach efforts and creating and distributing materials throughout the County. We have supported this effort by creating a new Director of Impact position (Abigail Perez).
2. We are launching the Prekindergarten Awareness efforts both as an awareness campaign and better understanding our community's education needs/challenges.

3. It is important to revisit our website resources and opportunities, including a potential refresh of our seven-year-old website, which relies on external contracts to maintain and is four years past the industry standard for a redesign.

Finance and IT, Process Improvement & Facilities

1. We are excited to provide financial services support for Hillsborough's portion of the State of Florida's increase in early learning funding from \$1.5 billion to \$4.5 billion, including CRSSA and ARP funding. Support will include more awards, more provider grants, etc.
2. We are working to develop more holistic technology systems and data, including Community Impact reporting.
3. We are expanding the facility at Interstate Corporate Center and winding down our North Florida location (see more discussion later in the materials).

Human Resources

We are investing the development of the Coalition's future leaders, engaging staff in a leadership development program that includes training in management, finances, diversity, strategic planning, marketing, and governance. On May 6, 2021, we enrolled 6 of our newest managers in an online, self-paced Leadership Certificate program with the Nonprofit Leadership Council of Tampa Bay. In October 2021, we are kicking off a 6 month leadership program for 20 of our current and emerging leaders in partnership with the NPLC.

Revenue

1. Federal/State funding assumptions are based on base funding already approved in the Bill for Hillsborough County, plus School Readiness provider rate increase and waitlist fund estimates for Hillsborough County based on total approved state-wide money yet to be specifically allocated to each Coalition.
 - a. Provider rate increases are budgeted at double the amount allocated in FY21 since FY21 was allocated for the half-year period from January 1, 2020 to June 30, 2020.
 - b. Waitlist funds are budgeted at the same proportion of the state total allocated to Hillsborough County in FY21: 6.67%. The amount has increased as the total state-wide allocation increased from \$60M in FY21 to \$72M in FY22. The actual waitlist allocation will be based on Hillsborough County's waitlist numbers on June 30, 2021 relative to the other 29 coalitions.
 - c. There is no assumption for CARES, CRRSA, or ARP funding in the FY22 budget, but the counties may receive such funding. Amounts are not reasonably probable or estimable at this time.

- d. VPK funding is down slightly compared to last year, reflecting a small decline in the Hillsborough County demographics. The base service allocation remains constant at \$2,486 per child per year.

We reviewed the below-budgeted amounts with OEL for appropriateness.

	<u>FY22</u>	<u>FY21</u>	<u>FY21 Source</u>	<u>Variance</u>	<u>% Variance</u>
<u>School Readiness Revenue</u>					
Base funding	\$ 50,849,605	\$ 49,825,504	Forecast	\$ 1,024,101	2.1%
Provider rate increase	11,661,434	5,830,717	NOA	5,830,717	100.0%
Wait list	4,804,867	4,004,056	NOA	800,811	20.0%
Quality Performance Differential	1,056,737	1,056,737	NOA		
	\$ 67,315,906	\$ 60,717,014	Forecast	\$ 6,598,892	10.9%
FTE children served	13,641	13,194		447	3.4%
<u>VPK Revenue</u>					
Base funding	\$ 31,038,603	\$ 31,469,824	NOA	\$ (431,221)	-1.4%
Projected enrollment	11,975.82	12,229.25	VPK Estimating Conference, FTE Program Year	(253.43)	-2.1%
Base service allocation	\$ 2,486	\$ 2,486			

2. OEL Matching funding is budgeted at a similar level as FY21, as the Coalition submitted similar requests last year, and the state-wide allocation is the same as last year. The actual results of the match funding award process are yet to be determined and based on the submissions of each Coalition in the state.
3. Local funders are budgeted at similar levels as in FY21, except that no funding is assumed for the City of Tampa and Robles Park. The Hillsborough Infant/Toddler Initiative budget is a carryover from FY21; any new spending for infant/toddlers is budgeted within School Readiness Quality. The funder for this FY21 Initiative, the Hillsborough County for Community Development Block grant, is funding \$175K for FY22, including \$100K of direct slots for ALICE>150 and \$63K for the 3- to 5 Initiative.

Expenses

1. All expense budgets meet the expenditure caps specified by the Notice of Awards:
 - a. At least 78% of direct expenses for SR. We budgeted 83.2%.
 - b. No more than 5% of Admin for SR and no more than 4% of Admin for VPK.
 - c. At least 4% on SR Quality. We budgeted 9.1%.
 - d. Other non-direct expenses are the remainder after budgeting for the above and amount to 3.5%.

For SR, the following table shows the percentages:

	<u>Requirement</u>	<u>Budget</u>
Direct	>78%	83.2%
Admin	<5%	4.2%
Quality	>4%	9.1%
Other Indirect		3.5%
		100.0%

2. Personnel: Salaries and benefits are budgeted at \$7.6M. The budgeted headcount has increased by 2 staff, from 113 staff in FY21 to 115 staff in FY22. Of this, 1 staff person was added to expedite eligibility, and 1 staff person was added to expand community relations.
3. Quality: Budgeted at \$1.3M. The budget assumes an increase in provider stipends and other quality initiatives.
4. Professional Services: Budgeted at \$756K. The budget assumes expanded technology initiatives, including website development. It also includes legal, accounting, tax, and other professional services fees.
5. Occupancy: Budgeted at \$569K. The budget assumes the expansion of the Coalition at the Interstate Corporate Center into 6,114 square feet of Suite 105 beginning July 1, with concurrent rent at the North Florida location while the build-out of the raw space proceeds. Additional rent expense plus electricity and cleaning services are \$118K. Plans include exiting the North Florida location when the lease expires on December 31, 2022. See other materials for more information regarding the facilities' strategic plan.
6. Staff Development: Budgeted at \$120K. The budget assumes a resumption of staff development initiatives that were paused during the pandemic and the creation of a leadership development program, noted above.



EARLY LEARNING

COALITION OF HILLSBOROUGH COUNTY

FY22 Proposed Budget

	FY22 Budget	FY21 Forecast	\$ Variance	% Variance	FY21 Budget
Program Revenue					
School Readiness	\$ 67,315,906	\$ 60,717,014	\$ 6,598,892	11%	\$ 59,610,395
School Readiness - CARES	-	8,001,864	(8,001,864)	-100%	4,162,334
School Readiness - CRRSA for Phase V grants	-	10,003,500	(10,003,500)	-100%	-
School Readiness Match - OEL	1,525,882	1,551,647	(25,765)	-2%	1,551,647
School Readiness - Local Funders:					
Children's Board HC	700,770	700,770	-	0%	700,770
Hillsborough County BOCC	276,000	276,000	-	0%	276,000
HC Childcare -Licensing & Fees (Carryforward)	-	482,788	(482,788)	-100%	482,788
HC Childcare -Licensing & Fees (New)	430,000	430,000	-	0%	430,000
Metro Ministries (Children's Board)	150,000	68,794	81,206	118%	150,000
City of Tampa	-	-	-	0%	210,000
Robles Park	-	37,292	(37,292)	-100%	25,000
United Way	69,112	62,829	6,283	10%	62,829
Caspers	50,000	52,756	(2,756)	-5%	50,000
St. John	-	10,689	(10,689)	-100%	-
School Readiness - Local Funders	1,675,882	2,121,918	(446,036)	-21%	2,387,387
Total School Readiness Revenue	70,517,670	82,395,943	(11,878,273)	-14%	67,711,763
Other Local Funders:					
HC Community Development, incl. ALICE>150	175,000	-	175,000	100%	-
Hillsborough Infant/Toddler Initiative	64,000	95,000	(31,000)	-33%	159,000
Conn Foundation	45,500	70,500	(25,000)	-35%	45,500
Spurlino Foundation	50,000	60,739	(10,739)	-18%	50,000
SR Program Income (training, IECF membership)	20,000	17,277	2,723	0%	-
HELN (Hillsborough Early Learning Network)	6,000	6,000	-	0%	-
ELFL (Early Learning Florida)	82,000	82,000	-	0%	15,000
Lastinger Project	212,000	212,800	(800)	0%	212,000
Misc Donations	300,000	150,000	150,000	100%	300,000
Total Local Funders, Contributions and Gifts	954,500	694,316	260,184	37%	781,500
Total School Readiness Revenue and Local Revenue	71,472,170	83,090,259	(11,618,089)	-14%	68,493,263
Program Expenses					
School Readiness					
Direct Services - SR	56,256,030	50,443,157	(5,812,873)	-12%	50,398,523
School Readiness - CARES	-	8,001,864	8,001,864	100%	4,162,334
School Readiness - CRRSA for Phase V grants	-	10,003,500	10,003,500	100%	-
School Readiness Match - OEL	1,551,647	1,551,647	-	0%	1,551,647
School Readiness - Local Funders	1,675,881	2,121,918	446,037	21%	1,909,501
General Contributions and Gifts	686,500	458,247	(228,253)	-50%	781,500
Total Direct Services	60,170,058	72,580,333	12,410,274	17%	58,803,505
ELCHC Operating	9,613,612	8,887,003	(726,609)	-8%	8,094,258
CCL/ECC	1,149,500	1,216,384	66,884	5%	1,149,500
Inclusion Cost	317,000	240,723	(76,277)	-32%	317,000
Scholarships and Other	222,000	165,816	(56,184)	-34%	129,000
Total School Readiness & Other Expenses	71,472,170	83,090,259	11,618,089	14%	68,493,263
SR Change in Net Assets	(0)	0	0	0%	-



EARLY LEARNING

COALITION OF HILLSBOROUGH COUNTY

FY22 Proposed Budget

	FY22 Budget	FY21 Forecast	\$ Variance	% Variance	FY21 Budget
VPK Revenue					
Voluntary Pre-Kindergarten	31,058,603	22,469,824	8,588,779	38%	31,469,824
Total VPK Revenue	31,058,603	22,469,824	8,588,779	38%	31,469,824
VPK Expenses					
Direct Services	29,797,059	21,358,564	(8,438,495)	-40%	30,092,152
ELCHC Operating	1,241,545	1,103,085	(138,460)	-13%	1,357,673
ECC	20,000	8,175	(11,825)	-145%	20,000
Total Voluntary Pre-Kindergarten Expenses	31,058,603	22,469,824	(8,588,779)	-38%	31,469,824
VPK Change in Net Assets	-	-	-	0%	-
Total Revenue	102,530,773	105,560,083	(3,029,310)	-3%	99,963,087
Total Expenses	102,530,773	105,560,083	3,029,310	3%	99,963,087
Change in Net Assets	(0)	0	0	0%	-
ELCHC Expenditure Categories:					
Personnel	7,558,266	7,798,982	240,716	3%	7,305,444
Staff Development	119,524	25,969	(93,554)	-360%	58,679
Professional Services	755,678	418,689	(336,989)	-80%	560,706
Occupancy	569,040	439,699	(129,341)	-29%	505,000
Postage, Freight and Delivery	5,300	6,080	780	13%	2,800
Rentals	19,500	9,828	(9,672)	-98%	24,000
Supplies	134,763	96,588	(38,176)	-40%	121,400
Communications	39,583	30,507	(9,076)	-30%	16,057
Insurance	57,155	52,885	(4,270)	-8%	59,000
Tangible Personal Property	119,599	50,192	(69,408)	-138%	66,600
Quality	1,321,332	981,463	(339,869)	-35%	617,285
Travel	46,331	14,440	(31,891)	-221%	46,661
Other Operating	109,084	64,767	(44,318)	-68%	68,300
Total ELCHC Operating Expenses	10,855,157	9,990,088	(865,068)	-9%	9,451,931

ELCHC FINANCE COMMITTEE MEETING – June 7, 2021

ACTION ITEMS

ITEM IV.C.

ISSUE:	Address facilities needs through consolidation
FISCAL IMPACT:	\$123,057 in FY 2022 with annual inflationary escalations through FY 2027, less \$54,205 annually after 1/1/2023
FUNDING SOURCE:	School Readiness and VPK
RECOMMENDED ACTION:	Approval of allocation of funds for Interstate Corporate Center lease expansion

NARRATIVE:

The Coalition would like to present the Finance Committee with a proposal to amend the lease at the Interstate Corporate Center for the addition of necessary expansion space with a concurrent plan to not renew the North Florida lease when it expires 1/1/2023 (see attached facilities plan).

(1 Attachment)



ELCHC Facilities Needs

Updated June 1, 2021

Current Facilities Landscape

- ELCHC currently has two facilities:

	<u>Square Footage</u>	<u>Lease Expires</u>	<u>Annual Cost</u>	<u>Notes</u>
Interstate Corporate Center (MLK Blvd.)	21,918	8/31/2026	\$ 421,784	(1)
North Florida	4,302	1/1/2023	\$ 54,205	(2)
TOTAL	<u>26,220</u>		<u>\$ 475,989</u>	
<u>Notes:</u>				
(1) - Cost for FY22 including base rent to Cushman Wakefield and electricity and cleaning services to providers.				
(2) - Cost for FY22 including base rent, which includes electricity and cleaning services.				

New Facilities Needs

- A **consolidated intake center** (call center) that meet two requirements:
 1. Is contained in one location (rather than spread across two locations) to enable management efficiency and streamlined service to providers and families.
 2. Is designed with workstations with less density given our post-COVID environment.
- **More offices for managers**, as growth has filled all current offices.
- Space for **program expansion**, given three factors:
 1. New OEL requirements for more screening and assessment;
 2. ELCHC's programmatic initiatives;
 3. General Hillsborough County population growth, projected to average 1.5% per year over the next several years; and
 4. More multi-purpose space, as pre-COVID multi-purpose spaces were often a maximum capacity/usage.

New Facilities Plan

- *Immediate limited time opportunity:* Sign lease for 6,114 square feet of new adjacent space **now** at Interstate Corporate Center (ICC). Lease terms are for a cost per square foot consistent with current lease.
- Exit North Florida lease on 1/1/2023; attempt to sublease before.
- New Annual Net Cost Increase for **2023** is as follows:

	<u>Square Footage</u>	<u>Lease Expires</u>	<u>Annual Cost</u>	<u>Notes</u>
Interstate Corporate Center (MLK Blvd.)	6,114	8/31/2027	\$ 123,027	(1)
North Florida (assumes renewal)	(4,302)	1/1/2023	\$ (54,205)	(2)
TOTAL	<u>1,812</u>		<u>\$ 68,822</u>	
<u>Notes:</u>				
(1) - Cost for 2023 including base rent to Cushman Wakefield and electricity and cleaning services to providers.				
(2) - Cost for 2023 including base rent, which includes electricity and cleaning services.				

New Facilities Plan

Other Considerations:

- We pay “double rent” for both North Florida and new ICC space between now and 1/1/2023, absent our ability to sublease North Florida space. The cost for the new ICC space over that 18 months is \$178K.
- There is another offer by another potential tenant to lease this contiguous ICC space. Declining it now might mean losing such an opportunity for the foreseeable future.
- Build out costs of approximately \$180K are funded by the owner through a tenant improvement allowance.



ELCHC FINANCE COMMITTEE MEETING – June 7, 2021

ACTION

ITEM IV.D.

ISSUE:	Approve allocation of funds to the INCENTIVE\$ program
FISCAL IMPACT:	Up to \$750,000
FUNDING SOURCE:	Florida Department of Education Division of Early Learning, School Readiness
RECOMMENDED ACTION:	Approve the allocation of funds up to \$750,000 to the INCENTIVE\$ program for FY 2021-2022.

NARRATIVE:

For FY 2021-2022, the Children’s Forum proposed a new INCENTIVE\$ scale that is more aligned with the state’s Career Pathway increasing the annual incentive for early childhood educators to retain them and encourage their ongoing professional growth. With the increase in the annual incentives scale, staff recommends to increase the INCENTIVE\$ funding to up to \$750,000 to use for the actual supplement paid directly to the eligible teachers and associated costs, which includes, administration and program costs.

INCENTIVE\$ Program

FY 20-2021

FY 21-2022

\$700,000

Up to \$750,000

ELCHC FINANCE COMMITTEE MEETING – June 7, 2021

ACTION

ITEM IV.E.

ISSUE:	Approve allocation of funds to the School Board of Hillsborough County – Early Intervention & Evaluation Services
FISCAL IMPACT:	\$196,000
FUNDING SOURCE:	Florida Department of Education Division of Early Learning, School Readiness
RECOMMENDED ACTION:	Approve the allocation of funds to the School Board of Hillsborough County – Early Intervention & Evaluation Services of \$196,000 in FY 2021-2022.

NARRATIVE:

Allocation for the FY 2021-2022 agreement with School Board of Hillsborough County – Early Intervention & Evaluation Services.

Early Childhood Council	<u>FY 20-2021</u>	<u>FY 21-2022</u>
School Readiness	\$245,000	\$196,000

ELCHC FINANCE COMMITTEE MEETING – June 7, 2021

ACTION

ITEM IV.F.

ISSUE: Approve allocation of funds to the Early Childhood Council

FISCAL IMPACT: \$71,500

FUNDING SOURCE: Florida Department of Education Division of Early Learning, School Readiness

RECOMMENDED ACTION: Approve the allocation of funds to the Early Childhood Council of \$71,500 for FY 2021-2022.

NARRATIVE:

Allocation for the FY 2021-2022 agreement with Early Childhood Council for Inclusion Support Services.

Early Childhood Council	<u>FY 20-2021</u>	<u>FY 21-2022</u>
VPK/School Readiness	\$71,500	\$71,500

ELCHC FINANCE COMMITTEE MEETING – June 7,2021

ACTION

ITEM IV.G.

ISSUE:	Execute Agreement with United Way Suncoast
FISCAL IMPACT:	Up to \$69,112
FUNDING SOURCE:	United Way Suncoast
RECOMMENDED ACTION:	Authorize staff to enter into a funding agreement with United Way Suncoast for the period July 1, 2021 through June 30, 2022.

NARRATIVE:

The United Way Suncoast awards community investment funds annually through a competitive process. The Coalition applied for these funds in March 2021 and received notification in May 2021 that the Coalition's proposal for the ALICE>150 initiative was recommended for funding. The total allocation is \$69,112 and must be expended from July 1, 2021 to June 30, 2022.

ELCHC FINANCE COMMITTEE MEETING – June 7, 2021

ACTION

ITEM IV.H.

ISSUE:	Outdoor Science/Nature Classroom Materials for iSpy Tampa Bay 3-5 Initiative
FISCAL IMPACT:	\$44,207.10
FUNDING SOURCE:	Florida Department of Education Division of Early Learning, School Readiness
RECOMMENDED ACTION:	Approve the purchase of materials for 45 outdoor classrooms.

NARRATIVE:

The iSpy Tampa Bay 3-5 initiative will expand nature, science, and social-emotional curiosity in preschool classrooms by giving teachers, children, and their families unique nature-based opportunities at various Tampa cultural venues. ECE educators, children, and families (from targeted zip codes) will have access to on-site, and virtual field trips to Zoo Tampa, The Florida Aquarium and Hillsborough County Parks. This learning exchange will focus on four topic areas; Things that Fly, Real vs. Not Real, Shapes and Patterns in Nature, Senses in Nature.

Participating programs/classrooms will receive curriculum activity kits and classroom resources to supplement nature and science curriculum in the classroom. The proposed quote will allow us to purchase outdoor classroom materials for the first 45 participating classrooms.