



*Our Mission: To enhance children's school readiness by providing opportunities for quality early learning, while strengthening family stability for a healthy community.*

## Finance Committee Agenda

**Monday, July 27, 2020 \* 2:00 pm**  
**Virtual Meeting via Microsoft TEAMS**

<b>Welcome</b>		
<b>Public Input</b>		
<b>Regular Business</b>		
A	Agenda	K Perry
B	Minutes from 4.29.20	
<b>Reports/Discussion Topics</b>		
C	Financial Reporting – May 2020	Melanie Barclay
D	19/20 & 20/21 Budget Update	
E	18/19 Reconciliation Update	
F	Monitoring Summary Update	
<b>Next Steps</b>		
G	Next Quarterly Meeting – January/April/July/October	K Perry
H	Future Topics	
<b>Member Comments/Announcements &amp; Adjournment</b>		

*This committee provides financial oversight for the organization. Tasks include budgeting & financial planning, financial reporting and the creation and monitoring of internal controls and accountability policies. They might also report to the Board and/or Executive Committee the financial condition of the organization. This Committee shall recommend the frequency of selection and selection of an independent auditor, shall review the independent auditor's report and oversee any corrective actions deemed necessary as a result of any audit review.*

Meeting: **ELCFV Finance Committee**

Date: Wednesday, April 29, 2020 \* 1:30pm

Location: Teams Meeting

Present: Kristen Perry, Tom Cox, Paul Schandel, Christine Sikora

Excused: Rebecca DeLorenzo, Donald O'Brien, Bob Snyder

ELCFV Staff: Heather DiRenzo, Lisa Brantley, Melanie Barclay, DJ Lebo, Laura Gimbert

Guests: None

<b>Agenda Item</b>	<b>Summary/Discussion</b>	<b>Action/Follow-Up</b>
<b>Welcome</b>	The meeting was called to order at 1:35 pm.	
<b>Public Input</b>	None	
<b>Regular Business</b>	The meeting Agenda and Minutes for 3/26/20 were accepted.	
<b>Reports / Discussion Topics</b>	<p><u>Financial Status – February 2020</u></p> <p><i>School Readiness:</i></p> <ul style="list-style-type: none"> <li>• Administrative budget at 4.5% (cap at 5%).</li> <li>• Provider Services and Eligibility – 5.4% (cap at 14%)</li> <li>• Quality – 7.0% (must be at least 4%)</li> <li>• We are spending 83.1% budget for Direct Services (minimum is 78%).</li> <li>• ELC's continue to experience delays in reconciling payments to providers due to the ongoing issues with EFS MOD. It appears this will go on past June 2020 for FY 2018-2019 payments.</li> <li>• The Wait List is currently less than two weeks.</li> </ul> <p><i>VPK:</i></p> <ul style="list-style-type: none"> <li>• Administrative expenses at 3.2% (cap is 4%).</li> <li>• Direct Services budget is high at 102%. Staff will review the projections prior to COVID-19.</li> </ul> <p><u>Estimated 20/21 Budget</u> – The version in the packet was not the most current. An updated version will be sent to the Finance Committee members to review prior to the Executive Committee meeting.</p> <p><u>990 Draft</u> – The board approved 990 Draft is due to OEL by the end of May.</p> <p><u>Monitoring Summary Update</u> – The Finance Director provided an update of monitoring status.</p> <p>The Family Cares Act supports the infrastructure of childcare. School Readiness providers are being paid for full enrollment whether they are open or closed. Additional incentives are available for Providers</p>	The Committee recommends approval of the 990 Draft to the Board.

<b>Agenda Item</b>	<b>Summary/Discussion</b>	<b>Action/Follow-Up</b>
	<p>accepting children of Essential workers. (First Responders &amp; Medical Staff). OEL plans to offer mini grants to providers for support as well as “back to work” incentives and additional training opportunities.</p> <p>The ELCFV ordered a truckload of items in short supply such as cleaning supplies, baby wipes and paper products to give providers that stayed open during COVID-19. Staff distributed supplies to providers in Daytona Beach, Deland &amp; Flagler.</p>	
<b>Quarterly Meeting Schedule</b>	The next meeting will be held in July 2020. (Jan/Apr/July/Oct).	Staff will send a poll to determine a date for July.
<b>Future Topics</b>		
<b>Comments</b>	Meeting adjourned at 2:35pm.	

**APRIL 2020 Finance Committee Minutes Approved:**

\_\_\_\_\_  
 Kristen Perry, Chair & Board Treasurer  
 Early Learning Coalition of Flagler & Volusia

\_\_\_\_\_  
 Date

**The Early Learning Coalition of Flagler and Volusia Counties, Inc.**  
**Statement of Financial Position**  
**As of May 31, 2020 and 2019**  
Draft

	<u>5/31/2020</u>	<u>5/31/2019</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash	611,602	1,748,911
<b>Total Cash</b>	<u>611,602</u>	<u>1,748,911</u>
<b>Accounts Receivable</b>	4,465,892	2,057,974
<b>Other Current Assets</b>		
Utility Deposits	550	550
Prepaid Expenses	42,145	60,208
Provider Prepayments	155,001	239,965
<b>Total Other Current Assets</b>	<u>197,696</u>	<u>300,723</u>
<b>Total Current Assets</b>	<b>5,275,190</b>	<b>4,107,608</b>
<b>Fixed Assets</b>		
Company Vehicle	13,880	13,880
Computer Equipment	107,923	101,228
Office Equipment	112,261	116,359
Building Improvements	70,202	70,202
Accumulated Depreciation	(248,249)	(240,503)
<b>Net Depreciable Assets</b>	<u>56,017</u>	<u>61,166</u>
<b>Total Assets</b>	<u><b>5,331,207</b></u>	<u><b>\$ 4,168,774</b></u>
<b>Liabilities &amp; Net Assets</b>		
<b>Current Liabilities</b>		
<b>Accounts Payable</b>	3,416,710	2,157,449
<b>Other Current Liabilities</b>		
Payroll, Taxes & Benefits Payable	130,411	126,811
Advances SR	2,065,500	1,250,000
VPPRV Prepayment Deferred Revenue - ELC	102,000	250,000
VPPRP Prepayment Deferred Revenue - Providers	2,730	1,066
Deferred Revenue & Contributions - Match	30,443	444,217
Deferred Revenue & Contributions - Other	1,332	722
	<u>2,332,416</u>	<u>2,072,816</u>
<b>Total Liabilities</b>	<b>5,749,126</b>	<b>4,230,265</b>
<b>Net Assets</b>		
<b>Local Funds (Non OEL)</b>		
Beginning of the Year	256,973	212,894
YTD Activity	26,852	46,312
Ending Balance	<u>283,825</u>	<u>259,206</u>
<b>Operating Funds (OEL)</b>		
Beginning of the Year	-	-
YTD Activity	(701,744)	(320,697)
Ending Balance	<u>(701,744)</u>	<u>(320,697)</u>
<b>Total Combined Net Assets</b>	<u>(417,919)</u>	<u>(61,491)</u>
<b>Total Liabilities and Net Assets</b>	<u><b>5,331,207</b></u>	<u><b>\$ 4,168,774</b></u>

YTD Expenditures %	
Administration not to exceed 5% of Budget	4.0%
Provider Services and Eligibility not to exceed 14%	4.3%
Quality must be at least 4% of Base Allocation	7.8%
Direct Services minimum expenditures 78%	83.9%
Total SR %	100.0%
VPK Administration not to exceed 4%	3.6%

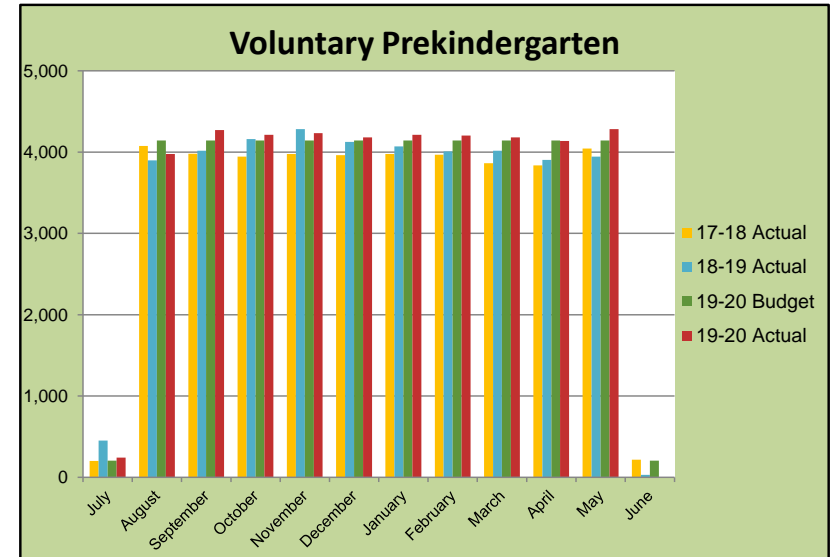
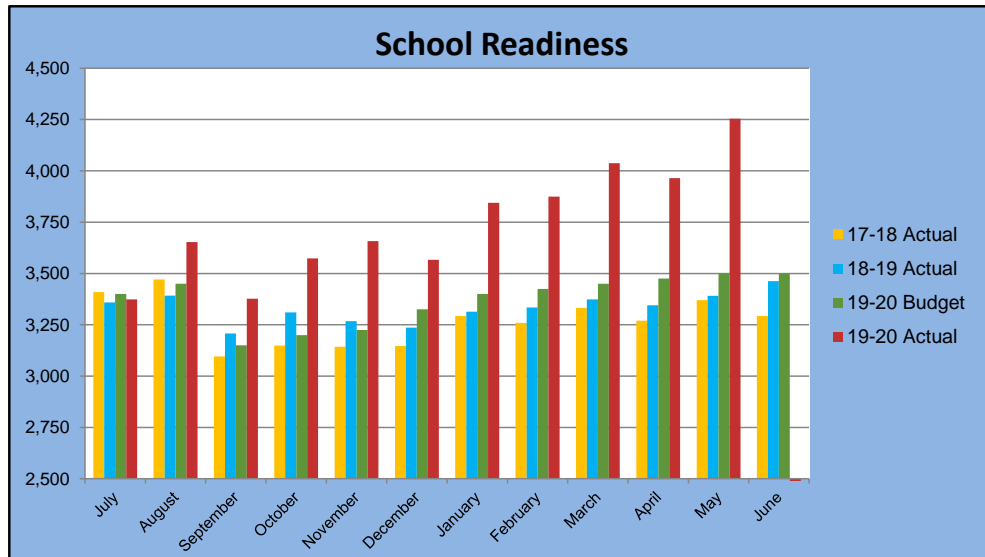
**The Early Learning Coalition of Flagler and Volusia Counties, Inc.**  
**Statement of Activities by Fund - YTD**  
**for the Eleven Months Ended May 31, 2020**  
**DRAFT**

	School Readiness & PDG			VPK & VPKOAMI			All Other			Total		
	YTD Actual	YTD Budget (V04)	% of Budget	YTD Actual	YTD Budget (V04)	% of Budget	YTD Actual	YTD Budget (V04)	% of Budget	YTD Actual	YTD Budget (V04)	% of Budget
<b>Support &amp; Revenues</b>												
State of Florida	16,291,260	18,885,232	86%	10,384,295	9,836,968	106%	10,933	80,900	14%	26,686,488	28,803,100	93%
Childcare Match & Local Grants	360,470	403,333	89%	0	0	N/A	176,357	246,103	72%	536,827	649,436	83%
Other Grants	0	0	N/A	0	0	N/A	0	3,208	0%	0	3,208	0%
Contributions	0	0	N/A	0	0	N/A	60,101	117,333	51%	60,101	117,333	51%
Contributions In-Kind	0	0	N/A	0	0	N/A	0	0	N/A	0	0	N/A
Earned Interest	0	0	N/A	0	0	N/A	5,929	5,280	112%	5,929	5,280	112%
Miscellaneous Income	0	0	N/A	0	0	N/A	8,708	0	N/A	8,708	0	N/A
<b>Total Support &amp; Revenues</b>	<b>16,651,730</b>	<b>19,288,565</b>	<b>86%</b>	<b>10,384,295</b>	<b>9,836,968</b>	<b>106%</b>	<b>262,028</b>	<b>452,824</b>	<b>58%</b>	<b>27,298,053</b>	<b>29,578,357</b>	<b>92%</b>
<b>Expenses</b>												
<b>Direct Expenses</b>												
Direct Expenses	14,659,750	14,676,586	100%	9,996,275	9,440,241	106%	10,170	142,679	7%	24,666,195	24,259,506	102%
<b>Total Direct Expenses</b>	<b>14,659,750</b>	<b>14,676,586</b>	<b>100%</b>	<b>9,996,275</b>	<b>9,440,241</b>	<b>106%</b>	<b>10,170</b>	<b>142,679</b>	<b>N/A</b>	<b>24,666,195</b>	<b>24,259,506</b>	<b>102%</b>
<b>Employee Compensation</b>												
Salaries	1,342,949	1,471,171	91%	277,999	210,077	132%	16,634	77,497	21%	1,637,582	1,758,745	93%
Taxes	106,485	126,974	84%	13,509	16,263	83%	(541)	6,259	-9%	119,453	149,496	80%
401K	32,091	44,569	72%	4,198	7,589	55%	0	1,788	0%	36,289	53,946	67%
Other Benefits	249,008	267,693	93%	29,617	33,159	89%	0	7,895	0%	278,625	308,747	90%
<b>Total Employee Compensation</b>	<b>1,730,533</b>	<b>1,910,407</b>	<b>91%</b>	<b>325,323</b>	<b>267,088</b>	<b>122%</b>	<b>16,093</b>	<b>93,439</b>	<b>17%</b>	<b>2,071,949</b>	<b>2,270,934</b>	<b>91%</b>
<b>Other Expenses</b>												
Communications	43,454	48,117	90%	5,826	4,654	125%	0	0	N/A	49,280	52,771	93%
Depreciation	0	0	N/A	0	0	N/A	18,038	37,500	48%	18,038	37,500	48%
Insurance	16,007	23,736	67%	1,907	2,942	65%	0	0	N/A	17,914	26,678	67%
Local Activities	0	0	N/A	0	0	N/A	0	4,125	0%	0	4,125	0%
Occupancy	257,896	270,302	95%	32,308	32,914	98%	3,500	259	1351%	293,704	303,475	97%
Other Expenses	90,487	295,343	31%	11,835	21,611	55%	18,297	15,647	117%	120,619	332,601	36%
Postage, Freight, & Delivery	964	3,415	28%	112	785	14%	0	62	0%	1,076	4,262	25%
Professional Services	71,478	158,315	45%	9,222	15,158	61%	209	4,583	5%	80,909	178,056	45%
Quality	403,850	1,757,234	23%	2,871	25,364	11%	168,641	198,883	85%	575,362	1,981,481	29%
Rentals	28,576	33,218	86%	3,446	3,774	91%	0	0	N/A	32,022	36,992	87%
Supplies	7,530	18,612	40%	938	1,358	69%	0	21	0%	8,468	19,991	42%
Tangible Personal Property	6,281	36,667	17%	728	13,750	5%	0	0	N/A	7,009	50,417	14%
Travel	28,376	56,613	50%	1,795	7,329	24%	228	199	115%	30,399	64,141	47%
<b>Total Other Expenses</b>	<b>954,899</b>	<b>2,701,572</b>	<b>35%</b>	<b>70,988</b>	<b>129,639</b>	<b>55%</b>	<b>208,913</b>	<b>261,279</b>	<b>80%</b>	<b>1,234,800</b>	<b>3,092,490</b>	<b>40%</b>
<b>Total Expenses</b>	<b>17,345,182</b>	<b>19,288,565</b>	<b>90%</b>	<b>10,392,586</b>	<b>9,836,968</b>	<b>106%</b>	<b>235,176</b>	<b>497,397</b>	<b>47%</b>	<b>27,972,944</b>	<b>29,622,930</b>	<b>94%</b>
<b>Change in Net Assets</b>	<b>(693,452)</b>	<b>0</b>		<b>(8,291)</b>	<b>0</b>		<b>26,852</b>	<b>(44,573)</b>		<b>(674,891)</b>	<b>(44,573)</b>	

**The Early Learning Coalition of Flagler and Volusia Counties, Inc.  
Children Served - As of May 20**

School Readiness									
Attendance	17/18	18/19	19/20	Actual	19/20 WAITLIST				
					Priority 3		Priority 4+		Combined
Month	Actual	Actual	Budget	Actual	Flagler	Volusia	Flagler	Volusia	Total
July	3,410	3,359	3,400	3,374	-	-	2	52	54
August	3,471	3,392	3,450	3,653	-	-	-	31	31
September	3,096	3,208	3,150	3,377	-	-	1	44	45
October	3,149	3,310	3,200	3,573	-	-	5	53	58
November	3,143	3,268	3,225	3,658	-	-	6	5	11
December	3,147	3,236	3,325	3,566	-	-	5	60	65
January	3,293	3,314	3,400	3,845	-	-	2	40	42
February	3,259	3,334	3,425	3,874	-	-	1	7	8
March	3,332	3,374	3,450	4,037	-	-	1	9	10
April	3,270	3,345	3,475	3,965	-	-	1	8	9
May	3,370	3,391	3,500	4,254	-	-	7	29	36
June	3,293	3,463	3,500	-					-

Voluntary Prekindergarten				
Attendance	17/18	18/19	19/20	
Month	Actual	Actual	Budget	Actual
July	201	453	205	244
August	4,075	3,899	4,142	3,978
September	3,981	4,018	4,142	4,272
October	3,945	4,159	4,142	4,212
November	3,978	4,282	4,142	4,233
December	3,962	4,125	4,142	4,181
January	3,976	4,070	4,142	4,212
February	3,969	4,008	4,142	4,205
March	3,863	4,019	4,142	4,182
April	3,836	3,903	4,142	4,138
May	4,043	3,946	4,142	4,282
June	217	30	205	-



## Finance Committee Review

### Title: Draft Financials May 2020

<b>Background and Description</b>	Financial and Operational Reports for review as of May 31, 2020.
<b>Financial Statements Attached</b>	<ul style="list-style-type: none"> <li>a) Fiscal Year 2019-20 Statement of Financial Position as of 05/31/2020</li> <li>b) Fiscal Year 2019-20 Year to Date Agency Wide Projection as of 05/31/2020</li> <li>c) Fiscal Year 2019-20 School Readiness Children Served as of 05/31/2020</li> </ul>
<b>Analysis</b>	<p><b>School Readiness</b></p> <ul style="list-style-type: none"> <li>• Currently the Coalition is spending 83.9% in direct services. While the state mandates a minimum of 78%, the Board approved budgeting 82.5% of the SR contracted dollars to pay for childcare directly. <ul style="list-style-type: none"> <li>○ In relation to the budget, direct services show 100%.</li> <li>○ Due to statewide software delays, reconciliation of provider payments is still active and expected to last beyond June 30, 2020 for fiscal year 2018-19 payments. The statewide system is not yet completely functional, continuing to require duplicative work.</li> </ul> </li> <li>• As of May 31<sup>st</sup>, 36 children with prescreened applications were waiting to be placed. The average length of time a family is waiting for services is less than two weeks.</li> <li>• Our administrative expenses are at 4%. The maximum cap is 5%. We expect this will be maximized as we approach year-end.</li> </ul> <p><b>Voluntary Pre-Kindergarten</b></p> <ul style="list-style-type: none"> <li>• We are at 106% of our direct service budget.</li> <li>• Our administrative expenses are at 3.6%. The administrative cap for VPK is 4%. We expect this will be maximized as we approach year-end.</li> </ul> <p>Direct Services Expenses</p> <p>While financial reports were prepared and based on actual activity in the accounting system, Direct Service activity continues to be processed through the statewide software. For 2018-19, Coalition staff identified an estimate of payments due to providers, which is reflected in Current Liabilities on Financial Statements. For 2019-20, Coalition staff processing payments based on actual attendance. The statewide system still has calculation issues affecting payments for both 2018-19 and 2019-20.</p> <p>Coalitions received Revenue Confirmations in early February (this year only). The Single Audit results were presented to the Finance Committee in late March and submitted meeting the submission deadline of 03/31/20. Then presented to the Board in May receiving retro approval.</p>
<b>Further Action Needed?</b>	<p>Coalition staff continue to build reconciliation tools for use by staff and providers in reconciliation of payments from July 2018 to date. Tools from other coalitions are being considered. OEL is funding a temporary staff member for approximately nine weeks to help with the reconciliation process.</p> <p>Coalition Staff continue to meet directly with OEL for reconciliation planning and support.</p>

**The Early Learning Coalition of Flagler and Volusia Counties, Inc.**  
**Monitoring Reports Listing**  
**July 1, 2014 - current**

Fiscal Year				
15-16	16-17	17-18	18-19	19-20
15-16 Annual Single Audit	16-17 Annual Single Audit	17-18 Annual Single Audit	18-19 Annual Single Audit	<a href="#">19-20 Annual Single Audit</a>
	16-17 OEL Programmatic Monitoring: May 17		<a href="#">18-19 OEL Accountability Monitoring</a>	
15-16 OEL Fiscal Monitoring	16-17 OEL Fiscal Monitoring		18-19 OEL Fiscal Monitoring	
15-16 OEL Quarterly Desk Review: July 15	16-17 OEL Quarterly Desk Review: Nov 16		18-19 OEL Biannual Desk Review	<a href="#">19-20 OEL Biannual Desk Review</a>
15-16 OEL Quarterly Desk Review: Nov 15	16-17 OEL Quarterly Desk Review: Feb 17	17-18 OEL Quarterly Desk Review: July - Sept 17	<a href="#">18-19 OEL Biannual Desk Review</a>	19-20 OEL Biannual Desk Review
15-16 OEL Quarterly Desk Review: May 16		17-18 OEL Quarterly Desk Review: Oct - Dec 17		
15-16 OEL Quarterly Desk Review: June 16		17-18 OEL Quarterly Desk Review: Jan - June 18		
15-16 OEL Data Accuracy TA	16-17 OEL Data Accuracy TA		18-19 OEL Data Accuracy TA	19-20 OEL Data Accuracy TA
15-16 Desk Review - City of Deltona	16-17 Desk Review - City of Deltona		18-19 Desk Review - City of Deltona	19-20 Desk Review - City of Deltona
	16-17 Onsite Review-County of Volusia		18-19 Onsite Review-County of Volusia	19-20 Onsite Review-County of Volusia