



POLK COUNTY EARLY CHILDHOOD IOWA BOARD MEETING
United Way of Central Iowa – Leadership Room
Des Moines, Iowa
January 25, 2017

Voting Members Present: Matt Knoll, Jem Gong-Browne, Sam Carrell, Nick Dial, Bryan Huggins, Natali Justiniano Pahl, Judy McCoy Davis, Joyce Pingel, Shane Schulte, Craig Sieverding, JoEllen Spriggs-Dixon, Mee Yang-Lee; Georgia Sheriff arrived at 8:02 a.m., Cindy Elsbernd arrived at 8:13 a.m., Marvin DeJear arrived at 8:25 a.m., Josh Mandelbaum arrived at 8:31 a.m.

Voting Members Absent: Claudia Hawkins

Ex-Officio Members Present: Dave Arens

Ex-Officio Members Absent: Terry Harrmann, Brook Rosenberg

Staff Present: Barb Bremner, Jody Kanne

Guests Present: Leanne Andre, Child Care Consultant Coordinator, Child Care Resource and Referral; Danielle Johnson, Finance Director, United Way of Central Iowa; Dara Madigan, WAGES Coordinator, Iowa Association for the Education of Young Children; Stacey Walter, Early Child Care Coordinator, Iowa Association for the Education of Young Children

Welcome and Introductions

Board Chair Matt Knoll welcomed board members to the Polk County Early Childhood Iowa Board meeting at 8:01 a.m. Quorum was met at this time.

Approval December Minutes

The December 21, 2016 minutes were presented to the board. There were no comments or corrections.

A motion to approve the minutes was made by Nick Dial and seconded by Sam Carrell. THE MINUTES APPROVED UNANIMOUSLY.

Georgia Sheriff Arrived at 8:02 a.m.

Monthly Financial Statements

Barb Bremner presented the financial statements through the end of December. These statements are a cash presentation of financial transactions which took place through December of fiscal year 2017.

School Ready

- FY17 Polk County ECI School Ready funding is \$2,731,452.00.
- Carry Forward funds total \$84,345.64. These will be expended before FY17 funds.
- Year to date receipts as of end of November total \$1,365,726. (First and second quarter payments received.)
- Additional receipts of \$5,561.44 interest.
- At the end of December, School Ready funds of \$770,238.64 had been expended.
- Spending is approximately 27% of total School Ready funds. Last year at end of December 2015 32% of funds had been expended.

Early Childhood

- FY17 Polk County ECI Early Childhood funding is \$1,202,320.00.
- Carry Forward funds total \$215,459.24. These have been budgeted into contract lines within the budget and will be expended before FY17 funds.
- Year to date receipts as of end of December total \$601,160. (First and second quarter payments received).
- Additional receipts of \$3,684.91 interest.
- At the end of December Early Childhood funds of \$386,917.74 had been expended.
- Spending is approximately 27% of total Early Childhood funds. Last year at end of December 2015 29% of funds had been expended.

A motion to approve the December 2016 financials was made by Judy McCoy Davis and seconded by Sam Carrell. THE MOTION CARRIED UNANIMOUSLY.

Cindy Elsbernd arrived at 8:13 a.m.

Presentation of Audit

Danielle Johnson, Finance Director, United Way of Central Iowa presented members with a copy of the Governance Letter and Agreed-Upon Procedures from United Way's auditor Brooks Lodden, P.C. The full audit is available on United Way's website. Johnson walked members through the Agreed-Upon Procedures outlining United Way's processes and procedures for handling Polk County ECI's transactions. Johnson described the checks and balances in which payment requests are reviewed by United Way's Senior Accountant, Finance Director and Chief Operating Officer. Johnson also walked through the annual audit review process in which they review agency billings and supporting documentation. The auditors are provided with a copy of state guidelines for this process. Johnson stated all agencies were able to provide any documentation not originally supplied upon request. This fiscal year she will be working with Bremner to schedule quarterly reviews with select agencies to get them more familiar with the documentation required. Bremner will provide the ECI State staff with an electronic copy of the audit.

Marvin DeJear arrived at 8:25 a.m.

Reductions of ECI Funds for FY17 and Budget Impact

Members were presented with draft Expenditure Reports outlining possible 5% or 6% contract reductions for the remaining FY17 contract term. EC

I areas were informed on January 5th a reduction in this current fiscal year was expected due to the

revenue shortfalls and the Governor's proposed budget. Bremner reported the spreadsheet emailed this morning and provided in hard copy at the meeting is an updated version of the file uploaded last week. She will meet with Danielle Johnson to review the file next week. All ECI areas are waiting for formal notification of the budget reductions. Once the legislature approves budget cuts Polk County ECI will receive an amended contract for FY17 funding from the State. Members noted with the current funding formula revisions being discussed the Early Childhood funds for Polk County ECI are likely to decrease beginning in fiscal year 2019.

Josh Mandelbaum arrived at 8:31 a.m.

Members discussed current contract language and whether the board could reduce current contracts more than the ECI's reduction rate. Bremner affirmed Polk County ECI's contract only requires a 30 day notice on contract changes. She has also been in contact with the State TA Team who has communicated due to the circumstances of the funding reductions program cuts are at the boards' discretion and will not have to follow the state mandates for specific percentages coming from specific categories of programming. Bremner stated she has been in contact with the programs since she learned of the potential funding reduction to prepare them for potential reductions.

There was discussion around utilizing non-contracted funds to cover the reductions as the first line of budget adjustment. Members did not support implementing across the board cuts for all contracts. Members were concerned about cutting funding for staff positions or programs that provide direct services to children. Jem Gong-Browne requested historical data on unexpended program funds which might help project which contracts are likely to not fully expend this year's funding. Bryan Huggins reported the Child Care Committee met at 7:00 a.m. before today's meeting to begin the review of how funds are allocated and how these investments align with the priorities within the Polk County ECI Community Plan. This committee will be taking a closer look at all programs receiving Early Childhood funds. Members agreed these cuts could become a factor in future funding of programs such as respite services.

Bremner reported she will have additional conversations with programs in the coming week to determine if they are running at capacity and where budget reductions could possibly take place. In the event Polk County ECI funds more than one program with an agency, the agency will be asked how they would like to implement budget reductions. Members wanted to know when the final decision would be made in order to decide how to proceed. Members expressed concern that time was of the essence. Bremner emailed Shanell Wagler to request an update on the proposed budget cuts. Once Bremner has contacted the programs and has confirmation of the final funding amount from the State TA Team, she will schedule an additional meeting with board members to finalize any changes to the budget and to contracts. This will be a shorter meeting and, as with all meetings, members will be able to call in.

Members agreed the following stipulations were important to consider:

- Apply non-contracted funds to reductions before program cuts
- Members would like minimum impact on direct care services
- Bremner will work with programs to address areas that can sustain cuts
- Additionally, programs will be notified of anticipated future funding cuts

- Across the board cuts would be used as a last resort

Committee Work and Annual Program Review Process

Huggins reported the Child Care Committee met this morning. The committee will be taking an in-depth look at all programs funded with Early Childhood funds. Programs will be reviewed to see how they align with Polk County ECI's mission and priorities.

Bremner reported the Preschool Committee will be taking a more in-depth look at the current formula for Preschool Programming Support and all programs funded with School Ready funds.

Bremner asked both committees to plan to report out to the full board at the March meeting. Bremner suggested adjusting this year's review process to focus on committee work rather than replicating last year's meeting with staff of each program. Members acknowledged with the possible funding decreases this is a good time to evaluate our review process, taking a deeper dive into how current programs align and focus on how funding should look in order to move forward ECI's mission.

Cindy Elsbernd departed at 9:10 a.m.

Committees would still review program reports and data during this year's investment cycle. If committee members have questions or need clarity they would be able to meet with individual programs at their discretion. Craig Sieverding raised concerns about not meeting with each program. As a newer member, the past two review cycles he experienced the value in meeting with programs and connecting the dots with the dollars. Members agreed face-to-face meetings with each program allow members to gain a better understanding of each program which the narrative and performance measure data may not convey. Bremner proposed scheduling select programs to report out at upcoming meetings.

Members discussed delaying consideration for new proposals until after the committees conclude their work. Members proposed an open Request for Proposals process to target specific needs. Members expressed support for seeking requests for new funding nearer to the end of this fiscal year.

Judy McCoy Davis shared the Advocacy Committee is collecting marketing efforts, needs and legislative priorities from providers. She requested members each find out when their legislators hold their local community meetings. She asked members to email her and copy Bremner

Dave Arens suggested members sign up for their legislators' weekly or bi-weekly newsletters. These newsletters will list their community meeting dates. These meetings will be vital in helping to get our message to all legislators this session.

Administrative Update

Bremner reported she has been communicating with programs regarding the possible budget impact on their funding. She has also been working with stakeholders supporting a preschool bill to increase funding for low-income children and increase flexibility in how the funds are used.

Bremner's full administrative report will be included with the minutes.

Ming Yang-Lee departed at 9:30 a.m.

Bremner reported she has received the ECI State committee Early Childhood funding formula information from the State TA Team. She will forward the information to members following today's meeting. Members were asked to review the information in preparation for the February meeting. Local board input is to be submitted online by March 1. Josh Mandelbaum invited members to contact him with any questions once they receive the funding formula information. Bremner reported Wagler noted at January's State Board meeting some area ECI's have suggested delaying the funding formula implementation due to the current budget cuts.

Old Business

None.

New Business

None

Public Comment

None reported.

Adjourn

A motion to adjourn the meeting was made by Shane Schulte and seconded by Josh Mandelbaum. THE MOTION CARRIED UNANIMOUSLY. The meeting adjourned at 9:35 a.m.