



Minutes

Executive Committee Meeting
May 31, 2012; 8:45 a.m.
Conference Call

Committee Attendees: Octavio A. Verdeja, Jr.; The Hon. Cindy S. Lederman; Lucy Piñeiro, Esq.; Esther Jacobo

Staff Attendees: Evelio C. Torres; Angelo Parrino; Leeana Pena; Aileen Martinez; Mercy Castiglione; Melody Thelwell

Additional Participants: Ann Karen Weller, R.N., B.S.N.; Doug Blomberg

I. Welcome and Introductions	Octavio A. Verdeja, Jr.
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- O. Verdeja called the meeting to order and welcomed everyone.
- Quorum was established with (4) four voting members.

II. OEL Funding Formulas	Evelio C. Torres, CEO
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- E. Torres stated that Chapter 411.01, Florida Statutes, requires that the Office of Early Learning, subject to legislative notice and review under s. 216.177, shall establish a formula for the allocation of all state and federal school readiness funds provided for children participating in the school readiness program, whether served by a public or private provider, based upon equity for each county. The allocation formula must be submitted to the Governor, the chair of the Senate Ways and Means Committee or its successor, and the chair of the House of Representatives Fiscal Council or its successor no later than January 1 of each year. If the Legislature specifies changes to the allocation formula, the Office of Early Learning shall allocate funds as specified in the General Appropriations Act.
- E. Torres stated that the Auditor General determined that the OEL's School Readiness Allocation Formula for the 2011-12 fiscal year could not demonstrate that it was based upon equity for each county.
- E. Torres stated that previously there were five proposed formulas, but the OEL has narrowed it down to three proposed formulas.
- E. Torres and A. Martinez summarized the three proposed formulas:
 - Waterfall Approach uses the equity based allocation percentages agreed to by the AELC based on the latest census data. This formula was approved by AELC for new dollars only, not existing dollars as is being proposed. It redistributes all of the School Readiness funding over a three year period rather than one year as the Big Bang approach would do. OEL will look at the impact to payment rates and current and future children



in care. Based on preliminary calculations, the fiscal impact to the ELC's allocation under this approach is an estimated reduction of \$9,154,935 over the next three years.

- Reversal Approach uses current enrollment data and sets statewide payment rate percentages to be paid by care level and type. The methodology uses the prevailing market by counties to establish an adjusted payment rate. The Coalition's allocation is then based on the forecasted costs. The fiscal impact to the Coalition under this approach is an estimated reduction of \$2,488,197.
- The Zones approach attempts to use current child care resources and referral providers' data to analyze private pay rates by zip code and then groups the providers into five zones to establish a statewide payment rates based on a percentage of each zone. This methodology uses providers' descriptive demographics to forecast costs of care in a discriminatory basis. Because of the complexity of the assumptions and the massive amount of data crunching under this approach, we are currently unable to calculate the fiscal impact to the Coalition.
- E. Torres stated that as of May 23rd, the OEL met with the Governor's office. The Governor's office will provide direction as soon as their legal office completes a full review of the statute and the allocation formula proposals. There is a chance the final decision could be delayed until January 2013.
- O. Verdeja stated that the methodologies should be in the same range of impact. One is a 22 million impact; another is a 2 million impact. That's not equitable. A good start is putting something together to send to the County and other community partners. There should be at least three comprehensive meetings to discuss this in the next 6 months, and invite Mel Jurado to gain input from public forums, provider input, etc. Finally, come up with a formula of our own if we need to that we can suggest to the OEL.
- E. Torres stated that he will draft a letter and send to the Executive Committee with the next steps.

III. Public Comment	Octavio A. Verdeja, Jr.
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IV. Adjourn	Octavio A. Verdeja, Jr.
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