



Minutes

Executive Committee Meeting
September 29, 2010; 8:30 a.m.
ELC Board Room

Committee Attendees: Octavio A. Verdeja (attended via conference call); Yvonne Johnson; Gerald Schwartz; Yesenia Perkins (attended via conference call)

Staff Attendees: Evelio C. Torres, CEO; Leana Pena; Blythe Robinson; Fred Hicks; Ana Pizano

General Attendees: Santiago Echemendia (attended via conference call); David Williams, Jr. (attended via conference call); Silvia La Villa, Ed.D., (attended via conference call); Dr. Lori Hanson, The Children's Trust; Linda Carmona-Sanchez, AECE; Veronica Fernandez, AECE; Armando Guerra, AECE

I. Welcome and Introductions	Octavio A. Verdeja, Jr., Chair
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II. Revisions to Conflict of Interest Questionnaire	Santiago Echemendia
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- Agenda item tabled.

III. Board Grievance Procedure	Santiago Echemendia
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- Agenda item tabled.

IV. Conduct at Board Meetings	Santiago Echemendia
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- Agenda item tabled.

V. Employee Morale and Retention Follow Up	Evelio C. Torres
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- E. Torres continued with the next item, which is a follow up from the last Executive Committee meeting. O. Verdeja asked for a comparison for ELC compensation with other organizations. This is a request based on the discussion they had at the last meeting to do something for staff comparable to what The Children's Trust does. They have not had a salary increase last year or this year so far. They have kept a number of positions vacant and the staff has worked very hard. They have the dollars in the budget to increase salaries.
- T. Alonso stated on page three there are some bullets that reflect the consolidation of work and limitations that indicate some of the changes to VPK as it has doubled in size in the past 2 years. The administrative costs from a single audit report have decreased over the past 3 fiscal years. There have been 4 vacancies that have remained open which saved a total of \$172,000. She did a quick comparison with some of the other comparable agencies in size and budget. She compared the retirement benefits to The Children's Trust, which is



the closest related agency. Because they participate in the State retirement system, 10.77% of their overall salary is deposited on their behalf in the State retirement system. ELC's retirement system is based solely on employee contribution and a 6% match. Medical insurance increases have been in the double digits over the past three years. Miami is 22% higher than the national average increase. ELC employees have had to bear higher premiums and copayments as a result of that. Additionally, a comparison was done with the salaries of the ELC, The Children's Trust and The United Way.

- O. Verdeja asked if they will go with the Board to make a decision. E. Torres stated that the Board already approved the line item on the budget. O. Verdeja stated he would rather not make salary information public. E. Torres stated the authorization for the salary line item was already approved. This doesn't include the salary increases for the Trust because they are getting a 4% increase now. It also does not include the full compensation, which is part of the State retirement system.
- O. Verdeja stated there is nothing there that shocks him that anyone is overpaid.
- Y. Perkins asked how they came up with the 4% increase. E. Torres stated they came up to that percentage because it was comparable to what The Children's Trust has. The County has also done a 5% increase for staff. It could be based on performance evaluations. The proposed date would be January 1st.
- O. Verdeja asked about the year before last. A. Parrino stated they had a max of 5%. E. Torres stated they always budget for up to 7% but the year before last they did 5% so they actually saved some dollars. This year they are probably also going to see a savings in the salary line item. There is a discussion they are going to have at a future Board meeting about the rate alignment for the childcare providers who have updated their market rates.
- O. Verdeja asked for a line at the bottom, which states the total salaries with ELC versus everyone and total salaries as a percentage of revenue.
- O. Verdeja stated they can just compare it to The Children's Trust. He would like to go back to the Board and say that the salaries are very much in line. No one's individual salary was excessive compared to anyone else and total salaries were not excessive compared to anyone else.

VI. Strategic Planning Process Follow Up

Evelio C. Torres

- E. Torres stated they are going to dedicate most of the next Board meeting to the Strategic Planning Process follow up. There are two documents, provided by the YWCA and the YMCA making a case for the afterschool care issue, which will be included in the Board packet.

VII. Audit Committee Member Designations

Octavio A. Verdeja, Jr.

- O. Verdeja stated he will ask M. Hill or A. Eckstein to serve on the Audit Committee as they cannot have more than two Finance Committee members serving on the Committee. Additionally he will find an external CPA.



- A. Parrino stated that they need to schedule and Audit Committee meeting in October. The annual KPMG Audit has also already been scheduled for February.

VIII. Resolutions	Octavio A. Verdeja, Jr.
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IX. Board Evaluation	Evelio C. Torres
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X. Revised Policy on School Readiness Sanctions	Santiago Echemendia Jackye Russell
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- S. Echemendia stated this is a draft for discussion prepared by Jackye. It's basically adopting the policy that is consistent with the Board action taken at the last Board meeting in regards to the three providers that had violations for VPK. They are going to discontinue school readiness payment based on the action of DOE. They didn't have a policy so they had to adopt a policy consistent with that action.
- E. Torres listed the 3 providers have been low performing providers for 4 years in a row. They filed an appeal to DOE. When the DOE looked at their appeal, they also looked at the providers' licensing violations. Based on those licensing violations their appeal was denied, saying they could no longer provide VPK services. Based on that action, the Board came to the decision that they could no longer provide School Readiness services either. Now there is this policy they would like to bring to the Board for approval that makes this a policy. If you are a low performing provider and the Department of Education has notified you that you can no longer provide VPK services, then you can no longer provide School Readiness Services. On top of that, if you have serious licensing violations (one class 1 violation or two class 3 violations), you will not be able to provide school readiness services.
- O. Verdeja asked if there is anything that is a violation on VPK that doesn't necessarily affect School Readiness. E. Torres stated the only reason they would ever be suspended is if they are a low performing provider for more than 3 years. Children participating in the VPK program go through an assessment that determines whether they are ready to enter school. The number of points is determined every year by DOE. So kids may have to score an average over 200. That provider is given that number. If they are over that number they are not a low performing provider, if it is lower, then they are a low performing provider. It is based on what the kids learn. The big issue with the readiness rates is that there is no pre and post assessment. So a child may be participating in the VPK program that came in far behind. Sometimes because of that, that provider may be designated as low performing because there is no pre and post. Unfortunately that is how the system works.
- E. Torres continued by saying what makes this different is that they are on year number 4 of being a low performing provider.
- S. Echemendia stated since there is not an equivalent criteria for school readiness like there is for VPK, but they are trying to adopt a criteria. The language should be refined a little bit. If the school readiness provider has received a class one licensing violation or two class 2 violations, during any



consecutive 12 month period then ELC can take the action of providing 30 days notice to remove the child.

- O. Verdeja asked if these are VPK violations. E. Torres answered yes. The other is the childcare provider with licensing violations. O. Verdeja asked if they decide to drop VPK, would they reinstate them into VPK. S. Echemendia stated that is why they are adopting the policy to school readiness independently because there could be other scenarios where you would have someone not in VPK with the same violations that fall under the radar.
- E. Torres stated the other thing that is important with this policy is that it is the beginning of a broader policy that will be brought to the Board by the Provider Services Committee. It is in line with what some of the other Coalitions are doing, which is evaluating school readiness providers by using an environmental rating scale and giving them 12 months to improve up to a certain point on that scale independent of licensing. If they don't score up to that point, then they will not be able to provide school readiness. It has been done by the support and the request of the broader provider communities who are serving school readiness children and are reinvesting money back into the center and feel that everyone should be doing it if they are.
- S. Echemendia stated they are trying to have a parallel track where they come through ELC's grievance procedure when they have these violations. In fact, they went through the mediation process the day before yesterday and will go through the Program Committee tomorrow with a recommendation again to the full Board based on the grievance procedure they didn't go through before.
- E. Torres stated that essentially the provider will go out of business by suspending the school readiness program. So the Board needs to have a high level of comfort when making these serious decisions. O. Verdeja asked if there is a period of rectification. S. Echemendia stated yes, that is what they are doing by the adoption of the policy. If it is a class one or class two violations, the provider would get notice, they would file for a grievance procedure and come to the Program Committee meeting. There would be an appeal process, a formal administrative hearing and then would come up to the Board for reconsideration. So there would be that due process before final action is taking.
- S. Echemendia stated it would be ideal if this policy could be adopted by the board before they take final action on the three appeals coming back up to the Board. O. Verdeja stated for the Board presentation, give an example of when certain situations would occur and define what the licensing violations are. They need to know clearly that they shut someone down, that it is in the best interest of the child.
- E. Torres stated it is a liability for the Coalition if they are funding these providers and DEO decides these providers are not allowed to provide VPK services anymore. It is never ok to have a health and safety violation.
- S. Echemendia stated going forward; the issue may be that there are currently a number of school readiness entities that are going under the radar with potentially a number of these violations. What are 3 cases could end up being 40 or 50 cases based on existing violations.



- J. Russell stated right now they are only talking about those providers that DCF goes out and does inspections on. They also have a population of providers that are not licensed that DCF does not touch. Going forward, ELC will be responsible for going out and monitoring those providers. This has been built into the policy. This includes every afterschool program and all of the child enrichment programs.
- E. Torres stated AWI will be providing laptops to all the coalitions. However, it will become a liability to have to go out and monitor these providers. The proposal is to contract this out and hopefully someone who is already spending enough time visiting childcare centers will bite. But it's going to be expensive and there are no additional dollars. O. Verdeja asked for a ballpark timeframe. E. Torres stated less than a year.
- S. Echemendia stated that this is now a requirement by law for ELC to do a life safety certification.
- G. Schwartz asked what is required to become licensed by DCF. J. Russell answered that DCF has a long list of criteria they require for providers to adhere to. E. Torres stated that some coalitions have gone that route to require all providers they do business with to be licensed.
- G. Schwartz stated he thinks they should look into a program requiring them to become licensed. It seems like an extensive, difficult process for ELC to undertake. E. Torres stated that is the staff recommendation to the Program Committee. It could be considered as a condition as part of the School Readiness Contract. They could just fund providers that are licensed.
- S. Echemendia stated they are looking at how to insulate themselves from liability if something goes wrong at a center that is ELC funded. They are looking at indemnification, sovereign immunity. Additionally they are looking at the contractor that will be doing the certification for ELC. They are creating a number of levels of insulation related to that potential liability.
- E. Torres stated this is actually a good thing because there will be oversight over providers that are being paid school readiness dollars. Now they have to meet a certain standard they didn't have to meet before. The downside is that ELC is not receiving additional funding to create this regulatory program. This requires training staff, some type of reports and a process.
- O. Verdeja asked if exempt providers that are part of school readiness have teachers that have not had a background check performed. E. Torres stated they would have to remove that teacher immediately. J. Russell stated since it is a new law required as of last August, providers were not required to do it before.
- J. Russell that her caveats about the 30 day notice is that they go out and discover that a provider has that violation and ELC lets them continue to operate those days. E. Torres agreed, stating those children would be left at risk. J. Russell suggested giving the provider the chance to appeal, but do not fund them during that period if it is to the level that really puts children at risk. E. Torres stated if they tell a provider that they have to stop providing services tomorrow morning, parents would still show up with their kids the next day. Then, what do parents do with the child?



- O. Verdeja stated ELC needs to be prepared. In anticipation, they need to get information out to all providers that this is going to happen so they have the ability to bring up their standards to par. One of the things they need to know as a Board is what ELC is responsible for regulating.
- S. Echemendia suggested that before the board takes up this policy, that providers be notified about it in order to forewarn them and give them an opportunity to take care of their stuff. E. Torres stated they could do this policy and then amend it to make it more comprehensive.
- J. Russell stated Monroe County is unique because they have the Boys and Girls Club that operate in parks. They don't have walls so it would make it more difficult to monitor and they don't have any other resources to care for the children. Also, the issue with the school system is they contract with programs like the Y and they found that they are serving four year olds and they are required to be licensed in order to serve those four year olds. The Coalition has asked DCF to send them a letter to cease and desist or become licensed. They are currently waiting to hear back from DCF.
- O. Verdeja stated this sounds like a policy we need to have but they need to be aware of all the contradictory issues.
- J. Russell stated it's a lot better for ELC if DCF is making the call. S. Echemendia asked if there is any rule development on the life and safety certification. J. Russell stated there is. E. Torres stated at this point they have guidance and then they will be going through the rule process.

XI. Public Comments

Octavio A. Verdeja, Jr.

XII. Adjourn

Octavio A. Verdeja, Jr.