



Agency for Workforce Innovation

**Special Review of the
Early Learning Coalition
of Pasco and Hernando**

8/1/2005

Report Highlights

- **The Pasco-Hernando Coalition lacks sufficient policies and procedures for coalition governance and operations. The integrity of the board’s decision-making process is compromised by inconsistent practices regarding its committee structure and inadequate management of voting processes to ensure quorums and prevent unauthorized voting. In addition, to help reduce conflict and ensure accountability, the coalition should clearly delineate the role and responsibilities of the board and executive director. The coalition should also establish a formal process for evaluating the executive director, as well as determining whether the board is meeting its performance expectations. Finally, the coalition’s procedures for board meetings could be improved by implementing a consistent format (level and type of information presented) for major agenda items and ensuring that board minutes reflect whether a quorum is present.**
- **While the coalition’s 2004-2005 contracts with its major service providers generally comply with the law, there are some key omissions relating to dispute resolution and conflict of interest. These omissions make the coalition vulnerable to litigation or protracted disputes with providers over contractual obligations.**
- **The coalition did not monitor the Pasco County School District’s use of quality initiative funding during the 2004-2005 fiscal year, which limits the coalition’s ability to ensure that the funding was used in a manner consistent with contracted purposes and requirements. Our financial review found that the school district used approximately \$43,318 of its \$356,631 quality contract for costs that are not allowable from federal Child Care Development Funds.**
- **The coalition could enhance its oversight capabilities by improving the types of programmatic information and reports that it regularly receives and reviews from all of its major service providers.**
- **The coalition has failed to meet the match requirement of its grant for three years, resulting in questioned cost totaling \$695,854.**

Purpose and Scope

Florida law requires the Agency for Workforce Innovation (AWI) to monitor and evaluate the performance of each early learning coalition in administering the school readiness program, implementing the coalition’s school readiness plan, and administering the Voluntary Prekindergarten Education (VPK) Program. As part of this authority, the Deputy Director for the Office of Early Learning (OEL) initiated a special review of the recently merged Early Learning Coalition of Pasco-Hernando¹. Since the merger, the coalition has experienced a substantial amount of conflict among individual board members, and between certain board members and the executive director. This conflict has created operational challenges for the coalition as it moves forward with the merger and the implementation of the VPK program. The review is intended to assist the coalition in resolving some of its conflicts by examining the following issues:

- The procedures and practices used by the coalition to govern and manage its overall operations
- The procedures and practices used by the coalition to manage coalition contracts with major service providers
- The use of quality initiative funding by the Pasco County School District

¹ The Early Learning Coalition of Pasco and the Early Learning Coalition of Hernando merged on April 1, 2005.

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- Other fiscal issues relating to the coalition's major service providers

In addition, AWI's Inspector General's Office is currently conducting an investigation of possible Sunshine Law and conflict of interest violations by members of the Pasco-Hernando board. These issues are beyond the scope of this report.

Methodology

The OEL review team developed a series of best practices and indicators for coalition governance and operations and examined the extent to which the Pasco-Hernando Coalition is implementing these practices. (See Appendix A for a list of the best governance practices). The best practices include a mixture of indicators relating to compliance with state and federal laws/rules, as well as indicators for additional activities that could help coalitions maintain high quality programs and operations. To determine the extent to which the Pasco-Hernando Coalition is using these practices, the team examined documents provided by the coalition and its major service providers. The team also conducted interviews with coalition staff, current board members, past board members of the Pasco and Hernando coalitions, and other interested parties. In most instances, the review of coalition governance focused on the policies, practices, and procedures of the newly merged Pasco-Hernando coalition.

In addition, the team reviewed the coalition's contract management process for fiscal year 2004-2005 to determine compliance with s. 287.057, F.S. Since the coalition did not merge until April 2005, the review examined contracts between the Pasco School Readiness Coalition and its service providers as well as the Hernando School Readiness Coalition and its providers. The team also reviewed the grant award between OEL and the respective coalitions for 2004-2005. The review checked the contract documents for inclusion of appropriate contract language, description of services, deliverables, and contract monitoring. Finally, the review included tests of financial records of the coalition's contractors.

Background

Community Demographics. According to the 2004 population estimates from the Office of Economic and Demographic Research, Pasco and Hernando counties have a total population of 389,776 and 145,207 respectively². Pasco is Florida's 13th largest county and Hernando is the 29th largest county. In addition, both Pasco and Hernando populations are growing at rates that exceed the state average. The state's population grew by 1,533,908 or 9.6% from 2000 to 2004. In comparison, Pasco's population grew by 45,005 (13.1%), and Hernando's population grew by 14,405 (11.0%).

Coalition Organization. The merger process began with the Early Learning Coalition of Hernando County initially contacting the Early Learning Coalition of Pasco County in October 2004 about merging possibilities. The executive directors from both coalitions met to discuss options. Based on these discussions, Jim Garrett, Executive Director of the Pasco coalition, made a presentation on the merger proposal to the Pasco Coalition on

² The Office of Economic and Demographic Research (EDR) is a research arm of the Florida Legislature principally concerned with forecasting economic and social trends that affect policy making, revenues, and appropriations. EDR, through a contract with the University of Florida, arranges for annual estimates of population of each city and county in Florida, which provide the basis for revenue sharing programs.

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December 2, 2004. A "Notice of Intent to Merge" was submitted to the OEL on December 13, 2004. Pasco board members requested additional information on the board's composition, bylaws, and expressed concerns with the service delivery system contracts. The Pasco board finally approved the Merger Plan Agreement and the Articles of Incorporation on February 3, 2005, to become effective on April 1, 2005. The merged coalition held its first meeting on April 5, 2005.

The Pasco-Hernando Early Learning Coalition employs six total staff, with offices in both Pasco and Hernando Counties. There are three employees located at the Pasco location: an executive director, an administrative assistant and a VPK specialist. In addition, there are three employees at the Hernando location: a deputy director, an administrative assistant, and a VPK specialist.

Findings

Coalition Governance and Operations

The Pasco-Hernando Coalition lacks sufficient policies and procedures for coalition governance and operations. The integrity of the board's decision-making process is compromised by inconsistent practices regarding its committee structure and inadequate management of voting processes to ensure quorums and prevent unauthorized voting. In addition, to help reduce conflict and ensure accountability, the coalition should clearly delineate the roles and responsibilities of the board and the executive director. The coalition should also establish a formal process for evaluating the executive director and determining whether the board is meeting its performance expectations. Finally, the coalition's procedures for board meetings could be improved by implementing a consistent format (level and type of information presented) for major agenda items and ensuring that board minutes reflect whether a quorum is present.

The roles and responsibilities of the coalition and executive director have not been clearly delineated, nor do the board members and the executive director have policies to ensure that they have effective working relationships. Once policies are developed, steps should be taken to ensure that executive staff and board members clearly understand the policies.

To be effective, coalitions must have a constructive and trusting relationship between their boards and executive directors. This relationship is jeopardized when the parties do not understand or fail to adhere to their distinct roles in the governance process. Thus, coalitions should have mechanisms in place to maintain a distinct separation of roles and responsibilities between the coalition board and executive director. The board should be the policymaking entity for the coalition, and the executive director should have the primary responsibility for implementing and managing these policies. Board members should not be directing daily operations and should address operational concerns through the executive director. In the same light, the executive director should not create and implement major policies without the board's approval. A coalition may use both formal and informal mechanisms to ensure that each entity adheres to its proper roles and responsibilities. At a minimum, a coalition should establish clearly written bylaws and policies that comply with state and federal statutes regarding these roles and responsibilities.

Unclear roles and responsibilities have contributed to the conflict among board members and the executive director. Other than general statements in the bylaws, the merged coalition has not clearly delineated the role and responsibilities of its current executive director, nor has the coalition clearly

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defined the role of the overall board. For example, the merged coalition does not have an updated position description for its current executive director. The position description for the director dates back to 2001, when the individual was first hired as the executive director for the Pasco Coalition.

Interviews with board members reinforced the need to clarify the various roles, as the level of cooperation and trust among individual board members and coalition staff has deteriorated since the merger in April. Some members expressed concerns about the appropriateness of other members' actions and others questioned whether the executive director has "overstepped" his boundaries of authority. These concerns are likely to continue until the coalition specifies in a formal policy the responsibilities of both the board and the executive director. The coalition is addressing this issue during a strategic planning session planned for the end of July.

Lack of policies for how board members are to access or direct coalition personnel have undermined the board's decision-making process. The board and executive director have not established bylaws or policies delineating how individual board members are to access or direct coalition staff regarding coalition business. The lack of such policies lessens the board's effectiveness and creates potential conflict if members individually direct coalition employees in performance of their specific duties. For example, leading up to the merger, the Pasco Finance Committee met on March 14 and voted in favor of a reorganization proposal that was presented by the executive director. Originally, the recommendation of the Finance Committee and the proposal were to be heard at the first meeting of the merged coalition on April 5. Several days after the March 14 committee meeting, a board member e-mailed the director and directed him to delay any activities relating to the reorganization proposal approved by the committee until after legislative session was over in May. Although the merged board ultimately considered (but never formally voted on) the reorganization proposal, the directives of an individual board member could have prevented the full board from hearing the issue. While this member may have had valid concerns about the proposal, a board's governing ability is seriously undermined when individual board members direct coalition operations in a manner that may be inconsistent with overall board directives.

A formal orientation process for new board members is needed. While the Pasco and Hernando coalitions conducted orientation training for new members in the past (prior to the merger), the coalition has not developed and implemented a formal orientation training for new board members of the merged coalition. At a minimum, such training should clearly explain the roles and responsibilities of the board and the executive director as well as provide programmatic information on the school readiness and the Voluntary Prekindergarten programs (VPK), and the Sunshine Law requirements. Board members indicated that they received training on the Sunshine Law.

A process for evaluating the executive director has not been established by the merged board. Current board members expressed varying opinions about the executive director's performance. Some members believe he is highly effective, while others believe that his contract should be terminated due to poor performance. However, these opinions are mainly linked to their recent experiences with issues that the board addressed regarding the central agency, and the use of quality funding. For example, some members reported that the director performed his duties well in the past as the executive director of the Pasco Coalition; however, these same members now reported that he should be terminated due to recent events.

To ensure an objective and thorough assessment of the executive director's performance, the board should establish a formal evaluation process that is linked to clearly defined job responsibilities and performance objectives. Until the job responsibilities of the executive director are clearly delineated, it is unlikely that the

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board can develop an objective evaluation process. The board discussed the evaluation process during some of its recent meetings but had not formally adopted any specific policies at the time this review was conducted.

Establishing a process for measuring the board's performance could be beneficial to the coalition. The effectiveness of a governing board's ability in carrying out its missions can affect the success of the programs it is charged with overseeing. As such, it is important for governing boards to establish performance expectations and to evaluate periodically whether these expectations are being met. The Pasco-Hernando Coalition has not established performance expectations or an evaluative process for the board. Establishing such a process could be beneficial to the coalition in resolving conflicts such as those experienced over the last few months. When established, this process should not be structured to focus on the performance of individual board members.

Clear policies are needed regarding how and when nonvoting board members (or service providers) may participate in coalition discussions concerning their services. Many board members expressed concerns about the lack of clearly defined guidelines on how individual board members who are also service providers may participate in formal board discussions that involve services they currently provide or may provide in the future. In these circumstances, OEL policy provides that affected members may participate when asked questions or requested to make presentations to the board. Furthermore, OEL policies require these members to only present facts in a manner that does not attempt to influence the board's decision. However, several board members pointed out that this policy is open to interpretation, and they were not sure when it was appropriate for certain members to participate in discussions. Other members believed that some affected members were attempting to influence board decisions by presenting nonfactual information or inappropriately participating in a board discussion. In addition, some members believe that the executive director was using his interpretation of the OEL policy to control the exchange of information at board meetings.

RECOMMENDATIONS:

- **The coalition should develop formal policies that specify the role and responsibilities of the board and the executive director. At a minimum, these policies should include:**
 - **Updated job responsibilities for the executive director and related performance expectations.**
 - **Specific roles and responsibilities of the board in the areas of policy development and program oversight.**
- **To help ensure that the executive director and board have an effective working relationship, the coalition should establish policies delineating how individual board members are to access or direct coalition staff on matters concerning coalition business. In order to be informed and better able to perform their obligations, board members should have the right to speak with and engage in a free exchange of information with coalition employees on matters that are pertinent to coalition business. However, the coalition should consider developing a policy that limits the ability of board members to individually give instructions or orders to coalition employees relative to performance of their specific duties. In addition, when needed, directions to the executive director on matters pertaining to board business should generally come from the board chair.**
- **The coalition should formalize a process for evaluating the executive director that is linked to clearly defined job responsibilities and performance expectations. Since the coalition has not developed job responsibilities or performance expectations for the executive director, it is unlikely that an objective and comprehensive assessment of the director's performance could be made at**

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this point. A coalition board as a whole should first know (consistent across board members) what it expects of its executive director in terms of performance in order to accurately and fairly assess whether these expectations are being met.

- The coalition should develop policies that supplement current OEL policies regarding board member ethics; in particular, policies that delineate how board members who are also service providers may participate in formal board discussions that involve services they provide. At a minimum, these policies should include procedures that ensure compliance with OEL policies, while also providing affected members (or entities they represent) adequate opportunity to present information on the effectiveness and quality of their programs and services.
- The coalition should establish a process for the board to conduct a self-assessment of its performance once a year. This process should not be structured to focus on the performance of individual board members. Rather, it should focus on whether the board as a whole has worked effectively in providing the overall guidance and direction needed for the coalition to achieve its objectives.

One way to structure this assessment would be for the board to set expectations for its performance at the beginning of the year. At a specified point before the year's end, each board member could individually rate the board's performance against those expectations. The results of this individual assessment could then be used to facilitate a discussion of the board's overall performance and how, as appropriate, it can improve.

- The coalition should establish a formal orientation and ongoing training process for new board members. At a minimum, this training should cover the roles and responsibilities of the board and executive director, Sunshine Law requirements, board member ethics, and school readiness and VPK program requirements.

The coalition's current board composition and member terms comply with House Bill 1A, Florida Statutes, and OEL policy directive OEL-PI-0012-05.

As defined by law and OEL policy, each coalition must be composed of at least 18 members but not more than 35 members. The Governor appoints three different members including the board chair, who must be from the private sector. The required members represent a mixture of individuals from both the public and private sectors. The law also distinguishes between voting and non-voting members, with the latter representing individuals or organizations who are likely to derive a financial benefit as a provider of early education services. Although coalitions do have some flexibility in determining their members, many are prescribed directly in law and more than one-third of each early learning coalition's membership must be composed of private-sector business members.

The Pasco-Hernando coalition's membership complied with the law and OEL policies at the time this review was conducted. The coalition has 28 members, 12 of whom are from the private sector. The merger agreement ensures geographical representation from each of the counties.

Developing specific strategies to provide for ongoing recruitment of private sector members can help ensure compliance with the law. As noted in OPPAGA and OEL monitoring reports, coalitions have historically experienced some difficulty maintaining the required private sector

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membership for a variety of reasons. While the Pasco-Hernando Coalition currently meets the requirements for private sector membership, it would be prudent for coalitions to develop strategies that provide for an ongoing recruitment of individuals from the private sector. At the time of this review, the Pasco-Hernando coalition had not yet developed such strategies.

RECOMMENDATION:

- **The coalition should develop and implement specific strategies to provide for an ongoing recruitment of individuals from the private sector to serve as board members.**

The coalition has administrative procedures to ensure that board meetings are efficient and effective, yet the integrity of the board's decision-making process is compromised by inconsistent practices regarding its committee structure and inadequate management of formal voting processes to ensure quorums and prevent unauthorized voting. In addition, the coalition's procedures could be improved by implementing a consistent format (level and type of information presented) for major agenda items and ensuring that board minutes reflect whether a quorum is present.

The primary goal of all coalition meetings should be to come to a decision in a timely and legal manner on the policy issues presented during a particular meeting. To best meet this goal, the coalition and executive director should have formal and informal mechanisms to ensure that board meetings operate efficiently and effectively, and to ensure all policy discussions and decisions comply with the law. Board meetings that consistently last longer than the time allotted may indicate that appropriate mechanisms are not in place, or are ineffective. Board members should not have to ask staff frequently for more information on agenda items, or ask for clarification of the materials provided. Formal votes should only be taken when a quorum is present and should not include votes from non-voting members or members who have conflicts of interest on a particular issue before the board. In addition, the board and the executive director should ensure that meetings are accessible and open to the public at large.

The coalition and executive director are currently implementing procedures to ensure effective and efficient meetings. The merged coalition meets regularly to conduct coalition business, with full board and committee meetings being held at least once a month. The coalition had not reached an agreed upon schedule for 2005-2006 board and committee meetings at the time of this review. Based on a review of meetings conducted from April 1 through June 30, the team found that the coalition generally provided public notice (as required by Sunshine Law) of board meetings in a consistent and timely manner in a major newspaper.³ See Appendix B for additional detail. In addition, a majority of board members interviewed (15 out of 20 board members) by the team reported that they received agenda materials in sufficient time to review them thoroughly prior to board meetings.

³ The team reviewed meeting notices for the 18 board meetings held between April 1 and June 30. The coalition typically provided public notice within four to seven days of the scheduled meeting. However, the team identified three meetings where reasonable public notice may have not been given by the coalition: two meetings (Pasco Advisory Council meeting on June 2, and Executive Committee meeting on June 30) where public notice was made one day prior to the meeting, and one meeting (Nominating Committee meeting on May 19) where public notice was made the day of the meeting by posting the notice on the door of the coalition's office building.

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Improvements in general board procedures are needed in several areas. While the coalition has established procedures to ensure effective board meetings, the review identified several deficiencies or areas where the coalition's general procedures for board meetings could be improved. These deficiencies are discussed below.

- ***A master calendar of events is needed.*** The coalition did not provide the review team with a master calendar showing the dates of major events relating to coalition business for 2005-2006. A master calendar could help ensure that the coalition can meet all legal requirements, and ensure these matters are placed on the board agenda in a timely matter.
- ***Meeting minutes are missing some critical details.*** The published minutes do not reflect whether a quorum was established prior to the board taking formal action on agenda items. As such, it is not clear (documented evidence) whether all board decisions were made in an appropriate manner with a quorum present.
- ***Major agenda items considered by the board lack a consistent format and level of information presented.*** At present, the level and type of information board members receive relating to major agenda items is inconsistent. Some board members reported they were satisfied with the information they received, while others were concerned that the information was not detailed enough. We reviewed the information board members received relating to a number of major items such as the quality contract with the Pasco County School Board, executive director spending authority, contracting parameters, and Budget Committee priority list. Based on our review, it is clear that the level and quality of information board members receive in writing varies considerably. To ensure that board members understand the issues and actions needed for major agenda items, the coalition should develop and implement a consistent template or format (including a standard coversheet) to present items to the board for review.

For example, the Pasco-Hernando Coalition struggled with the decision regarding the use of quality initiative dollars for Pasco County; specifically, whether the quality dollars should be awarded to the Pasco County School District. Some board members believed they had enough information to make the decision while others did not. It may have been helpful for the executive director to present this issue to the coalition in a format or template that clearly states (in writing) information such as: (1) the reason for the recommended action on the item, (2) how the action will be accomplished, (3) what the desired results are, (4) what alternatives have been considered, and (5) how the proposed action will affect parents and children.

The merged board voted on this issue (the first time) at its May 19 meeting. While some of the above information may have been discussed or considered at prior meetings, the board packets we reviewed for the May 19 meeting did not include this information in a written, coherent format for the board to consider before voting on the item. Pasco County School Board employees verbally presented some of this information at the meeting, but it is incumbent upon the executive director and board chair (not a provider) to ensure that board members have clear and comprehensive written information on issues being considered by the board.

- ***Board and committee meetings are held at times that could conflict with the work hours of many citizens.*** Since the merger in April, the Pasco-Hernando Coalition meetings have typically been held in the mornings, usually at 9:00 a.m. One meeting was held at 1:30 p.m. Some board members expressed concerns that these meetings were not convenient for the general public. These meeting times would generally not be considered convenient for citizens who must work during the day. Thus,

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the coalition should consider scheduling some of its future board meetings at times that would be convenient for board members and citizens who work during the day (e.g. after 5:30 p.m.).

- ***Scheduling board workshops or work sessions for controversial or important issues could be beneficial to the coalition's decision-making process.*** Some governing boards schedule workshops or work sessions (no votes or formal action is taken) to allow board members to hold preliminary discussions of items with each other and with staff. A workshop is different than a committee meeting because it is strictly informational and no formal board business is intended to be taken. For example, major financial or budget decisions are good candidates for workshops because of their importance and the need to have a thorough understanding of the issue before reaching a decision. This process allows the most substantive issues relating to an item to be the focus of the discussion during actual board meetings. The Pasco-Hernando Coalition had not scheduled or used workshops at the time our review was being conducted.

The board's decision-making process is compromised by inconsistent practices regarding its committee structure. The coalition has established several committees to facilitate decision making, improve information sharing, and incorporate additional expertise as needed to ensure program success. The coalition's bylaws create an Executive Committee (of voting members) with general management responsibilities and a Nominating Committee. The bylaws also allow each county to form a separate advisory council that has significant responsibilities regarding the use of quality initiative funds, provider reimbursement rates, and the budget. These councils are charged with making annual recommendations to the full board, which the bylaws state the board should honor unless there is a compelling reason to reject them. In addition to what is reflected in the bylaws, the coalition had established a Budget Committee, a Program Committee, and a Quality Committee at the time of our review.

Although the coalition has established a committee structure, the review found several of these committees were functioning in a manner that compromised the board's decision-making process. According to interviews with board members and the executive director, the Budget Committee's membership was undefined at critical meetings since the merger. The committee chair allowed any board member attending the meeting to participate and vote on matters considered by the committee. This practice was never publicly announced or approved by the full board. Some board members expressed concerns that this practice was used to influence the vote on decisions before the committee. The coalition is aware of this issue and has taken steps to better define its committee membership.

In addition, the executive director stated the Pasco Advisory Council did not have a defined membership at the time the review was conducted. According to the executive director, the council allowed anyone who attended the meeting, whether a board member or not, to participate and vote on matters before the council. Since the advisory councils are an integral part of the coalition's decision-making process, this particular practice seriously undermines the integrity of the process. The coalition should take immediate steps to ensure that the Pasco Advisory Council discontinues this practice.

Better management of the formal decision-making process is needed to ensure quorums and prevent unauthorized voting. As discussed below, the review identified at least two coalition board meetings (committee or full board) since its merger where formal decisions by the board were later determined to be invalid either because a quorum was not present, or an unauthorized person voted.

- ***Pasco Advisory Council meeting on April 28.*** The council met and discussed several different issues including the continuation of the quality funding for the Pasco County School District. The

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published minutes for this meeting did not provide sufficient detail to determine what information was presented regarding the issue. The minutes state that “the Council recommends to the Board to consider the continuation of the Quality dollars to the School Board at a rate to be determined”. However, the minutes do not reflect that either a formal motion was made or a vote was taken on the issue. Thus, it is unclear why a formal recommendation was reflected in the minutes. In addition, the executive director stated he informed some members of the council (several days after the meeting) that a quorum was not present and the council’s action on the matter could not be presented to the full board as a formal recommendation. The council’s action was subsequently presented to the board in a different format.

- *Pasco-Hernando Coalition Board meeting on May 19.* The board made a formal vote on whether to continue the quality funding for the Pasco County School District. The board approved the continuation by a vote of four (approved) to three (opposed). The coalition was later informed that one vote was invalid because the board member had not been approved by OEL. The executive director distributed an email advising the board members of the need for a revote due to the technical invalidation of one vote.

RECOMMENDATIONS:

- To improve the effectiveness of its board meetings, the coalition should implement the following changes:
 - Establish a master calendar that shows the dates (or tentative dates) of major events relating to coalition business for 2005-2006. The calendar could help ensure that the coalition can meet all legal requirements, and ensure these matters are placed on the board agenda in a timely matter.
 - Ensure that board meeting minutes reflect whether a quorum was established prior to the board taking formal actions on agenda or other items. The minutes should also reflect details on voted or approved items.
 - Revise its board meeting schedule to ensure that some of the meetings are held at times that will not conflict with the work hours of citizens or members who must work during the day (e.g. after 5:30 p.m.).
 - Schedule board workshops or work sessions for controversial or important issues that are being considered by the board. These workshops, which are strictly informational, should allow board members to hold preliminary discussions of items with each other and with staff.
- The coalition should improve its board committee structure by implementing the following changes:
 - Clearly define the membership of all committees (including the two county advisory councils) that are formally involved in the board’s decision-making process.
 - Ensure that changes to committee membership and structure are made by the full board or the chair of the full board in advance of scheduled committee meetings.
 - Ensure that the Pasco Advisory Council’s voting membership does not include individuals who are not board members.

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- The coalition should establish a consistent expectation with regard to what information board members receive for major agenda items and how that information is presented (format or template). This information should typically include:
- The reason for the recommended action on the item
 - How the action will be accomplished
 - What the desired results are
 - What alternatives have been considered
 - What resources will be needed (specific fund sources identified)
 - Who will be affected and whether they have been advised of and given opportunity for input on the proposed action
 - How the proposed action will affect parents, children, providers, and local communities
 - What policy or law may apply to the item
 - What the time frame is for implementing and completing the proposed action

Contract Management

While the coalition's contracts with its service providers generally comply with the law, there are key omissions relating to dispute resolution and conflict of interest. These omissions make the coalition vulnerable to litigation or protracted disputes with providers over contractual obligations. In addition, the coalition did not monitor the Pasco County School District use of quality initiative funding during 2004-2005 fiscal year, which limits the coalition's ability to ensure that the funding was used in a manner consistent with contracted purposes and requirements. Finally, the coalition could enhance its oversight capabilities by improving the types of programmatic information and reports that it regularly receives and reviews from its major service providers.

The coalition's contracts with its major service providers generally comply with the law and OEL policies. However, the contracts are missing several key components relating to dispute resolution and conflict of interest. These omissions make the coalition vulnerable to litigation or protracted disputes with providers over contractual obligations.

In most instances, early learning coalitions contract for many of the major services that they provide for the school readiness and VPK programs. As such, it is important that coalitions have comprehensive and consistent procedures for managing their contracts. At a minimum, these procedures and practices should ensure that the awarding of the contract is fair, equitable and cost-effective; contractual obligations are clearly stated and ensure compliance with laws and rules; and contracted providers are complying with contractual obligations and expected deliverables.

The Pasco-Hernando Early Learning Coalition contracted for most of its services in 2004-2005 with two major service providers: Youth and Family Alternatives, Inc. (YFA), and Childhood Development Services (CDS), Inc.

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YFA received approximately \$10.4 million from the Pasco Coalition in 2004-05, and CDS received approximately \$3.2 million from the Hernando Coalition in 2004-05. See Appendix C for additional details on these contracts. These two agencies provide eligibility determinations for school readiness children, screenings and assessments, resource and referral, and other types of support services for providers. YFA also has two contracts with the Pasco County School Board for school readiness services, and the PLACE contract for school aged children.⁴

The coalition's 2004-2005 contracts with its major service providers generally complied with the law and OEL policies. However, as discussed below, the Pasco and Hernando coalitions' contracts with YFA and CDS were missing two important components.

- *A process for resolving disputes was missing from the contracts.* The contracts did not include procedures whereby disputes concerning the performance of the contracts would be resolved. These omissions make the coalition vulnerable to litigation or protracted disputes with providers over contractual obligations since there is not an agreed upon resolution process outlined in the contract.
- *Conflict of interest statements were missing.* Neither contract included a clause stating how conflicts of interest would be handled.

RECOMMENDATIONS:

- The coalition should amend its contracts with services providers to include the following provisions:
 - Procedures for resolving disputes concerning the performance of the contracts. At a minimum, these procedures should outline who the provider should first contact regarding the dispute, the coalition's responsibilities once a formal dispute has been brought to its attention, and relevant timelines for the process.
 - Procedures for handling conflict of interests.

While the coalition monitored most of its service providers, it did not monitor the Pasco County School District during 2004-2005. Since the school district received a large portion of the Pasco Coalition's quality initiative funding during 2004-2005, the coalition cannot ensure that the quality funding for Pasco County was used in a manner consistent with contracted purposes and requirements. In addition, the coalition should improve the types of programmatic information that it regularly receives and analyzes from providers.

Since some coalitions contract out most of their services, it is important that coalitions monitor their providers to ensure they are meeting contractual obligations and delivering high quality services to the children and families receiving services. Thus, in addition to comprehensive and onsite monitoring of its service providers, coalitions and executive directors should also regularly receive and analyze reports from providers on the quality and quantity of all services delivered by the coalition and its sub-recipients/contractors. The types of information that could be beneficial include enrollment data, wait list activity, referrals, assessments and screening conducted, parent or child-care provider complaints, and support services provided to families.

⁴ PLACE programs, which are operated by school districts, provide after school care to families.

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The coalition did not monitor the Pasco County School District during Fiscal Year 2004-2005. The coalition monitored most of its major service providers in 2004-2005, including Youth and Family Alternatives, Inc. (YFA), and Childhood Development Services. However, the coalition did not monitor the Pasco County School District during 2004-2005. Since the school district received a large portion of the Pasco Coalition's quality initiative funding that year, the coalition cannot ensure that the quality funding for Pasco County was used in a manner consistent with contracted purposes and requirements. In fact, as discussed in the section on financial issues, the review of financial data found that school district used approximately \$43,318 of its \$356,631 quality contract for costs that are not allowable from federal Child Care Development Funds.

The coalition should improve the types of programmatic information and reports that are regularly received from providers and analyzed. Based on interviews with board members and a review of information provided by the executive director, the review team concluded that the coalition regularly receives and reviews detailed financial information from most of its service providers. Board members were generally pleased with the types of financial information they received from service providers. However, the team could not find evidence that the board or executive director regularly receive and review information on the quantity and quality of services being provided by the coalition. To effectively oversee their programs, coalitions should systematically and regularly analyze programmatic information such as enrollments, wait list activity, referrals, assessments and screening conducted, parent or child care provider complaints, and support services provided to families.

While the review of board minutes found that the coalition's service providers periodically reported enrollment to the board, the information was fairly limited and the executive director did not provide evidence that he regularly reviews and presents programmatic information to the board. For example, the executive director stated that he does not receive a regular report from his service providers regarding parent or child care provider complaints. Without regular information on the quality and quantity of all services delivered by the coalition and its sub-recipients, it is unlikely that the coalition is effectively overseeing the programs for which it is responsible.

RECOMMENDATIONS:

- **The coalition should conduct (or contract for) a comprehensive monitoring review of each of its service providers.**
- **The coalition (executive director and board) should improve the types of programmatic information and reports that it regularly receives and reviews from its service providers. At a minimum, the coalition should regularly review information on enrollments, wait list activity, referrals, assessments and screening conducted, parent or child care provider complaints, and other support services provided to families.**

Financial Issues

The financial review conducted by OEL found three issues that result in questioned costs totaling approximately \$739,173. Specifically, the coalition failed to meet the match requirement of its grant for three years, resulting in questioned cost totaling \$695,854. In addition, the school district used approximately \$43,318 of its quality contract for costs that are not allowable from federal Child Care Development Funds.

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Questioned costs totaling \$344,322 result from the State's share of funding that was not matched by Youth and Family Alternatives (YFA) during FY02-03, FY03-04, and FY04-05 combined.

In the 2004-2005 Notice of Grant Award, Pasco County School Readiness Coalition (Pasco) is responsible for obtaining local match totaling \$146,344. The coalition subcontracted this responsibility to Youth and Family Alternatives, Inc. (YFA).

In the contract between Pasco and YFA, Attachment I, Section 3.c. Funding allocations, specifies that in accordance with this section, payment by the Coalition for Low Income services is contingent upon an expenditure by the Provider (YFA) of local matching funds. The matching requirement for this contract totaled \$146,344. See Appendix D for additional information on matching requirements.

YFA, Inc.'s Chief Financial Officer indicated that YFA receives a small amount of matching funds from Pasco County and the United Way. The remainder of the match requirement was achieved based on In-kind (non-cash contributions) valuations obtained from the District School Board of Pasco County. The In-kind valuation was calculated by YFA based on a School Board Approved (market) Rate subtracting the actual rate charged by the School Board to parents to yield an In-kind value. YFA and the School Board claim that the School Readiness Program was charged the same rate that the School Board charges the general public, which is a federal requirement. YFA's Chief Financial Officer indicated that this same methodology has been used by YFA since the inception of its contract in Pasco County in 1995⁵. YFA prepared the calculation schedules for the In-kind valuation and emailed the schedules and a form letter to a School Board Supervisor with instructions to print the letter on School Board letterhead, sign, and return to YFA. These instructions were followed.

The School Board's Supervisor of Child Care Educational Programs indicated that the School Board does not provide anything of extra value to the School Readiness program that would meet the criteria for In-kind, because the rates fully cover the cost of care and payments to the School Board for facility usage and the fees charged to YFA for each child are the same rates that are charged to the general public. The Supervisor acknowledged signing the letter prepared by YFA as was done by her predecessor. The letter states in part "This letter is in response to your request for information regarding In-kind valuation for the fiscal year July 1, 2004 through June 30, 2005. In-kind valuation is calculated as the difference between the daily rate charged at our PLACE centers and the approved rate per the District schedule for the referenced fiscal year."

YFA indicated that it claimed \$881,137 of In-kind valuation for program purposes between FY1995-96 and FY2004-05. However, this review focuses on the three prior fiscal years, FY2002-03 through FY2004-05. The following schedule depicts the required match amount, In-kind and Cash Contribution claimed by YFA, Cash Match reported to AWI for federal reporting purposes, and the In-kind expenses charged to non-direct services by YFA for the last three fiscal years.

⁵ No problems with in-kind match were cited in prior monitoring reports or YFA's annual audit. The documentation supporting the calculations was adequate to substantiate the amount, it was authorized on official school district letter head, and the methodology applied was consistent year to year. Apparently, the auditors did not question what benefit was derived for the program.

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Fiscal Year	Notice of Grant Award Required Match	In-kind Booked	Cash Match Collected		Federally Reported Cash Match	YFA Budget
			Pasco County	United Way		In-kind expenses charged to 97BBD
02-03	\$145,384	\$117,884	\$15,000	\$12,500	\$28,164	\$117,844
03-04	\$146,344	\$113,844	\$18,750	\$13,750	\$25,513	\$116,844
04-05	\$146,344	\$112,594	\$20,000	\$13,750	\$33,748	\$116,844
Totals	\$438,072	\$344,322	\$53,750	\$40,000		\$351,532

Conclusion: The \$344,322 (In-kind booked) represents an equal amount of funds that the state paid to the Pasco Coalition for Direct Services in good faith that the Coalition had satisfied its match requirement assuming a 1 to 1 match ratio. Because the In-kind match claimed by YFA each fiscal year is unallowable, the state's share, totaling \$344,322 for FY02-03, FY03-04, and FY04-05, should be returned to the state.

RECOMMENDATIONS:

- The coalition should develop and submit to AWI a corrective action plan that identifies strategies for meeting the match requirement in future fiscal years.
- Contingent upon approval of the above plan, the coalition may request from AWI alternative remedies for repayment of the \$344,322 in questioned costs.

Questioned costs totaling \$351,532 result from the Coalition's approval of YFA's fiscal budgets where YFA billed the state for an amount equivalent to what should have been YFA's share of match funds.

In the contract between Pasco and YFA, Section IV. FUNDS, specifies that this is a fixed price contract for Non-Direct and Quality Initiative services and a cost reimbursed contract for Project Safety Net and School Readiness Child Care services.

According to the Pasco Executive Director, YFA developed a fiscal year budget for the Non-Direct and Quality Initiative contracted services which was submitted and approved each year by the Pasco Board. The YFA 2004-05 budget totaled \$712,560 and was approved by the Coalition Board and paid to YFA in 1/12th fixed monthly installments over the 2004-05 fiscal period. A line item in that budget is titled In-kind expenses and totaled \$116,844 (see Schedule in previous finding).

YFA's Chief Financial Officer indicated that budget totaling \$712,560 was paid to YFA in fixed amounts of \$59,380 each month and included the In-kind expense, totaling \$116,844, and was charged to the state through the 97BBD cost accumulator. This amount was budgeted in this manner to compensate for the cash match requirement that YFA was not able to obtain from Pasco County or the United Way. YFA budgeted this, because the State's required invoicing system reduces each monthly invoice by an amount until the match requirement is satisfied. YFA would not have sufficient cash available from Direct Services reimbursements to pay the service providers. So, YFA supplemented its cash needs with the In-kind expense and billed it to the State. This is an unallowable methodology.

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Conclusion: The \$351,532 represents the total budget for In-kind expenses from FY02-03, FY03-04, and FY04-05 that YFA was not entitled to receive from state funds and were charged in the Nondirect Services cost accumulator. Federal law prohibits providers charging School Readiness children more than what is charged to the general public children. The calculation methodology employed, in essence charged the School Readiness children more than what is charged to the general public, but called the difference "In-kind valuation."

RECOMMENDATIONS:

- The coalition should develop and submit to AWI a corrective action plan that identifies strategies for meeting the match requirement in future fiscal years.
- Contingent upon approval of the above plan, the coalition may request from AWI alternative remedies for repayment of the \$351,532 in questioned costs.

Questioned costs totaling \$43,318.71 result from the Pasco School District utilization of School Readiness Quality Services funds for costs that are not allowable from federal Child Care Development Funds.

For 2004-05, the Pasco Coalition entered into a \$356,631 fixed priced contract with the District School Board of Pasco County for School Readiness Quality Services. Attachment I of the contract specifies a list of services that will be provided for \$256,254 and payment is based on the number of children enrolled and will cover the cost of salaries and benefits totaling \$256,254. Attachment II specifies services and method of payment for Early Head Start Quality Services for \$100,377 and will cover the cost of salaries and benefits. In June 2005, the Coalition Board voted to not fund this contract for 2005-06. Subsequent to this, the School Board voted to discontinue providing School Readiness services to 17 classrooms through its contract with YFA. The School Board Superintendent stated that the School Board believes that it cannot continue providing School Readiness services to eligible families without this funding.

Examination of School District budget summary and expenditure ledger details indicates that quality expenditures were not solely for salaries and benefits as specified by the contract terms. These funds were expensed as follows.

Description	Amount
Classroom Teachers, Other Instruction	\$ 63,232.02
Other Instructional Support	89,270.77
Paraprofessionals	67,379.82
Benefits (retirement, social security, insurance, Flex benefits)	65,996.16
ESOL	36,660.00
Health Services (children's medical and dental payments)	2,889.91
Travel	2,171.72
Other Instruction – (children's meals)	40,428.80
Health Services – supplies	162.72
Other Material & Supplies – Health Services	327.27
Total	\$368,519.19

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Based on Title 45 Code of Federal Regulation, Part 98, Section 98.51 Activities to improve the quality of child care, some of the services provided by the School Board do not qualify as allowable use of the Child Care and Development Funds. For example, Meals (\$40,428.80) and health care costs (\$2,889.91) are covered by other State of Florida programs and are not allowable to be funded with AWI School Readiness Program funds.

It is recognized that some of the salary costs for employees that provided training and technical assistance in areas appropriate to the provision of child care services such as health and safety, nutrition, first aid, etc. are allowable under the federal regulations. It is noted that this examination did not include in-depth testing that would be required to evaluate the specific allowability of the employee salaries.

With regard to the contract between Youth and Family Alternatives, Inc. (YFA) and the District School Board of Pasco County for purchase of School Readiness Child Care Services, this is a completely separate contract from the Quality Contract and one is not dependent on the other. YFA pays the School Board based on the number of eligible children enrolled and in attendance and the amount paid is the same rate charged to non-school readiness/private pay rate children which is a methodology consistent with federal law. If the School Board has established rates that are too low to cover its costs, it has the authority to increase its rates.

RECOMMENDATIONS:

- **The coalition should take the following corrective actions regarding its quality funding:**
 - **Refund \$43,318.71 (unallowable \$2,889.91 medical payments and \$40,428.80 meals), to AWI pursuant to program instructions FPSR-PI-FSM-04-02 Cash Management.**
 - **Pursue recovery of the \$43,318.71 from the Pasco County School Board.**
 - **Develop a new plan for the delivery of Quality Services in Pasco County and submit this plan amendment to OEL for approval.**

Appendix A

Best Practices for Coalition Governance and Operations⁶

Practice Area	Best Practice
Coalition and Executive Director Roles and Responsibilities	The roles and responsibilities of the coalition and executive director have been clearly delineated, and board members and the executive director have policies to ensure that they have effective working relationships.
Board Composition and Operations	<p>The board composition and member terms comply with House Bill 1A, and OEL policies, and the coalition has developed strategies to maintain compliance particularly with regard to private sector members.</p> <p>The coalition and executive director have procedures to ensure that board meetings are efficient and effective.</p> <p>The board has established an effective committee structure to facilitate decision making, improve information sharing, and incorporate additional expertise as needed to ensure program success.</p> <p>The coalition routinely obtains legal services to advise it about policy and reduce the risk of litigation and instances of noncompliance with federal and state laws.</p>
Organizational Structure and Staffing	<p>The coalition has legally established itself as a corporation in a manner that complies with Florida Law and OEL policies and will ensure the board is able to effectively perform its responsibilities.</p> <p>The coalition's organizational structure has clearly defined units and areas of responsibility, and the coalition has procedures to effectively manage coalition personnel.</p> <p>The coalition periodically reviews its use of administrative funding and makes changes to ensure that the board is operating efficiently and effectively, and to eliminate unnecessary administrative staff positions when appropriate.</p>
Oversight of Programs and Resources	<p>The executive director and coalition board exercise effective oversight of the coalition's financial resources.</p> <p>When necessary, the coalition considers options to increase revenue from alternative sources.</p> <p>The executive director and coalition board exercise effective oversight of the coalition's programs and services.</p>

⁶ These practices were partially adapted from the Office of Program Policy Analysis and Government Accountability's Best Financial Management Practices.

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Appendix B

Coalition Meetings and Public Notices

Meeting	Meeting Date	Date Meeting Publicly Noticed	Process for Noticing Meeting
Joint Board Meeting	4/5/2005	3/29/2005	major newspaper
Pasco Advisory Council	4/7/2005	3/31/2005	major newspaper
Hernando Council	4/20/2005	4/15/2005	major newspaper
Pasco Advisory Council	4/28/2005	4/21/2005	major newspaper
Joint Board Meeting	5/5/2005	4/28/2005	major newspaper
Hernando Council	5/11/2005	5/3/2005	major newspaper
Budget Committee	5/13/2005	5/11/2005	major newspaper
Nominating Committee	5/19/2005	5/19/2005	coalition door
Joint Board Meeting	5/19/2005	5/12/2005	major newspaper
Budget Committee	5/20/2005	5/17/2005	major newspaper
Nominating Committee	6/1/2005	5/23/2005	major newspaper
Joint Board Meeting	6/1/2005	5/23/2005	major newspaper
Pasco Advisory Council	6/2/2005	6/1/2005	major newspaper
Hernando Council	6/8/2005	6/1/2005	major newspaper
Budget Committee	6/10/2005	6/6/2005	major newspaper
Nominating Committee	6/16/2005	6/9/2005	major newspaper
Joint Board Meeting	6/16/2005	6/9/2005	major newspaper
Executive Committee (Conference Call)	6/30/2005	6/29/2005	major newspaper

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Appendix C

Pasco Coalition Contracts FY 2004-2005

	Period	Contract Amount	Service provided
Coalition Grant Award with Office of Early Learning			
Pasco School Readiness Coalition, Inc.	7/1/2004 -6/30/2005	\$11,538,795	
Provider Contracts with Pasco School Readiness Coalition			
Youth and Family Alternatives, Inc.	7/1/2004 -6/30/2005	\$10,446,564	Provide school readiness services to children of eligible families.
The District School Board of Pasco County	7/1/2004 -6/30/2005	\$256,254	School Readiness Quality Services
The District School Board of Pasco County	7/1/2004 -6/30/2005	\$100,377	School Readiness Quality Services-Early head Start Program
Fontana- Certified Public Accountants	An agreement		Fiscal Agent
Contract with Youth and Family Alternatives, Inc.			
District School Board of Pasco County	7/1/2004 -6/30/2005	Negotiated daily rate based on Coalition's rate schedule	Provide school readiness services to children of eligible families.
District School Board of Pasco County (PLACE)	7/1/2004 -6/30/2005	Negotiated daily rate based on Coalition's rate schedule	Provide services to school age children of eligible families.

Hernando Coalition Contracts FY 2004-2005

	Period	Contract Amount	Service provided
Hernando Coalition Grant Award with Office of Early Learning			
Hernando School Readiness Coalition, Inc.	7/1/2004 -6/30/2005	\$ 3,612,424	
Provider Contracts with Hernando School Readiness Coalition			
Childhood Development Services, Inc.	7/1/2004 -6/30/2005	\$3,255,292	Provide school readiness services to eligible families
School Board Of Hernando County	7/1/2004 -6/30/2005	\$20,000	Prepare children for entrance into Kindergarten
Childhood Development Services, Inc.	7/1/2004 -6/30/2005	\$12,046	Fiscal Agent
The Harbor Behavioral Health	7/1/2004 -6/30/2005	Fixed rate Schedule	Mental health Services
The Mentor Network, Inc.	7/1/2004 -6/30/2005	Fixed rate schedule	Mental health Services
Deborah Andrews	8/30/2004 -6/30/2005	\$21,000	Inclusion and Behavioral Specialist
Noreen St. jean	8/30/2004 -6/30/2005	\$26,000	Infant & Toddler Resource &

			Community Outreach Specialist
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Appendix D

Criteria Used in the Review of Financial Information:

State Proviso Language. The State’s Proviso language specifies a requirement of match from local sources for working poor eligible participants of 6% on child care slots. In-kind match is allowable provided there is not a reduction in the number of slots or level of services from the provision of In-kind match.

Florida Partnership for School Readiness, Board Action Item 2002-60, adopted a policy to grant a waiver of the 6% match requirement to a rural county that demonstrates a significant hardship in meeting the match requirement.

2004-2005 Grant Terms and Conditions, Section 7. Local Match. Terms specify that Working Poor Eligible Participants - In accordance with the proviso included in the 2004-2005 General Appropriations Act, funds in Specific Appropriation 2122F require a match from local sources for working poor eligible participants of six percent (6%) on child care slots or at the 2003-2004 funding level on child care slots prior to the approval of the waiver for local match, whichever is less. In-kind match is allowable provided there is not a reduction in the number of slots or level of services generated by the provision of In-kind match. A rural county that demonstrates significant hardship in meeting the match requirement may request a waiver of the match requirement, pursuant to Board Policy 2002-60 adopted by the Partnership. Waiver of local match requirements and procedures are contained in FPSR-IM-FSM-03-03. The Coalition shall be responsible for securing and documenting the necessary match as stated on the grant award and as documented by quarterly reports submitted to the Partnership by the Coalition. Match requirements may not be obtained from parents/guardians of School Readiness services recipients, nor may the match requirement be passed on to the service providers.

Section 7.c. specifies that the Coalition shall calculate and report local match requirements within the approved School Readiness data system.

General definition of In-kind contributions. To qualify as In-kind match contributions, certain conditions apply to non-cash contributions. Non-cash contribution may consist of grantee contributions such as property or depreciation of equipment, or third party contributions including services, equipment, or property. Contributions of cash by a third party are not considered In-kind contributions but rather make up part or all of the grantee cash contribution. To qualify as In-kind, the contribution must be necessary and reasonable to accomplish the project objectives. It cannot be from a federal source. It cannot be program income. It cannot be used to match another federal grant. It must be an allowable cost. It must be applicable to the grant period to which the cost sharing requirement applied. In-kind contributions must be documented and verifiable in the grantee’s records. Records must be maintained to support the valuation placed on the In-kind contribution.

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FPSR-PI-FSM-04-07 OCA Working Definitions, 97BBD - Funding TYPE is TANF Eligible, CCDF Eligible, and State GR Eligible. Cost Type – is Administrative Code, non-direct costs subject to 14% cap. Working Definition – Child Care services actual expenditures not for the care given to an eligible child by an eligible child care provider. Examples include social services, child care placement, recruitment of providers, preparation and participation of judicial hearings, program development, health screening and diagnostic services. Reimbursement for this category is capped at 19% of total expenditures less reimbursement for administrative costs (see 97BBA). This does not include eligibility determination costs (see 97BDE).

TITLE 45--PUBLIC WELFARE AND HUMAN SERVICES
PART 98--CHILD CARE AND DEVELOPMENT FUND--Table of Contents
Subpart F--Use of Child Care and Development Funds
Section 98.51 Activities to improve the quality of child care.

(a) No less than four percent of the aggregate funds expended by the Lead Agency for a fiscal year, and including the amounts expended in the State pursuant to Sec. 98.53(b), shall be expended for quality activities.

(1) These activities may include but are not limited to:

(i) Activities designed to provide comprehensive consumer education to parents and the public;

(ii) Activities that increase parental choice; and

(iii) Activities designed to improve the quality and availability of child care, including, but not limited to those described in paragraph (2) of this section.

(2) Activities to improve the quality of child care services may include, but are not limited to:

(i) Operating directly or providing financial assistance to organizations (including private non-profit organizations, public organizations, and units of general purpose local government) for the development, establishment, expansion, operation, and coordination of resource and referral programs specifically related to child care;

(ii) Making grants or providing loans to child care providers to assist such providers in meeting applicable State, local, and tribal child care standards, including applicable health and safety requirements, pursuant to Secs. 98.40 and 98.41;

(iii) Improving the monitoring of compliance with, and enforcement of, applicable State, local, and tribal requirements pursuant to Secs. 98.40 and 98.41;

(iv) Providing training and technical assistance in areas appropriate to the provision of child care services, such as training in health and safety, nutrition, first aid, the recognition of communicable diseases, child abuse detection and prevention, and care of children with special needs;

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(v) Improving salaries and other compensation (such as fringe benefits) for full-and part-time staff who provide child care services for which assistance is provided under this part; and

(vi) Any other activities that are consistent with the intent of this section.

(b) Pursuant to Sec. 98.16(h), the Lead Agency shall describe in its Plan the activities it will fund under this section.