



JOINT EXECUTIVE COMMITTEE MEETING MINUTES

ELCIRMO and St. Lucie ELC
December 14, 2016

St. Lucie ELC Office
4472 Okeechobee Road, Fort Pierce

ELCIRMO Executive Committee Members

Brandon Tucker, Chair
Michelle Akins
William Laughlin
Tom Peer
Deborah Schooley

ELCIRMO Other Members & Staff

Susan Curtis, Board Member
Brooke Flood, Board Member
Jacki Jackson, CEO
Angela Davis-Green, Director of Family Services
Zack Hackley, Director of Finance
Pat Houston, Director of Provider Services
Migdalia Rosado, Director of Operations
Loretta Toth, Executive Assistant
Malissa Morgan, A Child's World
Brenda Neely, Bridges Early Learning Center
Julio Olivero, Okeechobee Children's Academy
Juelie Perry, TLC Preschool

St. Lucie County ELC Executive Committee Members

Jarrod Trefelner, Chair
Sean Boyle
Dee Coyle

St. Lucie County Staff & Others

Tony Loupe, CEO
Mike Hallenstein, Chief Financial Office
Kerrie Hurley, Executive Administrative Asst.
Michele Zavelghorba, Director of Family Services
Deb LaBella, Director of Programs
Donna Diaz, Operations/HR Manager

St. Lucie County ELC Strategic Planning Committee

Kathryn Hensley
Jennifer Nunes

Florida's Office of Early Learning

Rodney MacKinnon, Executive Director

State Representative, Erin Grall

Prior to the meeting, ELCIRMO distributed results of a polling of providers.

Discussion meeting between St. Lucie County Early Learning Coalition and the Early Learning Coalition of Indian River, Martin and Okeechobee Counties opened at 9:10 a.m. This was the first Joint Meeting of the Executive Committees regarding the possibility of a merger.

Roll call was taken for ELCIRMO and a quorum of the ELCIRMO Executive Committee was present. Introductions were made.

ELCIRMO Chair, Mr. Tucker, summarized how conversations initiated regarding a possible merger. The ELCIRMO Board approved moving forward with conversations to determine the pros and cons of a merger and requested input from everyone. Mr. Trefelner, St. Lucie ELC Chairman, opened the floor for comment.

Ms. Hensley spoke of the state demographics, pointing out that the 4-county circuit is a positive. A negative aspect would be the board composition, however models are in place to promote a fair and balanced merger structure.

Ms. Nunes was intrigued by the poll of the providers. As one organization, there may be a benefit to those families that work in one county and reside in another. Independently, both organizations operate very well, but the bottom line is whether more children can be served. Ms. Hensley commented that the personal touch cannot be lost.

Mr. Tucker admitted not knowing much about St. Lucie Coalition but commented on the poor condition of ELCIRMO when Ms. Jackson became CEO and the exceptional job she has done to streamline and create a very efficiently-run organization, and he does not wish to jeopardize that. However, he is interested in whether better service can be provided with less dollars.

Mr. Laughlin questioned the vision of a merged organization.

Mr. Tucker commented that in a perfect world if \$400,000 would be available, a foundation could be established, and he questioned whether that is possible with a merger.

To explain a little about St. Lucie Coalition, Mr. Trefelner commented that they are in the middle of a strategic plan, setting goals for 3-5 years, which include working directly with providers to give better service to children, and looking for ways to raise dollars through the community.

In response to Mr. Tucker's question about private fundraising, Mr. Loupe commented that St. Lucie receives funding through CSC and United Way grants, as well as other foundations, and they annually hold a fundraiser, the Family Fun Day, which nets between \$5,000 and \$8,000. Ms. Hensley on the inability of St. Lucie ELC to make a case for the return on investment for early learning.

If the coalitions merge, Ms. Curtis questioned how large the coalition would be in comparison to other coalitions throughout the state. Mr. Loupe indicated that both coalitions are very similar in size and are both considered small coalitions. Once merged, they would be about 10th in size out of the 30 coalitions statewide. Mr. Loupe distributed a chart of comparative coalitions.

Ms. Morgan did not feel the comparison of other mergers was valid due to the dense population and geographical size. She expressed concern that currently the Okeechobee office is not staffed on a daily basis. However, the ELCIRMO staff is the best staff she has ever worked with, regardless of who the CEO is or will be. As a provider, the fear of a merger is that Okeechobee will now be competing with other counties. Mr. Boyle pointed out that all aspects of the merger are to scale and everyone can benefit. The details must all be worked out.

Ms. Morgan further commented on the Gold Seal pay rate with St. Lucie at 15% versus ELCIRMO at 18%, which is a loss for providers.

Mr. Peer discussed the importance of forming an equal board with equal representation.

Juelie Perry arrived at 9:35 a.m.

Mr. Loupe commented that the new board would make decisions moving forward, suggesting that each coalition may continue to run somewhat separate with pay rates, funding structure, etc. until a decision could be made on all aspects. In addition, there is already a familiarity among board members who sit on both boards. As CEO, he is looking at this as an opportunity to bring the best of both coalitions, utilizing individual strengths to improve efficiency and increase quality. There may be an opportunity to create positions and work on quality initiatives.

Mr. Tucker commented on the importance of protecting staff. Outside of reducing positions, he questioned the #1 way to become more efficient and save dollars. Mr. Loupe replied that leases and other expenses would be reviewed, and there would be one website cost. In addition, St. Lucie

would remain the main headquarters due to the centralized location and satellite offices would remain in each county.

Mr. Trefelner indicated there would be an opportunity to improve technology for St. Lucie ELC to become more efficient, making it easier for providers as well as students. Mr. Loupe commented that St. Lucie would like to become as technologically advanced as ELCIRMO, as well as become paperless.

On a quality level, Mr. Loupe reported that St. Lucie contracts with Tykes and Teens piloting trauma informed care and infant mental health at four centers. He has built many relationships throughout the communities.

Ms. Schooley questioned if the elimination of a CEO salary would mean more dollars for serving children and if so, how would that be allocated. Mr. Loupe replied that dollars would be allocated based on current percentages used for allocating funds.

Brooke Flood arrived at 9:50 a.m.

Mr. Loupe discussed the differences in the SR and VPK programs. SR requires families to register in the county in which they reside and VPK requires registration in the county in which the child will attend. The benefit to the parent is registering in one location. However, there will always be families who live on the outskirts of a county seeking services in another county.

Ms. Schooley questioned the staff structure due to the increased size. Ms. Loupe commented on the opportunity to create positions, giving an example such as two Program Directors with one overseeing Resource Specialists and the other overseeing quality initiatives. By requiring some staff to apply for positions, it would result in a strong coalition. Ms. Nunes explained the opportunity to enable a unified coalition to focus on quality, by filling positions with the best qualified.

Mr. Rodney MacKinnon, Executive Director of Florida's Office of Early Learning, arrived at 9:55 a.m.

Mr. Tucker commented that Mr. Loupe, as the CEO, will have the authority for hiring and firing. He asked Ms. Morgan if having someone in Okeechobee on a full-time basis is important and could the merger provide this? Ms. Morgan replied that having the Okeechobee office staff available to providers and families is what the coalition is about. She questioned how the newly merged coalition will provide quality services with the possibility of eliminating positions, while merging two coalitions of identical size and budget and double the workload.

Ms. Hensley suggested that the professional staff from both organizations work together to see what efficiencies could be gathered from this opportunity and any detriments that may exist. According to Ms. Nunes, two important items for consideration are how the children can benefit and how this benefits or hurts the providers.

Ms. Grall commented that without quality, we are simply warehousing kids. She feels the comments made do not portray an accurate representation of Indian River's opinion of IRMO. Indian River County is very much in favor of a merger. The one-question poll emailed to providers without any details was disingenuous and caused alarm. She recommended a leadership discussion with all stakeholders.

Tom Peer arrived at 10:10 a.m.

Ms. Grall encouraged a full conversation of both boards about how to approach the stakeholders. Indian River should be allowed to explore the option of combining with St. Lucie. The 19th Judicial Circuit of the four counties is a strength for the organization. Any messages going forward should be done in a comprehensive way.

Mr. Tucker acknowledged ELCIRMO's lack of presence in Indian River County as a weakness and his desire to improve.

In response to the poll emailed to providers, Mr. Laughlin expressed the haste with which the idea of a merger was proposed to the board, with a request to have a decision made by February 28th. In an effort to obtain feedback before this meeting, Mr. Tucker explained it was his idea to poll the providers for their comments, and it is strictly exploratory.

Mr. Trefelner requested to hear from staff.

Ms. Houston explained the differences in culture between the two organizations and explained how staff at ELCIRMO works individually with providers to improve quality. She discussed the recent grant received for the VPK Completer's Program in Martin County and initiatives such as Grade Level Reading and Oral Health Initiative. The assistance that providers receive from staff is a strength of ELCIRMO. St. Lucie is involved in the Tykes and Teens initiative, which she would like to see extended into the other counties.

Ms. Nunes recognized that culture will change, resulting in a hybrid. Diversity of the counties needs to be considered, as St. Lucie County is very different from the other counties. Ms. Hensley agreed with the diversity of St. Lucie County culture.

Mr. Tucker would like pros and cons to be quickly identified and presented to both committees. Mr. Loupe suggested both senior management teams establish a discussion meeting before the end of next week.

From a statewide standpoint, Mr. MacKinnon provided examples of larger and more diverse coalitions. There are no concerns from the state level and OEL is available to assist in any manner required. Mr. Trefelner asked Mr. MacKinnon what efficiencies or detriments have resulted from past mergers. No major issues were noted and would probably result in more children being served and more cohesive quality initiatives.

Mr. Laughlin questioned if there is risk of losing CCEP funding as a larger coalition. Mr. MacKinnon explained that CCEP funding is allocated based on who can receive match funding, then a formula is developed and applied by the CCEP Board.

Ms. Schooley questioned why and how the split of the four counties originally with ALPI occurred. It was explained that the change took place due to implementation of new laws.

Mr. Boyle questioned how the merger would impact raising local match. Mr. MacKinnon explained that a county's inability to meet match must be documented, but funding is not jeopardized, as some of the larger coalition's raise more than their share.

Mr. Laughlin expressed concern with the apparent rush in moving forward, noting that from a business standpoint only 49% of mergers are successful. The plan must be well thought out. Discussions today have not led to a compelling reason to merge. Ms. Nunes commented on the prematurity of any decision until there are further discussions. A common vision cannot be realized until the basic steps have been taken.

Based on the diversity of the three counties, Ms. Hensley commented there most likely is not a hometown feel. It is up to the group to decide on a culture and start creating it. Ms. Coe responded that the hometown feel is brought about from the people. This meeting is to bring forth information and decide if another meeting should take place. The focus should be on the children primarily. The vision should be a collaborative vision. The merger should not be rushed. The parties need to decide how a merger will solve some of the cons, bring more quality for the children and more local match. The focus today ----is there enough interest to move forward with another meeting?

Ms. Perry introduced herself as a childcare owner/director in Indian River County. She confirmed the presence of a hometown feel in both Indian River and Okeechobee. Through hard work with providers and staff, a cohesive unit has been formed in each county to meet the needs in each county. She remarked that the feel in Okeechobee is similar to that of Fellsmere, which is non-

existent in many minds, and similar to that of Indiantown. Further conversations must be reviewed on both a business and humanistic perspective keeping in mind how the quality of services will impact providers and families.

Summarizing, Mr. Trefelner stated that St. Lucie ELC is open to the potential of a merger, recognizing the importance of moving forward slowly, strategically and smartly. Rushing into a good decision is a bad idea. Mr. Tucker agreed not to rush. As an Interim CEO is in place, he is not concerned with that aspect, but is concerned about the insecurities of staff. He requested a timetable moving forward.

Mr. MacKinnon indicated that in terms of a timeline, there is none from the state perspective. July 1st would be the easiest date because it is the beginning of a new fiscal year, but the state will help at any time. The only reasons for the state to disallow or postpone the merger would be the submission of unacceptable documentation or a dramatic increase in costs. In the future, all coalitions will be serving fewer children due to federal changes.

Mr. Tucker suggested ELCIRMO's Executive Committee meet after receiving feedback from the senior staff. In response to Ms. Jackson's question about what senior staff should bring back to the table, Mr. Tucker suggested a list of how each senior staff sees the pros/cons, efficiencies gained, and potential problems.

Ms. Flood introduced herself as Coordinator of School Readiness for Indian River County and an ELCIRMO board member. As the organization grows, there may be a need for all staff to continue in their positions to accommodate four counties. Cost effectiveness will be important. Mr. Loupe stressed the importance of what efficiencies can be gained immediately, as well as in 2 years and in the long run.

Mr. Hackley requested to see a cost-saving analysis to see how dollars can be saved to serve more children.

Mr. Tucker thanked everyone for coming.

Mr. Trefelner adjourned the meeting at 11:00 a.m.

Respectfully submitted,

Approved 1/17/17

Brandon Tucker, Chair
BT/lt