

Kids Central Incorporated Board of Directors Meeting April 15, 2014

The Board of Directors of Kids Central, Incorporated, met Tuesday, April 15, 2014, at Kids Central's Administration Office. Will Sturgill, President, called the meeting to order at 11:00 a.m. after determining a quorum was present.

Board Members present: Mike Standifur, Thomas Williams, Edward Hutchinson Sr., Bill Dotson, Karen Davis, Ron Kendrick, William Sturgill

Staff present: Darrell Edwards, Paula Bates, Teresa Blair, Lisa Bentley, Rebecca Bolling, Terry Gentry, Tammy Mullins, Christy Fleming, Valerie Lee

Guests present: Sherry Tabor, Child Care Connect of the LENOWISCO District

Presentation of Board Minutes of March 18, 2014 Meeting

Thomas Williams, Board Secretary, presented the minutes of the last Board meeting from March 18, 2014. He stated that the minutes were more detailed for which he was thankful, as well as the fact that the mailing of the minutes in a smaller envelope was more desirable. Mr. Williams thanked Janet Sturgill for her help with this as postage costs were saved.

Motion by Thomas Williams to accept the minutes as written.

Motion seconded by Bill Dotson.

Motion carried by unanimous vote.

Presentation of the Financial Report ending March 2014

Christy Fleming, Comptroller, presented March 2014 financials, which were distributed to the members present. At the end of March, Kids Central was 84% through our fiscal year. The total funds utilized adding Head Start and Early Head Start funds was \$2,722,000. Owed at the end of March for accounts payable is \$68,000, which brings funds utilized to \$2,790,000. Total funds utilized fiscal year to date is 75% of the budget versus 84% of the fiscal year completed. We are right on target. Two weeks ago, Ms. Fleming evaluated where we stood financially in April. If funds remain at the end of the fiscal year, we have discussed utilizing a company, Saratoga from Johnson City, to purchase a new phone system that needs replaced, a new server, and new accounting software. We should have more information toward the end of the month on any remaining funding. Reviewing the major portion of our budget, payroll expenses are at 80.24%; so, we are right in line with our fiscal year for that line item. Operating expenses stand at 77%, taking into account in-kind contributions and last year's purchase of a bus, and USDA reimbursement. Supply expense is \$235,000 less the bus purchase brings us to \$140,000. This is 98% of budget. Although we are at 98% of budget in supplies, we are under budget in travel, mileage, repairs and in gas. These funds will be moved to increase supply expense. Center food moved to \$170,000 utilized. Reduce this expense by USDA reimbursement \$141,000, and we are at \$29,000. With USDA, we operate one month behind; so, we have not received March's reimbursement to date although March's

expenses are in this report. The last section of the report shows checks that were written during February. Ms. Fleming also presented the Food City bill for review that totaled \$13,000. The Lowe's bill included an expense of \$37; the Wal-Mart expense was \$1,226. These credit card bills were presented for review. Mr. Sturgill called for a motion for adoption of the financial report as presented.

Motion by Edward Hutchinson to adopt the financial report as written and presented.

Motion seconded by Thomas Williams.

Mr. Hutchinson pointed out that parliamentary disclosure called for the "filing" of financial reports as auditors check them. Then, you adopt them. Adoption simply means that you follow the recommendations you get from the auditors in the new year. At this time, Mr. Sturgill amended his call for a motion to adopt to one that calls for a motion to "file" the financial reports as presented.

Motion by Edward Hutchinson to file the financial report as written and presented.

Motion seconded by Thomas Williams.

Motion carried by unanimous vote.

Introduction of Guest(s)

Mr. Dotson introduced our guest as Sherry Tabor, a prospective Board Member. She manages the Child Care Connect Resource and Referral Program, serving 24 counties. Ms. Tabor currently serves on the Scott County Head Start Policy Council and Lee County Head Start Policy Council. When she received the email from Ms. Lee extending the opportunity for volunteerism, and with the subtle urging from Dr. Perry to get involved, she took the opportunity to attend the meeting today. Prior to coming on board with Appalachian Community Action, which administers the Child Care Connect Resource and Referral Program, Ms. Tabor worked at Mountain Empire Community College and Tusculum College. She hopes she will be able to contribute to the Board by her service should we choose to elect her into serving. Mr. Edwards, Executive Director, pointed out protocol for nominating Ms. Tabor for membership on the Board of Directors. If after today's meeting she wants to join our Board, she is to let Mr. Dotson know. The nomination would then be put on next month's agenda. It is a simple process for nominating an individual to serve on the Board.

The official installation of new members is in June, the start of our fiscal year. Ms. Tabor could be a seated member in May, if she so chose. Mr. Edwards welcomed Ms. Tabor, extending his pleasure that she chose to attend. Mr. Dotson mentioned he worked with Ms. Tabor before in two different positions and is pleased to have her interest in our Board.

Monthly Updates

- Education Services: Tammy Mullins, Assistant Director for Education Services, reported her department is a busy bunch at Kids Central. We are almost finished with our part year program year. The last day is April 30. The teachers are conducting end of year assessments. We are scheduling our conferences with family members. Terry Gentry and Ms. Mullins are completing staffings this month and next. Ms. Mullins had an opportunity to attend the Leadership Academy last week that was offered by Head Start at no charge other than travel expenses. A practice-based coaching system was the topic of the conference, which we will be able to implement next year at Kids Central. We are trying to fit this system into our current structure. It should mesh really well. Mr. Edwards asked Ms. Mullins where they stood on transitions. She reported that transitioning had been going well, and some of the children are visiting Wise County schools today at Wise Primary. Previously, children have visited Pound and the

City of Norton. It is a challenge to have staff coverage and get these children out to the schools, but we are finishing this process.

- Children & Family Services: Terry Gentry, Assistant Director for Children and Family Services, noted as with Education Services, it is a very busy time for Family Services as we are already planning for next year. Recruitment is in full swing, getting Kids Central’s name in the news and with pamphlets. She asked that if anyone knew of a child and/or family that could benefit from our program to send him or her to Family Services to fill out an application. Lindsey and Terry had been working on Fatherhood activities to complete next year’s initiatives. The department has been working on a calendar for parent training. We are looking for a crafty name for the calendar rather than “parent training” that would draw people in to have fun and get educated all the while. We are also transitioning our children with Individualized Education Plans (IEP). Discussions are under way for these children’s needs for accommodations. Mr. Edwards asked how many four-year-olds we were losing to Pre-K. Ms. Gentry said the number was high, but she did not remember the exact number. She stated we were losing quite a bit of children with regular transitioning to kindergarten as well as to pre-kindergarten. Mr. Sturgill asked if the recruitment was larger this year than last. Ms. Gentry verified that this year is a small amount larger than last.

- Nutrition Services: In Junior Rose’s absence, Lisa Bentley, Family Services Manager, presented the Nutrition Services report for March 2014.

Visits to Kaseyville	Children from 4 full-year classrooms, 11 part-year classrooms, 12 home-base classrooms
Home Base Lunch	Children-55, Adults-76
Adults/Classrooms	1,034
Breakfasts	2,324
A.M. Snacks	1,339
Lunches	4,091
P. M. Snacks	3,942
Fields Trips	4 full-year classrooms, 3 toddler classrooms, 11 part-year classrooms, 12 home-base classrooms
Total Attendance	4,091

- Enrollment and Attendance: Lisa Bentley, Family Services Manager, presented the enrollment and attendance report for March 2014. She distributed the ERSEA Report. Please notice that March attendance was 84.93%, which is basically 85%. 2014 has been the best year for attendance since Ms. Bentley has been keeping track of the reporting. Only one or two months have been below 85%. She is pleased with this year’s attendance. Mr. Sturgill asked if there were any centers that had attendance issues recently or if they are maintaining their attendance. Ms. Bentley stated different areas had issues at different times starting with the Clintwood area and moving to other centers. The year has averaged out to be good attendance everywhere.

- Family Involvement: Terry Gentry, Assistant Director for Family Services reported in the absence of Lindsey Sturgill. Lindsey wanted everyone to know how successful the year was regarding Family Days.

Seven centers had over 70% attendance throughout the program year. Ms. Gentry distributed a graphic representation of Family Day participation for program year 2013-14. The total number of attendees for Family Day in this program year was 1,471, the number of people in the classrooms taking part in activities with the children and staff. One graph contained attendance this year compared to program year 2012-13. The attendance increased greatly from last year to this. Family Day attendance has been communicated to our families; special credit goes out to Lindsey and staff members who communicated how important participation is to the children. Lindsey is in full swing with the blast, which will be this Thursday from 10 a.m. – 2 p.m. at Bullitt Park. If anyone wants to volunteer, please let Lindsey know so she can put you to work. The weather for the Blast is expected to be good. Lindsey scheduled many new activities this year involving engagement. We feel we have performed well in getting our families to realize the value of our programs. We want our families not to just attend, but we need them to be engaged. Ms. Gentry expects this blast to be the best we have had. Mr. Sturgill asked how the Knoxville Zoo trip went. Ms. Gentry reported the trip went great with only seven children not showing that had signed up to attend. This makes the zoo trip the best attendance ever for a Kasey trip. We had beautiful weather and took many pictures, which will be posted on our website.

- Health Services: Becky Bolling, Health Services Specialist, distributed the flyer for tomorrow's free health fair presented by the Health Wagon. She hoped that parents of our children would take advantage of this health fair, especially those without health insurance. One test available is that for hemoglobin levels. Ms. Bolling will also attend the Blast, operating the first aid tent conducting hemoglobin tests for anyone who still needs this test. Hopefully, no injuries will occur during the blast that need medical attention. If anyone knows of a family who can benefit from the free health fair, please let them know about the two dates of the health fair.

- Human Resources: Valerie Lee, Human Resources Specialist, reported during the month of March the items needing approval are:

- Carolyn Collins, Classroom Assistant/Cook/Driver, Pound Center – termination of employment on 03/12/2014
- Crystal Brock, Bus Monitor, Pound Center – hired 03/19/2014
- From yesterday's interview, Nicole Bear, Classroom Assistant/Driver, Appalachia 1 Center – selected for employment
- From yesterday's interview, Leslie Schulte, Classroom Assistant/Driver, Esserville Center – selected for employment

Mr. Sturgill asked for a motion from the floor for approval of the personnel changes presented.

Motion by Mike Standifur to approve the personnel changes as read.

Motion seconded by Thomas Williams.

Motion carried by unanimous vote.

Ms. Lee mentioned that two positions remain open. These positions will be filled in the fall when the new program year starts. These positions are Bus Driver and Classroom Assistant/Cook/Housekeeper, both for the Pound Center. We also have two employees out long term for illness. Ms. Lee asked that the board members present sign the get well soon cards so that they will know they are not forgotten.

OLD BUSINESS

Consolidation Project: Darrell Edwards, Executive Director, gave an update on the consolidation project. Mr. Edwards said the consolidation is progressing. The telephone and computer contractor is on site now getting this work completed. We hope to have the entire contract work done next week. This week, our maintenance staff is transporting equipment and merchandise for the Blast. So far, the maintenance team and mechanic has joined forces and completed all the demolition. We have not had to outsource any of the work including plumbing and electrical. It is amazing what has happened and how much space we have when walls start coming down. We will be ready with this project. If the board members have not been next door and visualized the transformation that is happening, the team is over there working now. When the meeting is over, you can drive over there to see part of the work being done. Just about every space next door has had to have some work completed on it, office being moved and classrooms being developed, and bathrooms being installed. Here in Administration, we are completely moved. Everyone has been moved and is up and running. The offices look great. Mr. Edwards stated he was very pleased about the work that has been done in house up to this point. If a contractor needs to be called, it will be for something that we do not know how to do. We do our own lighting, etc. Mr. Sturgill asked about a date for completion of the consolidation project. Mr. Edwards stated that June 1 is the target date. One classroom will be completed by then, but if the others are not, a later date is okay as they are part year classrooms.

Board Membership: Mr. Edwards reminded everyone of his words that next year would be a transition year for Kids Central, as we would have some members who have expressed concerns about coming back as members. Sister Bernie is one of these, as she wanted to exit the board two years ago when even more transitions were to take place. Mr. Edwards asked Sister Bernie to stay, and she accepted even though her consulting work keeps her very busy. Mr. Edwards has not spoken with everyone else to see if they will serve as members next year. He noted that Mr. Kendrick had to be out a while due to illness. If we get at least twelve of our members back, and we get Ms. Tabor as a new member, we will have a strong board with fourteen members. We would love to have 20 individuals on this board. We do have a committee system, which takes a certain number of board members to make the committee system work. The way it happens now, when work comes in for the board to complete officially, we create a committee to complete that specific task. But, there should be standing committees, especially a financial committee reviewing the budget two or three times a year. It is a highly professional board as there are positions that we are mandated to have such as those with Early Childhood Education expertise, and an experienced attorney. We are a driven board in that we target selection to meet state regulations. All this is being prefaced as next year is our triennial review. The feds will convene here for a week. They look through every shred of paper we have and every document we have created to find out if we are doing the job we say we are doing. For the past couple of triennial reviews, the company has done very well. Last year, there were no findings whatsoever. That is the reason for all that we are doing. We still need to enlist the support of three to five new board members. If we can do that, fine. If not, it is not a critical issue, but it is one that will make Will's job go a whole lot smoother if he had a combined force behind him with some of these permanent committees.

NEW BUSINESS

2014-2015 Budget: Christy Fleming, Comptroller, asked the board members to review the handout on the supplemental budget. The bottom number shows our base increase award of \$240,340. We are back to the 2012 funding level. We had to decrease this year's budget by \$192,000. This amount was added back to the 2014-15 budget and will also include a cost of living increase. Head Start gets \$189,767, and Early Head Start gets \$50,573. This brings the total increase in the original budget submission to \$240,340. The top of the form shows detail of how the increase was distributed in the budget. As you can see, the cost of living adjustment was 1.3%, and we increased the adjustment to 2%, which will increase everyone's wages/salaries June 1 by 2%. This in turn increases FICA expense and retirement. Also, we have made some budget cuts last year to contract services by \$6,000 and the repair expense by \$28,000.

We added these amounts back into the budget. We gave back all the days to the part year and home visitors, which is all included in the salaries. The gas expense increased to cover the ten days for part year centers. Overall, this is where we are putting back the money and giving the cost of living increase. We do believe that we will have an increase in health and dental expense on our part in the fall. We want to keep in place the amount our employees pay, to keep it the same. So, we added \$29,000 in the budget for an increase in Kids Central's part of the employee benefit package for insurance. This is a sum total of where we propose to put the \$240,000. The new budget is due to Philadelphia May 1, 2014. Mr. Sturgill asked when we establish the health and dental insurance rates. Ms. Fleming said we would know in September. The addition of \$29,000 in the budget for increases in that area was an estimate on her part. She does believe that there will be an increase in these costs. Mr. Sturgill called for a motion for the revised budget as presented.

Motion by Thomas Williams to approve the revised budget as presented.

Motion seconded by Ron Kendrick.

Motion carried by unanimous vote.

Mr. Edwards made mention of the fact that this year, even though we were cut \$190,000, we restored five of those cut days this year from the budget that was cut. That speaks well of the way this company is being managed. We were able to add back those five days and did not penalize any of our part year staff for inclement weather days that were missed. The part year staff would have been out those wages, as we could not make up those days. We took care of our staff, the children and their families. In all of that, even though our budget had been cut, I compliment everyone that had a part in that.

Revised Program Calendar 2014-2015: Tammy Mullins, Assistant Director for Education, pointed out that due to getting an adjustment on our budget, the program calendar needed to be adjusted by giving back the part year staff their days. Will need to approve a new calendar. The approval should include adding days to the end of the part year calendar, and for the full year calendar, we made adjustments for in-services days for our Kasey Academy trips. So, we added October 24 and April 10 for the Kasey Academy trips. We also added April 14 for our staff to attend the Virginia Head Start conference, which is held in Abingdon this year. It only comes around a few years where we can actually have our teachers attend this conference. As there were no questions about the adjusted calendars, Mr. Sturgill asked for a motion to approve the calendars.

Motion by Bill Dotson to approve the calendars as presented.

Motion seconded by Ron Kendrick.

Motion carried by unanimous vote.

40th Anniversary Celebration: Darrell Edwards, Executive Director, explained the idea of a 40th Anniversary Celebration. Mr. Edwards asked for suggestions on how to celebrate this anniversary. He explained that the opportunity to celebrate this significant event only comes around once. We have been here a long time and very consistently providing services and adding services as we went along including the Early Head Start program, and including Dickenson County. The history of this company is very rich. Instead of allowing this date to pass, end a fiscal year and start a new fiscal year, our June meeting could be the celebration. Along with installing our new members and awarding our service awards, the idea is to have a reunion with as many of our previous board members and employees as possible, off site at the College with a light lunch. We could conduct business as well as recognize the people who have made this corporation what it is after 40 years. It would cost a few dollars but will not be too expensive. Most

of everything is already in the budget, such as the awards. The light lunch would be the only added expense. This idea is open for discussion. If an official proposal is needed, I will complete this. Mr. Hutchinson, Board Member, suggested we proceed with Mr. Edwards' idea for the celebration. Mr. Sturgill made point of the fact that over the year, a lot of individual involvement has brought the company to the point where we are. Mr. Edwards made note of the fact that the number of children served over the 40 years is extensive, considering we have 420 on the books today. Our lowest enrollment ever was 220 children. If you do your math, it would show that thousands of children and families were impacted. As far as the management leadership, the Board Members who sat on this board over the years, the number continues to grow. Mr. Edwards noted that there would be no way to predict who would come to the celebration once advertised. Mr. Sturgill agreed that a celebration would be a great idea for our 40th anniversary. Mr. Edwards noted that the pride of the company should expand to the people who have served in their roles in this company. They should know who we are in this community, and we are still functioning in our community; we are still here. We are a quality organization. Mr. Sturgill asked about a celebration date. Mr. Edwards suggested the same date as the Board Meeting date so as not to interrupt anyone's calendar from 11:00 a.m. – 1:00 p.m. The Board could have their business and then fellowship afterward in the celebration of 40 years. Mr. Edwards volunteered to send special invitations to individuals who are still living that have had a tremendous effect on this company. Ms. Gentry suggested that we utilize this opportunity to invite community members for recruitment and education purposes. Mr. Edwards specifically mentioned inviting members of the Dickenson County School Board and County Administrator's Office, Norton officials, and more. There are members of the Chamber of Commerce who support our programs that we could invite because they help make us who we are. They are part of the success story. Ms. Fleming also mentioned inviting members of our community who at one time attended Head Start. Mr. Edwards noted that this will not be an easy affair to coordinate. We will need to get a list of individuals to invite and share this with Board Members so they can call the invitee to attend. This will lend a personal touch to the invitation. If the Board needs a proposal, I will get this to you. The staff and Board of Kids Central will develop an awards luncheon that celebrates the 40th Anniversary of the company on June 10 at a place to be determined with a light lunch with an open format of recognition. Mr. Edwards asked for a vote of confidence from the Board to put this celebration into motion. He believes the Coalfield will help us promote this in the papers, as they are a part of our history as Board members. Mr. Sturgill mentioned we might want to put the announcement on the radio. This will be a joint meeting with both the Board of Directors and the Policy Council.

FOR THE GOOD OF KIDS CENTRAL, INC.

1. Darrell Edwards, Executive Director, announced that the University of Virginia's College at Wise has a day of service on April 19. One of the projects they will take part in is a group coming to Kaseyville from 9:00 a.m. – 1:00 p.m. to completely rework Kaseyville, restocking shelves, cleaning games, disinfecting tables, cleaning floors, and wiping down walls. Kids Central asked for ten students to work during this time to get this done for us.
2. Darrell Edwards, Executive Director, mentioned that at the last Board of Directors' meeting, we voted to write a letter of support for the Foster Grandparents Program. We did that. Bill Dotson has a copy. This is complete, written by Mr. Sturgill, Board Chair. Mr. Dotson met with Congressman Griffith last month at the college giving him a letter from MEOC. A staff member in D.C. confirmed receipt of this letter along with others. These letters will go to the right committee people who make these decisions on this program. Mr. Dotson feels confident that there has been a wellspring of support for the Senior Corps across the country, which includes the Foster Grandparents Program. Mr. Edwards mentioned that Kids Central's program is apolitical, but we realize that the Foster Grandparents Program affects people's lives. We have supported other programs like this, including Upward Bound. We have to stand together in human services issues. We must make decision-makers realize the people who are at the end of the service line in these programs. Kids Central is glad to help this program. Mr. Dotson voiced his

appreciation for our help. Everyone he talked with was glad to help with this project voicing their concerns. Mr. Dotson mentioned that the Foster Grandparents Program affects 27 volunteers and 60-70 children with whom they work. The classroom teachers are thankful for the help of the Foster Grandparents. Mr. Dotson said that this was one of the smaller programs in the country, and there are some programs across the country that have 70-80 volunteers who take care of thousands of children.

3. Mike Standifur, Board Member, pointed out that he was honored to go to the State Conference this year. He went to a great workshop on media, kids, and domestic violence. The thing that interested him the most was the meeting with Kathleen Pathan on how grants are funded. Other programs in the state are in the dark on where they are headed. Mr. Standifur noted that in his opinion, Mr. Edwards and his staff are far above anyone else in the meeting. It was an honor to sit in on the meeting. Mr. Sturgill offered his appreciation to Mr. Standifur for attending the conference.

4. Ron Kendrick, Board Member, made apologies on his recent absence. Mr. Kendrick mentioned that he had shoulder replacement surgery and will have better attendance from here forth. Mr. Sturgill told Mr. Kendrick that he appreciated his dedication to KCI. Mr. Kendrick mentioned that he had a conversation with Board Member David Belcher. Mr. Belcher is not mobile and cannot attend as he broke his ankle. Mr. Edwards mentioned that all board members' absences from June 2013 to date were excused absences.

Next Meeting

The next meeting of the Kids Central, Inc. Board of Directors will be held on Tuesday, May 20, 2014, at 11:00 a.m. at the Corporate Office in Norton, Virginia.

Adjournment

With no further business, Thomas Williams made the motion to adjourn the meeting.

Motion seconded by Mike Standifur.

Motion carried by unanimous decision.

The meeting adjourned at 11:52 a.m.

Thomas Williams
Board of Directors Secretary

Valerie Lee
Recording Secretary