

**Kids Central Incorporated
Board of Directors Meeting
September 16, 2014**

The Board of Directors of Kids Central, Incorporated, met Tuesday, September 16, 2014, at Kids Central's Administration Office. Will Sturgill, President of the Board of Directors called the meeting to order at 11:00 a.m. after determining a quorum was present.

Board Members present: Michael Standifur, Mary Hagy, Thomas Williams, Harry D. Childress, Sherry Tabor, Donnie Kendrick, David R. Belcher, Edward Hutchinson, Will Sturgill

Staff present: Darrell Edwards, Teresa Blair, Lisa Bentley, Paula Bates, Amber Mullins, Vernon Rose, Jr., Lindsey Sturgill, Tammy Mullins, Terry Gentry, Christy Fleming, Valerie A. Lee

Guests present: Angela Owens

Presentation of Board Minutes of August 19, 2014, Meeting

Thomas Williams, Board Secretary, mentioned that all members received the minutes of the August 19, 2014, meeting in the mail. Mr. Williams asked that if the minutes have been read by all, and did not find any corrections, for a motion to approve the minutes as presented. Mr. Hutchinson pointed out one typographical error, which was immediately corrected.

Motion by Edward Hutchinson to accept the minutes as corrected and presented.

Motion seconded by Harry Childress.

Motion carried by unanimous vote.

Presentation of the Financial Report ending August 2014

Christy Fleming, Comptroller, distributed both the June and July financials. August is not currently available for review as we are in the process of paying August bills. August is the busiest time of the year with all the centers reopening and purchases being made for those centers. August and September financials will be presented next month. Ms. Fleming said she would focus on July today, but the June financials are available and distributed today. In July, we were still drawing down from both grants. We have almost drawn down all of the previous grant. We only drew down \$2,300 from the old grant and \$258,000 from the new. Out of that \$192,000 was used for accounts payable purchases and \$69,000 for payroll. On the income statement, the budget numbers are missing. We have contacted our computer people for help in getting this report repaired so that you will be able to see the budget and our comparison to budget. We only have the period ending in July and the year-to-date numbers. Reviewing year-

to-date expenses, the most funds were spent on \$65,000 for payroll and benefits for Early Head Start and \$20,000 for EHS supplies. With Head Start funds, we spent \$150,000 for payroll and benefits and \$30,000 for supplies and \$17,000 for repairs. As usual, I have Food City and Wal-Mart account information for you. We spent \$5,000 in July at Food City and \$7,000 in August. At Wal-Mart, we only spent \$337 in June and half of July, but Paula Bates made up for the low expense in August, as we spent \$3,000 for school supplies to be put in back packs and things to get started for school. We did spend all of the 2013-14 grant. We drew down the last of that money in August, which was \$20,000. There will be none to give back.

Mr. Sturgill, Board Chair, asked what the budget looked like this year versus last year. Ms. Fleming stated the budget went up as the funding they took away last year was awarded this year. Ms. Fleming explained that all that was cut from last year's budget was reinstated this year. This included a bonus for employees (based on enrollment that will be paid in November) and the COLA for 1.3% for employees, increased to 2% by Kids Central.

Mr. Sturgill asked that even though we are early in the budget year, were we on target to meet our budgeted expenses. Ms. Fleming stated that she thought we were on target as we did not overspend. The only additional expense we have had is the renovation for the Esserville Center. There is always something extra every year, such as wood chips, a heating or cooling unit, etc. She always anticipates an extraneous expense that is not predicted. Mr. Sturgill asked if the Esserville Center renovation was completely finished. Mr. Edwards stated that it was and that all the board members were welcome to visit them next door. Mr. Edwards added that last year's budget included additional days that were originally cut from the 2013-14 budget. When we were cut \$200,000 in budget funding last year, we were going to cut service days without losing staff members. So, we cut service days. Before the end of the year, we were able to add back five complete operational days.

Mr. Sturgill asked if there were any questions about the financial report. As there were none, he called for a motion to adopt the financial report as presented.

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

Motion seconded by Thomas Williams.

Motion carried by unanimous vote.

Monthly Updates

- **Education Services:** Tammy Mullins, Assistant Director for Education Services, gave an Education Department update. This is a busy time of year. All the children are back in classrooms. We have 15 Head Start classrooms, four Early Head Start classrooms, and 12 Home Based programs. All of the children are in class and adjusting to their new surroundings. Our focus this month is evaluating the environments and routines. Our pre-service in August went very well. We had two weeks of intense training with great participation.

- Children & Family Services: Terry Gentry, Assistant Director for Children and Family Services, gave an update on child and family service provisions. This is a busy time of year. We still continue to recruit for all of our centers. We have a few slots here and there. The number of children has definitely improved since we came back in August. In addition, we have to battle another pre-k classroom that opened at Powell Valley Primary in Big Stone Gap. They are competing with us, although we would like our relationship with the school to be more of a cohesive unit. It continues to be a battle between the two.

We have a first aid and CPR class to be offered for families at the end of September. We have had great interest in that. We are halfway through Family Days and have had about 30 people sign up for this class. As only ten are allowed at a time, this will keep us busy for a while. We also started and almost completed most of the developmental screenings for the kids in our classrooms and home base. This includes social and emotional screens. We are getting some of that information. We have already started making referrals to intervention in the school system for some concerns that the parents have. The ball is rolling fast.

Mr. Sturgill asked, with Powell Valley adding an extra pre-k classroom, how did that affect the attendance for the Big Stone centers? Ms. Gentry responded that yesterday one of our children had left one of our centers and went to the pre-k at Powell Valley. Ms. Gentry said that we hope to serve all of the children that are there in our communities. We don't want to battle against the school to serve the kids. We want to each individually be able to serve them. When they take a child that is already being served and put them in their classroom, someone is not being served that they can probably serve. We have a lot of guidelines and restrictions that they don't necessarily have to adhere to. It does make it hard. Mr. Edwards stated that this was an age old battle that had been going on for ten years. Nothing has changed. From a practical standpoint, if money is available to a school system, they are going after the money. That is what the VPI program offers the school system – money. I am not saying it is a lot of money, but it is money. So, they have to prove need that there are kids unserved in the community that they can serve in VPI that is not being served by Head Start. We have fought this battle for the ten years that I have been here. They cannot document their numbers. They end up taking kids we can serve. We believe all kids should have a pre-k experience. When you already have kids who are financially qualified to a center and are established in a center, to come by and tell them they can come to their program, it makes no sense. Again, it does not matter what we say, it falls on deaf ears every time we talk about this. You are taking guaranteed government funds and putting them in a state pot that locals have to match. It costs everybody for every center that they open. Ms. Tabor, Board Member, asked how the school system proved the need based on the demographics for our area. Mr. Edwards said that their guidelines are so vague with ours so well defined that they can take anyone who comes into the program, over income, under income, rich, poor, etc. They have eleven criteria for circumstances including families with one parent. The list is huge and ours is concise. They can take any child they can take. We cannot. We are very limited with the ones we can take. If they took only, for example, over income children, there would be a whole lot more children being served, and Head Start would not be touched. But, that is not what they do. They go after any available child. And, even at this, when they start taking a child already enrolled in another program, to pull them out of this program and put the child in their program, it makes no sense. Mr. Williams asked if we could fill the gap with children on the waiting list. Mr. Edwards responded with some areas, including Monte Vista,

there is not a waiting list. So, our recruitment efforts have to be beneficial to us, but has not generated a waiting list for Monte Vista. We are on the verge of meeting all the needs that Head Start can meet because of our financial guidelines. I don't know how many over income kids we have. Mr. Edwards asked Lisa Bentley if she knew the numbers. Ms. Bentley responded that we have 24, and we can have 22. If we get 10% over income, we try to get the 10% over income with special circumstances, with disabilities. We are nowhere near being able to attract over income kids. We save these slots for the needy kids. As far as the guidelines, our hands are tied. We had hoped for a better working relationship, including Dickenson County. Dickenson County used to have 17 VPI spots. Now, they have 72. You can see what we are doing. We have closed centers and done everything we can do. We should not be in competition. But, yet, we are. Mr. Sturgill asked if Mr. Edwards knew the criteria for selection criteria for Wise County Schools. Mr. Childress said that if they were like Dickenson County, Dickenson County had a waiting list. They have some of the same criteria. That family may have had this child already on the waiting list for pre-k. They have to be tested with certain requirements being met. I don't know of income is a criteria. If it is, the parent tells the child not to answer anything when they go in, not to answer, not to talk like they normally do to get accepted. Mr. Childress stated that they have to be on the waiting list in Dickenson County. They must have already been tested. They have done this before. In the past, what they wanted for his daughter, with his wife teaching, to get her in pre-k. But, she had to go to another school when a slot came open until she was able to get her school. She had to go through the test to be qualified. Ms. Gentry said she hoped that we know kids will go through dual application processes, because they will get in one program or the other. If they are serving a child in one area or another, we don't want to say come to us, because you already belong to us. That is what we hoped to have in our relationship with the school system. That is not where we are at. Mr. Childress asked if we have reached out to the school system to have some meetings with them. Do they not understand or care? Ms. Gentry stated that the school system was after the funding, that was what it boiled down to. Mr. Childress stated that with these numbers they could possibly get the funding from the state. Ms. Gentry said that she could not blame them for trying to get money for their program. But, Mr. Childress stated that there were parents out there with children that could get in that program.

- Nutrition Services: Junior Rose, Nutrition Specialist, presented the Nutrition Services report for August 2014.

Visits to Kaseyville	Children from 4 full-year classrooms, 3 toddler classrooms, 6 home based classrooms
Home Base Lunch	Children-11, Adult-24
Adults/Classrooms	268
Breakfasts	637
A.M. Snacks	0
Lunches	717
P. M. Snacks	692

Fields Trips 4 full-year classrooms, 3 toddler classrooms, 6 home-based classrooms

Total Attendance 717

▪ Enrollment and Attendance: Lisa Bentley, Family Services Manager, presented the enrollment and attendance report for August 2014. She noted that at the bottom of the report, our overall attendance for August was down quite a bit, which goes to the month of August having two full weeks of in-service training for staff. This made our attendance short for the month. When you take less classroom days, this makes a lower average. This is also a period of transition for the children who are leaving and going to kindergarten. Hopefully, next month it will be back up to where it needs to be. Mr. Sturgill asked if there were any centers that are struggling with attendance or enrollment. Ms. Bentley answered with a couple of centers could still use a few children. We are seeing typically the ones that are usually needy have more children in them this year. Last year, Clintwood was really hard to fill. This year, they are full, just about. The ones that are typically running over with a waiting list are the ones who are needing a few. Overall, we look really good. We are not lacking a lot of children. Mr. Edwards added that we need to understand the kids who are aging into our program who are two now will be three in October and November. This adds to our roll as more kids trickle through the program and age out we still have a vast network of kids who are coming in to our center on a monthly basis. Our numbers should not be a problem as they turn to three. That is one of our benefits that we can take three year olds. Ms. Bentley has several applications waiting for children to turn three in the middle of October. We just have to wait on that birth date.

▪ Family Engagement: Lindsey Sturgill, Family Engagement Specialist, gave the Family Engagement Services report. Ms. Sturgill mentioned that Family Engagement had gotten off to a really great start with Family Days. All are very energetic and on board with Family Day activities. We finished all of Teresa Blair's Family Days. We have seen this year that a lot of dads are coming into the classroom, which is something we have not seen before. We are really excited about this. She keeps saying this is going to be the year for father involvement. Typically, Head Start struggles with that. Teresa and Amber have been telling families how important it is that the dads are appreciated. Typically, school stuff is for moms to be involved with. We have a lot of stuff coming up. Tonight is the first family engagement event of the year outside of the classroom. We are going to have a movie night at the Central Drive In. She has tickets for everyone. Ms. Sturgill mentioned that she liked to do this every year for our families and staff. The movie will show Planes, Fire and Rescue. The gate opens at 6:00 p.m. The movie starts as soon as it gets dark at 7:45 or 8:00 p.m. It is a short movie at only 74 minutes long. The Drive In will show a second feature for anyone that wants to stay, which is Dolphin Tale 2. This is the number one family movie of the year. None of our families know about the second movie; it is a surprise that will be told to them as they come in. Ms. Sturgill invited the board members and their families to come out tonight. We have to have our movie on a week day as their hours of operation are the weekends. She passed around tickets for everyone. This movie is one of the big things every year that our families look forward to going to. We usually have 500+ people. It is a great time for families to come together. We will also be doing a Kasey Academy trip for those kids who are four years old and going to kindergarten next year. We like to give them extra incentive to stay with Head Start. We tell them that it is a time for families to bond together. We will be going to Ripley's Aquarium on October 24th. This is just

for the kids going to kindergarten next year. Actually, she posted it yesterday on Kasey's Facebook page. She already has seven people who have responded. They don't even have their flyers, yet. One other thing is that Ms. Sturgill asked who had not received his or her 40th Anniversary jacket. She passed these out to those who have not yet received theirs. She has a surprise to announce at the October board meeting about another event. More details to come. We are trying to do some things just for our dads to be engaged. She looks forward to these events. Mr. Sturgill mentioned that at the last meeting, we discussed utilizing UVA Wise more. Ms. Sturgill mentioned that she put in an email to the contact she was given. She has not heard back from them as of yet, but that is to be expected with school starting back there.

- Health Services: Terry Gentry, Assistant Director for Child and Family Services, gave the update on Health Services in the absence of Regina Cantrell, who is helping a family get a child's immunizations. Health is a busy venture now. Next week, hearing and vision is scheduled for our children. All the centers and home based will come and be tested. We have Freda Helbert, the audiologist, is coming in. We also have a new vision machine that is awesome. It tests six months and up. It is completed instantly. We are excited about getting everyone's eyes checked with the new vision machine. We are letting all the parents know how their children are doing in that manner. We have scheduled dental at the end of October. Everyone who does not have a dental home can fill out the application and come through our dental here. The WIC Clinic is coming up. We have scheduled this clinic here with the Health Department. We will have a mobile clinic to sign up here on September 25th from 8:30 – 4:30. Anything that they can do at the Health Department, they can do here. This is another resource for our families. Ms. Childress asked if there was any virus in eastern Virginia for respiratory illness. Ms. Gentry said not that she has heard. She mentioned a friend in the Health Department who lets us know. There was some head, foot and mouth disease in the area, and we have been part of that, but nothing as far as a virus.

- Human Resources: Valerie Lee, Human Resources Specialist, reported several changes to review. Outstanding was Gabriella Moore who resigned on June 28, 2014. Current needing approval is the August 21st resignation of Sharon Vance, the September 15th hire of Stephanie Moore for the open Clintwood I and II Bus Monitor position and Mary Wood for the open Classroom Assistant/Bus Driver position at Clinchco. Mr. Standifur mentioned that Stephanie Moore, the new Bus Monitor, is on the bus that his granddaughter rides, and she is a super nice young lady. She is good with the kids.

Motion by Harry Childress to approve the personnel changes as presented.

Motion seconded by Mike Standifur.

Motion carried by unanimous vote.

Ms. Lee mentioned that there are two open positions remaining. One is the Classroom Assistant/Driver position at Appalachia, and one is a Substitute position. Mr. Sturgill asked if we have a list of interested applicants to which Ms. Lee answered affirmatively and stated these were being reviewed at this time.

OLD BUSINESS

Clintwood Relocation Project and the Kids Central, Inc., Maintenance Update: Darrell Edwards, Executive Director, gave an update on the Clintwood Relocation Project. Renovations were shut down for an asbestos test and building permit. We have taken care of both of those, now. As soon as we got ready to go back into the center and start working, it seemed like the floods of Babylon hit us making us take care of some outstanding items at other centers. Clintwood is not the only center we have. We have 16 other centers we have to take care of. We will start in Clintwood on Monday. Everyone is trying to clear up what we have and get all of the small work orders finished so we can take our caravan to begin in earnest on Monday. What got us to this point is the closing of two centers in the housing projects in the City of Norton. We had been in those centers for 20 years. They had given us free run of the building, and we had made some modifications of the building. An example is the Ramsey Center that was a food preparation center. We actually put a stainless steel hood with a fire suppression unit in it. This was several thousand dollars of work ten years ago. When we left the center, we assumed that because it was stuck to the wall they would appreciate it and keep it for another kitchen use. They wanted it taken out. It was not only in the kitchen, but it also extended in the roof with the exhaust and vents. So, we had to patch the roof. We also had a playground at Ramsey. We were going to take some of the pieces we could use and leave the other there. They did not want this to remain, but they asked to take all of it out. They did not want any of the pieces left. We took that playground down, and it is now back behind this building for the Kaseyville Playground. We did need another playground. We removed it and did all the site work. But, they did not want an elevated platform area, which we had built with railroad ties and a gravel base with wood chips on top of that. They wanted all of that removed plus all of the fencing. So, we had one thing after another which we considered improvements. With Hawthorne, we had a playground there. It is rated for six to nine years old, above our age group. We were going to leave it for them. It was probably a \$25,000 playground. They did not want the playground. This put us in the situation to have another three day project to remove the playground. Fred Luntsford then called us with the offer that Appalachia would do the work if they could have the playground. We agreed. This removal took a month to complete. Once the playground was gone, we assumed we were complete with the Hawthorne project. But, we were told to go back and remove all changes we made at Hawthorne such as the playground boundaries, wood chips, fencing, etc. We had to put down fill dirt, grass seed and straw. We have completed this. We also had to move these centers to next door to the new renovation. We also had a flood at Wise. The water created a brand new path right through our playground taking with it the wood chips and moved some of the fixtures we had. We were pushed to fix the playground. It was completed, trimming trees, cutting trees and opening up the playground to get some sunshine in there. Last week, we added railroad ties, four ties tall, a truckload of wood chips and 90 tons of gravel. Our guys shoveled and utilized a small backhoe to move the dirt and rock and gravel to make the playground safe and secure. This was a four day project. Once finished, we started on Friday at Coeburn II. We had vandalism which caused us to replace the slide at Coeburn II. That is where our maintenance crew is today. We have a tremendous maintenance staff getting all this stuff done. We also hired two contract workers this summer to help. We have taken care of a lot of things. Please understand why Clintwood is not done. We wanted to open on September 2nd. But, we probably won't be there until November. We want to be in the new

Clintwood center as soon as we can. I apologize for not being in there now. It just did not happen. The kids will reap the benefits of being in the new center on Main Street soon.

NEW BUSINESS

2014-15 Audit Update: Christy Fleming, Comptroller, noted the auditor came at the beginning of August, and he completed the audit then with a couple of days in June. He actually had another commitment today, or he would have been here. The audit is completed, and he should be here at the next board meeting to make the presentation to our members. She will try to send this by email for the members.

Board of Directors E-mail Accounts: Tammy Mullins, Assistant Director for Education Services, stated that most of the Board Members received their email account information at the last meeting. But, those who did not received their username and password today. We are trying to email the documents to the board members that are large and cumbersome. This will give you time to prepare before the meeting with any questions you might have. If anyone has any trouble, please let her know. Mr. Standifur said that he had logged in and had read all the documents prior to the meeting. He stated that this is impressive to be able to do. Tammy mentioned the staff is learning Office 365 capabilities, even more than email. You can go into settings and have your email forwarded to a preferred account. She can help you do this if you need her. We are already sharing calendars company-wide.

Personnel Policy Changes: Tammy Mullins, Assistant Director of Education Services mentioned that she sent the Personnel Policy Changes document by email. But, she does have hard copies available to look at today. We studied staff turnover and compliance issues we have had. Our senior staff came up with changing our orientation period to an extended orientation period giving us time to train staff and change our system of how we deal with non-compliance issues within our company. Our first policy change in the packet is on page six. We are revising our probationary period from 30/60/90 days to 30/90/180 days to give us time to work with these individuals when they are hired to learn about Head Start, the standards, day care licensing standards, and other federal standards. We want to extend that period to give our new hire, or new to a position transferred employee, time to learn the position. Changing the orientation period to 30/90/180 days changes a lot of other policies. That is why other policies are in here. On page eight, you will find the orientation changes. We added to the policy items we are already doing. The current policy did not reflect what we already have in practice. You can see the yellow highlighted text is what is added to the policy. A progressive counseling policy is changed. Terry, Val and I discussed this policy quite a bit. This policy's name will be changed from Progressive Counseling to Performance Enhancement. Why we want to do that is because the word counseling has a stigma attached to it. Staff looks at this policy with intimidation. They think they are in trouble. So, we changed the name and did not really change the policy much. The biggest change in our progressive counseling system is the name or title and the process. The process starts with a verbal notice being documented. If for one year, an employee does not have another issue, we will do away with the documentation after one year and take it out of the employee's file. Your record will be wiped clean. We think this will help staff not be so intimidated by the process of progressive counseling. If we have an outstanding issue, this documentation will stay to support any movement to the next step. The disciplinary action

policy is already a well written policy. We only changed a few minor things. We added to conduct the disciplinary action with a senior staff member and not just the supervisor. Our teachers are the supervisors, but they need support when it comes to disciplinary action of their staff that they work so closely with every day. This system seems to be working out well for us. The other big change is the Performance Review Management Policy. This is the performance evaluation system. Currently, it is a three step system. At the beginning of the year, you go over that document with the staff; they look at the job description, and they sign. Mid-year, you sit back down with them; go back through it, and you assess them mid-year. Then, at the end of the year, you assess them again and go back over it with them again. What we would like to do is take this to a two-step process because it is very time consuming to do 100 employees. Terry and I do the majority of those, which takes away from the things we need to focus on. We are constantly improving the quality all the time; all the other things we do improve the quality in our programs. We would like to take out the mid-year step and do our yearly review from June to May. Every year we would sit down with the staff member to go over the professional development plan, do their evaluation, and set new goals every year. Our goal is to have more effective staff and give staff opportunity to learn and move forward in their position. Mr. Belcher, Board Member, stated that he worked for the State, who does quarterly evaluations. It is more streamlined the way you have it laid out. Over the course of the year when you get to the final evaluation, you may miss something along the way that you want to add. If streamlined taking the mid-year evaluation out, would it be inappropriate if you had a commendation if the employee did a good job? Maybe, you could look at that as it comes in monthly, weekly, etc. Ms. Mullins stated that they currently take a lot of anecdotal notes through the year. We have file folders on each staff member. We collect a lot of data such as if they turn their paperwork in. We go through a lot of those when we do the performance reviews that we use through the year. We are taking positive notes as well. If a staff member is coming in in the place of someone else and staying longer to help the company out and performing above their daily responsibilities, then we want to note and document that. As far as performance, you would have your performance enhancement plan to help you or remind you where the employee is at. Mr. Belcher noted that if it was a disciplinary action, you would remember it. He just did not want to let the good things the employees did fall between the cracks. Ms. Mullins said that we looked at all areas to make a strong document. Mr. Edwards noted that when we adopted this thing seven or eight years ago, we were under a different situation at that time than we are today. We were looking at it as a punitive thing. This is the way the document was set up. We needed it to have some kind of control. We have evolved into something different today. This is not a punitive document at all. Staff retention is one of the biggest issues we have had as a company for the past five years. What can we do to make sure we maintain good, quality people here? This is one of the positive steps we have taken. Again, it is not punitive in any way. Mr. Belcher stated that before we adopted the last one, we had something else going on and can now see the need for a change. Ms. Tabor asked if self-appraisals should be part of an evaluation. Ms. Mullins stated that we provide them with the document they are appraised on at the beginning of the year. They have a copy of that so they can self-check. We do several tools in the classroom that we use, the Program Quality Assessment Tool or PQA. This tells us how they are interacting with children. We use a class assessment tool which screens the staff on how they interact. There are lots of assessment tools used throughout the year that comes back where they are at. They have all these tools on hand and can use them any time that they want to. We collect data on all those tools. When it comes down to performance evaluations, we use all that

data on the performance evaluation. Mr. Sturgill asked if we needed approval for these personnel policy changes. Ms. Mullins stated that she did need approval on these changes. There being no further discussion, Mr. Sturgill called for a motion to approve these changes.

Motion by Harry Childress to approve the Personnel Policy changes as presented.

Motion seconded by Mike Standifur.

Motion carried by unanimous vote.

Presentation of 2014 P. I. R.: Terry Gentry, Assistant Director of Child and Family Services passed out the 2014 Program Information Report. She noted that this document was emailed to the Board Members. The Office of Head Start gets info on the program, the education of the staff, the number of children served. During this program year, we provided services to 146 children throughout June first through the end of May. In Head Start, we had 396 children. Early Head Start included 16 pregnant women to whom we provide services. If you have any questions about it, please let her know.

FOR THE GOOD OF KIDS CENTRAL, INC.

1. Mr. Edwards went back to the report on the maintenance team. He did single them out for the accolades they deserve. They are one piece of this whole team. Even after our in-service, you can see the demeanor of the people there. There was an attitude in that room that has not been with this company in a while. You felt what was in this room. It was all good. Even the questions that were posed to us while we were talking were good. We were celebrating our 40th Anniversary. We put some staff on the spot. We asked questions that they had no way for which to prepare. They did not know what the questions were going to be. What was in that room is not measurable. It made me feel good being in this seat. At the Policy Council, I made this statement last week that whatever happens in this company, good, bad or indifferent, it comes back to this chair. I have never stayed away from my responsibilities. I can truthfully tell you that I can rely on this staff at this point in time more so than any time in the ten years of my relationship with this company. We have a tremendous staff, all 107 people. We are all team players. I guarantee that without any kind of backlash that we are going to have a good year. It is all based on what this staff is providing to our parents. Mr. Hutchinson said that this was a newsletter in itself and should go out to the staff.

2. Mr. Edwards mentioned that as we were talking a few minutes ago about our Clintwood center, most of you know that we are in the Dickenson County Child Care Center. We have been there for ten years which is ever since that building has been open. We have found that over the past three or four years, our program did not mesh with the landlords. We have had management problems, including food prep and service. People Incorporated have the lease with Dickenson County. What is happening with the funds that Dickenson County is providing to People Incorporated is a question. What does the money go to? What happens to the money that is collected from the families that are using the child care center? These are all questions that we could not answer. People are coming to us and asking for this information. At Mr. Belcher's request, and I agree, we wanted to know what is happening with this money. We had already

made the decision to move downtown. This does not preclude us from knowing where all this money has gone. I think the question on the table is what did the original lease agreement contain, and what did it say, and what is their obligation. What is going to happen now when we pull out of the center with us paying for food and rent close to \$40,000 per year to be there? Ms. Fleming stated the dollar figure may be higher than that as we pay \$1700 for rent and \$3000 for food. Mr. Edwards said that we are making a large investment in that center. Years ago, People Incorporated went to the Dickenson County Board of Supervisors and asked for operations funding because they did not have enough money to operate the center. The County Supervisors gave them \$100,000 that has been in the budget now for every year. We understand that this year it was a \$200,000 donation. They are also collecting rent from us and all the money for the food preparation from us, collecting money from the families who use the center and still getting \$200,000 or \$300,000 from the Board of Supervisors and the Early Head Start grant money that serves four children. We filed a freedom of information act request with Dickenson County for this information. I won't read you all the information, but I will read what we asked for.

“Please provide a copy of the following items: any and all information concerning the lease agreement of the Dickenson Child Care Center to People Incorporated including any financial arrangements, stipends or payments made to People Incorporated for the operation, maintenance or promotion of the child care center.”

Mr. Edwards stated that this is what we asked for. They have 20 business days to respond. We may or may not have something to say next month, but it will only be for information. We have no intention except to be informed. That is the whole purpose behind this. Mr. Belcher stated that at one time they tried to dump the center on us. This board was not aware of it. They went public to the newspaper and sent flyers home with the children in that center that was closing their doors, and if there were any questions, people needed to call Kids Central. The Board had not even been approached. I brought the flyer to the meeting the following week. The way they went about this offended the Board Members here at the time. We elected not to do anything about it. The problem they were having with the Board of Supervisors at that time is that they were getting \$100,000 per year to operate that child care center and went back to ask for \$75,000 more, and had been doing that repeatedly year to year. Who is to say that they would be better at operating that center than we are? We could have done this as a service for free with the Board of Supervisors. We definitely would not need \$100,000. And, we definitely would not need \$200,000. Mr. Belcher tried to present this to the Board of Supervisor members, and they would not talk about it. The lease is scheduled to be renewed in August. The only way we can find out what happened is to file this freedom of information act request. There may come a day when we as a company try to operate a whole lot cheaper and a whole lot more professional as better stewards of taxpayer money than People Incorporated. This impacts the citizens of Dickenson County. For the amount of money they are receiving from the localities, they should have been serving us a whole lot cheaper with us being a non-profit. Ms. Tabor mentioned that there should be an element of transparency to Kids Central and there would never had been a need for a request through the Freedom of Information Act. Mr. Edwards mentioned that the Board of Supervisors does not post their minutes on the website any more. Had the minutes been on the website, we could have researched it ourselves. Mr. Belcher asked sitting members of the Board of Supervisors for this information and could not get it.

Mr. Edwards asked that everyone not walk out of the meeting with a misunderstanding that there is something wrong. We are not asking anything from them. We are taking a much higher road through all of this. We actually gave away a double-wide center we were operating in Clintwood to move into that child care facility to the county school system. We made an investment into that child care center that did not pay us back dividends. We continue to pay. The last straw is that we asked back in April to have the heating and air conditioning in our two centers fixed. That unit did not work. We started back on September 2nd, and it still was not fixed. We had to transport children from Clintwood to Kaseyville so that they would not need to be in a classroom that was 90 degrees or better. Those are the dividends we continue to make, but it won't be for much longer. Mr. Belcher gave a little history on the child care center. A grant funded this center. This center was supposed to go to Kids Central, but it went to People Incorporated. As a Board Member and a citizen, he wants to know the situation there. Mr. Standifur mentioned that his granddaughter went to the Dickenson County center. He was asked to be on the Policy Council until they found out he was on the Kids Central Policy Council, at which time he was told they could not use him.

Next Meeting

The next meeting of the Kids Central, Inc. Board of Directors will be held on Tuesday, October 21, 2014 at 11:00 a.m. at the Corporate Office in Norton, Virginia.

Adjournment

With no further business, Mr. Sturgill called for a motion for adjournment of the meeting.

Motion by Thomas Williams to adjourn the meeting.

Motion seconded by Mike Standifur.

Motion carried by unanimous decision.

The meeting adjourned at 12:11 p.m.

Thomas Williams
Board of Directors Secretary

Valerie Lee
Recording Secretary