7-17-2014

Juvenile Welfare Board Finance Committee Meeting : 2014 : 07 : 17 : Packet

Juvenile Welfare Board of Pinellas County. Finance Committee.

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JWB FINANCE COMMITTEE MEETING

THURSDAY, JULY 17, 2014 @ 9:00 AM

JUVENILE WELFARE BOARD
14155 58TH STREET NORTH
CONFERENCE ROOM 191
CLEARWATER, FL 33760

AGENDA

I. CALL TO ORDER

II. ACTION
   A. Approve Finance Committee Meeting Minutes for July 9, 2014

III. DISCUSSION

IV. ADJOURN
Recommended Action: Approve Finance Committee Meeting Minutes for July 9, 2014

Strategic Plan
Key Result Area: Funding for Results through Programs and Services

The July 9, 2014 Finance Committee Meeting Minutes are attached.

Attachments:
II C Accept Finance Committee Meeting Minutes for July 9, 2014  (PDF)

Staff Resource: Brian Jaruszewski
                Joan Chamo
JWB FINANCE COMMITTEE MEETING

WEDNESDAY, JULY 9, 2014 @ 1:30 PM

ROOM 185
14155 58TH STREET NORTH
CLEARWAER, FL 33760

MINUTES

I. CALL TO ORDER
JWB STAFF PRESENT: Dr. Marcie Biddleman; Jennifer Artiaga; Eddie Burch; Diana Carro; Lynn De la Torre; Dr. Mary Grace Duffy; Denise Groesbeck; Brian Jaruszewski; Laura Peele; Paul Runyon; Karen Sierra; Joyce Sparrow; Matthew Spence; Sue Walterick; Karen Woods

PHONE PARTICIPATION: Michael Mikurak

GUESTS: Attorney Colleen Flynn, Judge Raymond Gross

MEETING WAS CALLED TO ORDER BY MR. MCCABE AT 1:42 PM

<table>
<thead>
<tr>
<th>Attendee Name</th>
<th>Title</th>
<th>Status</th>
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<tr>
<td>Bob Dillinger</td>
<td>Public Defender</td>
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<td>Bernie McCabe</td>
<td>State Attorney</td>
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<tr>
<td>Michael Mikurak</td>
<td>Board Member</td>
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<td>Raymond Neri</td>
<td>Board Member</td>
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<td>Maria Edmonds</td>
<td>Board Chair</td>
<td>Present</td>
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II. DISCUSSION ITEMS

1. Proposed 14/15 Budget with Five-Year Forecast and Other Budgetary Considerations

Mr. Jaruszewski reviewed the proposed budget and five-year forecast. He explained the budget book is succinct this year; only 17 pages. He said the plan is presented for the Finance Committee to discuss the proposed budget today and ask questions. He said the proposed budget is similar to what was presented at the June Board meeting, but there have been some changes.

Mr. Jaruszewski said the total budget shows an increase of $3.6M for FY 14/15. He added that FY14/15 is the last year for the Intergovernmental Transfer (IGT) funds that
will cease in June 2015.

Mr. McCabe asked if the IGT funds is the hospital money.

Mr. Jaruszewski said yes. He added that a major change in the budget is with the Program Development funds. He said there is an increase in revenues because of property values. JWB expects to collect 97.5% of the ad valorem funds which is roughly equal to $3.6M combined.

Mr. Jaruszewski explained that the budget comparisons may seem to show a decrease in total expenditures but because it is a budget comparison it does not factor in actual current year expenditures, which would show that the FY 14/15 budget reflects an increase in program expenditures. Also, with the elimination of roughly $2M in IGT funds in June 2015, there will be a revenue loss in subsequent fiscal years. It also shows an $8.7M fund balance and $4.4M unassigned. He said there is a plan for the unassigned funds.

Mrs. Edmonds asked for an explanation of the 253% in the technology line item.

Mr. Jaruszewski referred to page 17 of the budget book. He said the increase includes $1M for a Technology and Capital Expenditures Request for Proposals. He added that there is also $.5M in the budget for a data initiative to allow JWB to have a unified system to pull and analyze data. He said: “We built in approximately $.5M for a data initiative to facilitate data analysis.”

Mrs. Edmonds asked if the $.5M was for personnel or hardware.

Mr. Mikurak asked for a clarification between outsourcing and data mining. He asked if JWB was outsourcing to capture third-party information or having someone create an application to data mine.

Mr. Jaruszewski said it was to have someone create the software application.

Dr. Biddleman explained that JWB does not have the capacity to analyze data and the plan is to work with Pinellas County’s business intelligence efforts to build an integrated data system. The $.5M is available for JWB to work as a partner in an integrated data system.

Mr. Dillinger asked about the changes in the fund balance from FY 12/13 and FY 13/14.

Mr. Jaruszewski responded that the fund balance is for the two-month emergency reserve required by Board policy. He said that the fund balance in past years was insufficient and the $8.7M for FY 14/15 is sufficient.

Mr. Dillinger asked why there were no mention in the audits about the insufficient fund balance.

Mr. Jaruszewski said it is per our policy, and it is typical for government agencies to have a contingency line item in their budget.

Mr. McCabe asked about the data mining. He asked how is staff able to currently produce the data that is presented to the Board. He asked: “Is this $.5M a need or a want?” He added that it appears that JWB has a $13M fund balance that could open JWB up to criticism. He also asked if JWB should roll back the millage rate.
Mr. Jaruszewski referred to the Five-Year Forecast on page 22 of the budget book and explained that it illustrated what JWB’s financial situation will look like in the long-term. He said the forecast included a 2% annual increase in property values and a 3% increase expected for inflationary expenditures based on current economic indicators. He also expects health benefit costs to rise in double-digits. He explained the Five-Year Forecast was created before the budget book was drafted. He said: “Overtime, with the increase in expenditures and no IGT revenue, JWB will have a negative balance over five years.” He also cautioned that if the millage rate is rolled back, it may need to be increased next fiscal year.

Mr. McCabe explained concern about a “persistent problem in dealing with folks who want the $4M”. He raised concerns about “poor planning”.

Mr. Jaruszewski said JWB has received three proposals for new initiatives. He expressed concern that JWB does not have a solid framework for out-of-cycle funding. He stated that JWB’s funds must be distributed through competitive solicitations.

Mr. McCabe said there is no requirement that all JWB’s available funding must be distributed through a competitive bidding process.

Mr. Dillinger questioned the funds for the extra staff for Suncoast and Ready for Life and asked if that will be awarded through a competitive solicitation process.

Mr. Jaruszewski said the requests from Suncoast and Ready for Life are sole source requests.

Mr. Dillinger said JWB did, at one time, have an out-of-cycle funding review process.

Mr. Jaruszewski said that process is no longer in place.

Dr. Biddleman said she has a list of funding requests to include in next year’s budget. She asked the Finance Committee members how they wanted to proceed. She said that $8M of the $13M has to be kept as a two-month emergency fund.

Dr. Biddleman referred to Board policies.

Dr. Biddleman said a policy change is required to have the $13M available.

Mr. McCabe said JWB has not been accepting funding applications and he did not remember the two-month emergency reserve being part of the funded agency contracts. He asked if the two-month emergency reserve is based on available funding.

Mr. Jaruszewski said for all the contracts with the providers JWB has agreed to fund 60 days of operations in the event of an emergency.

Attorney Flynn said contracts are terminable on 24 hours’ notice for any reason.

Dr. Biddleman reiterated that she is receiving letters and requests from agencies, some that are referred to JWB by Board members. The requests have come from PACE, St. Petersburg College and Community Law.

Attorney Flynn indicated that the Special Act requires we spend money for juveniles and she is not sure the Community Law request fits within the Special Act. She is researching the information and will present it to the Board.
Mr. Jaruszewski said he didn’t want the submitters to think they are being treated arbitrarily.

Mr. McCabe agreed.

Mr. Jaruszewski added that the $4M in FY 14/15 isn’t the same in FY 15/16 due to the loss of the IGT funds and increases across the budget.

Mr. Dillinger commented that JWB can’t enter a referendum year by raising the millage rate.

Mr. McCabe asked if the amount of funding for the technology RFP can be raised to $2M.

Dr. Biddleman responded: “Yes, we can set the amount.”

Mr. Jaruszewski said it is likely the amount requested through the RFPs will go over $1M. He added that the amount can safely be raised to $2M.

Dr. Biddleman indicated that the amount distributed cannot exceed $2M.

Mr. Dillinger said there needs to be a process for evaluating out-of-cycle funding requests, including a score sheet.

Dr. Biddleman explained that when the requests from Suncoast and Ready for Life were received, she realized that JWB didn’t have policies for out-of-cycle funding. She recommends establishing a process that includes the opportunity to fund new programs.

Mr. McCabe said it is important to be flexible.

Mr. Mikurak said “We need to create policy this year and we need to look at the budget process.” He added that the Board needed to “take the year to look at the forecasting”. He said the Board would not have seen the fund reductions from 2016 through 2019 without forecasting. He emphasized that the Board needs to prepare for reductions, but still look at opportunities for new programs.

Mr. McCabe commented that in the past, during the recession, JWB did budget forecasting.

Dr. Biddleman replied: “The stability fund balance is at zero this year.” She said previous comparisons were “budget year versus budget year, and an actual column was not included. It will now be added so a forecast can be completed.” She encouraged incorporating the actual with the forecasting.

Mr. Mikurak commented that more organizations are moving to this type of forecasting because it makes it easier to see budgetary changes.

Mr. Neri questioned the IT data budget increases. He said JWB needs to know how many more children are coming into Pinellas County and asked if the proposed data mining will include school data to help JWB forecast better.

Mr. Jaruszewski said JWB does receive data from the school board, but JWB has not taken a “long, hard look” at what other data JWB needs.

Dr. Biddleman said: “JWB has collected data, but what we don’t have is the data analysis to make decisions.” She added that the Pinellas County business intelligence system is
better equipped to analyze data. The primary concern is that JWB has a lot of data but is not equipped to extract it. She explained that the JWB IT staff is going to visit the county to talk about an integrated data system. She continued: “If JWB had to hire a person to complete the project, it would be expensive. In the past JWB tried to go bigger, but didn’t get anywhere, so we have to try something else.” She said her main concern is that JWB collects data but has no way to turn it into results.

Mr. McCabe asked about the data collaborative. He asked how the data reports presented to the Board are created.

Dr. Biddleman responded that JWB can compare programs and show the cost per child but not the impact of JWB funding.

Mr. Dillinger said he thought the Board reports showed improvement.

Mr. Mikurak said JWB needs to “get someone to look at the data that JWB needs to extract and provide the details as we want to understand where value is being created”.

Mr. McCabe asked Mr. Mikurak if he thought the $.5M is well spent.

Mr. Mikurak responded: “Absolutely, if we get someone who has the knowledge.”

Mrs. Edmonds said she wants to make sure JWB establishes an out-of-cycle funding process. She said: “People in the community need to know this is happening.”

Dr. Biddleman said Mr. Jaruszewski has drafted an out-of-cycle and in-cycle funding process.

2. Approve Distribution of the Non-Operating/Capital RFP

Mr. Dillinger asked if an agency has to have a $500,000 or $1M annual budget to apply for funding.

Dr. Biddleman said the Neighborhood Family Centers with a total budget less than $500,000 are part of the ASO.

Attorney Flynn said the policies state that an agency must have a $500,000 annual budget to qualify for funding.

Mr. McCabe said he didn’t think the $500,000 limit applied to the upcoming technology RFP.

Mr. Dillinger asked for clarification: “JWB can’t fund an agency with an annual budget under $500,000?”

Mr. McCabe asked: “Are we opening the technology RFP to the world?”

Mr. Jaruszewski said the RFP is only for funded agencies. He said there are pros and cons to opening it up and the possibility of splitting the funding between funded agencies and other nonprofits.

Mr. McCabe asked for consensus that the total amount of funding for the technology RFP should be $2M.

Mr. Dillinger asked how that impacts Ready for Life’s out-of-cycle funding request for $5,000.
Dr. Biddleman clarified that the request is not reoccurring, as it appears in the budget documents and since Ready for Life has yet to provide a formal request, the funding is “off the table”.

Mr. McCabe said it is not a good idea to set the precedent of funding a $5,000 reoccurring request from a non-funded agency. He asked for more information about the advocacy center.

Dr. Biddleman explained that the Suncoast Advocacy Center is a sole source funding request.

Mr. McCabe said: “I am open to the idea, but there are pros and cons. If children are not interrogated properly, then allegations can be made.”

Dr. Biddleman says the advocacy center meets all the standards.

Mr. McCabe clarified that his concern involves hiring skilled people.

Dr. Biddleman asked the Finance Committee for “next steps”.

Mr. Dillinger said to put the Suncoast request in the budget for a Board vote.

Mr. McCabe asked again for consensus for raising the technology RFP budget to $2M. Consensus was granted.

Mr. McCabe then asked: “Can we limit the technology RFP to funded agencies or open it up?” He recommended opening up the applicant pool.

Mr. Dillinger said the technology RFP should be offered to 501 (c) (3) organizations with a focus on children.

Mr. McCabe said there could be a preference for funded agencies, but others can apply.

Dr. Biddleman asked about the annual $500,000 budget limit.

Mr. McCabe said that was not necessary.

Mr. Dillinger said the requests have to be for non-reoccurring funds.

Mr. McCabe asked to set a minimum and maximum funding limit.

Mr. Jaruszewski reviewed the funding limits in the Non-Operating/Capital RFP draft. He said: Agencies can apply for up to $100,000 across three different funding areas: capital and equipment, software and training, and program specific expenses, however not operating programmatic costs. The maximum request is $50,000 for any one of the three areas.

Mr. Dillinger asked if it is reimbursement funding.

Mr. Jaruszewski said yes.

Mr. McCabe asked if a minimum funding amount should be set.

Mr. Jaruszewski said the Non-Operating/Capital RFP draft indicates the minimum as $1,000 per item and a $5,000 minimum request.

Mr. McCabe asked if there were any objections to those limits. There were none. He reiterated the funding framework: $2M for the RFP, with a $5,000 minimum and
$100,000 maximum request per agency.
Judge Gross asked to make sure to include language that non-funded agencies can apply.

3. FY 13/14 Budget Reallocations
Mr. Jaruszewski reviewed the request to reallocate $174,500 to the Summer Bridge wrap-around services. He explained the money is needed because of the success of the program.
Dr. Biddleman explained that Mr. Matthew Spence, Special Project and Content Manager, negotiated with Pinellas County Schools to allow for a “speedy” start to the program this year.
Mr. Dillinger asked for clarification: “If the $174,500 is coming from the Program Development fund, what isn’t happening?”
Mr. Jaruszewski said the Program Development fund is contingency dollars provided to support unforeseen activity. He added: “We are decreasing the $4.4M by that amount.”
Dr. Biddleman explained the request for the funds came directly from Dr. Grego.
Mr. Dillinger asked if this request is separate from the summer food program.
Dr. Biddleman said yes.
Mr. McCabe asked if there were any objections. None were heard.
Mr. Jaruszewski explained the request for $163,382 for the Community Services Pool. The funds would also be taken from the Program Development fund. He explained that in the FY 14/15 budget the Community Services Pool will be individual allocations rather than a pool.
Mr. McCabe asked how that is shown in the budget.
Mr. Jaruszewski responded that it is an open-ended MOA.
Mr. McCabe asked if there were any objections. None were heard.

4. BoardSource
Mr. Dillinger explained that BoardSource is a “well-respected online assessment tool”. He said he was not aware of the pricing for the tool.
Dr. Duffy explained the pricing is different for BoardSource members and non-members. The non-member rate for Board self-assessment is $975.00. The membership for JWB would be $2,500 in order to access the member rate of $750.00.
Mr. Dillinger expressed the need for the JWB Board to have an assessment tool.
Dr. Biddleman explained that any Board assessment cannot be anonymous.
Mr. Mikurak added that he used BoardSource. He said it is a tool to evaluate how the Board looks at itself and management.
Dr. Duffy distributed a sheet outlining various board evaluation tools. She explained how BoardSource does not fit the structure of the JWB Board.
Mr. Mikurak said at Baycare he completed a tool that evaluated how the Board operates,
it was not a tool for establishing strategies. He said: “The tool has little value if members don’t know what questions they are asking.”

Mr. McCabe added that the answers can be different depending on who is looking at them, specifically Board members or the Tampa Bay Times. He expressed concern and suggested the JWB Board pass on using BoardSource.

The Finance Committee members agreed

III. INFORMATION

A. United Way Partnership

Dr. Biddleman explained that the VITA program was brought into JWB and is currently managed by three employees. She explained that due to the growth of the program, JWB is no longer equipped to run it. Diana Baker, President and CEO of the United Way Suncoast (UWS), asked JWB to combine its VITA efforts with the United Way’s VITA program. Dr. Biddleman explained that JWB is in negotiations with UWS to establish the partnership.

Mr. Dillinger asked if the partnership will cost JWB any money.

Dr. Biddleman replied: No. She explained JWB will continue to manage years two and three of the IRS VITA grant.

Mr. Neri said the partnership is a great public relations opportunity for JWB.

Dr. Biddleman said UWS is better suited to help families with banking and financial education and asked if JWB should continue the program since it is “not costing us a penny”.

The Finance Committee members agreed.

B. Performance Management Updates

Dr. Biddleman opened the discussion to discontinue use of One-e-App.

Mr. McCabe asked how much money JWB spent on the project.

Mr. Jaruszewski said the current year expended cost was $30,000.

Mr. McCabe asked if Pinellas County contributed any funding.

Mrs. Denise Groesbeck, Strategic Research Manager, said: “Nothing. JWB provided funding for the infrastructure and the partners paid for their licenses.”

Mr. McCabe asked why One-e-App didn’t work.

Dr. Biddleman said: “It is front-loaded. We’ve been loading it one person at a time.” She estimated that there have been 130-200 users over two years. She added that the project could not get permission from the State of Florida to link with Florida ACCESS. She explained the software is not bi-directional.

Mr. McCabe asked if the County Health Department was involved.

Mrs. Groesbeck said due to a change in leadership they were not involved.

Dr. Biddleman said she met with the current agencies using One-e-App. She also said
JWB will not be spending $400,000 on a project that “couldn’t get off the ground”. She added: “Everyone thought it was wonderful, but it couldn’t work.”

Mr. McCabe asked about the Out-of-School Time RFP.

Dr. Biddleman said she wanted to provide an update.

Mr. McCabe asked for the number of applicants.

Mr. Jaruszewski said Boys and Girls Club was the only applicant. JWB is issuing an Intent to Negotiate with the applicant.

Dr. Biddleman added Mr. Paul Runyon, Director of Out-of-School Time Services, will design an OST model for north, mid and south county using information from the Florida Afterschool Network.

Mr. McCabe asked who will be providing services in north and mid county areas.

Dr. Biddleman said Mr. Runyon will identify what providers are available.

Mr. McCabe asked if there will be a new solicitation.

Dr. Biddleman replied: Yes, next year.

Mr. McCabe asked: “Why did we need to go through this exercise?”

Dr. Biddleman responded: “To reduce the in-house contracts and establish a community OST hub”. She said she anticipated OST will look different in each section of the county.

Mr. Mikurak complimented Mr. Jaruszewski on his budget presentation. Mr. McCabe agreed.

IV. ADJOURN

Mr. McCabe moved to adjourn at 3:14 PM

Minutes respectfully submitted by Joan Chamo, Executive Assistant.