

In partnership with



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Our Vision Statement

Children and Families in our community will have access to quality early learning programs that nurture their learning potential and prepare them for their educational success.

FINANCE COMMITTEE MEETING AGENDA

September 27, 2018 – 8:30 am

8:30 am	Call to Order	D. Day	
8:31 am	Roll Call	B. Montalvo	
8:32 am	Consent Agenda	D. Day	Pages 2 - 6

ACTION ITEMS

8:35 am	Fiscal Policies	D. Johnson	1 -18
9:00 am	Draft Audit RFP	D. Johnson	

DISCUSSION ITEMS

9:15 am	OEL Updates	D. Johnson	
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INFORMATION ITEMS

REVIEW ITEMS

8:50 am	July – August Adjusting Journal Entries	D. Day/D. Johnson	Finance Binders
	July – August Bank Statements		

Public Comment

Adjournment

MEETING SCHEDULE for FY 2018 – 2019

Executive Thursday 8:30 am	Finance Thursday 8:30 am	Board Thursday 8:30 am	Help Me Grow Wednesday 8:30 am,	Success By 6 (SB6) Leadership Council 9:00 am, Friday
7/12/18	07/26/18			07/27/18
08/09/18	08/11/18 3:00 pm	8/23/18		
09/13/18	09/27/18		9/19/18	09/21/18
10/11/18		10/25/18		
11/08/18	11/29/18		11/21/18	11/16/18
12/13/18				
01/10/19	01/31/19		01/16/19	01/18/19
02/14/19		02/28/19		
03/14/19	03/28/19		03/20/19	03/15/19
04/11/19		04/25/19		
05/09/19	05/23/19		05/15/19	05/17/19
06/13/19		06/27/19		

To participate in this meeting via conference call, dial-in number is (888) 670-3525 and the conference code is 714 810 4574 #

Consent Agenda

- Finance Committee Meeting Minutes for July 26, 2018
- Finance Committee Meeting Minutes for August 16, 2018
- Financial Reports – August 2018
 - Budget vs Actual – Detail
 - Expense Year to Date Analysis

Early Learning Coalition of Marion County, Inc.
Budget vs. Actual
As of August 31, 2018

GL Acct.	Revenues	Current Month to Date			Year to Date		Approved	Balance
		Aug-18	% of budget	Monthly Budget (1/12)	Actual	% of budget	Budget Original	of Budget
Contracts, Grants, and Other Financial Assistance		\$ 1,376,128.29		\$ 1,334,090	\$ 2,434,654.87	\$ 0.15	\$ 16,009,076.21	\$ 13,574,421.34
4001	FOEL: School Readiness	\$ 907,428.75	110.38%	\$ 822,129	\$ 1,821,472.44	18.46%	\$ 9,865,549.00	\$ 8,044,076.56
4001	FOEL: Voluntary Pre-kindergarten	\$ 428,135.08	93.04%	\$ 460,181	\$ 539,273.58	9.77%	\$ 5,522,173.00	\$ 4,982,899.42
4001	FOEL: Outreach & Awareness	\$ -	0.00%	\$ 906	\$ -	0.00%	\$ 10,877.00	\$ 10,877.00
4001	FOEL: Performance Funding Project	\$ -	0.00%	\$ 3,576	\$ -	0.00%	\$ 42,916.00	\$ 42,916.00
4001	CF: Help Me Grow	\$ 8,380.92	73.53%	\$ 11,399	\$ 21,174.66	15.48%	\$ 136,783.25	\$ 115,608.59
4010	Grant: School Board of Marion County (YPP)	\$ 1,375.21	165.03%	\$ 833	\$ 1,375.21	13.75%	\$ 10,000.00	\$ 8,624.79
4010	Grant: Marion County (Match)	\$ 10,000.00	96.00%	\$ 10,417	\$ 20,000.00	16.00%	\$ 125,000.00	\$ 105,000.00
4010	Grant: City of Ocala (Match)	\$ -	0.00%	\$ 833	\$ -	0.00%	\$ 10,000.00	\$ 10,000.00
4010	Grant: Marion County (CDBG-Facilities)	\$ -	#DIV/0!	\$ -	\$ -	#DIV/0!	\$ -	\$ -
4010	Grant: Marion County (CDBG-Outreach)	\$ -	#DIV/0!	\$ -	\$ -	#DIV/0!	\$ -	\$ -
4020	Grant: Uncommitted (Match)	\$ -	0.00%	\$ 250	\$ -	0.00%	\$ 3,000.00	\$ 3,000.00
4020	Grant: United Way (Match)	\$ 8,333.33	100.00%	\$ 8,333	\$ 16,666.66	16.67%	\$ 99,999.96	\$ 83,333.30
4020	Grant: United Way (Project Dunnellon)	\$ -	0.00%	\$ 4,375	\$ -	0.00%	\$ 52,500.00	\$ 52,500.00
4020	Grant: United Way (Success by 6)	\$ 11,125.00	300.00%	\$ 3,708	\$ 11,125.00	25.00%	\$ 44,500.00	\$ 33,375.00
4020	Grant: Kiwanis (SB6)	\$ -	0.00%	\$ 1,232	\$ 1,127.32	7.63%	\$ 14,778.00	\$ 13,650.68
4020	Grant: Comm Fdt (SB6)	\$ -	0.00%	\$ 5,417	\$ -	0.00%	\$ 65,000.00	\$ 65,000.00
4050	Gifts, Donations, and Pledges	\$ 1,350.00	270.00%	\$ 500	\$ 2,440.00	40.67%	\$ 6,000.00	\$ 3,560.00
Investment Earnings		\$ 293.47		\$ 25.92	\$ 823.17		\$ 311.00	\$ (512.17)
4101	Interest income	\$ 38.55	148.75%	\$ 26	\$ 73.12	23.51%	\$ 311.00	\$ 237.88
4991	Realized Gain on Investments	\$ 1.42	#DIV/0!	\$ -	\$ 127.31	#DIV/0!	\$ -	\$ (127.31)
4992	Unrealized Gain on Investments	\$ 253.50	#DIV/0!	\$ -	\$ 622.74	#DIV/0!	\$ -	\$ (622.74)
Other Miscellaneous Revenue		\$ 405.44		\$ 2,921	\$ 1,262.70	\$ 0.04	\$ 35,057.90	\$ 33,795.20
4201	Miscellaneous income	\$ -	0.00%	\$ 21	\$ -	0.00%	\$ 250.00	\$ 250.00
4210	Revenue: Provider Trainings	\$ 150.00	23.38%	\$ 642	\$ 590.00	7.66%	\$ 7,700.00	\$ 7,110.00
4300	Revenue: Special Events	\$ -	0.00%	\$ 759	\$ -	0.00%	\$ 9,107.90	\$ 9,107.90
	Revenue: Magazine (Building Fund)	\$ -	0.00%	\$ 1,000	\$ -	0.00%	\$ 12,000.00	\$ 12,000.00
4900	Revenue: Development (Building Fund)	\$ -	0.00%	\$ 83	\$ -	0.00%	\$ 1,000.00	\$ 1,000.00
4999	In-Kind	\$ 255.44	61.31%	\$ 417	\$ 672.70	13.45%	\$ 5,000.00	\$ 4,327.30
	Total Revenues	\$ 1,376,827.20	102.98%	\$ 1,337,037	\$ 2,436,740.74	15.19%	\$ 16,044,445.11	\$ 13,607,704.37
	Expenditures							
Capital Expenditures		\$ -	#DIV/0!	\$ -	\$ -	#DIV/0!	\$ -	\$ -
1502	Fixed Asset: Building	\$ -	#DIV/0!	\$ -	\$ -	#DIV/0!	\$ -	\$ -
Employer Provided Salaries and Benefits		\$ 131,873.26	93.73%	\$ 140,697	\$ 254,019.71	\$ 0.15	\$ 1,688,359.87	\$ 1,434,340.16
5000	Salary: Directors (990 reportable)	\$ 15,864.92	103.47%	\$ 15,333	\$ 30,947.59	16.82%	\$ 184,000.19	\$ 153,052.60
5001	Salary: Exempt	\$ 34,782.66	106.36%	\$ 32,704	\$ 67,553.00	17.21%	\$ 392,442.32	\$ 324,889.32
5002	Salary: Hourly	\$ 57,887.55	91.29%	\$ 63,410	\$ 108,208.18	14.22%	\$ 760,918.63	\$ 652,710.45
5003	Salary: PLT Accrual	\$ -	#DIV/0!	\$ -	\$ -	#DIV/0!	\$ -	\$ -
5005	Payroll Tax: Social Security	\$ 6,306.52	91.27%	\$ 6,910	\$ 11,967.14	14.43%	\$ 82,916.39	\$ 70,949.25
5006	Payroll Tax: Medicare	\$ 1,474.91	91.27%	\$ 1,616	\$ 2,798.67	14.43%	\$ 19,391.74	\$ 16,593.07
5007	Payroll Tax: SUTA	\$ 77.29	28.23%	\$ 274	\$ 103.35	3.15%	\$ 3,285.15	\$ 3,181.80
5010	Insurance: Health	\$ 8,660.77	65.71%	\$ 13,181	\$ 19,110.77	12.08%	\$ 158,175.00	\$ 139,064.23
5011	Insurance: Dental	\$ 606.48	73.68%	\$ 823	\$ 1,328.48	13.45%	\$ 9,876.96	\$ 8,548.48
5020	Retirement: ER Contribution	\$ 4,926.62	95.23%	\$ 5,174	\$ 9,569.31	15.41%	\$ 62,082.33	\$ 52,513.02
5030	Insurance: Life	\$ 231.25	90.09%	\$ 257	\$ 462.50	15.02%	\$ 3,080.25	\$ 2,617.75
5031	Insurance: Short-term Disability	\$ 499.84	119.85%	\$ 417	\$ 946.06	18.90%	\$ 5,004.69	\$ 4,058.63
5032	Insurance: Long-term Disability	\$ 554.45	92.59%	\$ 599	\$ 1,024.66	14.26%	\$ 7,186.22	\$ 6,161.56
Staff Development		\$ 4,330.00	388.17%	\$ 1,116	\$ 4,564.15	\$ 0.34	\$ 13,386.00	\$ 8,821.85
5100	Staff Development	\$ 4,330.00	388.17%	\$ 1,116	\$ 4,564.15	34.10%	\$ 13,386.00	\$ 8,821.85
Professional Services		\$ 5,975.00	50.52%	\$ 11,827	\$ 10,620.25	\$ 0.07	\$ 141,924.00	\$ 131,303.75
6000	Professional Services: Consultant	\$ -	#DIV/0!	\$ -	\$ -	#DIV/0!	\$ -	\$ -
6001	Professional Services: Accounting	\$ -	#DIV/0!	\$ -	\$ -	#DIV/0!	\$ -	\$ -
6002	Professional Services: Auditing	\$ -	0.00%	\$ 1,271	\$ -	0.00%	\$ 15,250.00	\$ 15,250.00
6005	Professional Services: IT Management	\$ 2,750.00	82.14%	\$ 3,348	\$ 6,500.00	16.18%	\$ 40,176.00	\$ 33,676.00
6010	Professional Services: Legal	\$ 2,400.00	423.53%	\$ 567	\$ 2,400.00	35.29%	\$ 6,800.00	\$ 4,400.00
6020	Professional Services: Temp Employment	\$ -	#DIV/0!	\$ -	\$ -	#DIV/0!	\$ -	\$ -
6025	Professional Services: Printing Svcs	\$ -	#DIV/0!	\$ -	\$ -	#DIV/0!	\$ -	\$ -
6030	Professional Services: Bldg Rprs & Mtnc	\$ 225.00	33.50%	\$ 672	\$ 1,120.25	13.90%	\$ 8,060.00	\$ 6,939.75
6035	Professional Services: Other (Quality)	\$ 600.00	10.05%	\$ 5,970	\$ 600.00	0.84%	\$ 71,638.00	\$ 71,038.00
Direct Services - Child Care		\$ 1,142,801.81	100.78%	\$ 1,133,969	\$ 2,082,027.09	\$ 0.15	\$ 13,607,628.18	\$ 11,525,601.09
6500	Direct Services	\$ 1,142,801.81	100.78%	\$ 1,133,969	\$ 2,082,027.09	15.30%	\$ 13,607,628.18	\$ 11,525,601.09
Occupancy		\$ 3,925.64	91.24%	\$ 4,303	\$ 7,881.73	\$ 0.15	\$ 51,633.20	\$ 43,751.47
7000	Facility Rental (Offsite events-Trainings)	\$ -	#DIV/0!	\$ -	\$ -	#DIV/0!	\$ -	\$ -
7001	Utilities	\$ 2,057.64	110.84%	\$ 1,856	\$ 4,085.73	18.34%	\$ 22,277.20	\$ 18,191.47
7005	Janitorial Services	\$ 1,175.00	95.92%	\$ 1,225	\$ 2,350.00	15.99%	\$ 14,700.00	\$ 12,350.00
7007	Lawn Service	\$ 375.00	76.27%	\$ 492	\$ 700.00	11.86%	\$ 5,900.00	\$ 5,200.00
7008	Security System	\$ 318.00	45.89%	\$ 693	\$ 636.00	7.65%	\$ 8,316.00	\$ 7,680.00
7009	Pest Control	\$ -	0.00%	\$ 37	\$ 110.00	25.00%	\$ 440.00	\$ 330.00
Postage, Freight, and Delivery		\$ 178.66	56.05%	\$ 319	\$ 381.23	\$ 0.10	\$ 3,825.00	\$ 3,443.77
7050	Postage and Shipping	\$ 178.66	56.05%	\$ 319	\$ 381.23	9.97%	\$ 3,825.00	\$ 3,443.77
Equipment Leases		\$ 484.00	84.57%	\$ 572	\$ 1,161.20	\$ 0.17	\$ 6,867.41	\$ 5,706.21
7100	Equipment Lease & Mtnc	\$ 484.00	84.57%	\$ 572	\$ 1,161.20	16.91%	\$ 6,867.41	\$ 5,706.21
Supplies		\$ 851.34	61.17%	\$ 1,392	\$ 2,272.95	\$ 0.14	\$ 16,700.00	\$ 14,427.05
7006	Janitorial Supplies	\$ 144.51	82.58%	\$ 175	\$ 252.31	12.01%	\$ 2,100.00	\$ 1,847.69
7150	Office Supplies & Expense	\$ 311.90	41.59%	\$ 750	\$ 1,150.77	12.79%	\$ 9,000.00	\$ 7,849.23
7151	Printing: Copier	\$ 394.93	84.63%	\$ 467	\$ 869.87	15.53%	\$ 5,600.00	\$ 4,730.13

**Early Learning Coalition of Marion County, Inc.
Budget vs. Actual
As of August 31, 2018**

		Current Month to Date			Year to Date		Approved	Balance
		Aug-18	% of budget	Monthly Budget (1/12)	Actual	% of budget	Budget Original	of Budget
Communications		\$ 744.92	91.73%	\$ 812	\$ 1,180.20	\$ 0.12	\$ 9,744.64	\$ 8,564.44
7200	Communication: Land Line	\$ 476.36	91.60%	\$ 520	\$ 626.90	10.05%	\$ 6,240.64	\$ 5,613.74
7201	Communication: Cellular	\$ 169.56	96.89%	\$ 175	\$ 365.20	17.39%	\$ 2,100.00	\$ 1,734.80
7202	Communication: Internet	\$ 99.00	84.62%	\$ 117	\$ 188.10	13.40%	\$ 1,404.00	\$ 1,215.90
Insurance		\$ 2,105.91	94.53%	\$ 2,228	\$ 4,230.65	\$ 0.16	\$ 26,732.61	\$ 22,501.96
7251	Insurance: D&O	\$ 727.69	100.91%	\$ 721	\$ 1,455.38	16.82%	\$ 8,653.68	\$ 7,198.30
7255	Insurance: Automobile (Rental)	\$ 44.59	99.82%	\$ 45	\$ 89.18	16.64%	\$ 536.07	\$ 446.89
7260	Insurance: General Liability	\$ 38.64	110.14%	\$ 35	\$ 77.28	18.36%	\$ 421.00	\$ 343.72
7265	Insurance: Workers Compensation	\$ 357.55	76.65%	\$ 466	\$ 733.93	13.11%	\$ 5,597.30	\$ 4,863.37
7270	Insurance: Property	\$ 619.43	97.06%	\$ 638	\$ 1,238.86	16.18%	\$ 7,657.94	\$ 6,419.08
7275	Insurance: Other	\$ 318.01	98.69%	\$ 322	\$ 636.02	16.45%	\$ 3,866.62	\$ 3,230.60
Tangible Personal Property		\$ (100.00)	-6.69%	\$ 1,495	\$ 587.67	\$ 0.03	\$ 17,940.00	\$ 17,352.33
7301	Equipment: = or > \$1k	\$ -	#DIV/0!	\$ -	\$ -	#DIV/0!	\$ -	\$ -
7302	Equipment: < \$1k	\$ (100.00)	-7.30%	\$ 1,370	\$ 587.67	3.57%	\$ 16,440.00	\$ 15,852.33
7303	Furniture: = or > \$1k	\$ -	#DIV/0!	\$ -	\$ -	#DIV/0!	\$ -	\$ -
7304	Furniture: < \$1k	\$ -	0.00%	\$ 125	\$ -	0.00%	\$ 1,500.00	\$ 1,500.00
Quality Initiatives		\$ 10,704.49	45.61%	\$ 23,471	\$ 17,069.73	\$ 0.06	\$ 281,650.00	\$ 324,190.15
7401	Quality and Classroom Material	\$ 3,872.79	38.73%	\$ 10,000	\$ 9,208.03	7.67%	\$ 120,000.00	\$ 110,791.97
7405	Training Material	\$ -	0.00%	\$ 500	\$ -	0.00%	\$ 6,000.00	\$ 6,000.00
7410	Consumer Education & Outreach Material	\$ 6,741.70	111.36%	\$ 6,054	\$ 7,741.70	10.66%	\$ 72,650.00	\$ 64,908.30
7415	Grants to Providers	\$ -	#DIV/0!	\$ -	\$ -	#DIV/0!	\$ -	\$ -
7420	Scholarship & Other Education Opportunities	\$ -	0.00%	\$ 6,875	\$ -	0.00%	\$ 82,500.00	\$ 82,500.00
7425	Wage Incentives	\$ 90.00	216.00%	\$ 42	\$ 120.00	24.00%	\$ 500.00	\$ 380.00
Other OEL Initiatives		\$ -		\$ 2,484	\$ -	\$ -	\$ 29,804.94	\$ 29,804.94
7435	PPF Project	\$ -	0.00%	\$ 2,484	\$ -	0.00%	\$ 29,804.94	\$ 29,804.94
Travel		\$ 3,659.93	201.39%	\$ 1,817	\$ 5,454.55	\$ 0.25	\$ 21,808.50	\$ 16,353.95
7501	Travel: In-State	\$ 1,611.90	128.95%	\$ 1,250	\$ 2,897.59	19.32%	\$ 15,000.00	\$ 12,102.41
7505	Travel: Out of State	\$ 1,794.92	1076.95%	\$ 167	\$ 1,794.92	89.75%	\$ 2,000.00	\$ 205.08
7510	Travel: In Service Area	\$ 253.11	63.17%	\$ 401	\$ 762.04	15.85%	\$ 4,808.50	\$ 4,046.46
Other Expenses		\$ 1,748.35	43.98%	\$ 3,975.26	\$ 15,713.02	\$ 0.33	\$ 47,883.17	\$ 32,170.15
7600	Administration Fees (Community Foundation- Building)	\$ 23.48	#DIV/0!	\$ -	\$ 45.90	25.50%	\$ 180.00	\$ 134.10
7601	Bank fees	\$ 18.06	#DIV/0!	\$ -	\$ 18.06	#DIV/0!	\$ -	\$ (18.06)
7602	Merchant Service Fees (Includes PayPal)	\$ 7.50	30.03%	\$ 25	\$ 31.98	10.67%	\$ 299.70	\$ 267.72
7603	Interest expense	\$ 352.43	184.13%	\$ 191	\$ 556.02	24.21%	\$ 2,296.87	\$ 1,740.85
7605	Software-Licenses-Support	\$ 653.94	38.24%	\$ 1,710	\$ 8,951.52	43.62%	\$ 20,523.70	\$ 11,572.18
7610	Web services	\$ 200.00	96.00%	\$ 208	\$ 200.00	8.00%	\$ 2,500.00	\$ 2,300.00
7615	Other employee related expense	\$ 55.00	25.25%	\$ 218	\$ 55.00	2.10%	\$ 2,614.00	\$ 2,559.00
7616	Background Screening	\$ -	0.00%	\$ 35	\$ -	0.00%	\$ 420.00	\$ 420.00
7617	Drug Screening	\$ -	0.00%	\$ 44	\$ -	0.00%	\$ 528.00	\$ 528.00
7620	Membership Dues	\$ 182.50	26.75%	\$ 682	\$ 4,777.50	58.36%	\$ 8,186.00	\$ 3,408.50
7621	Subscriptions and Publications	\$ -	0.00%	\$ 420	\$ 77.70	1.54%	\$ 5,039.90	\$ 4,962.20
7625	Taxes, licenses and fees	\$ -	0.00%	\$ 25	\$ 99.00	33.56%	\$ 295.00	\$ 196.00
7901	Vending Machine Supplies	\$ -	#DIV/0!	\$ -	\$ 227.64	#DIV/0!	\$ -	\$ (227.64)
9999	In-Kind expenditure	\$ 255.44	61.31%	\$ 417	\$ 672.70	13.45%	\$ 5,000.00	\$ 4,327.30
Other Program Expenses (Success by 6)		\$ 154.98		\$ 4,709.00	\$ 2,157.94	\$ 0.04	\$ 56,508.00	\$ 54,350.06
8500	Childcare (Circle of Parent/Parents as Teachers)	\$ 90.00	11.11%	\$ 810	\$ 90.00	0.93%	\$ 9,720.00	\$ 9,630.00
8510	Infant Safe Sleep	\$ -	0.00%	\$ 333	\$ -	0.00%	\$ 4,000.00	\$ 4,000.00
8520	Car Seats	\$ -	0.00%	\$ 83	\$ 385.68	38.57%	\$ 1,000.00	\$ 614.32
8530	Special Projects	\$ -	0.00%	\$ 1,023	\$ -	0.00%	\$ 12,278.00	\$ 12,278.00
8540	Parent Education-Incentives (allowable)	\$ -	0.00%	\$ 500	\$ 1,397.28	23.29%	\$ 6,000.00	\$ 4,602.72
8550	Food Services (Unallowable)	\$ 64.98	5.00%	\$ 1,301	\$ 64.98	0.42%	\$ 15,610.00	\$ 15,545.02
8551	Parent Incentive (Unallowable)	\$ -	0.00%	\$ 658	\$ 220.00	2.78%	\$ 7,900.00	\$ 7,680.00
Depreciation		\$ 3,848.99	101.58%	\$ 3,789	\$ 7,697.98	\$ 0.17	\$ 45,471.04	\$ 37,773.06
9001	Depreciation	\$ 3,848.99	101.58%	\$ 3,789	\$ 7,697.98	16.93%	\$ 45,471.04	\$ 37,773.06
	Total Expenditures	\$ 1,313,287.28	98.08%	\$ 1,338,973.88	\$ 2,417,020.05	15.04%	\$ 16,067,866.56	\$ 13,710,456.39
	Net Income	\$ 63,539.92		\$ (1,937)	\$ 19,720.69		\$ (23,421.45)	\$ (102,752.02)
NOTE:								



Fiscal Year Ending June 30, 2019

Line #	Budget Line Item Account Name	Coalition Programs		Year to Date Analysis				Variance Analysis Notes	Agency Plan of Action
		2018-19 Budget	Actual Expenses as of 8/31/18	% of Year	% of Budget	Over/Under	Variance %		
001	SR Direct Child Services	\$ 8,059,846.22	\$ 1,558,989.57	16.67%	19.34%	Over	2.68%		
002	VPK Direct Child Services	\$ 5,309,782.00	\$ 502,271.42	16.67%	9.46%	Under	-7.21%		
003	Other Direct Child Services	\$ 237,999.96	\$ 20,766.10	16.67%	8.73%	Under	-7.94%		
004	Salaries and Benefits	\$ 1,688,359.87	\$ 254,019.71	16.67%	15.05%	Under	-1.62%		
005	Staff Development	\$ 13,386.00	\$ 4,564.15	16.67%	34.10%	Over	17.43%	Timing of conferences	No adjustment necessary
006	Professional Services	\$ 141,924.00	\$ 10,620.25	16.67%	7.48%	Under	-9.18%		
007	Occupancy	\$ 51,633.20	\$ 7,881.73	16.67%	15.26%	Under	-1.40%		
008	Postage, Freight, and Delivery	\$ 3,825.00	\$ 381.23	16.67%	9.97%	Under	-6.70%		
009	Equipment Leases	\$ 6,867.41	\$ 1,161.20	16.67%	16.91%	Over	0.24%		
010	Supplies	\$ 16,700.00	\$ 2,272.95	16.67%	13.61%	Under	-3.06%		
011	Communications	\$ 9,744.64	\$ 1,180.20	16.67%	12.11%	Under	-4.56%		
012	Insurance	\$ 26,732.61	\$ 4,230.65	16.67%	15.83%	Under	-0.84%		
013	Tangible Personal Property	\$ 17,940.00	\$ 587.67	16.67%	3.28%	Under	-13.39%	Timing of purchases	No adjustment necessary
014	Quality Initiatives	\$ 281,650.00	\$ 17,069.73	16.67%	6.06%	Under	-10.61%	Timing of purchases	No adjustment necessary
015	OEL Special Projects	\$ 29,804.94	\$ -	16.67%	0.00%	Under	-16.67%	Not effective until October 1	No adjustment necessary
016	Travel	\$ 21,808.50	\$ 5,454.55	16.67%	25.01%	Over	8.34%		
017	Other Expenses	\$ 47,883.17	\$ 15,713.02	16.67%	32.82%	Over	16.15%	Timing of purchases	No adjustment necessary
018	Other Program Expenses (SB6)	\$ 56,508.00	\$ 2,157.94	16.67%	3.82%	Under	-12.85%	Timing of purchases	No adjustment necessary
019	Depreciation/PY Adjustment	\$ 45,471.04	\$ 7,697.98	16.67%	16.93%	Over	0.26%		
	TOTAL	\$ 16,067,866.56	\$ 2,417,020.05	16.67%	15.04%	Under	-1.62%		

CHAPTER 1

FA130 BUSINESS CONDUCT

Current – Effective July 1, 2018

The Coalition requires board members, committee members, volunteers, and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities, and all directors, committee members, volunteers, and employees to comply with all applicable laws and regulatory requirements. Unethical actions, or the appearance of unethical actions, are unacceptable under any conditions.

Each employee must apply her or his own sense of personal ethics, which should extend beyond compliance with applicable laws and regulations in business situations, to govern behavior where no existing regulation provides a guideline. Each employee is responsible for applying common sense in business decisions where specific rules do not provide all of the answers.

In determining compliance with this standard in specific situations, employees should ask themselves the following questions:

1. Is my action legal?
2. Is my action ethical?
3. Does my action comply with the Coalition policy?
4. Am I sure my action does not appear inappropriate?
5. Am I sure that I would not be embarrassed or compromised if my action became known within the Coalition or publicly?
6. Am I sure that my action meets my personal code of ethics and behavior?
7. Would I feel comfortable defending my actions on the 6 o'clock news?

Each employee should be able to answer "yes" to all of these questions before taking action.

Each officer, director, or supervisor is responsible for the ethical business behavior of their subordinates. Officers, directors, or supervisors must carefully weigh all courses of action suggested in ethical, as well as economic, terms and base their final decisions on the guidelines provided by this policy.

Judy's Suggestion

The Coalition requires board members, volunteers, and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities, and to comply with applicable laws and regulatory requirements. Unethical actions, or the appearance of unethical actions, are unacceptable under any conditions.

FA140 CONFLICTS OF INTEREST

Current – Effective February 22, 2018

In the course of business, situations may arise in which a Coalition decision maker has a conflict of interest, or in which the process of making a decision may create an appearance of a conflict of interest.

All directors and employees have an obligation to:

1. Avoid conflicts of interest, or the appearance of conflicts, between their personal interests and those of the Coalition in dealing with outside entities or individuals,
2. Disclose real and apparent conflicts of interest to the Board of Directors, and
3. Refrain from participation in any decisions on matters that involve a real conflict of interest or the appearance of a conflict.

Judy's Suggestion

Coalition directors and employees have an obligation to avoid conflicts of interest or the appearance of conflicts, between their personal interests and those of the Coalition in dealing with outside entities and individuals. Directors and employees must disclose real and apparent conflicts of interest to the Board and refrain from participation in any decisions on matters that involve a real conflict of interest or the appearance of a conflict.

FA150 SUSPECTED MISCONDUCT

Current – Effective July 1, 2018

This policy communicates the actions to be taken for suspected misconduct committed, encountered, or observed by employees and volunteers.

Like all organizations, the Coalition faces many risks associated with fraud, abuse, and other forms of misconduct. The impact of these acts, collectively referred to as misconduct throughout this policy, may include, but are not be limited to:

- Financial losses and liabilities.
- Loss of current and future revenue and customers.
- Negative publicity and damage to the Coalition's public image.
- Loss of employees and difficulty in attracting new personnel.
- Deterioration of employee morale.
- Harm to relationships with clients, vendors, bankers, and subcontractors.
- Litigation and related costs of investigations, etc.

The Coalition is committed to establishing and maintaining a work environment of the highest ethical standards. Achievement of this goal requires the cooperation and assistance of every employee and volunteer at all levels of the Coalition.

Judy's Suggestion

??? Look at policy statement

Roseann's Suggestion (Move from FA150.03 – Reporting Responsibility and make it the policy)

All employees and volunteers are responsible for immediately reporting suspected misconduct to their supervisor, the CEO, or the Chair of the Finance Committee. When supervisors have received a report of suspected misconduct, they must immediately report such acts to the Administrative Services/HR Director for further investigation.

DeAnna's Note/Suggestion

The reporting responsibility is a procedure not a policy, in that it provides direction as to who is responsible for taking the reports of suspected misconduct. As per the recommendations from Wipfli those individuals should be the employee's immediate supervisor, the CFO, or the Chair of the Finance Committee. When a supervisor receives a report, it should be reported to the CFO to investigate. I agree that HR should be involved but I do not believe that person is the right person to investigate fraud as it is not in their scope of work.

FA160 SECURITY – FINANCE DEPARTMENT

Current – Effective July 1, 2018

A lock will be maintained on the door leading into the Coalition Chief Finance Officer's office. This door shall be closed and locked in the evenings and whenever the Chief Finance Officer is out of the building. The door is accessed through a keypad security system. Assigned staff members have been given authority to access the office, if necessary.

Judy's Suggestion

The Coalition recognizes the need for the security of its records, its finances, and its employees and will make provisions for adequate protections.

FA170 GENERAL LEDGER AND CHART OF ACCOUNTS

Current – Effective July 1, 2018

The general ledger is the collection of all asset, liability, net assets, revenue, and expense accounts. It is used to accumulate all financial transactions and is supported by subsidiary ledgers that provide details for certain accounts. The general ledger is the foundation for the accumulation of data and production of reports.

Judy's Suggestion

None

CHAPTER 2

FA200 REVENUE

Current – Effective July 1, 2018

The Coalition receives revenue from several types of transactions. Revenue from each of these types of transactions is recognized in the financial statements in the following manner:

1. **Grant income** – Monthly accrual based on incurrence of allowable costs (for cost-reimbursement awards) or based on other terms of the award (for fixed price, unit-of-service, and other types of awards).
2. **Nongovernmental Cash Contributions** – Recognized as income when received, unless accompanied by restrictions or conditions. (See the next section on contribution income.)
3. **Interest income** – monthly accrual based on when it was earned.
4. **Program Income** – Defined as gross income generated by a supported activity or earned as a result of an award and is recognized as a reduction in expenditures in the period in which it is received.
5. **Fee-for-Service Income** – Recognized as income when services are rendered unless collection of amounts due is in question. In this case, revenue is recognized when payments are received.
6. **In-Kind Contributions or Non-Federal Share** – Recognized as income when received. (See the following section titled “Cost Sharing and Matching.”)

Immaterial categories of revenue may be recorded on the cash basis of accounting (i.e., recorded as revenue when received) as deemed appropriate by the Chief Finance Officer.

Judy's Suggestion

The Coalition receives revenue from several types of transactions which will be recognized in the financial statements as Grant Income, Non-governmental Cash Contributions, Interest Income, Program Income, Fee-for-Service Income and In-Kind Contributions.

FA210 COST SHARING AND MATCHING (IN-KIND) REPORTING

Current – Approved July 2014

Gifts and/or donations of goods and services made to the Coalition will be recorded according to the methods outlined in Generally Accepted Accounting Procedures. Gifts or donations received by the Coalition in excess of \$100.00 fair market value will be posted to the general ledger as an in-kind contribution. Those entries will only include those items the Coalition may have found necessary to purchase or were not authorized by funding sources throughout the accounting period.

Judy's Suggestion

This policy statement has no relationship to the cost-sharing/match issue

DeAnna's Note/Suggestion

Judy is correct this does not match the title. This policy is the policy that was approved effective July 1, 2014, and I did not change anything on it. Below is my suggestion based upon the Wipfli template.

The Coalition values contributed services and property that are to be used to meet a cost sharing or matching requirement at their fair market values at the time of contribution, unless award documents or federal agency regulations identify specific values to be used.

The Coalition shall claim contributions as meeting a cost sharing or matching requirement of a federal award only if all of the following criteria are met:

1. They are verifiable from the Coalition records.
2. They are not included as contributions (or match) for any other federally-assisted project or program.

3. They are necessary and reasonable for proper and efficient accomplishment of project or program objectives.
4. They are allowable under the federal cost principles, 2 CFR Part 200 Subpart E, Cost Principles.
5. They are not paid by the federal government under another award, except where authorized by federal statute to be used for cost sharing or matching.
6. They are provided for in the approved budget when required by the federal awarding agency.
7. They conform to all provisions of federal administrative regulations, 2 CFR Part 200 Subpart D, Post Federal Awards Requirements.
8. In the case of donated space, (or donated use of space), the space is subject to an independent appraisal performed by a certified appraiser as defined by 2 CFR Part 200.306(i)(1) to establish its value.
9. In-kind match for the School Readiness program may not be recognized under the grant without specific approval from the Office of Early Learning.

FA220 ADMINISTRATION OF FEDERAL AWARDS

Current – Effective July 1, 2018

The Coalition is the sole recipient of School Readiness and Voluntary Pre-Kindergarten Education Program from Florida's Office of Early Learning for the service area. The Coalition may seek other funding opportunities as set forth within the following procedures.

Judy's Suggestion

The Coalition is the sole recipient of School Readiness and Voluntary Pre-Kindergarten Education Program from Florida's Office of Early Learning for the service area. The Coalition may seek other funding opportunities as authorized by the Board.

FA230 GIFT ACCEPTANCE

Current – Effective July 1, 2018

A gift/contribution is consideration given to the Coalition for which the donor receives no direct benefit and requires nothing in exchange (it is nonreciprocal) other than assurance that the intent of the contribution will be honored by the Coalition.

The Coalition will not accept any donations that imply endorsement of businesses, products or services. Donor businesses may not use the Coalition's name for promotion of any product or service

Judy's Suggestion

A gift/contribution is consideration given to the Coalition for which the donor receives no direct benefit and requires nothing in exchange other than the assurance that the intent of the contribution will be honored by the Coalition.

The Coalition will not accept donations that imply endorsement of business, products or services. Donor businesses may not use the Coalition's name for promotion of any product or services.

FA240 CONTRIBUTION ACCOUNTING

Current – Effective July 1, 2018

The purpose of this policy is to ensure that contributions are recognized and reported accurately and timely.

For the purpose of the School Readiness program the costs for the purposes of meeting the Federal program objectives are allowable with prior written approval from the Federal awarding agency. (2 CFR Part 200.442(a)) states *that costs of organized fund-raising including financial campaigns, endowment drives, solicitation of gifts and bequests, and similar expenses incurred to raise capital or obtain contributions are unallowable.*

Prior to the Coalition embarking on any significant fundraising activities, whether for match raising or for the building, the Chief Executive Officer shall obtain approval from the Board of Directors. The proposal

must indicate the purpose of the fund-raising campaign, goal, and length of the campaign. The fund-raising campaign must be in line with the Coalition mission.

Judy's Suggestion

Contributions made to the Coalition whether by individuals or government entities will be recognized and reported accurately and timely.

Prior to the Coalition embarking on any significant fundraising activities, the CEO shall obtain approval from the Board of Directors or its Executive Committee. The proposal must indicate the purpose of the fund-raising campaign, goal and length of the campaign and be in line with the Coalition mission.

FA250 BILLING/INVOICE POLICIES

Current – Effective July 1, 2018

To ensure that all services are billed and recorded at authorized rates, payments are received promptly and balance sheet assets are representative of unpaid accounts. To prudently engage control of all accounts receivable.

Judy's Suggestion

The Coalition will ensure that all services are billed and recorded at authorized rates and will also ensure that payments are received promptly and balance sheet assets are representative of unpaid accounts.

FA260 CASH RECEIPTS

Current – Effective July 1, 2014

To ensure that all funds intended for the Coalition are received, promptly deposited, properly recorded, reconciled and kept under adequate security. Also, that compliance with the terms of any related restrictions on grants, gifts and contributions are adequately monitored.

Judy's Suggestion

The Coalition will ensure that all funds intended for the Coalition are received, promptly deposits, properly recorded, reconciled and kept under adequate security. Compliance with the terms of any related restrictions on grants, gifts and contributions will be adequately monitored.

FA270 GRANTS RECEIVABLE MANAGEMENT

Current – Effective July 1, 2014

To account for all grants receivable earned each month and submit required reimbursement forms.

Judy's Suggestion

All grants receivable earned each month will be accounted for and required reimbursement forms will be timely submitted.

DeAnna's Note/Suggestion

The Coalition records grants receivable and income as it is earned and billed during the grant year. The CFO is responsible for monitoring budget-to-actual expenditures throughout the grant year and will meet monthly with the Grant Manager/Lead to discuss grant fiscal results.

FA280 ACCOUNTS RECEIVABLE MANAGEMENT

Current – Effective July 1, 2018

To ensure that all services are billed and recorded at authorized rates, payments are received promptly, and balance sheet assets are representative of unpaid accounts. To prudently engage control of all accounts receivable.

Note: Duplicate of FA250 Billing/Invoicing Policy (see suggestions for each area of receivable management)

Judy's Suggestion

The Coalition will ensure that all services are billed and recorded at authorized rates and will also ensure that payments are received promptly and balance sheet assets are representative of unpaid accounts.

DeAnna's Note/Suggestion

On a monthly basis, the Accounting Department will reconcile a detailed accounts receivable report (showing aged, outstanding invoices by customer) to the general ledger. The CFO will review the reconciliation and ensure that all differences are immediately investigated and resolved.

CHAPTER 3

FA300 PURCHASING AND PROCUREMENT

Current – Effective July 1, 2017

The Coalition requires the practice of ethical, responsible, and reasonable procedures related to purchasing, agreements, and contracts, and related forms of commitment. The policies in this section describe the principles and procedures that all staff shall adhere to in the completion of their designated responsibilities.

The goal of these purchasing and procurement policies is to ensure that materials and services are obtained in an effective manner and in compliance with the provisions of applicable State and Federal statutes, and grant requirements.

The Coalition will comply with Chapter 287, F.S., which regulates contract procurement. Any changes to Chapter 287, F.S. will be incorporated into the Coalition policies and procedures.

Judy's Suggestion

The Coalition requires the practice of ethical, responsible, and reasonable procedures related to purchasing agreements and contracts. The goal of the purchasing and procurement policies is to ensure that material and services are obtained in an effective manner and in compliance with the provisions of applicable State and Federal statutes and grant requirements,

DeAnna's Note/Suggestion

The last paragraph of the current policy is required by OEL. Entire policy and procedure must be reviewed and approved by OEL.

FA310 SUBRECIPIENT

Current

No current policy

Revision

From time to time the Coalition may find it practical to make subawards of federal funds to other organizations. All subawards in excess of the simplified acquisition threshold shall be subject to the conflict of interest policies described in the preceding section. In addition, all subrecipients must be approved in writing by the State or Federal awarding agency and agree to the subrecipient monitoring provisions described in the next section.

Judy's Suggestion

The Coalition may find it practical to make subawards of federal funds to other organizations. Subawards shall be subject to the Coalition's conflict of interest policies and all subrecipients must be approved in writing by the federal awarding agency and agree to the subrecipient monitoring provisions.

FA320 POLITICAL INTERVENTION

Current

No current policy

Revision

Consistent with its tax-exempt status under Section 501(c)(3) of the Internal Revenue Code, the Coalition shall not incur any expenditure for political intervention. For purposes of this policy, political intervention shall be defined as any activity associated with the direct or indirect support or opposition of a candidate for elective public office at the federal, state, or local level. Examples of prohibited political expenditures include, but are not limited to, the following:

1. Contributions to political action committees
2. Contributions to the campaigns of individual candidates for public office
3. Contributions to political parties
4. Expenditures to produce printed materials (including materials in periodicals) that support or oppose candidates for public office
5. Expenditures for the placement of political advertisements in periodicals

Judy's Suggestion

Consistent with its federal tax-exempt status the Coalition shall not incur expenditures for political intervention. ???

FA325 LOBBYING

Current

No current policy

Revision

Unlike political intervention, described in the preceding section, expenditures by a section 501(c)(3) public charity for lobbying activities are allowable under the Internal Revenue Code. However, **no** lobbying expenditures may be charged directly or indirectly to any federal award (i.e., the Coalition must have a nonfederal source of funds to which such lobbying costs can be charged).

Judy's Suggestion

None

FA330 CHARGING OF COSTS TO FEDERAL AWARDS

Current – Effective July 1, 2014

All costs charged to Coalition programs are screened for allowability in accordance with OMB Circular A-122, "Cost Principles for Non-Profit Organizations." Allocations are supported by the Coalition's Cost Allocation Plan as submitted and approved by the Office of Early Learning annually. Costs are documented by copies of paid invoices; payroll records and other evidential records as may be appropriate to document specific costs. An annual independent audit is performed in compliance with OMB Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations."

Suggested Revision

All costs charged to Coalition programs are reviewed for allowability in accordance with 2 CFR Part 200, "Uniform administrative requirements, Cost Principles, and Audit Requirements for Federal Awards." Allocations are supported by the Coalition's Cost Allocation Plan as submitted and approved by the Office of Early Learning annually. Costs are documented by copies of paid invoices; payroll records and other evidential records as may be appropriate to document specific costs.

Judy's Suggestion

The Coalition will charge costs that are reasonable, allowable, and allowable to a federal award directly or indirectly. All unallowable costs shall be appropriate segregated from allowable costs to ensure that unallowable costs are not charged to federal awards.

FA340 ACCOUNTS PAYABLE MANAGEMENT

Current – Effective July 1, 2017

The Coalition strives to maintain efficient business practices and good cost control. A well-managed accounts payable function can assist in accomplishing this goal from the purchasing decision through payment and bank account reconciliation. The following are general policies for accounts payable:

- Assets or expenses and the related liability are recorded by an individual who is not responsible for ordering and receiving.
- The amounts recorded are based on the invoice for the related goods or services.
- The invoice should be supported by an approved purchase order where required by Coalition policy, and should be reviewed and approved by the appropriate individual, if necessary, prior to being processed for payment.

- Invoices and related general ledger account distribution codes are reviewed prior to posting to the accounting system.

The primary objective for accounts payable and cash disbursements is to ensure that:

- Disbursements are properly authorized.
- Invoices are processed in a timely manner.
- Vendor credit terms and operating cash are managed for maximum benefits.

Judy's Suggestion

The Coalition will maintain efficient business practices and good cost control.

DeAnna's Note/Suggestion

This policy and procedures is required to be reviewed and approved by OEL.

FA350 TRAVEL

Current – Effective July 1, 2014

To establish a policy for authorizing and obtaining reimbursement for official travel by employees and members of the Board of Directors. It is the responsibility of each traveler to select the most economical method of travel for each trip. Every effort must be made to obtain the lowest hotel rate (always ask for the government rate).

Judy's Suggestion

Reimbursement for official travel by employees and members of the Board of Directors will be made. It is the responsibility of each traveler to select the most economical method of travel for each trip.

DeAnna's Note/Suggestion

The Coalition is required to use and follow the DOE travel guide. Their policy, with modification to change DOE to Coalition, is as follows:

Employees and non-employees traveling for the Coalition will follow the policy and procedures set forth herein for authorizing and obtaining reimbursement for official travel.

Regardless of the payment source, travel shall only be performed and reimbursed in accordance with section 112.061, Florida Statutes (F.S.); chapter 69I-42, Florida Administrative Code (FAC), and these DOE procedures.

Approval and reimbursement of travel expenses are limited to those expenses deemed reasonable and necessary by a prudent person to complete the travel and associated performance of any public purpose authorized by law to be performed by the Coalition.

FA360 CELL PHONES

Current

No current policy.

Revision

The Coalition recognizes that certain job functions require that an employee be accessible when away from the office or during times outside scheduled working hours. For this reason, the Coalition will maintain a limited number of cell phones for employee use, one of which will be for the CEO. The Coalition will include language in employment contracts, job descriptions, and personnel manuals documenting the business reasons for providing employees with cell phones.

Corporate cell phone holders will be required to sign a statement acknowledging that the cell phone shall be used for legitimate organization-related business purposes, shall not be used while driving. The cell phone holder also agrees to take reasonable precautions to protect the cell phone from loss or theft by storing it in a secure location. Upon approval, a cell phone will be issued bearing the names of both the individual and the Coalition.

While corporate-issued cell phones are intended for Coalition-related business use, the Coalition recognizes that occasional personal use may occur. The Coalition employees should make every effort to keep personal use of company cell phones to a minimum (less than 30 minutes per day). Because

such employer-provided cell phones are considered to be a working condition fringe benefit, the Coalition employees' use of the cell phone for personal reasons may be treated as excludable from the employees' income as a de minimis fringe benefit. That is, the value of personal use of an organization-owned cell phone will not be taxable income to the employee.

Judy's Suggestion

The Coalition recognizes that certain job functions require that an employee be accessible when away from the office or during times outside scheduled working hours. The Coalition will maintain a limited number of cell phones for use by employees in their official work. The Coalition will include language in employment contracts, job descriptions and personnel manuals documenting business reasons for providing employees with cell phones and dealing with use of personal cells on the workplace.

DeAnna's Note/Suggestion

There is a "Distracted Driver" policy located within the Personnel policies which expands upon a procedure within this policy. This policy pertains mainly towards the purchase of cell phones and service contracts.

FA370 CASH DISBURSEMENTS (CHECK WRITING) POLICIES

Current – Effective July 1, 2017

The Coalition finance department is responsible for accurate and timely payment of all invoices for the Coalition. This includes payments to our contracted child care providers, payments on purchase orders, vendor invoices, travel reimbursement.

The Coalition will ensure appropriate and adequate invoice processing occurs.

Please see the Accounts Payable Management Policy for items related to the processing of invoices.

Judy's Suggestion

The Coalition's finance department is responsible for accurate and timely payments of all invoices for the Coalition. This includes payments to contracted child care providers, payments on purchase orders, vendor invoices, travel reimbursement and *employee payroll*.

DeAnna's Note/Suggestion

This policy and procedures is required to be reviewed and approved by OEL.

FA380 CREDIT CARDS

Current – Effective July 1, 2014

To establish procedures for the use and security of Coalition credit cards.

Revision

The Coalition recognizes that there will be occasions when there is a need to use a corporate credit card for purchasing, travel, and other purposes. Therefore, the Coalition has credit cards issued to the Chief Executive Officer. The primary card will be retained by the Chief Executive Officer. A secondary card is maintained in the safe in the Chief Finance Officer's office and may be checked out when necessary, primarily to make travel arrangements or authorized purchases in the absence of the Chief Executive Officer.

The card holder will be required to sign a statement acknowledging the following:

- The card shall be used exclusively for legitimate Coalition-related business purposes.
- The cardholder will avoid splitting purchase or service costs over multiple transactions to circumvent the single transaction limit.
- The cardholder agrees to take reasonable precautions to protect the card from loss or theft by storing it in a secure location and understands the actions to take in case of theft or loss.
- The cardholder will follow all required purchasing policies and procedures. Please see FA300 Purchasing Policy and Procedures for details.
- The cardholder understands and agrees to disciplinary procedures for misuse of the card.

Judy's Suggestion

The Coalition recognizes there will be occasions when there is a need to use a corporate credit card for purchasing, travel, and other purposes. The Coalition will provide a credit card for business use by the Chief Executive Officer and an additional card may be used by authorized personnel exclusively for Coalition related business purposes.

FA390 PAYROLL AND RELATED POLICIES

Current – Effective July 1, 2014

To insure that payroll disbursements are made only upon proper authorization of management to bona fide employees, are properly recorded and related legal requirements are complied with.

Control over payroll costs avoids waste and obtains maximum production from dollars expended for services of employees. Payroll is the largest operating cost and deserves close attention. The payroll costs are monitored monthly by comparison of budget to actual financial reports. The control of payroll internal procedures and authorization are very important to eliminate potential violations, secure accuracy and dependability, ensure tax laws are abided by and federal and state payroll reports are provided. Complete and accurate records are kept to protect the employer against labor disputes.

Judy's Suggestion

The Coalition will ensure that payroll disbursements are made only upon proper authorization of management to bona fide employees, are properly recorded and comply with all legal requirements. The control of payroll internal procedures and authorizations will secure accuracy and dependability, ensure tax laws are abided by, and federal and state payroll reports are provided. Complete and accurate records will be kept to protect against labor disputes.

CHAPTER 4

FA400 CASH AND CASH MANAGEMENT

Current – Effective July 1, 2014

It shall be the policy of ELCMC to maintain bank accounts for Coalition funds in accordance with generally accepted accounting practices and applicable state and federal guidelines.

Proposed Revision

The Coalition shall maintain bank accounts for Coalition funds in accordance with generally accepted accounting practices and applicable state and federal guidelines.

Judy's Suggestion

The Coalition shall maintain bank accounts for Coalition funds with in accordance with generally accepted accounting practices and applicable state and federal guidelines.

FA410 PREPAID EXPENSES

Current

No current policy.

Proposed Revision

The Coalition treats payments of expenses that are for a future fiscal year as prepaid expenses and will expense these items into the proper accounting period.

Judy's Suggestion

The Coalition will treat payments of expenses that have a time sensitive future benefit as prepaid expense.

DeAnna's Note/Suggestion

This policy revision would require that the Coalition only expense to the actual month of the activity which is not required under our grant agreement. The Coalition is only required to place expenses into prepaid if the expense is for a future grant cycle.

FA420 INVESTMENTS

Current

To ensure that endowments, securities and investment assets are properly recorded, adequately safeguarded and managed in accordance with any related restrictions and prudent investment management practices and that all investment income due is promptly collected and deposited and properly recorded.

Proposed

The Coalition treats all assets of the Coalition, including those funds that are legally unrestricted, as though they are held in a fiduciary capacity for the purpose of accomplishing the Coalition's tax-exempt mission. Hence, the policies described in this section are to be interpreted in light of that overall sense of stewardship, and the investment standards shall be those of a prudent investor.

This Investment Policy has been arrived at upon consideration by the Finance Committee of a wide range of policies, and describes the prudent investment process the Finance Committee deems appropriate. This process includes offering various asset classes and investment management styles that, in total, are expected to offer the opportunity to diversify the portfolio in a manner consistent with the specified risk and return requirements of the portfolio.

Funds to be invested do not include those from federal awards. Such funds will be spent on program requirements as budgeted or returned to the awarding agency. Any advances of federal funds will be maintained in an interest-bearing account. Interest earned on such funds will be allocated to federal grants based on an average daily balance, and any additional interest will be returned to the Florida Office of Early Learning.

Judy's Suggestion

The Coalition will treat all assets of the Coalition, including those funds that are legally without donor-imposed restrictions, as though they are held in a fiduciary capacity for the purpose of accomplishing the Coalition's tax-exempt status.

FA430 TANGIBLE PERSONAL PROPERTY MANAGEMENT POLICY

Current – Effective February 26, 2015

The Coalition shall inventory all furniture and computer equipment, i.e. computers, monitors, laptops, etc. in accordance with all federal regulation, state statutes, state rule, and state policy. This does not include replacement keyboards and mouse. The items will be found in the general ledger detail under account number 7301 for computer equipment and 7303 for furniture.

In accordance with Coalition grant agreements with Florida's Office of Early Learning (OEL), Equipment and other capital expenditures cost item, prior approval must be requested for all items that meet the greater of the requestor's capitalization threshold or \$5,000. Acquisitions or creation of software applications that meet the capitalization requirements of generally accepted accounting principles also require prior approval. Fixed assets will be found in the general ledger detail under the account numbers ranging from 1500 through 1503 with accumulated depreciation between 1600 and 1602.

For the purposes of the Coalition the custodianship has been assigned to the Chief Finance Officer or their designee. Custodian's delegates shall consist of the finance department staff and others if needed.

Upon the dissolution of the Coalition, all items of material value purchased with funds allocated by the state shall revert to Florida's Office of Early Learning. All remaining items of material value shall be distributed to one or more active local 501(c)(3) organizations

Proposed Revision – based upon latest OEL guidance

This policy is designed to ensure sound safeguards are in place to protect Coalition property and is consistent with applicable federal regulations, Florida Statutes, and state rules relative to the management, disposition, and utilization of tangible personal property purchased with state and federal funds.

Judy's Suggestion

The Coalition will ensure sound safeguards are in place to protect Coalition property, consistent with applicable federal regulations, Florida Statutes, and state rules relative to the management disposition, and utilization of tangible personal property purchased with state and federal funds.

FA440 LEASES

Current

No current policy.

Proposed Revision

The Coalition classifies all leases in which the Coalition is a lessee as either capital or operating leases. The Coalition shall utilize the criteria described in Statement of Financial Accounting Standards No. 13 in determining whether a lease is capital or operating in nature. Under those criteria, a lease shall be treated as a capital lease if, at the time of entering into the lease, any of the following factors are present:

1. The lease transfers ownership to the Coalition at the end of the lease term.
2. The lease contains a bargain purchase option.
3. The lease term is equal to 75% or more of the estimated economic life of the leased property.
4. The present value of the minimum lease payments is 90% or more of the fair value of the leased property (using, as the interest rate, the lesser of the Coalition's incremental borrowing rate or, if known, the lessor's implicit rate).

All leases that do not possess any of the four preceding characteristics shall be treated as operating leases. In addition, all leases that are immaterial in nature shall be accounted for as operating leases.

Judy's Suggestion

The Coalition will utilize leases when in the best interest of the Coalition and will classify all leases in which the Coalition is the lessee as either capital or operating leases.

FA450 SOFTWARE ACQUISITION AND DEVELOPMENT COSTS

Current

No current policy.

Proposed Revision

The Coalition recognizes that information technology is critical to the Coalition's success, and affirms our commitment to ensure ongoing effective, efficient, and economical support and development of its information technology environment in support of the Coalition's mission.

Judy's Suggestion

The Coalition recognizes that information technology is critical to the Coalition's success, and affirms a commitment to ensure ongoing, effective, efficient and economical support and development of its technology environment in support of its mission.

FA460 INTANGIBLE ASSETS

Current

No current policy.

Proposed Revision

The Coalition will recognize an intangible asset if, and only if:

- it has a cost greater than \$5,000, and
- it is probable that the expected future economic benefits that are attributable to the asset will flow to the Coalition, and
- the cost of the asset can be measured reliably.

Judy's Suggestion

The Coalition will recognize an intangible asset if

- *it has a cost greater than \$5,000*
- *it is probable that the expected future economic benefits that are attributable to the asset will flow to the Coalition and*

- the cost of the asset can be measured reliably

FA470 ASSET IMPAIRMENT

Current

No current policy.

Proposed Revision

Long-lived assets of the Coalition include personal property and equipment, land, buildings, intangible assets, and other noncurrent assets. In connection with long-lived assets, the Coalition shall record an impairment loss when the carrying amount (book value, net of any accumulated depreciation or amortization) is both:

1. Not recoverable (through sale, etc.); and
2. in excess of the asset's fair value.

Long-lived assets shall be tested for impairment whenever events or changes in circumstances indicate that an asset's carrying value may be impaired. Examples of such events or circumstances that the Coalition shall consider include:

1. A significant decrease in the market price of a long-lived asset.
2. A significant adverse change in the extent or manner in which a long-lived asset is being used or in its physical condition.
3. A significant adverse change in legal factors or in the business climate that could affect the value of a long-lived asset, including an adverse action by a regulator.
4. An accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of a long-lived asset.
5. A current-period operating or cash flow loss combined with a history of operating or cash flow losses or a projection or forecast that indicates continuing losses associated with the use of a long-lived asset.
6. A current expectation that, more likely than not, a long-lived asset will be sold or otherwise disposed of significantly before the end of its previously estimated useful life.

If the Coalition records an impairment loss in connection with a long-lived asset subject to depreciation or amortization, the reduced basis resulting from recording the loss shall be used as a new basis for calculating future periods' depreciation or amortization.

Judy's Suggestion

Long lived assets of the Coalition include personal property and equipment, land, buildings, intangible assets and other nonrecurrent assets. The Coalition shall record an impairment loss when carrying amount of the asset is not recoverable and is in excess of the asset's fair value.

FA470 FAIR VALUE ACCOUNTING

Current

No current policy.

Proposed Revision

The term "fair value" shall be defined as it is in Statement of Financial Accounting Standards (SFAS) 157: the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Determination of fair value shall be performed by the individuals identified in this manual associated with each type of fair value accounting issues. All fair value determinations in excess of \$500 shall be reviewed and approved by the CFO.

CHAPTER 5

FA500 ACCRUED LIABILITIES

Current – Effective July 1, 2018

The accrual basis of accounting should be utilized in measuring financial position and operating results. The accrual basis recognizes expenses in the accounting period in which those transactions, events, or circumstances occur (goods or services are received) and become measurable.

Judy's Suggestion

The accrual basis of accounting *will* be utilized in measuring financial position and operating results, *recognizing* expenses in the accounting period in which those transactions, events or circumstances occur and become measurable.

FA510 INCOME TAXES PAYABLE

Current – Effective July 1, 2018

It is the policy of the Coalition to contract for preparation of the annual federal tax return (IRS Form 990) as a part of the independent audit engagement for each fiscal year, in accordance with applicable laws and funding source requirements.

Judy's Suggestion

The Coalition qualifies for exemption from federal income tax under IRS 501(c)(3) but will contract for preparation of the annual IRS Form 990 as a part of the independent audit engagement for each fiscal year, in accordance with applicable laws and funding requirements.

DeAnna's Note/Suggestion (based upon Wipfli guidelines)

The Coalition is exempt from federal income taxes. However, if the Coalition generates taxable income from unrelated trade or business activities, a liability for income taxes payable shall be accrued at the applicable corporate income tax rates.

All income taxes payable shall be paid by the due date of the returns on which such income taxes are to be reported. If the Coalition becomes subject to a requirement to remit estimated income taxes on a quarterly basis, such amounts shall be accrued and paid quarterly.

FA520 NOTES PAYABLE

Current – Effective July 1, 2018

The Coalition requires that all notes payable be approved by the Board of Directors and signed by the Board Chair.

Judy's Suggestion

The Coalition required that all notes payable be approved by the Board of Directors and signed by the Board Chair.

FA530 NET ASSETS

Current – Effective July 1, 2018

Net assets of the Coalition shall be classified based upon the existence or absence of donor-imposed restrictions as follows:

Unrestricted Net Assets – Net assets that are not subject to donor-imposed stipulations.

Temporarily Restricted Net Assets – Net assets subject to donor-imposed stipulations that may or will be satisfied through the actions of the Coalition and/or the passage of time.

Permanently Restricted Net Assets – Net assets subject to donor-imposed stipulations that the Coalition permanently maintain certain contributed assets. Generally, donors of such assets permit the Coalition to use all or part of the income earned from permanently restricted net assets for general operations or for specific purposes. Permanent restrictions do not pass with the expiration of time; nor can they be removed through the Coalition's actions.

Net assets accumulated that are not subject to donor-imposed restrictions, but which the Board of Directors of the Coalition has earmarked for specific uses, shall be segregated in the accounting records as "board-designated" funds within the unrestricted category of net assets.

Restrictions may be associated with either a time period (e.g., a particular future time period) or a purpose (e.g., specific programs). A purpose stipulation will be considered a restriction only if it is more specific than the broad limits resulting from the nature of the Coalition, the environment in which it operates, and the purposes specified in the Coalition's Articles of Incorporation and Bylaws.

Judy's Suggestion

Net assets accumulated that are not subject to donor-imposed restrictions, but which the Board has earmarked for specific uses shall be segregated in the accounting records as "board-designated" funds within the unrestricted category of net assets.

CHAPTER 6

FA600 FINANCIAL STATEMENTS

Current – Effective July 1, 2014

The primary purpose of financial statements is to provide relevant information to meet the common interests of donors, members, creditors and others who provide resources to the Coalition. The external users of the financial statements have common interests in assessing the services the organization provides, its ability to continue to provide those services and also, how Officers and Directors discharge their responsibilities and other aspects of their performance.

A complete set of financial statements shall include; a statement of financial position as of the end of a month; a statement of activities; and any necessary notes to financial statements for the reporting period.

Judy's Suggestion

The Coalition's financial statements will provide relevant information to meet the common interest of donors, members, creditors and others who provide resources to the Coalition. A complete set of financial statements shall include a statement of financial position as of the end of each month, a statement of activities, and any necessary notes to financial statements for the reporting period.

FA610 Government Returns

Current – Effective July 1, 2018

To legitimately conduct business, the Coalition must be aware of its tax and information return filing obligations and comply with all such requirements of federal, state, and local jurisdictions. Filing requirements of the Coalition include, but are not limited to, filing annual information returns with IRS, state charitable solicitation reports, annual reports for corporations, property tax returns, income tax returns, sales tax returns, information returns for retirement plans, annual reporting of compensation paid, and payroll tax withholding tax returns.

Judy's Suggestion

The Coalition is aware of its tax information return filing obligations and will comply with all such applicable requirements of federal, state and local jurisdictions. Filing requirements include, but are not limited to, annual information returns with IRS, state charitable solicitation reports, annual reports for corporations, sales tax returns, returns for retirement plans, annual reporting of compensation paid, and payroll tax withholding tax returns.

FA620 Other Tax Considerations

Current – Effective July 1, 2018

The Coalition will monitor state and local tax laws in locations where the Coalition conducts business to ensure that it is complying with all applicable tax laws.

Judy's Suggestion

Why do we need category?? We are not planning to be operating in another state or doing internet fundraising for charitable solicitations thereby requiring us to register in other states

FA630 TRANSACTIONS WITH INTERESTED PERSONS

Current – Effective July 1, 2018

In connection with complying with requirements of the Internal Revenue Code and the Form 990 information return, the Coalition shall identify all individuals and entities qualifying as *interested persons* as defined by the IRS:

1. All current officers, directors, trustees, and key employees (individuals required to be listed on the Form 990)
2. All former officers, directors, trustees, and key employees
3. Substantial contributors (a person required to be listed on Schedule B of the Form 990)
 1. Family members of any individual listed in 1, 2, or 3, defined as spouses, ancestors, brothers, sisters, children, grandchildren, great-grandchildren, and spouses of brothers, sisters, children, grandchildren, and great-grandchildren.
 2. A 35% controlled entity of any of the persons listed in 1, 2, or 3
 3. A donor or donor advisor to a donor-advised fund.
 4. An investment advisor of a sponsoring organization.

Judy's Suggestion

None

FA640 UNRELATED BUSINESS ACTIVITIES

Current – Effective July 1, 2018

The Coalition properly identifies and classifies income-producing activities that are unrelated to the Coalition's tax-exempt purpose using the guidelines described in the Internal Revenue Code and underlying regulations. Such income accounts shall be segregated in separate accounts in the general ledger in order to facilitate tracking and accumulation of unrelated trade or business activities.

The Internal Revenue Service states that for most organizations, an activity is unrelated business (and subject to unrelated business tax) if it meets three requirements:

1. It is a trade or business,
2. It is regularly carried on, and
3. It is not substantially related to furthering the exempt purpose of the organization.

Judy's Suggestion

The Coalition identifies and classifies income-producing activities that are unrelated to the Coalition's tax-exempt purpose and maintains separate accounts for these activities.

WHY Do we want this?? Is it necessary? Are we really looking at unrelated business activities? Or, should our policy be that we prohibit unrelated business activities at this point? If we enter into other unrelated business activities that would need Board approval and a policy could be put in place at that time.

CHAPTER 7

FA700 BUDGETING

Current – Effective July 1, 2014

Budgets translate the organization's strategic objectives into a financial plan of action that specifies how its resources will be utilized to accomplish these objectives. The purpose of an operating budget is to provide a financial guideline for management in overseeing revenues and services necessary for the attainment of stated goals and objectives of the organization for the current fiscal year.

Revision

Budgeting is an integral part of managing any organization in that it is concerned with the translation of organizational goals and objectives into financial terms. A budget should be designed and prepared to direct the most efficient and prudent use of the organization's financial and human resources. A budget is a management commitment of a plan for present and future organizational activities that will ensure

survival. It provides an opportunity to examine the composition and viability of the organization's programs and activities simultaneously in light of the available resources.

Budgets are also prepared for funding sources, and each grant manager must be aware of budget modification requirements. Awarding agencies may or may not require approval for changes in line items. The Coalition will document and follow all such requirements.

Judy's Suggestion

The Coalition will prepare an annual budget, on an accrual basis, which will reflect the organization goals and objectives in financial terms and which will direct the most efficient and prudent use of the organization's financial and human resources. The budget is a commitment of a plan for present and future organizational activities that will ensure survival and will serve as an opportunity to examine the composition and viability of the organization's programs and activities in light of the available resources.

FA710 ANNUAL AUDIT

Current – Effective July 1, 2014

It is the policy of ELCMC to contract for an independent audit of Coalition records for each fiscal year, in accordance with applicable laws and funding source requirements.

Revision

The Coalition will arrange for an annual audit of the Coalition's financial statements to be conducted by an independent accounting firm. The independent accounting firm selected by the Board of Directors will be required to communicate directly with the Coalition's Finance Committee upon the completion of their audit. In addition, members of the Finance Committee and Executive Committee are authorized to initiate communication directly with the independent accounting firm.

Audited financial statements, including the auditor's opinion thereon, will be submitted and presented to the Board of Directors by the independent accounting firm at the Coalition's Board Meeting, after the financial statements have been reviewed and approved by the Finance Committee.

Judy's Suggestion

The Coalition will arrange for an annual audit of the Coalition's financial statements to be conducted by an independent accounting firm. The independent accounting firm selected by the Board of Directors will be required to communicate directly with the Coalition's Finance Committee upon the completion of their audit. In addition, the *Finance and Executive Committees* are authorized to initiate communication directly with the independent accounting firm.

Audited financial statements, including the auditor's opinion thereon, will be submitted to the Board of Directors by the independent accounting firm.

FA720 INSURANCE

Current – Effective July 1, 2014

Insurance is the business of insuring persons and/or property by contract whereby one party agrees to indemnify or guarantee another against loss by a specified contingent event or peril for a sum or premium. The cost is allocated to the appropriate programs use for the insurance coverage.

Revision

It is fiscally prudent to have an active risk management program that includes a comprehensive insurance package. This will ensure the viability and continued operations of the Coalition.

The Coalition maintains adequate insurance against general liability, as well as coverage for buildings, contents, computers, fine arts, equipment, machinery, and other items of value.

Judy's Suggestion

The Coalition will maintain adequate insurance against general liability, as well as coverage for buildings, contents, computers, fine arts, equipment, machinery and other items of value.

FA730 RECORDS MANAGEMENT

Current – Effective April 28, 2016

The Coalition retains records as required by law and destroys them when appropriate. All files, both hard copy and electronic shall be labeled with topic, year (if applicable), and destruction date. copies shall be saved in appropriate folders on the network storage device. Hard copies should be stored in file cabinets or archived in the storage area. Archived hard copy files shall be stored in fireproof, waterproof, and animal proof containers.

The destruction of records must be approved by the CFO and logged into the Coalition's Destroyed Records Log. Review and purging of files may take place on an ongoing basis, but must occur at least once per year, and must follow the minimum retention requirements outlined in this policy and procedure.

Judy's Suggestion

The Coalition will retain records as required by law and destroy them when appropriate. It will ensure sound safeguards are in place to protect the files of the Coalition, whether they are physical copies or are kept in the form of electronic media.

DeAnna's Notes/Suggestion

Policy and procedure must be reviewed and approved by OEL.

FA740 PUBLIC RECORDS REQUEST

Current – Effective April 28, 2016

It is the Coalition's policy to ensure that public records in the Coalition's custody are maintained and managed as required by the Florida Public Records Law. This law provides that all materials made or received by Florida's state and local government agencies in connection with their official business are public records.

It is also the policy of the Coalition to ensure that all public records in its custody that are not exempt or confidential are open for inspection and copying by any person, for any reason, at any reasonable time, under reasonable conditions, as required by the Florida Public Records Law. Requested public records may not be withheld for any reason, except if the record or a portion of the record is specifically designated under law as confidential or exempt from public disclosure.

The Coalition places a high priority on efficient, effective, and economical management of public records to ensure that information is available when and where it is needed, in an organized and efficient manner, and in an appropriate environment.

Judy's Suggestion

Public records in the Coalition's custody will be maintained and managed as required by the Florida Public Records law.

All public records in the Coalition's custody that are not exempt or confidential are open for inspection and copying by any person, for any reason, at any reasonable time, and under reasonable conditions. Requested public records may not be withheld for any reason except if the record or a portion of the record is specifically designated under law a confidential or exempt from public disclosure.

DeAnna's Notes/Suggestion

Policy and procedure must be reviewed and approved by OEL.



REQUEST FOR PROPOSAL FOR EXTERNAL AUDIT SERVICES

Date RFP Available: December 3, 2018

**Closing Date and Time for Receipt of Proposals:
January 11, 2019 at 3:30 P.M.**

2300 SW 17th Road
Ocala, FL 34470-2006
Phone (352) 369-2315 Fax (352) 369-2475

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SECTION I - INTRODUCTION

A. Introduction

The Early Learning Coalition of Marion County, Inc. (Coalition) invites qualified independent certified public accountants to submit proposals for providing financial and compliance auditing services as described in this Request for Proposal (RFP). In order to be considered, written proposals, using the format described herein, must be received by **3:30 p.m. Eastern Standard Time on January 11, 2019**, at the Coalition's office located at 2300 SW 17th Road, Ocala, FL 34471-2006.

B. Background

In 1999, the Florida Legislature passed the School Readiness (SR) Act. The Act created the Florida Partnership for School Readiness. In addition, the Act called for the creation of local school readiness coalitions whose goals were to improve the readiness of children when they enter school.

With specific membership designated by Florida Statutes, 57 school readiness coalitions were formed throughout the state covering all 67 counties.

In 2001, the Florida Partnership for School Readiness was transferred from the Executive Office of the Governor to the Agency for Workforce Innovation for administrative purposes. The funds for the Pre-Kindergarten, subsidized Child Care, Even Start, First Start, Migrant Pre-Kindergarten, and other programs were managed by the Agency for Workforce Innovation and distributed through the local coalition.

In early 2005, the State passed Voluntary Pre-Kindergarten (VPK) legislation, which placed local responsibility for the VPK program with the local school readiness coalitions. The coalitions have been renamed "Early Learning Coalitions" to reflect their greater role in meeting the early care and education needs of children and their families. Coalitions now fall under the direction and funding of Florida's Office of Early Learning (FOEL).

The Coalition is charged with assessing the early care and education resources available in our community and developing local plans to address identified needs of children and their families. The Coalition funds and administers a system of services designed to help ensure that children are ready for school when they enter kindergarten, in addition, the Coalition helps give parents support services to enable them to be stable and strong.

The Coalition's current budget for SR and VPK combined is over \$15 million. We normally have between 100 and 200 active providers. This budget is funded by a mix of federal, state and local grants. The Coalition is charged with using this funding effectively and efficiently to achieve program goals.

C. History of Organization

The Marion County School Readiness Coalition, Inc. was founded on November 17, 1999, and is governed by applicable state and federal laws, rules, and regulations including, but not limited to the authority for SR and VPK and its related programs originally provided in Part 5 of CH. 1002, F.S., Sections 411.01, F.S., 230.2303, F.S., Part A Title IV of the Social Security Act, 45 CFR Parts 98, 99, and 260, and Rule 65C-21.01, Florida Administrative Code (F.A.C.).

The Coalition is governed by a local volunteer board of directors and programs are administered by Coalition employees. The Coalition is a private non-profit organization with exempt status under Section 501(c)(3) of the Internal Revenue Code.

D. Statement of Purpose

The objective of this Request for Proposal (“RFP”) is to obtain the service a public accounting firm whose principal officers are independent certified public accountants to perform financial and compliance auditing services.

E. Who May Respond

Only licensed certified public accounting firms may respond to this RFP.

F. Single Point of Contact

The single point of contact is the staff member identified by the Coalition to manage the process of the RFP. The only contact person with respect to any or all aspects of this RFP is DeAnna Johnson, Chief Finance Officer, and she can be reached via e-mail at djohnson@elc-marion.org.

G. Inquiries

Respondents may submit only written inquiries to the Coalition for clarification regarding to this RFP on or before 5:00 p.m. Eastern Standard Time no later than December 17, 2018. All inquiries requesting clarification regarding this RFP are to be directed, via email, to the Chief Finance Officer, at djohnson@elc-marion.org. Inquiries by phone will not be accepted. Information obtained from any other source is not official and should not be relied on. Responses to written inquiries will be posted to the Coalition website: www.elc-marion.org no later than December 21, 2018, 4:00 p.m. Eastern Standard Time. It is the responsibility of the respondent to ensure that written inquiries have been received by the contact person listed above.

H. Coalition Organizational Structure

The Coalition has a Finance Committee that serves as the Audit Committee and reports to the full Coalition Board of Directors. In performing its duties, the awarded independent certified public accounting firm will have substantial interaction with the Finance Committee. This interaction shall include, but not be limited to: reviewing the scope of services, giving updates on the progress of the audit, discussing the results of the audit, and discussing management letter items. Presentation of the items above shall also be made to the Finance Committee and/or full Coalition Board of Directors at regularly scheduled Coalition meetings.

I. Small and/or Minority Owned Business

Efforts will be made by the Coalition to utilize small business and minority-owned business. A respondent qualifies as a small business firm if it meets the definition of “small business” as established by the Small Business Administration (13 CFR 121.201).

J. Prohibition of Lobbying

Any respondent or lobbyist, paid or unpaid, for a respondent is prohibited from having any private communication concerning the procurement process or any response to the procurement process with any Coalition Board Member, the Chief Executive Officer, or any employee of the Coalition after the issuance of this RFP and until completion of the contract award. A proposal from any organization will be disqualified when the respondent (or a lobbyist, paid or unpaid, for the respondent) violates this condition of the procurement process.

K. Conflict of Interest

All respondents must disclose in their Letter of Certification the name of any officer, director or agent who is also a Coalition employee or board member. All respondents must disclose the name of any Coalition employee who owns, directly or indirectly, any interest in the respondent’s business or any of its branches. All respondents must disclose any business relationships or family relations with any officer, board member, subcontractor, or employee of the Coalition.

L. Public Record

All submitted proposals, certification, and included or attached information shall become public records upon their delivery to the Coalition in accordance with Chapter 119, Florida Statutes. Respondents must invoke the exemptions of disclosure provided by law, in their proposals by providing the specific mandatory authority for the claimed exemption, identifying the data or other materials to be protected, and state the reason, in writing, why the exclusion from public disclosure is necessary. Such claimed exempt information shall be segregated from the remainder of the proposal.

M. Right to reject Proposals and Waive Non-Material Irregularities

The Coalition reserves the right to accept or reject any or all proposals, waive any irregularities and technicalities contained therein, and may, at its sole discretion request a clarification of other information to evaluate any or all proposals. Respondents may be required to submit evidence of qualifications or any other information as the Coalition may deem necessary.

N. Trade Secret and Confidential Materials

The Coalition will attempt to afford protection from disclosure of any trade secret as defined in section 812.081, Florida Statutes, and Chapter 119, Florida Statutes. Any respondent acknowledges, however, that the protection afforded by section 812.04, Florida Statutes, and Chapter 119, Florida Statutes. Any respondent acknowledges, however, that the protection afforded by section 815.04, Florida Statutes, is incomplete, and it is hereby agreed by the Respondent and the Coalition that no right or remedy for damages arises from any disclosure.

O. Compliance with Laws, Rules, and Regulations

The Successful Respondent shall for itself, and it shall cause each of its employees, agents, representatives, contractors and subcontractors to continuously comply with all federal, state, and local laws, rules, regulations, codes, ordinances, statutes, and orders of any public authority bearing on the performance of the awarded Contract. The Successful Respondent shall ensure throughout the duration of the Contract that it, and all its contractors and subcontractors of any tier, shall be properly licensed and certified continuously throughout the duration of all work performed and services provided on accordance with the resulting Contract. All such licensing and certification shall be at the sole cost of each contractor and subcontractor. Upon request, the Respondent shall furnish to the Coalition copies of any licenses, permits or certification required to comply with any law, rule, regulation, code, ordinance, statute and order referenced herein.

Lack of knowledge by the Respondent will in no way be a cause for relief from responsibility.

Respondents doing business with the Coalition will be required to attest to compliance with the following federal and state rules and regulations:

- Equal Employment Opportunity (EO 11246 as amended by EO 11375 and supplemented by regulation 41 CFR part 60)
- Copeland "Anti-Kickback" Act (18 USC 874 and 40 USA 276c)
- Davis-Back Act, as amended (40 USC 276a to a-7)
- Contract Work Hours and Safety Standards Act (40 USC 327-333)
- Rights to Inventions Made Under a Contract or Agreement (37 CFR part 401)
- Clean Air Act (42 USC 7401 et. seq.) and Federal Water Pollution Control Act (33 USC) 1251 et. seq.), as amended

- Byrd Anti-Lobbying Amendment (31 USC 1352)
- Debarment and Suspension (EO 12549 and EO 12689)
- Remedies Clause (45 CFR 92.32(i)(2))
- Energy Policy and Conservation Act (45 CFR part 92.36(i)(13))

P. Disqualification

The RFP and the Respondent shall be disqualified under the following conditions:

The Respondent or affiliate has been convicted of a public entity crime or has been placed on the convicted vendor list or placed on the discriminatory vendor list pursuant to Section 287.134, Florida Statutes.

1. The Respondent or affiliate has been placed on the federal suspension and debarment list or otherwise determined to be ineligible to receive federal and/or state funds by an action of any governmental agency.
2. The Respondent or affiliate has not complied with an official order of any agency of the State of Florida or the United States Department of Labor to repay disallowed costs incurred during its conduct or projects or services.
3. The Respondent or affiliate has failed to perform any contractual obligation with the Coalition in a manner satisfactory to the Coalition or has failed to correct unsatisfactory performance to the satisfaction of the Coalition.
4. The Respondent or affiliate had a contract terminated by the Coalition, by any other Early Learning Coalition, FOEL and by any other State agency for cause.
5. The Respondent or affiliate or any of its staff make contact in violation of the provisions of the Cone of Silence as set forth in this proposal.
6. The Respondent or affiliate or any of its staff have participated in the development of the RFP documents for this Solicitation.
7. The Respondent fails to maintain a valid license in the State of Florida to participate to practice public accounting.
8. The Respondent submitted nonresponsive proposals as described in the RFP.

Q. Protests and Disputes

Any Respondent who is adversely affected by the Coalition decisions or intended decisions concerning a procurement solicitation has the right to appeal. The appeal process is as follows:

1. Submit a formal written protest within three (3) business days after the posting of the Notice of Award to the Chief Finance Officer of the Coalition, describing, in detail, the nature of the protest/dispute.

Attn: Chief Finance Officer
 Early Learning Coalition of Marion County, Inc.
 2300 SW 17th Road
 Ocala, FL 34471-2006

The Chief Finance Officer will review the appeal and respond in writing within five (5) business days from the date of receipt of the formal written request. Should the Chief Finance Officer require additional time to review the matter, the Respondent shall be advised in writing (electronic and/or by mail) within five (5) business day period.

2. In the event the Chief Finance Officer's response is not satisfactory to the Respondent, an appeal to the Board of Directors may be requested. The appeal must be provided in writing within five (5) calendar days from receipt of the response from the Coalition and address it to:

Attn: Chief Finance Officer
Early Learning Coalition of Marion County, Inc.
2300 SW 17th Road
Ocala, FL 34471-2006

The appeal will be heard by the Board of Directors at a time set by the Coalition's Board Chair. The Board of Director's decision will be made by majority of members present. A written acknowledgement and a final resolution of the appeal will be made within thirty (30) calendar days of the request. The result will be the final outcome on behalf of the Coalition unless otherwise stated by Florida law.

R. Withdrawal of Proposal

A written request for withdrawal, signed by the Respondent, must be received by the Coalition prior to the proposal closing time 3:30 p.m. Eastern Standard Time on January 11, 2019.

S. Tied Bids

In the case of tied bids, the Coalition reserves the right to negotiate term with the most qualified Respondents and make the award based on what it considers to be in the best interest of the Coalition.

T. Cost of Preparation of Proposal

Conditions of Proposal: All costs incurred in the preparation of a proposal responding to this RFP will be the responsibility of the Respondent and will not be reimbursed by the Early Learning Coalition of Okaloosa and Walton Counties, Inc.

SECTION II – SCOPE OF SERVICES

A. Statement of Work

The Coalition desires to receive proposals for the selection of an independent certified public accounting firm to provide financial and compliance auditing services for a period of one fiscal year. The contract between the Coalition and the winning respondent may be extended for up to three additional years, on a year-by-year basis. The first year of the agreement shall commence with an audit of the Coalition’s financial statements for the fiscal year ending June 30, 2019. The three additional one-year extensions, if opted for by the Coalition, would provide for a continuation of auditing services by the winning respondent for the fiscal years ending June 30, 2020, June 30, 2021, and June 30, 2022, respectively.

B. Description of Entity and Records to be Audited

The Coalition is a non-profit organization that serves Marion county in the state of Florida. The Coalition is a private, non-profit corporation and has been determined to be exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. It is governed by a minimum 15-member volunteer board of directors per Chapter 1002, Section 83, Florida Statutes. Administrative office and all records are located at 2300 SW 17th Road, Ocala, FL 34471-2006. The Coalition currently employs 27 full-time employees. The Coalition utilized required State system for enrollments, payments calculations and other activities. The Coalition is using Abila’s MIP Fund Accounting software. The Coalition’s budget for School Readiness, Voluntary Prekindergarten, Outreach and Awareness, and Performance Funding Project combined is projected to be over \$15 million for Fiscal Year ending June 30, 2019. This budget is funded by a mix of federal, state, local grants and private contributions. Majority funding comes from federal and state awards as follow:

U.S. Department of Health and Human Services

Pass-Through from Florida’s Office of Early Learning:

- | | |
|--|--------------------|
| • Temporary Assistance for Needed Families | CFDA Number 93.558 |
| • Child Care and Development Block Grant | CFDA Number 93.575 |
| • Child Care Mandatory Matching Funds of | |
| • the Care and Development Fund | CFDA Number 93.596 |
| • Social Services Block Grant (SSBG) | CFDA Number 93.667 |

Pass-through from the State of Florida

Florida’s Office of Early Learning

- Voluntary Pre-Kindergarten Education Program CSFA Number 48.108

The allocation of funds received from FOEL for Fiscal Year ended June 30, 2018 was as follow:
Federal – 63%, State – 37%.

C. Services Desired

1. Annual Examination

The respondent selected as a result of this RFP shall provide external independent auditing services by examining the Coalition financial statements. The annual examination performed by respondent shall include, but not be limited to the following:

2. Financial Statement Audit

The examination will be a financial and compliance audit made in accordance with generally accepted government auditing standards. The primary purpose of the audit is

to express an opinion on the Coalition's financial statements. The examination includes examining transactions and accounts that support the amounts in the financial statements and includes an overall view of Coalition's financial statements. The audit procedures used shall be sufficient to enable the respondent to express an opinion on the fairness of the Coalition's presentation of its financial position, results of operations, and cash flows in accordance with U.S. generally accepted accounting principles. In addition, such procedures should be adequate to determine whether Coalition operations were conducted in compliance with legal and regulatory requirements including Florida Statutes, Federal Laws, and Coalition policies and procedures.

3. Review of Internal Controls

The respondent is required to review Coalition internal controls and obtain an understanding of Coalition operations in order to properly plan auditing procedures, identify areas of potential misstatements, and assess fraud risk. In addition, the respondent may need to test internal controls to assess the extent the controls can be relied upon in order to reduce testing procedures. Also, internal control testing will be required as part of the State and Federal single audits. Internal control management letter comments and reportable conditions shall be communicated in writing in accordance with Generally Accepted Auditing Standards (GAAP).

4. Management Letter

A management letter will be issued for each year audited that will contain significant audit findings. The following are some of the significant items that may be noted during the performance of the audit:

- Whether or not errors or irregularities reported in the preceding audit report have been corrected.
- Whether or not recommendations made in the preceding audit report have been implemented.
- If applicable, whether or not any errors or irregularities reported by the State of Florida Office of the Auditor General concerning the preceding fiscal year have been corrected or implemented.
- If applicable, whether or not any recommendations made by the State of Florida Office of the Auditor General concerning the preceding fiscal year have been implemented.
- Violation of laws, rules, and regulations discovered within the scope of the audit.
- Illegal expenditures discovered within the scope of the audit.
- Improper or inadequate accounting procedures.
- Failure to properly record financial transactions.
- Other inaccuracies, irregularities, shortages or declarations, if any, discovered during the audit.
- Recommendations to improve management, accounting procedures, internal controls, and efficiency.

The successful respondent shall make an immediate written report to the Finance Committee of all significant irregularities and any illegal acts as they become known to the respondent.

5. Single Audit

The required audits are to be conducted in accordance with Generally Accepted Auditing Standards (GAAP), applicable auditing standards set forth in the Generally Accepted Government Auditing Standards (GAGAS) issued by the Comptroller General of the United States, the Federal Single Audit Act of 1984 (Public Law 98-502), the Federal Single Audit Act Amendments of 1996 (Public Law 104-156) and Office of Management (OMB) Uniform Grant Guidance (2 Code of Federal Regulations (CFR), Part 200, previously OMB Circular A-133), the Florida Single Audit Act (215.97 F.S. and Chapter 10.650, Rules of the Auditor General and Chapter 691-5, Rules of the Department of Financial Services).

In addition, the Federal Data Collection Form SF-SAC will be a required part of the Single audit under audit contract.

6. Audit Report

Independent Auditor's report must include the following financial statements and reports:

- a) Statement of Financial Position
- b) Statement of Activities
- c) Statement of Functional Expense
- d) Statement of Cash Flow
- e) Notes to the Financial Statements
- f) Schedule of Prior Audit Findings
- g) Schedule of Expenditures of Federal Awards and State Financial Assistance
- h) Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance.
- i) Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters based upon an Audit of Financial Statements performed in accordance with Government Auditing Standards
- j) Schedule of Audit Findings and Questioned Costs
- k) Management Letter
- l) Organization's Response to the Management Letter

7. Tax Return

The respondent will be required to prepare the IRS Tax Form 990 Return of Organization Exempt from Income Tax for all fiscal years under engagement contract and file return electronically. The respondent will be responsible for filing an extension to file return if necessary.

8. **Additional Services**

The Coalition may determine that additional services are necessary and may contract with the respondent to perform those services. The respondent shall perform additional services only upon a written request from the Coalition Board or the Chief Executive Officer. Additional services, if offered by the respondent, may include but not be limited to:

- Performance of extended audit procedures

All additional work shall be documented by engagement memorandums to be approved by the Finance Committee. The fee for additional services shall be separately negotiated

at the time of the engagement for a not to exceed amount calculated in accordance with the respondent billing rates itemized in this RFP.

D. Time Requirements

The following is the expected timeline for the start and completion of proposed services.

1. Audit Plan

The successful respondent shall work with the Coalition's Chief Finance Officer to develop a detailed plan for the audit for the fiscal year ended June 30, 2019, by no later than March 31, 2019, after the execution of a professional services contract. In each succeeding fiscal year for which audit services are provided, a detailed plan will be provided to the Chief Finance Officer by March 31st of that year.

2. Commencement of the Audit

The Coalition will have all records prepared for the audit in a timely manner in order to meet our reporting deadline. All appropriate personnel will be available to meet with the successful respondent's audit team upon acceptance of the proposal and execution of a professional contract.

3. Fieldwork

For the fiscal year ending June 30, 2019, and thereafter, fieldwork should commence the first week of October to ensure that the reporting deadlines outlined in this RFP are met.

4. Required Notification

The Chief Executive Officer and/or Finance Committee, as appropriate under professional guidelines, shall be notified immediately for any of following reasons: schedule completion dates are in jeopardy, discovery of possible violations of laws or significant non-compliance with contractual requirements, discovery of the possibility of a fraudulent act, or discovery of a material weakness in internal controls.

5. Reporting Deadlines

December 30	Preliminary draft audit reports including the Management letter
January 15	Draft audit report and Form 990
February 5	Final audit report and Form 990

The reports will be presented to the Finance Committee at its January meeting and then to the Coalition Executive Committee and Board of Directors at its February meetings.

E. Invoicing for Work

The respondent shall prepare an estimate of total hours required to complete the engagement. Progress will be determined by comparing the hours incurred to date to the estimated total hours for the engagement.

Invoices shall be presented as work is completed at a maximum of one invoice per month. A listing of hours incurred shall accompany the invoice in support of the billing calculation. The final bill payment will be paid upon resolution of any open issues or delivery of any remaining items.

F. Primary Point of Contact

The respondent shall identify a specific individual as a primary point of contact. This individual will be responsible for the respondent's work product. The individual shall be available within 24

business hours' telephone notice to accomplish the following:

- Attend meetings
- Respond to telephone calls
- Respond to specific inquires

G. Work papers

The respondent shall retain all work papers for a period of at least 5 years. In addition, the respondent will provide the Coalition and or its assignees access, free of charge, to and copies of any or all work papers for a period of at least 5 years.

The respondent shall submit a copy of all work papers related to both State and Federal Single Audit Requirements within 30 days of the Coalitions acceptance of final audit reports.

H. Support Personnel

Support personnel shall be made available by the Coalition to provide assistance to the respondent by identifying required records and gathering needed information. Support personnel will perform these tasks to expedite the audit under the notice of request for assistance so that they may effectively perform the day-to-day requirements of their position(s).

I. Replacement of Audit Team Personnel

The Coalition will be accepting the respondent's proposal based upon the audit team listed in the proposal. All changes to the audit team are subject to the Coalition's approval. The replacement team member must have credentials similar to the team member replaced. The Coalition reserves the right to review the new team member's resume and also interview the replacement team member. The respondent will be responsible for briefing all replacement personnel on Coalition operations and on the status of audit work at no expense to the Coalition.

J. Audit Review

All audit reports prepared under this contract will be reviewed by the Coalition and its funding sources to ensure compliance with the General Accounting Office's (GAO) Government Auditing Standards and other appropriate audit guides.

K. Exit Conference

An exit conference with representatives from the Coalition and the Respondent will be held after the fieldwork. Observations and recommendations must be summarized in writing and discussed with the Coalition's management. It should include internal control and program compliance observations and recommendations.

L. Confidentiality

The Respondent agrees to keep the information related to all contracts in strict confidence. Other than reports submitted to the Coalition, the Respondent agrees not to publish, reproduce, or otherwise divulge such information in whole or in part, in any manner or form, or authorize or permit others to do so, taking such reasonable measures as are necessary to restrict access to the information, while in the Respondent's possession, to those employees on the Respondent's staff who must have the information on a "need to know" basis.

The Respondent agrees to immediately notify, in writing, the Coalition's authorized representative in the event the Respondent determines or has reason to suspect a breach of this requirement.

M. AICPA Professional Standards

The American Institute of Certified Public Accountants (AICPA) Professional Standards state:

Ethics Interpretation 501-3 – Failure to follow standards and/or procedures or other requirements in governmental audits.

Engagements for audits of government grants, government units or other recipients of government monies typically require that such audits be in compliance with government auditing standards, guides procedures, statutes, rules and regulations, in addition to generally accepted auditing standards. If a member has accepted such an engagement and undertakes an obligation to follow specified government auditing standards, guides, procedures, statutes, rules and regulations, in addition to generally accepted auditing standards, he is obligated to follow such requirements.

Failure to do so is an act discreditable to the profession in violation of Rule 501, unless the member discloses in his report the fact that such requirements were not followed and the reasons therefor.

SECTION III – TERMS, CONDITIONS AND OTHER REQUIREMENTS

A. Federal and State Tax

The Coalition is exempt from federal taxes; in addition, the Coalition is exempt from State and County sales taxes. A copy of the Coalitions tax exempt certificate may be found in Attachment A. The respondent doing business with the Coalition will not be exempted from paying sales tax to their suppliers for materials to fulfill contractual obligations with the Coalition, in addition, the successful respondent will not be authorized to use the Coalition's tax exemption number in securing such materials.

B. Legal Requirements

It shall be the responsibility of the provider to be knowledgeable of all federal, state, county and local laws, ordinances, rules and regulations that in any manner effect the items covered herein. Lack of knowledge by the respondent will in no way be a cause for relief from responsibility.

Respondents doing business with the Coalition will be required to attest to compliance with the following federal and state rules and regulations:

1. Equal Employment Opportunity (EO 11246 as amended by EO 11375 and supplemented by regulation 41 CFR part 60)
2. Copeland "Anti-Kickback" Act (18 USC 874 and 40 USA 276c)
3. Davis-Bacon Act, as amended (40 USC 276a to a-7)
4. Contract Work Hours and Safety Standards Act (40 USC 327-333)
5. Rights to Inventions Made Under a Contract or Agreement (37 CFR part 401)
6. Clean Air Act (42 USC 7401 et. seq.) and Federal Water Pollution Control Act (33 USC 1251 et. seq.), as amended
7. Byrd Anti-Lobbying Amendment (31 USC 1352)
8. Debarment and Suspension (EO 12549 and EO 12689)
9. Remedies Clause (45 CFR 92.36 (i)(2))
10. Energy Policy and Conservation Act (45CFR part 92.36 (i) (13))

C. Agreement

A professional services agreement will be negotiated for any work to be performed as a result of this RFP. The RFP, the proposal, and the resulting agreement will constitute the complete agreement between the respondent and the Coalition.

D. Trade Secret and Confidential Materials

If the application includes material which is deemed a trade secret (as defined by Section 812.081, FS) or other confidential material exempt from the provisions of Chapter 119, FS, which the respondent does not wish to become public record, the following statement should be included in the application:

"Trade Secrets as defined by Section 812.081, Florida Statutes, or other confidential materials contained on *applicable* pages of this application shall not be used or disclosed, except for evaluation purposes. However, if a contract is awarded to this offer or as a result in connection with the submission of this program, the Coalition shall have the right to use or disclose the information designated as trade secrets or confidential to the extent provided in the contract. This restriction does not limit the Coalition's right to use or disclose the information designated as trade secrets or designated as confidential which is obtained from another source."

Any exemption claimed will be limited to the pertinent documents and must be supported by a statutory exemption. Notwithstanding anything to the contrary, nothing contained in the application shall be deemed or interpreted to restrict or prevent the Coalition from complying with the disclosure requirements of Chapter 119, Florida Statutes, when material is incorrectly identified as a trade secret or confidential information. By submitting an application, the applicant covenants not to sue the Coalition and waives any claim against the Coalition arising under Chapter 119, Florida Statutes or in connection with or as a result of any disclosures by the Coalition in connection herewith.

E. Length of Contract Period

1. Contract Period/Renewal

The term of the agreement shall be for a period of up to one (1) years from the date of the award. Each year, a professional services contract will be executed by the Coalition and the selected auditing firm. Following the first year of the agreement, at the sole discretion of the Coalition, three additional one-year periods may be awarded if the audit services and costs are satisfactory. Satisfactory performance shall be determined within the sole discretion of the Coalition. A final not-to-exceed amount will be determined each year for the auditing services. If needed, the final contract may be extended for a period of 90 days beyond the expiration date. The selected respondent will be notified when the recommendation has been acted upon by the Coalition Board of Directors.

2. Cancellation of Contract/Termination

In the event any of the provisions of this proposal are violated by the respondent, the Chief Executive Officer or a designee will give written notice to the auditing firm stating the deficiencies. The auditing firm will have 10 days to correct the deficiencies. If the auditing firm does not make the corrections within 10 days, then recommendation will be made to the Coalition Board of Directors for immediate cancellation of the contract. If the contract is cancelled, the Coalition may pursue any and all legal remedies as provided herein and by law.

The Coalition reserves the right to terminate any contract resulting from this RFP, at any time and for any reason, upon giving 30 day's prior written notice to the other party. If the contract should be terminated without cause the Coalition will be relieved of all obligations under the contract. The Coalition would only be required to pay the auditing firm remuneration for contract services actually performed as of the date of termination. Access to any and all accounting records, tax returns, tax return work papers and audit work papers will be provided to the Coalition immediately after the termination of the contract, at no additional charge.

The auditing firm will have the option to terminate the contract without cause, upon written notice to the Coalition's Chief Executive Officer. The written notice must be received at least 60 days prior to the effective date of the termination. Cancellation of the contract by the auditing firm may result in removal of the firm from consideration for future opportunities to contract with the Coalition for a period of three (3) years.

3. Default

In the event that the awarded respondent should breach this contract, the Coalition reserves the right to seek remedies in law and or in equity. Default would result in removal of the firm from consideration for additional opportunities for a period of three (3) years.

4. Award of Contract

All respondents to this RFP will receive written notification of the status of their proposal.

SECTION IV – SELECTION METHOD AND INSTRUCTIONS

1. Selection Criteria

In order to be considered for evaluation, a firm:

- Shall be licensed to practice public accounting in the State of Florida
- Shall have performed audits under OMB's Uniform Guidance in the not-for-profit or local government sector for a minimum of each of the last 3 years.
- In order to maintain comparability and enhance the review process, it is requested that responses be completed and organized in the manner specified in Section V – Instructions for the External Auditing Services RFP.
- Respondents may obtain electronic copies of the forms by submitting a request and providing an e-mail address. It is required that one (1) original proposal and five (5) copies of the proposal be submitted. Plus, an electronic copy on a thumb drive.

2. Evaluation Process

The Auditor Selection Committee, consisting of the Finance Committee and Coalition staff, will evaluate the proposals and prepare recommendations to the Coalition Board of Directors. All proposals received will be reviewed in accordance with the criteria listed in this RFP. The Committee may request a presentation by any or all respondents to clarify proposed plans and details, as part of the review and evaluation process. The Committee may also ask additional questions to clarify the submitted proposal(s).

The Coalition Board of Directors shall make the final decision. When the Coalition Board has selected the most successful respondent, contract negotiations will begin. If a contract agreement cannot be reached with the most successful respondent, negotiations with that firm will be formally terminated. The Coalition would then negotiate with the next most successful respondent until an agreement is reached. The Coalition may choose to modify the choice of a selected respondent if the Coalition determines that such a change is in its best interest.

The Coalition reserves the right to reject any and all proposals submitted. The Coalition further reserves the right to inspect the facilities, organization, and review evidence of the financial condition of respondents to assess their ability to perform the contract before awarding a contract

3. Evaluation Criteria

In compliance with 2 CFR Part 200.319 – Competition, no geographic preferences will be given in the evaluation of this proposal, since the section states, "The Non-Federal entity must conduct procurement in a manner that prohibits the of statutorily or administratively imposed state of local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference."

Evaluation of each proposal will be scored on the following five (5) factors.

- Prior non-profit and government auditing
- Audit team members' profiles, qualifications, and experience
- Firm profile and qualifications
- Cost of Services
- Approach to the Engagement

4. **Bidding Instructions**

Sealed Proposals – Each respondent shall submit only one proposal. A proposal shall consist of one (1) manually signed original and five (5) photocopies of the completed proposal. They shall be submitted in a sealed envelope or package bearing the title, “EARLY LEARNING COALITION OF MARION COUNTY, INC. – EXTERNAL AUDITING SERVICES” along with the name and address of the organization submitting the proposal. Proposals should include a contact name and an email address for correspondence and shall be submitted no later than 3:30 P.M. EST on January 11, 2019, to:

DeAnna Johnson
Chief Finance Officer
Early Learning Coalition of Marion County, Inc.
2300 SW 17th Road
Ocala, FL 34471-2006

The respondent is responsible for ensuring that the proposal arrives on time at the correct address. Late proposals will be returned unopened.

In addition to the mailed copy of the RFP, respondents may request an electronic copy of the RFP by sending an email request to djohnson@elc-marion.org or by downloading a copy from the Coalition website at www.elc-marion.org.

5. **Application Timetable**

Dates Advertised/Available:	December 3, 2018 – January 11, 2018
Deadline for Receipt of Written Questions:	December 17, 2018
Deadline for Answers to Respondent Questions:	December 21, 2018
Deadline for Receipt of Proposals (No Exceptions):	January 11, 2019 by 3:30 pm EST
Evaluation Interviews:	January 17, 2019
Notification of Intent to Award Contract:	February 28, 2019

SECTION V – INSTRUCTIONS FOR THE EXTERNAL AUDITING SERVICES RFP

The Coalition requires the proposal to be completed in full. The sections to the form are as follows:

Section 1 Table of Contents

The table of contents should include a clear identification of the material by section and by page number.

Section 2 Letter of Certification

This section is a letter of certification on company letterhead to be signed by the auditing firm. This letter should state that the auditing firm can provide the services the Coalition requires, that specific attachments have been included, that any required additional documentation will be forwarded within three (3) days if selected, and that it is understood that all information included in the proposal shall become public record.

It is the responsibility of potential Respondents to be familiar with all publications and list them accordingly.

Section 3 General Description of the Scope of Work

In this section there should be a brief statement demonstrating the respondent's understanding of the work to be performed and a positive commitment from the respondent to perform the work. There must be discussion of how the respondent will perform each of the desired services that are listed in Section II – Scope of Services of this proposal.

Section 4 Approach to the Audit

- a. The respondent should describe the approach that they will use in providing the audit services.
- b. The respondent should describe the procedures they will use in documenting the internal control environment.
- c. The respondent should describe its procedures for assessing fraud risk and preparing audit responses in accordance with SAS 99 and SAS 115.
- d. The respondent should describe how it plans to obtain an understanding of internal controls and the method it plans to use to test the effectiveness of internal controls.
- e. The respondent should clearly describe its procedures for reporting fraud, illegal acts, or significant internal control deficiencies to its clients.
- f. The respondent should clearly describe its philosophy and its procedures in formulating management letter comments.
- g. The respondent should describe the proposed approach to meet all reporting deadlines outlined in Section 2.D.5.

Section 5 Firm Profile and Qualifications

- a. The respondent must be licensed to practice public accounting in the State of Florida and furnish documentation.
- b. The respondent should communicate its experience in performing not-for-profit and governmental types of audits including single audits; including specific to other Early Learning Coalitions.
- c. The respondent should communicate its experience in preparing financial statements in

compliance with authoritative guidance and the GAAP hierarchy.

- d. The respondent should indicate whether it is a local, regional, or nation firm. In addition, the respondent should give the location of the office from which the work is to be performed and indicate the number of partners, managers, supervisors, seniors, and staff members that are employed by that office.
- e. This section should provide references from other Florida not-for-profit coalitions or from clients whose audits are similar to the services sought by this RFP.
- f. This section should describe the types of work offered by the local office such as auditing, write-up, tax, consulting, litigation support, and investment advisory services.
- g. The respondent must indicate any disciplinary action taken against the respondent or any individual associated with the respondent by that State of Florida, Board of Accountancy within the last three (3) years.
- h. The respondent must describe all lawsuits that were filed or are pending against the local office within the last three (3) years.
- i. The respondent must furnish its last peer review report and explain any significant weaknesses that were identified by the report.
- j. Explanation if the respondent is a small or minority-owned business or women's business enterprise. If the respondent is a Certified Business Enterprise as recognized by the State of Florida Department of Management Service, please provide documentation.

Section 6 Audit Team Member Profiles and Qualifications

The respondent must identify the audit team that will be responsible for providing the required audit services, including the partners, managers, supervisors, and staff. Resumes for each partner, manager, supervisor, senior, and staff to be assigned to the audit team should be submitted and the resumes should include the following information:

- a. Formal Education
- b. Continuing professional education relative to not-for-profit and governmental accounting and auditing
- c. Experience in government accounting and auditing
- d. Experience in public accounting in general
- e. Experience in auditing not-for-profit entities, including the individual's current position held (partner, manager, supervisor, senior or staff)
- f. Experience working with Early Learning Coalitions
- g. Experience in computerized systems
- h. Membership to various national and state accounting boards, committees, or associations
- i. Professional recognition such as a Certified Public Accounting license, awards, etc.

The respondent must identify who would serve as the primary point of contact on the engagement.

Section 7 Prior Firm Not-for-Profit and Governmental Experience

The respondent should describe its prior auditing experience, including names, addresses,

contact person, and telephone numbers of prior organizations audited. Experience should include the following categories:

- a. Prior experience auditing programs funded by the Federal Government.
- b. Prior experience auditing similar programs operated by FOEL.
- c. Prior experience auditing non-profit organizations.

List all recent non-for-profit and government audit engagements.

Section 8 Certification Affidavit

The Certification Affidavit attests that the organization has made all necessary disclosures and that the organization will provide copies of policies within three (3) days of being selected. This form needs to be signed and notarized and returned with the proposal.

Section 9 Cost of Services

The respondent shall prepare a schedule of billing rates for the various levels of staff, together with an estimate of the number of hours it anticipates for completing the annual examination of the Coalition’s financial statements. Using these estimates, the respondent shall provide a not-to-exceed amount for the proposed audit services. Any extraordinary charges shall be considered as costs associated with annual examinations for the purpose of proposal evaluations.

Illustrative Guide for Reporting Cost of Services

Staff Level	Hourly Billing Rate	Estimated Number of Hours	Estimated Charges	Responsibilities
Staff				
Senior				
Manager				
Partner				
Other				
Total	N/A			N/A

Fiscal Year Ending	Estimated Number of Hours	Amount Not to Exceed
June 30, 2019		
June 30, 2020		
June 30, 2021		
June 30, 2022		

Section 10 References

The respondent must provide at least three (3) references from current clients within the Florida Non-for-profit industry, and/or clients whose funding sources are similar to the Coalitions or from other State of Florida agencies. The name and contact information of a responsible member of management, including but not limited to the Chief Financial Officer, or Finance Director and/or Chief Executive Officer shall be provided.

Section 11 Attachments

The respondent must include all attachments in this section if applicable.

Example - Letter of Certification

DeAnna Johnson
Chief Finance Officer
The Early Learning Coalition of Marion County, Inc.
2300 SW 17th Road
Ocala, FL 34471-2006

Dear Ms. Johnson:

We have read The Early Learning Coalition of Marion County, Inc.'s Request for Proposal and fully understand its intent. We certify that we have adequate personnel, equipment, technology, and facilities to fulfill the requirements of the engagement. We understand that our ability to meet the criteria and provide the required services will be judged by Coalition staff members and members of the Finance Committee. We also understand that final approval for a contract award will come from the Coalition Board of Directors.

We have attached the following for your review:

1. Auditing Services Proposal
2. A signed and notarized copy of the Certification Affidavit
3. A completed IRS Form W-9

I, the undersigned respondent, have not divulged, discussed, or compared this proposal with any other respondents and have not colluded with any other respondent in the preparation of this proposal in order to gain an unfair advantage in the award of this proposal.

It is understood that all information included in, attached to, or required by this RFP shall become public record upon their delivery to the Coalition as defined in the Public Records Act, Chapter 119, Florida Statutes.

Submitted by:

Name of Firm:

Authorized Signature:

Date:

Title:

E-Mail:

Telephone:

CERTIFICATION AFFIDAVIT

DIRECTIONS: BY ATTESTING TO THIS FORM, THE RESPONDENT AGREES TO COMPLY WITH ALL FIVE (5) SECTIONS ON THE SWORN AFFIDAVIT. THIS FORM MUST BE SIGNED IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICER AUTHORIZED TO ADMINISTER OATHS.

APPLICATION ACCURACY

I do hereby certify that all facts, figures, and representations made in the proposal are true and correct. The filing of this proposal has been authorized by the contracting entity and I have been duly authorized to act as the representative of the organization in connection with this proposal. I also agree to follow all terms, conditions, and applicable federal law and state statutes.

PROHIBITION ON LOBBYING

Applicants are hereby advised and agree to comply with the Coalition's adopted prohibition on lobbying:

No funds granted by the Coalition shall be used by a provider agency to hire a lobbyist or to supplant any funds which would allow for the funding of a lobbyist.

Any respondent or lobbyist, paid or unpaid, for a respondent is prohibited from having any private communication concerning any procurement process or any response to a procurement process with any Coalition Board Member, the Coalition's Chief Executive Officer, or any Coalition employee after the issuance of this RFP and until the completion of the contract award. A proposal from any organization will be disqualified when the respondent or a paid or unpaid lobbyist for the respondent violates this condition of the procurement process.

CONFLICT OF INTEREST

Applicants are hereby advised, and agree to comply with the Coalition's adopted conflict of interest regulations:

All respondents must disclose the name of any officer, director, or agent who is also a Coalition employee. All respondents must disclose the name of any Coalition employee who owns, directly or indirectly, any interest in the respondent's business or any of its branches. All respondents must disclose any business relationships with any officer, director, subcontractor or employee of the Coalition. The disclosures described above must be submitted as a cover letter, included with the RFP, addressed to the Chief Finance Officer, and must be submitted no later than the proposal deadline.

AGENCY CERTIFICATION

I, the undersigned applicant, hereby attest that the following policies, procedures, regulations, and documentation are in effect and agree to provide copies of the following within three working days of notification by the Coalition of intent to award the contract:

1. Affirmative Action Policy
2. Certified Minority Business Enterprises (if applicable)
3. Small Disadvantaged Business Enterprise Policy (if applicable)
4. Americans with Disabilities Policy
5. Drug Free Workplace Policy

PUBLIC ENTITY CRIME AFFIDAVIT

I understand that a “public entity crime” as defined in Paragraph 287.133(l)(g), Florida Statutes means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any entity, agency or political subdivision of any other state or with the United States, including, but not limited to, any bid or contract for goods or services to be provided to any public entity or an agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.

I understand that “convicted” or “conviction” as defined in Paragraph 287.133(l)(b), Florida Statutes means a finding of guilt or a conviction of a public entity crime with or without adjudication of guilt, in any federal or state trial court of record relating to charges brought by indictment after July 1989, or as a result of a jury verdict, non-jury trial, or entry of a plea of guilty or nolo contendere.

I understand that an “affiliate” as defined in Section 287.122, Florida Statutes means:

A predecessor or successor of a person convicted of a public entity crime; or an entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term “affiliate” includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of the affiliate.

The ownership by one person of shares constituting a controlling interest in another person, or pooling of equipment or income among persons when not for fair market value under an arm’s length agreement, shall be a prima facie case that one person controls another person. A person who knowingly enters into a joint venture with a person who has been convicted of a public entity crime in Florida during the preceding 36 months shall be considered an affiliate.

I understand that a “person” as defined in Section 287.133 Florida Statutes means any natural person or entity organized under the laws of any state or of the United States with the legal power to enter into a binding contract and which bids or applies to bid on contracts for the provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term “person” includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.

Based on information and belief, the statement which I have marked below is true in relation to the entity submitting this sworn statement. (Please indicate which statement applies.)

_____ Neither the entity submitting this sworn statement, nor any officer, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, nor any affiliate of the entity have been charged and convicted of a public entity crime subsequent to July 1, 1989.

OR

_____ The entity submitting this sworn statement, or one or more of the officers, directors, executives, partners, shareholders, employee members or agents who are active in management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989, and ***(Please indicate which additional statement applies)***.

_____ There were proceedings concerning the conviction before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer did not place the person or affiliate on the convicted vendor list.

_____ The person or affiliate was placed on the convicted vendor list. There has been a subsequent proceeding before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer determined that it was a public interest to remove the person or affiliate from the convicted vendor list. (Please attach a copy of the final order).

_____ The person or affiliate has not been placed on the convicted vendor list. (Please describe any action taken by or pending in the Department of General Services).

ORGANIZATION'S NAME AND ADDRESS:

NOTE: AS EVIDENCED BY MY BELOW, I UNDERSTAND AND WILL COMPLY WITH ALL TERMS AND CONDITIONS STATED HEREIN:

Type Authorized Official's Name

Authorized Official's Title

Authorized Official's Signature

Date

Federal Employee Identification Number

FOR NOTARY PUBLIC (OFFICIAL USE ONLY)

STATE OF _____ COUNTY OF _____

PERSONALLY APPEARED BEFORE ME, THE UNDERSIGNED AUTHORITY.

_____ who, after first being sworn by me, affixed his/her signature in the space.

Provided above on the _____ day of _____, 20____.

NOTARY PUBLIC

My Commission Expires:

Attachment A

0000018 05/04/16



Consumer's Certificate of Exemption

DR-14
R. 10/15

Issued Pursuant to Chapter 212, Florida Statutes

85-8012604596C-2	08/31/2016	08/31/2021	501(C)(3) ORGANIZATION
Certificate Number	Effective Date	Expiration Date	Exemption Category

This certifies that

EARLY LEARNING COALITION OF
MARION COUNTY INC
3304 SE LAKE WEIR AVE STE 2
OCALA FL 34471-8602

is exempt from the payment of Florida sales and use tax on real property rented, transient rental property rented, tangible personal property purchased or rented, or services purchased.



Important Information for Exempt Organizations

DR-14
R. 10/15

1. You must provide all vendors and suppliers with an exemption certificate before making tax-exempt purchases. See Rule 12A-1.038, Florida Administrative Code (F.A.C.).
2. Your *Consumer's Certificate of Exemption* is to be used solely by your organization for your organization's customary nonprofit activities.
3. Purchases made by an individual on behalf of the organization are taxable, even if the individual will be reimbursed by the organization.
4. This exemption applies only to purchases your organization makes. The sale or lease to others of tangible personal property, sleeping accommodations, or other real property is taxable. Your organization must register, and collect and remit sales and use tax on such taxable transactions. Note: Churches are exempt from this requirement except when they are the lessor of real property (Rule 12A-1.070, F.A.C.).
5. It is a criminal offense to fraudulently present this certificate to evade the payment of sales tax. Under no circumstances should this certificate be used for the personal benefit of any individual. Violators will be liable for payment of the sales tax plus a penalty of 200% of the tax, and may be subject to conviction of a third-degree felony. Any violation will require the revocation of this certificate.
6. If you have questions regarding your exemption certificate, please contact the Exemption Unit of Account Management at 800-352-3671. From the available options, select "Registration of Taxes," then "Registration Information," and finally "Exemption Certificates and Nonprofit Entities." The mailing address is PO Box 6480, Tallahassee, FL 32314-6480.

Attachment B

PROPOSAL EVALUATION FORM

Proposer Name _____

		Point Range	Points Earned
1.	Approach to the Audit		
	Description of approach	0 – 5	
	Understanding of and procedures used for testing of internal controls	0 – 10	
	Description of procedures for reporting fraud, illegal acts, etc. to client	0 - 4	
	Realistic time estimates of each audit step	0 - 5	
2.	Firm Profile		
	Adequate size of firm	0 – 5	
	Independence	0 – 5	
	No Conflicts of Interest	0 – 3	
	Results of Peer Review	0 – 3	
	Certified Business Enterprise	0 - 5	
3.	Audit Team Member Qualifications		
	Prior experience with government and non-profit accounting	0 – 5	
	Overall experience in public accounting	0 – 5	
	Experience auditing non-for-profit entities	0 – 5	
	Experience working with Early Learning Coalitions	0 - 5	
4.	Prior Audit Experience		
	Prior experience auditing programs funded by the Federal Government	0 – 10	
	Prior experience auditing similar programs operated by FOEL	0 – 10	
	Prior experience auditing non-profit organizations	0 – 5	
5	Price		
	Annual Audit	0 – 8	
	Form 990	0 – 2	
Total Points		0 - 100	

Evaluation Committee Member Name: _____

Review Date: _____

Evaluation Committee Member Signature: _____