



Collaboration for
Early Childhood
Strong Start, Bright Future

To: Members of the IGA Governing Board
From: Carolyn Newberry Schwartz, Executive Director and Gordon Hellwig, Board Treasurer
Subject: Preliminary Budget (2018-2019)
Date: February 22, 2018

The Board of Directors adopted a preliminary budget in January to present to you. This preliminary budget is based on the current year budget and known changes for staffing and contracts. For example, we have revised the professional development position to reflect the growth in that program component and to attract candidates with the requisite skills to perform the job well.

Over the course of the spring, the Executive Director and Board members are reviewing staffing configurations in order to ensure that we have the correct mix of staff and skills to continue to grow and support the programs and functions of the Collaboration. There are currently several contract positions that could be examined for a blending or expansion of responsibilities and brought on as staff. We have tried to pare back where expenditures look like they could be lower. We continue to look for opportunities to lower costs so that any identified savings or changes in use of current staff or contractors may be used to support staffing changes when the staffing plan is complete. The changes from the current fiscal year are noted in the column on the right. Net revenue of \$25,132 is also projected in the budget and some of this may be used to support increased expenses for staffing changes/additions.

The following are a couple of general notes:

- We have included a COLA of 2.5 % for all staff positions. This is the CPI-U over the past twelve months. Including a COLA at this point in the budget development is different from past practices. However, as we look to budget for different staffing, we think it is important to be aware of and budget for the cost of an annual increase for the staff.
- We agreed to recommend a 10% increase in health care premium costs due to uncertainty in the current insurance landscape. This increase appears in the staff benefits line item. The other costs in this line item are for dental insurance, eye care insurance, long and short term disability insurance and life insurance for all planned staff positions. We have also included the cost of health care insurance for all known full time employees – including a full time Director of Early Learning and the Executive Director. These costs are not included in the revised budget for 2017-2018. The result is that the growth in the insurance costs for 2018-2019 looks very high when contrasted with the current budget. The original budget amount for benefits in the 2017-2018 fiscal year prior to the revision passed in December was \$43,119. The number was revised downward to reflect current year experience.

- We have budgeted for the contracts with Chapin Hall (“Database Development/Analysis”) and Easterseals (“Home Visiting Program”). They will both be negotiated for a five-year term with a start date of July 1, 2018. The Easterseals contract is based on their current budget for the year. We note the need for stability in the home visiting program and that Easterseals has been a good partner through a challenging transition. Chapin Hall is vital to all aspects of our work. The value of the base contract (\$85,000) is increased to support the additional work they will be expected to perform and have been doing over the past year. We started the discussions around these contracts in February and plan to have them completed in April.

INCOME

1. Individual gifts remain at \$85,000. This is an ambitious goal given that a number of major donors are scheduled to reduce their gifts significantly during 2018-2019. We intend to set increased targets for growth in individual donations to sustain cost of living increases in the overall budget over the next few years.
2. The amount shown for grant requests is increased over the current year revised projection to reflect our goal of obtaining additional grants to support outreach and other activities.
3. Corporate donations will remain unchanged. There is room for growth in this area.
4. Organizational Donations have been reduced by \$12,000 due to a lack of knowledge about the donation level from the Oak Park Runners Club. Although we have received this donation for the past five years, we lower the donation amount anticipated as part of our budget planning every year because we do not know whether we will be a beneficiary until after our fiscal year begins on July 1.
5. Fees are increased for the Symposium by \$5. They were last raised in FY 2015 to help cover the cost of the additional early bird workshops.
6. The revenue from a Board fundraising event is increased to help offset any decrease in the Runner Club donation. The Board is working to increase the revenue by enlisting more corporate sponsors.
7. Government Contracts are set at contractual levels. We have placed revenue from the State’s Vision and Hearing contract in the planned budget unlike the past two years. This contract has been granted even during the worst years of the State’s budget deliberations so it seems safe to count on it for the next fiscal year.
8. We are not anticipating the need to release funds from the Designated Database Funds or fiscal year 2018-2019. The plan is to complete (We plan to have Chapin Hall complete – is a more active sentence – although I’m not sure that it is entirely accurate?) all backlogged work that required the use of unspent contract funds prior to the end of the current fiscal year.
9. Revenue from temporarily restricted funds reflects unspent funds from the two Grand Victoria grants both of which are targeted to support the database.

EXPENSES

10. Wages

Employee positions will remain the same except as noted in the introductory comments. The Parent Outreach Workers line item is increased to reflect a full year of part-time employment for three workers.

We show an increase in the Director of Early Learning line item to accommodate the increase in responsibility and to show a full year of employment. The position was vacant for several months during 2017-2018.

11. The Training Specialists line item includes funds for training support, early childhood mental health consultation and consultation from our current consultant, Diana Rosenbrock. The amount is reduced because we utilized consultants for several months during 2017-2018 while they Director of Early Learning position was open.
12. The Home Visiting line item is returned to the level in the approved budget for the current FY, 2017-2018.
13. Coordinated Intake is budgeted at the contractual amount. It appears higher than the current fiscal year because the work on this year's contract did not begin until September 2017 (i.e., two months after the start of the fiscal year).
14. The Parent Support line item is reduced by \$30,000 to reflect anticipated costs for sub-contracts with providers to deliver services identified for the Parenting Resource Program.
15. Donor Development is anticipated to increase to support the Board's effort to increase its fundraising capacity.
16. Funds for Program Facilitators are increased slightly to offset the anticipated need for facilitators at the Symposium and for the kindergarten entrance assessments at the public preschool programs.
17. The costs for the database have decreased by \$50,000 because the higher cost in 2017-2018 reflects the work being performed by Chapin Hall that it was not able to complete in prior years due to the lack of access to State data and the completion of the user interfaces for the aggregate and longitudinal databases.
18. The funds in these two line items all support the contract with a single contractor who fulfills these functions.
19. General Consulting is lower than the current year due to the anticipated reduction in the need for consultative services.
20. The increase in the cost for the audiology technician is due to a biannual COLA of 5% which is awarded every other year.
21. Graphic design is reduced slightly because the Early Childhood Resource Directory will not be produced in 2018-2019.
22. All insurance increases are based on industry projections from Willis North America Inc. or insurancenews.net, an online industry newsletter.
- 23 Program Supplies are increased to accommodate anticipated expenses for the Parenting Resource Program.
24. Food costs are budgeted to rise by \$2,000 due to the increase in training and meetings for the Parenting Resource Program.
25. Telecommunications costs are decreased slightly due to a decrease in cost for the hosting of the Collaboration's website.
26. Printing decreased because the Early Childhood Resource Directory will not be printed next year.
27. Subscriptions include a payroll service, donor database, media scheduling platform, email service, and a training platform for webinars.
28. Rent has increased to accommodate a larger storage space.
29. Staff and Volunteer Travel and Training is decreased slightly based on experience with staff travel.
30. Funds have been budgeted for capital expenses should the need arise. It is not anticipated that these expenses will be significant.