



Early Learning Coalition of the Nature Coast

Serving Citrus-Dixie-Gilchrist-Levy-Sumter Counties

Provider Alert # 72

Date: July 22, 2009
Subject: Gold Seal Rates

URGENT RESPONSE NEEDED!

On May 6, 2009 the Coalition released Provider Alert # 62 notifying providers of issues surrounding Gold Seal rates. Specifically, Coalition staff notified providers that the state classifies Gold Seal expenditures as quality expenditures instead of direct services expenditures which places a hardship on the Coalition. (When gold seal rates are excluded from direct service rates the Coalition falls below the 70% minimum expenditures in direct services.)

The Coalition requested the state to change their position on gold seal expenditures; however, the state pointed out several potential issues with reclassifying the expenditures including the requirement for the Coalition to secure matching funds for the gold seal expenditures.

As a result of the state's firm position, the Coalition must take action in order to ensure the direct services expenditures represent no less than 70% of the Coalition's School Readiness budget for FY2009-2010.

Utilizing last year's gold seal expenditures coupled with current enrollment the Coalition anticipates a maximum gold seal budget of \$ 515,550; however it is likely the gold seal expenditures will exceed this budget by \$50,000-\$100,000. Consequently the Board must implement one or more of the following actions to reconcile the Gold Seal budget:

- o Reduce the Gold Seal rate from 20% to 17% and discontinue the Gold Seal payments after the budget has been depleted. (The budget will likely not be depleted until the end of the fiscal year).
- o Continue to pay the Gold Seal rate of 20% until the Gold Seal budget is been depleted. (This would likely occur in the last quarter of the fiscal year).
- o Repeal (one or more) Quality Initiative programs and transfer the associated budget to the direct services budget.

In an effort to assist the Executive Committee in making this difficult decision the Coalition respectfully requests you to consider the three strategies listed above and provide us with your opinion with regard to the best strategy to reconcile the Gold Seal Budget.

This issue is URGENT and must be addressed immediately in order for the July 2009 reimbursement process to be completed. As a result, the Executive Committee will be meeting at the beginning of next week to address this issue. If you would like the Executive Committee to hear your opinion please complete the enclosed survey and submit it to the Coalition on or before Friday July 24, 2009 at 5:00 PM

Please direct any questions or concerns related to this Provider Alert to Desirae Rickman at drickman@elc-naturecoast.org or 352-563-9939 Ext 252

Thank you
Sonya Bosanko
Executive Director

