

# **Kids Are First**

400 West Pena Street  
Carrizo Springs, Texas 78834  
Board of Directors Meeting  
January 25, 2022

Meeting was called to order at 5:57 PM

## **Roll Call:**

Asalia Casares – Present  
Mercedes Puente – Resigned  
Sonia Guerrero – Perez – Present  
Alfredo Padilla - Present  
Melissa Cortes, Policy Council President – Present

## **Others:**

Aniceto Colunga Jr, CEO  
Velma McNeil, Director of Operations  
Karl Eck, Chief Financial Consultant (Zoom Conference - Called In)

A quorum was established.

## **Approval of Agenda:**

Sonia Guerrero Perez moved to approve the agenda.  
Alfredo Padilla 2<sup>nd</sup> the motion.  
Motion carried.

## **Approval of the December 06, 2021 MINUTES**

Sonia Guerrero-Perez moved to approve the Minutes for the November 02, 2021 (Special Called Meeting); November 16, 2021 (Special Called Meeting); and December 13, 2021;  
Melissa Cortes 2<sup>nd</sup> the motion.  
Motion Carried

## **Reports:**

Mr. Milo Martinez, in representation of Certified Public Accounts firm of Martinez, Rosario & Company, LLP, reported:

- Independent Auditor’s Report – Unmodified (“Clean”) Opinion
- The information on the Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards and found no internal control over financial reporting findings noted; No material noncompliance findings noted
- Independent Auditor’s Report on Compliance for each major federal program and on internal control over compliance required by Uniform Guidance and found major program compliance – unmodified (“Clean”) Opinion; and No internal control over compliance findings noted;
- Schedule of Findings and Questioned Costs and found no findings of questioned costs noted;

- Summary Schedule of Prior Audit Findings and found no prior year findings;
- Mr. Martinez provide a copy of all relevant auditing report documents including the management letter “Communication with those Charged with Governance” for the audit period ending November 30, 2020.

The KAF, Inc. Board of Directors, with no further questions, Mr. Alfredo Padilla made a motion to approved the Independent Auditor’s Report for the period ending November 30, 2020. Ms. Sonia Guerrero-Perez 2<sup>nd</sup> the motion. The motion carried.

Mr. Colunga reported:

- CEO/Head Start Director Reported to the Board of Directors  
Aniceto Colunga Jr, CEO reported to the Directors the following: (1) OHS Update on the Full Enrollment Initiative as presented by Dr. Bernadine Futrell, Director for the Office of Head Start. In her announcement, Dr. Futrell said that OHS will not resume the evaluations of which program will enter into the full enrollment initiative beginning January 2022. In-Person enrollment will be tracked in HSES contingent on CDC, state, local health department guidance and in consideration of local school district decisions. (2) Report on program trainings, webinars, certifications and acknowledgements for staff. (3) Program’s Activities during the month (4) Upcoming trainings, and scheduled events for the following month (5) HS & EHS Enrollment and Attendance for the months of November & December reported (6) A program-wide vaccination status report, program is 98.86% vaccinated. A total of (21) employees reported positive COVID cases in January 2022. (7) All parent committees met in November, 2021 including the Policy Council. (8) The program’s bulletin board, centers displayed child activities for most of the centers (9) Human resources reported five job vacancies in the program, five new hires and one staff resigned. (10) Budget comparison report, the program closed out its fiscal year in November 2021 with a projected carry over balance situation. In discussion with the RO VI program specialist, KAF, Inc will be permitted to submit a carry over request to have this fund reprogrammed into the new year. (11) The program met its non-federal share requirement with the approved waiver granted to the program. (12) Facilities update, the administrative offices were no completely relocated to 400 West Pena Street in Carrizo Springs, TX. The two food delivery trucks were delivered in January 2022. (13) The disabilities service area has filled its 10% funded enrollment slots, reporting 53 children identified with disabilities, 12 children short of the requirement to meet 10%. But, children referred and pending action by both the LEA and ECI, the program has identified 46 children. KAF, Inc. will continue to work with both the LEA’s and the ECI to get these children diagnosed. (14) There were no licensing violations (15) Finally, the program is preparing for its FA1 Federal Monitoring Protocol in the week of January 10-14, 2022. An advance copy of the CEO/Head Start Director report was provided to the KAF, Inc. Board of Directors.

Mr. Karl Eck reported:

- November 30, 2021 - Financial Reports:
  - November 30, 2021 Report - Revenue and Expenses by Fund (Spent YTD) - \$6,983,849 & Remaining Balance of Funds is \$52,258 or .0074% of the funds remaining unspent.

- TTA Funds: HS has spent \$78,531.03 with a over expenditure balance of \$22,396.03 and EHS has spend \$24,567.46 with a remaining balance of \$13,929.54. Overall, the TTA budget was overspent by \$8,466.49.
- Administrative Expense – November expenses reported were \$215,583.20 with total administrative expenses for the fiscal year totaling \$1,066,844.66 or 14.4% of the total budget.
- December 31, 2021 - Financial Reports:
  - Balance Sheet (Ending 12/31/2021) - \$2,932,248.97
  - Revenue and Expenses by Fund (Spent YTD) - \$414,41.41
  - TTA Funds: HS has spent \$3,884.21 with a remaining balance of \$0 and EHS has spent \$2,295.85 with a remaining balance of \$0. Overall, the TTA budget has an unspent balance of \$6,180.06.
  - Administrative Expenses - \$79,321.14 or 17.7% TOTAL ADMIN COST
- December 31, 2021 – Financial Reports (CARES & American Rescue Plan)
  - American Rescue Plan Funds: As of January 31, 2022, spent \$639,204.21, remaining balance of \$200,738.79 or 23.89% of the funds remaining unspent.
  - CARES COVID-3 Funds (Ending January 31, 2022– Spent \$86,777.70, with a remaining balance of \$124,502.30 or 58.92% of the funds remaining unspent.
  - Certificate of Deposits – No Report
  - CACFP Reimbursements:
    - December 31, 2021 Reimbursement: \$103,804.45
  - In Kind:
    - December 31, 2021 – \$75,532.37
- December 31, 2021 - Credit Card reports: Reviewed all the Credit Card Reports for period ending November 30, 2021 – Include expenditures for AMEX, Valero, Walmart and HEB, the Directors had no questions after the review of the statements regarding the credit card report.
- Reviewed all the Credit Card Reports for period ending December 31, 2021 – Include expenditures for AMEX, Valero, Walmart and HEB, the Directors had no questions after the review of the statements regarding the credit card report.

Mr. Karl Eck, joined the BOD meeting via Zoom and provided an overview of the November financial reports, but the months expenses were only preliminary because this is our final month, prior to the close out of the program’s fiscal year. A more detailed report will be presented to the KAF, Inc. Board of Directors at their February 2022 meeting of the close out expenses for the November 2021 fiscal year close out.

Mr. Karl Eck also provided an overview of the December 31, 2021 financial reports, this is the first month of the HS & EHS fiscal year.

Karl Eck was dismissed at 6:48 p.m.

**Enrollment/ Attendance:**

- KAF has a total enrollment of 642 children (November 30, 2021)
- HS = 466 Enrolled Children (398 In-Person & 68 Virtual)
- EHS=175 Enrolled Children (153 In-Person & 22 Virtual)
  - 466 HS children – 86.26% attendance

- 175 EHS children – 85.24% attendance
  - The program had no vacancy as of November 30, 2021.
- KAF has a total enrollment of 642 children (December 31, 2021)
  - HS = 466 Enrolled Children (398 In-Person & 68 Virtual)
  - EHS=175 Enrolled Children (150 In-Person & 24 Virtual)
    - 466 HS children – 84.45% attendance
    - 175 EHS children – 88.84% attendance
    - The program had no vacancy as of December 31, 2021.

**New Hire/ Termination Report:**

- Mr. Colunga reviewed the New Hire/ Termination report for period ending November 30, 2021.
  - New Hires (04)
  - Termination/ Resignations – (05)
  - Employee Vacancies (06)
- Mr. Colunga reviewed the New Hire/ Termination report for period ending December 31, 2021.
  - New Hires (05)
  - Termination/ Resignations – (01)
  - Employee Vacancies (05)

Mr. Alfredo Padilla moved to accept and approval all reports for the month of November & December 2021 as presented.

Ms. Sonia Guerrero-Flores 2<sup>nd</sup> the motion.

Motion Carried.

**Old Business:**

- Also, under Old Business a brief report was presented on the funding opportunity for the Victoria service area. The funding announcement was officially announced for competition in mid-November 2021, but the program had been working to prepare for the FA-1 Federal Review. The CEO reported to the Board the competitive grant application for the Victoria Service area was being find tuned, but will be discussed in final detail in New Business as an approval item, so the agency can ensure submitting this prior to the February 2<sup>nd</sup>, 2022 due date.
- The agency is continuing to work on the RFQ to acquire legal services representation to assist with such matters as construction contract review and others, employee policies and procedures, legal matters that come before the program. The KAF, Inc. Board of Directors will continue to be updated on the progress.
- NO CHANGE – Carrizo Springs Center back taxes, agency prepared Application for Charitable Organization Property Tax Exemption and submitted same to the County Appraisals office and Perdue, Brandon Law Firm to resolve the issue. KAF, Inc. is waiting for the counties response after evaluating the information submitted.

**New Business:**

The CEO/Head Start Director presented the following items for review, consideration and approval.

- The agency's revised vision, mission and core values were presented to the Board for their review, input and/or approval.
- The competitive grant application prepared for the Victoria Service Area, henceforth referred to as the Golden Crescent Service Area for approval. The narrative summary, the scope of work, budget and budget justification, org charts, pay scales were all presented, reviewed and submitted for approval. A board resolution was prepared for the Boards review, signature and/or approval.
- Report – Focus Area I Federal Review was presented to the Board. The CEO reported that the review was completed the week of January 10-14, 2022 and Ms. Jennifer Johnson, DHL Lead reported that the agency had no findings. Also reported were multiple exemplary practices, one which included the Head Start & Early Head Start ties to the community served.
- Governance Training – The CEO provided the Board information on the upcoming NHTSA conference scheduled for May 02-05, 2022, in Baltimore, MD. The board communicated their interest to attend the conference, so the CEO will make the appropriate arrangements for their attendance.
- Enrollment Forward – The CEO communicated to the Board on the OHS initiative titled, “Enrollment Forward” and provided the weblink information and PPT so they could view the information.
- Bank Resolution – The CEO presented the Capital Bank Resolution for signature, and although this had been discussed and approved in the October 2021 meeting, there had been an oversight recording the approval in the October Minutes. Therefore, the Capital Bank Resolution was brought up again for an approval vote. The bank resolution will authorize the Ms. Asalia Casares, BOD President as signatory authority for the Head Start/Early Head Start accounts.
- The Policy Council Agenda and Minutes of January 25, 2022 were presented to the BOD so that both groups could align with each group's business and see firsthand on what was approved/disapproved.

Mr. Alfredo Padilla moved a motion to have the entire list of reports, policies and other information reported under new business be approved by the board of directors. Ms. Sonia Guerrero seconded the motion. The motion carried.

**Executive Session:**

At 7:13 PM, Alfredo Padilla moved to enter into Executive Session. Ms. Sonia Guerrero Perez seconded the motion. The motion carried and the KAF, Inc. Board of Director's entered into executive session. Sonia Guerrero Perez motioned to end Executive Session and Alfredo Padilla seconded the motion. The motion carried.

At 7:20 PM, the KAF, Inc. entered back into their regular session. The KAF, Inc. did not take any actions requiring approval, thus there was no report or information reported out of Executive Session.

**Open Forum:**

There was no discussion in “Open Forum”.

**Adjournment:**

With no further business, Alfredo Padilla motioned to adjourn meeting. Sonia Guerrero Perez seconded the motion. The motion carried and was approved and the KAF, Inc. Board of Directors meeting ended.

Meeting Adjourned at 7:47 p.m.



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**Ms. Asalia Casares, President**

Kids Are First, Inc.

400 West Pena Street

Carrizo Springs, TX 78834

01/25/2022

**Date**