

**Kids Are First**  
400 West Pena Street  
Carrizo Springs, Texas 78834  
Board of Directors Meeting  
September 27, 2022

Ms. Asalia Casares call the KAF, Inc. Board of Director's Meeting for the month of September, on September 27, 2022 to order at 6:00 PM

**ROLL CALL:**

Asalia Casares – Present  
Sonia Guerrero – Perez – Present  
Alfredo Padilla – Present  
Dora A. Velázquez – Present  
Member At Large - Vacant  
Melissa Cortes, Policy Council President – Absent

**OTHERS:**

Aniceto Colunga Jr, Chief Executive Officer - Present  
Velma McNeil, Director of Operations - Present  
Karl Eck, Chief Financial Consultant – Present

A quorum was established with four out of the five board members present and the Policy Council President, serving as Liaison who was absent. There is currently one vacancy on the KAF, Inc. Board of Directors.

**APPROVAL: AGENDA**

- Mr. Alfredo Padilla, Esq. moved to approve the agenda of September 27, 2022 meeting.
- Ms. Sonia Guerrero-Pérez, 2<sup>nd</sup> the motion.
- Motion carried.

**APPROVALS: August 29<sup>th</sup>, 2022 MINUTES**

- Ms. Sonia Guerrero-Pérez moved to approve the Minutes as presented without amendments for the meeting of August 29<sup>th</sup>, 2022.
- Mr. Alfredo Padilla, Esq. 2<sup>nd</sup> the motion.
- Motion carried.

**REPORTS:**

**CEO, Aniceto Colunga Jr – Reported on April 2022 CEO Report to Board of Directors:**

- CEO/Head Start Director Report to the Board of Directors
  - The CEO/Head Start Director's reported to the Board of Directors the following:
    - Discussed the Office of Head Start's "mask announcement". OHS intends to publish the final rule that will formally remove the universal mask requirement in Head Star Programs for all individuals ages 2 years and older. The Head Start program

masking requirements will then align with the updated Centers for Disease Control and Prevention (CDC) guidances.

- Discussed the disabilities enrollment report for August 2022. There are (13) HS children who have an approved IEP enrolled in the program and there are (19) EHS children with approved IFSP's enrolled in the program. With almost two weeks from the start of the program, KAF, Inc. has identified (32) children with diagnosed disabilities enrolled in the program and staff is working with another (18) children who have been referred for potential disabilities' services.
- Discussed was the HS/EHS Enrollment numbers for the program ending August 31, 2022. In Head Start, the program had (466) children, enrolled and attending school. In Early Head Start, the program had (176) children, enrolled and attending school. The program as of August 31, 2022 was fully enrolled with (642) children enrolled in both HS/EHS programs.
- Discussed was the program's In-Kind Report for August 31, 2022. As of August 31, 2022, the program had collected \$53,320.62 for the month and YTD, the HS/EHS program had collected \$823,130.91. With the approved Non-Federal Share Waiver and a revised in-kind goal of \$1,144,009, the program has an in-kind balance of \$320,878.09 to collect by November 30, 2022 to comply with the terms and conditions in the federal grant for FY 2021-22. For the next three months, the HS/EHS programs need to collect approximately \$107,000 per month to meet the required collection of in-kind.
- In September 13, 2022, an ACF News Release announced that \$300,000,000 had been appropriated to be distributed to grantees for the purpose of increasing salaries for education staff. This is in response to the post-COVID trend where private industry has had to increase salaries in order to attract workers in a shrinking workforce environment. After contacting the Regional Office and speaking with our Program Specialist, she indicated that as soon as OHS releases the apportioned amounts for each grantee and guidance, she would send to KAF, Inc. so an application for these funds could be completed.
- In the Center Bulletin Board, the Pearsall Center sent pictures demonstrating support for the local HS Football team; Las Colonias center sent pictures of the 1<sup>st</sup> Day of School for children; Seco Mines celebrated "all about me", children doing pictorial representations of who they are; LBJ sent pictures celebrating el 16 de Septiembre and Rosita Valley sent pictures of their out-door activity celebrating el 16 de Septiembre.
- A copy of the ACF News Release to support increased compensation for ECE Educators was provide to the Board members.
- A copy of ACF-IM-HS-21-01 titled Updated Coronavirus Disease 2019 (COVID-19) Fiscal and Administrative Flexibilities was also provided to the Board members.
- This was the sum of the CEO Report to the Board of Directors, including the reports and documents presented to them.

#### **Wipfli Consultant, Mr. Karl Eck – Reported on July 2022 Financial Statements:**

- August 31, 2022 - Financial Reports (August 2022):
  - Balance Sheet (Ending 08.31.2022) - \$2,944,966.34.
  - Revenue and Expenses by Fund (Spent YTD) - \$4,955,891.94 or 69.04% of the overall HS & EHS budget spent. The YTD balance of funds available was \$2,223,278.06 or

30.96% of unspent fund of remaining. Therefore, based on the current rate of expenditures for the year, we are on track to expend the entire HS & EHS budget and anticipate a minimal balance of funds left.

- TTA Funds: HS has spent \$62,913.75 with an over expenditure of \$11,782.75 and EHS has spent \$10,963.68 with a remaining balance of \$32,807.32. Overall, the combined TTA budget has an unspent balance of \$21,024.57.
- Administrative Expenses - \$785,106.12 which constitutes 13.6% of the TOTAL expenditure of the grant, therefore the grant expenditures for administrative costs is in compliance with federal regulations because it remains below the 15% Administration Cost Limitation.
- August 31, 2022 – Financial Reports (CRRSA & American Rescue Plan)
  - American Rescue Plan Funds: As of August 31, 2022, the program spent \$723,016.81, with a remaining balance of \$116,926.19 or 13.92% of the funds remaining as unspent.
  - CRRSA Funds (Ending August 31, 2022– Spent \$211,280.00, with a remaining balance of \$0.00 or 0% of the funds remaining as unspent. The CRRSA funds have been fully spent and the remaining balance in this CRRSA Fund is \$0.00.
  - CACFP Reimbursements: August 31, 2022 Reimbursement was \$26,079.41 with a YTD reimbursement of \$367,323.60. The CACFP expenses through August 31, 2022 exceed the CACFP reimbursements by \$55,948.58. For August, 2022, the program prepared 3,415 Breakfasts; 3,412 Lunches; and 3,185 PM Supplements;
- August 31, 2022 - Credit Card reports: Reviewed all the Credit Card Reports for period ending August 31, 2022 – Credit card reports included expenditures for AMEX which has a monthly unpaid balance of \$12,215.67, Valero, our gasoline vendor and we have a monthly unpaid balance of \$1,697.31, Walmart, which has a monthly unpaid balance of \$7,146.25 and HEB, which has a monthly unpaid balance of \$1,385.99. The Directors had no questions after the review of the statements regarding the credit card report. All credit cards continue to be paid on time with no questioned costs.
- In Kind: August 31, 2022 – The YTD in-kind collected was \$823,130.91 for the nine-month period with a balance remaining of \$320,878.09 from the total in-kind budget of \$1,144,009. For the month of August 2022, the program collected \$53,320.62 as in-kind. The CEO/Head Start Director submitted previously to the KAF, Inc. Board of Directors, a request and was approved to acquire a waiver for an in-kind the amount of approximately \$601,954 to ACF Regional Office VI in Dallas, TX for their review and/or approval. Our waiver request approved by the RO VI.

**Wipfli Consultant, Mr. Karl Eck – Reported on August 31, 2022 CACFP Reimbursement Claim:**

- Breakfast 3,415 Meals
- Lunch 3,412 Meals
- PM Supplement 3,185 Meals
- TOTAL Meals 10,012 Meals - TOTAL July Reimbursement: \$26,079.41
- YTD Reimbursements: \$367,323.60

**Direct of Operations, Ms. Velma McNeil – Reported on Enrollment/ Attendance:**

- KAF has a total enrollment of 642 children (August 31, 2022)
  - HS = 466 Enrolled Children
  - EHS = 176 Enrolled Children

- HS – 71.82% average daily attendance
- EHS – 80.36% average daily attendance
- The program had 0 child vacancies as of August 31, 2022 because the HS & EHS programs are closed for the year.

**CEO, Aniceto Colunga Jr – Reported on the HS/EHS New Hire/ Termination Report:**

- Mr. Colunga reviewed the New Hire/ Termination report for period ending August 31, 2022.
  - New Hires (12)
  - Termination/ Resignations – (05) Resignations
  - Employee Vacancies (05)

**APPROVALS: ALL KAF, Inc. Reports**

- Mr. Alfredo Padilla, Esq. moved to accept and approve all reports presented in Section 4 - Reports, in the agenda for the month of August 31, 2022 as presented.
- Ms. Dora Velázquez-Garza entered a 2<sup>nd</sup> motion to approve.
- Motion carried.

**OLD BUSINESS:**

- 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. The County Appraisal instructed KAF, Inc. that the agency needed to file another application titled, Application for Private School Property Tax Exemption. KAF, Inc. prepared and submitted completed application back to the Dimmit County Appraisal's office.
- **STATUS:** After discussion with the KAF, Inc. Board of Directors, and review of email submitted by Norma Carrillo, Chief Appraiser for Dimmit County. In the email, she basically reaffirms the following:

**§11.18(f), if applying under the section, or §11.21(f)(5), if applying as a school, the organization must provide for distribution of its assets, in the event of dissolution, to the State of Texas, United States, or an educational charitable, religious, or other similar organization that is qualified as a charitable organization under 26 U.S.C. §501(c)(3).**

The KAF, Inc. Board of Directors signed the amended by-laws, pursuant to the authority granted under page 13, Article XI, Amendment, the KAF, Inc. Board of Directors may alter, amend, repeal and new bylaws adopted by the Board of Directors.

Ms. Velma McNeil will walk the Board of Director's amended by-laws over and hand over to Norma Carrillo, Chief Appraiser for Dimmit County.

- Mr. Alfredo Padilla, Esq. moved to accept and approve proposed by-law amendment, Article XII: Dissolution of the Corporation.
- Ms. Dora Velasquez-Garza entered a 2<sup>nd</sup> motion to approve.
- Motion carried

**NEW BUSINESS: SECTION VI**

- **FY 2022-23 Supplement to the KAF Employee Handbook** was reviewed with the Board of Directors. The major highlights on the revised supplement to the KAF employee handbook include:
  - Transition from a system of annual leave and sick leave and move into a system of paid time off (PTO).
  - The program will add (1) program closure period in November during the holiday week of Thanksgiving.
  - KAF, Inc. added (1) additional holiday, the Monday immediately after Easter Sunday.
  - The amount paid by KAF, Inc. for the employer paid portion of the employee health insurance plan increased from \$450 to \$500. The increase was necessary so that pursuant to the Affordable Care Act criteria, our health plan will remain in the “affordable” category.
  - All other benefits remained equivalent to what was being afforded to employees this past year.
- **COVID-19 Omicron BA Variant Booster Incentive Program:** Consistent with the Head Start mandate to have fully vaccinated Head Start employees, KAF, Inc. will provide a \$200.00 incentive to all employees who get the most updated Omicron Variant Booster by January 3<sup>rd</sup>, 2023. There are exceptions to the end date, therefore employee who takes the booster after January 3<sup>rd</sup>, 2023 will need to bring evidence of why they could not take the Omicron Variant Booster prior to the established deadline of 01.03.2022.
- **Policy Council Agenda:** The KAF, Inc. Board of Directors received the Policy Council’s September 27, 2022 meeting agenda for their review and consideration. The Policy Council agenda includes all the business transacted by the members and the approval actions taken at the meeting.

**APPROVAL:** With no further discussions and/or questions, the KAF, Inc. Board of Directors moved to approve the FY 2022-23 Non-Competing Continuation grant application with all of its required and approved attachments:

- Mr. Alfredo Padilla, Esq. moved to approve all approval items in Section VI, and which includes (1) Supplement to the KAF, Inc. Employee Handbook (2) KAF, Inc. COVID-19 Omicron BA Variant Booster Incentive Policy and (3) Policy Council Agenda for 09.27.2022. and includes all of its required and approved attachments.
- Ms. Dora Velasquez-Garza, entered a 2<sup>nd</sup> motion to approve.
- Motion carried

**EXECUTIVE SESSION:** Executive Session discussion takes place with only the KAF, Inc. Board Members and CEO present.

- At 7:06 PM, Ms. Sonia Guerrero-Perez motioned to go into “Executive Session”. Mr. Alfredo Padilla, Esq seconded the motion. Motion carried.

The Directors went into executive session. At 7:34 PM, the KAF, Inc. Board of Directors closed executive session. Ms. Sonia Guerrero-Perez motioned to close “Executive Session” and move into regular session. Mr. Alfredo Padilla, Esq seconded the motion. Motion carried.

- At 7:34 PM, the KAF, Inc. Board of Directors motion to enter regular session. Ms. Sonia Guerrero-Perez motioned to enter regular session. Mr. Alfredo Padilla, Esq seconded the motion. Motion carried.

#### **OPEN FORUM:**

The KAF, Inc. Board of Directors discussed the next meetings in "Open Forum". The October 2022 meeting will be held as per the approved schedule, October 25, 2022 at 6:00 PM and there will be an option to have it via Zoom for those members and staff that cannot be present at the Administrative Offices. The Executive Secretary will be contacting the Directors to acquire their meal preference for the October 27, 2022 meeting. She will confirm same prior the meeting so order can be placed accordingly.

#### **ADJOURNMENT:**

- With no further business, Ms. Dora Velasquez-Garza motioned to adjourn meeting.
- Mr. Alfredo Padilla, Esq. seconded the motion.
- The motion carried and was approved and the KAF, Inc. Board of Directors meeting ended at 7:40 PM.

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**Ms. Asalia Casares, Chairperson**  
Kids Are First, Inc.  
400 West Pena Street  
Carrizo Springs, TX 78834

10.25.2022  
**Date**

\*Signature affixed to the Minutes of September 27, 2022 was attained after the KAF, Inc. Board of Directors met where a quorum was present, discussed, reviewed and approved these Minutes.