

**Lee County Board Of County Commissioners**

November 24, 2003

**Agenda Item Summary**

**Blue Sheet No. 20031425**

**1. REQUESTED MOTION:**

**ACTION REQUESTED:** Authorize Human Services to award funding in the amount of \$216,500 to IMPACT for Developmental Education, Inc., authorize Chairman to sign a contract for services beginning November 1, 2003 and ending September 30, 2004.

**WHY ACTION IS NECESSARY:** To award funding in response to an Request for Proposals issued in July, 2003.

**WHAT ACTION ACCOMPLISHES:** To provide funding for early intervention services for developmentally delayed children.

**2. DEPARTMENTAL CATEGORY: 05**  
**COMMISSION DISTRICT CW**

*C5B*

**3. MEETING DATE:**

*12-09-2003*

**4. AGENDA:**

- CONSENT
- ADMINISTRATIVE
- APPEALS
- PUBLIC
- WALK ON
- TIME REQUIRED:

**5. REQUIREMENT/PURPOSE:**  
*(Specify)*

- STATUTE
- ORDINANCE
- ADMIN. CODE
- OTHER

**6. REQUESTOR OF INFORMATION:**

- A. COMMISSIONER N/A
- B. DEPARTMENT Human Services
- C. DIVISION N/A

BY: Karen B. Hawes

*Karen B. Hawes 11/24/03*

**7. BACKGROUND:**

On June 17, 2003, the Board of County Commissioners directed the Department of Human Services to issue a Request for Proposal (RFP) to purchase early intervention services for developmentally delayed children. The RFP was publicly advertised and one (1) proposal was submitted to the Department.

Since that time staff has been meeting with IMPACT and other funders to discuss the agencies budget deficit and impending bankruptcy. The agency filed for protection under Chapter 11 bankruptcy. The agency has continued to offer services to a limited number of children at an alternative location in North Fort Myers as well as providing services in the child's natural environment rather than at the agency's previous location. The program budget has been reduced by approximately \$500,000 and is in line with anticipated revenues.

The contract will include provisions to stipulate that County funds cannot be used to pay prior debt, that the agency will be required to submit monthly financial statements to the County, and that the programs unit rate will be reviewed on a quarterly basis in addition to the usual financial and programmatic monitorings.

Continued on page 2

**8. MANAGEMENT RECOMMENDATIONS:**

Authorize the contract

**9. RECOMMENDED APPROVAL:**

A Department Director	B Purchasing or Contracts	C Human Resources	D Other	E County Attorney	F Budget Services			G County Manager
<i>[Signature]</i>	N/A	N/A	N/A	<i>[Signature]</i>	OM <i>[Signature]</i> 11/25/03	Risk <i>[Signature]</i> 11/25/03	GC <i>[Signature]</i> 11/25/03	45 11.25.03

**10. COMMISSION ACTION:**

- APPROVED
- DENIED
- DEFERRED
- OTHER

Rec. by CoAtty  
Date: *11/25/03*  
Time: *10:35 am*  
Forwarded To: *Budget*

RECEIVED BY  
COUNTY ADMIN: *TD*  
*11/25/03*  
*10:50 am*  
COUNTY ADMIN  
FORWARDED TO: *HS*  
*11/25/03*

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IMPACT for Early Childhood Education requested \$216,500 to provide 5,544 ½ hours of therapy at \$39.05 per ½ hour.

The proposed program outcome is:

75% of children served will demonstrate developmental progress.

Funds were budgeted during the FY2003-2004 budget process and are available in account string: FC5690200100.508210

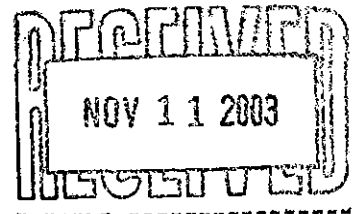
**ATTACHMENTS:**

Reorganization Plan

Program Expenses and Revenue

**EXHIBIT 7**

**Program Expenses**



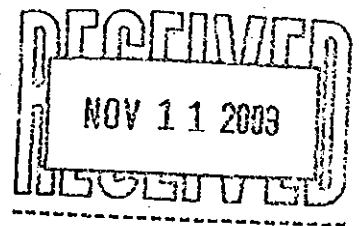
Program Name: IMPACT

	Personnel Costs:	Current County Fiscal Year 10/1/02 – 9/30/03		Proposed 12-month Funding Period 10/01/03 – 09/30/04	
		Cash	In-Kind	Cash	In-Kind
1.	Salaries	780,049	2000	508,448	4,000
2.	Payroll Taxes	110,777		72,000	
3.	Employee Benefits	127,264	1000	60,000	
4.	Employee Leasing (incl fees)				
5.	<b>Subtotal Personnel</b>	<b>1,018,090</b>	<b>3,000</b>	<b>640,448</b>	<b>4,000</b>

**Non-Personnel Costs**

1.	Advertising	590		1,000	
2.	Audit	11,000		6,000	
3.	Bonding, Insurance	49,599		35,000	
4.	Contract Labor	1,773		10,000	
5.	Dues & Subscription	185		200	200
6.	Equipment Rental	2,308		400	
7.	Mileage	18,579	2,078	19,642	2,085
8.	Office Expense	14,848	890	4,000	1,590
9.	Professional Services	1,754	1,485	4,000	800
10.	Rent/Mortgage	96,000		6,000	36,000
11.	Repairs & Maintenance	13,768	157,087	2,500	8,000
12.	Telephone	21,052		1,500	1,200
13.	Training Expense/Travel	4,347	4,089	1,500	1,500
14.	Utilities	12,128		1,200	2,400
15.	Program Supplies	15,608	3,500	2,400	1,800
16.	Food Program	12,058	2,800	1,200	2,250
17.	Adaptive Assistive Devices	4,771		1,000	
18.	<b>Subtotal Non-Personnel Costs (lines 1-17)</b>	<b>280,368</b>	<b>171,929</b>	<b>97,542</b>	<b>57,825</b>
19.	<b>Total Costs (line 5 + line 18)</b>	<b>1,298,458</b>	<b>174,929</b>	<b>737,990</b>	<b>61,825</b>
20.	<b># of Units</b>	<b>33,000</b>		<b>18,900</b>	
21.	<b>Total Cost per Unit (line 19 divided line 20)</b>	<b>39.35</b>		<b>39.05</b>	

**Program Revenue**



**Program Name:** \_\_\_\_\_

List all funds to be used for this program that have been received or that are expected. Use the codes listed on the lower part of the Program Projected Funding Form. If this project is currently in operation complete all of the columns; if this is a new project, complete only the last two (2) columns. Indicate sources of in-kind revenue on lines provided.

Summary of Program Revenues	Current County Fiscal Year 10/1/02-9/30/03	Proposed 12-month Funding Period	
		10/01/03 – 9/30/04	
		Amount	*Code
<b>Cash Revenue</b>			
Department of Children & Families			
United Way of Lee County	90,000	97,500	1
Southwest Florida Community Foundation	15,000	10,000	5
Lee County Partnering for Results	216,500	216,500	2
Fundraising & Donations	30,000	30,000	3
<b>Health Planning Council</b>	<b>113,051</b>	<b>120,000</b>	<b>3</b>
<b>School Board of Lee</b>	<b>261,631</b>	<b>95,000</b>	<b>3</b>
<b>Childcare of SW Fla</b>	<b>66,260</b>	<b>10,000</b>	<b>3</b>
<b>Medicaid</b>	<b>107,389</b>	<b>120,000</b>	<b>3</b>
Daycare fees	70,486	10,000	3
<b>Insurance fees</b>	<b>30,247</b>	<b>14,000</b>	<b>3</b>
<b>grants</b>		<b>15,000</b>	<b>5</b>
<b>Subtotal Cash Revenue</b>	<b>1,000,564</b>	<b>738,000</b>	
<b>In-Kind:</b>			
<b>Subtotal In-Kind Revenue</b>			
<b>Total Revenue</b>	<b>1,000,564</b>	<b>738,000</b>	

*Code	Definitions
1	Firm Commitment – Requires an agreement or letter confirming funding
2	Anticipated Renewal of Existing Funding – Continuation of funding received in current year
3	Anticipated Revenue – A realistic projection of fees or donations
4	Application Pending – Applications submitted and expected to be received include date

IMPACT For Developmental Education Inc. Reorganization Plan  
September 30, 2003  
Kathy S Beehler Interim Executive Director, Ron Edenfield, Chairman

Plan for dealing with current deficit- IMPACT will file for Chapter 11 protection pursuant to the requirements thereof. Once the court has deemed our petition acceptable, the court will issue an order setting aside all rights to claims by our vendors and debtors and assign them status in our case. At that point the Court will supervise the fiscal management of the organization approving or rejecting all receipts and payments. We will then prepare a settlement arrangement which will be reviewed and either approved or amended by the vendors and debtors. Once the settlement agreement is finalized, the court will supervise our organization as it works through the terms of the settlement arrangement. Upon the completion of the settlement arrangement the Court will release the organization from protection and it will go forward without the debt load. All of this is contingent on staying current with our budget which we have been doing, and the securing of County Funding for unfunded units of service.

IMPACT will continue all of its Early Intervention Services as listed in its proposal to the Lee County Department of Human services in its response to the RFP for Early Intervention Program. It will offer pre-school programs to developmentally delayed children for the Lee County School system and has gotten recent approval to serve an additional 33 children at its new Bayshore location. A full range of services will be offered that include evaluation, assistive technology, speech, physical, and occupational therapy, as well as developmental education services in the child's natural environment. IMPACT is currently the only County wide provider of these comprehensive services in the natural environment.

To address the fiscal concerns of limited funding IMPACT has taken the following steps:

- Reduced overhead costs to operate within proposed budget;
- Separated from the StepByStep program in Collier County and cancelled all Collier County contracts;
- Implemented system to confirming eligibility of all Medicaid recipients on an ongoing basis;
- Confirming and assessing that billing is being done at the highest allowable rate;
- Applied for Daycare licensing to serve additional children at the Bayshore facility;
- Revised and balanced operating budget;
- Implemented a Quality Assurance system for all programs;
- Switching accounting system to Quick books and aligning fiscal year with The County's;
- Establishing a fundraising plan to include a Telethon and Kars for Kids promotion amongst others;
- Put annual audit out to bid;
- Management team is monitoring expenses and income on a weekly basis

We are currently in compliance with the 2002-2003 contract which just ended and request a renewal of those funds for 2003-2004 to serve Lee County's developmentally delayed children.