



# Board of Trustees Meeting

May 13, 2020

12-1:30 p.m.

Virtual Meeting via Zoom

[Register in advance for this meeting](#)

<b>Chair:</b>	Debbie Feldman
<b>Note Taker/Time Keeper:</b>	Barbara Elrod
<b>Members Expected to Attend:</b>	<input type="checkbox"/> PJ Brafford <input type="checkbox"/> Debbie Feldman <input type="checkbox"/> Anissa Lumpkin <input type="checkbox"/> Jane McGee-Rafal <input type="checkbox"/> Jamie Rippey <input type="checkbox"/> Angeline Washington
<b>Members Expected Absent:</b>	
<b>Guests:</b>	Chris McCaskey, Katie Pavy
<b>Vision:</b>	All Montgomery County children are ready for kindergarten and have the foundation needed for success in school and life.
<b>Mission:</b>	Because Preschool is an important building block for a child's success, we will promise every child in Montgomery County the opportunity to attend at least one year of affordable, high quality Preschool. That commitment requires providing tuition assistance to families and helping Preschools continuously improve the quality of their programs.
<b>Goal:</b>	Increase the percentage of children in High Quality Preschool.

CALL TO ORDER/EXECUTIVE DIRECTOR REPORT		
1) Call to Order	Debbie Feldman	<i>Attachment</i>
2) Approval of Minutes from February 26, 2020 meeting  <i>Action Needed: Approval of minutes</i>		<i>Action to Approve</i>
3) Executive Director Report – COVID-19 Response	Robyn Lightcap	

FINANCIAL REPORT		
4) Flagel Huber Flagel Audit Report	Chris McCaskey Katie Pavy	

ACTION ITEMS		
5) Recommend approval of the Pandemic Financial Policies.  <i>Action Needed: Approval of Procedures</i>	Robyn Lightcap Marie Giffen	<i>Attachments</i>  <i>Action to Approve</i>

6) Financials Review & Approval  <i>Action Needed: Approval of Financials</i>	Jane McGee-Rafal Robyn Lightcap Marie Giffen	<i>Attachments</i>  <i>Action to Approve</i>
7) Recommend approval of the following grants: <ul style="list-style-type: none"> <li>• What Works Cities Attendance Support, On Purpose Play</li> <li>• PNC Grow Up Great COVID-19 Response</li> <li>• The Frank M. Tait Foundation COVID-19 Response</li> <li>• COVID-19 Response Fund of Greater Dayton COVID-19 Response</li> <li>• Montgomery County revised contract COVID-19 Response</li> </ul> <i>Action Needed: Approval of Grants</i>	Robyn Lightcap	<i>Attachments</i>          <i>Action to Approve</i>
8) Recommend approval of a contract with Anita Craighead as a Conscious Discipline and Curriculum Coach effective July 1, 2020 through June 30, 2021.  <i>Action Needed: Approval of Agreement</i>	Robyn Lightcap	<i>Attachments</i>          <i>Action to Approve</i>
9) Recommend approval of a contract for Deborah Barnhart as the Passport to Kindergarten Coach and Coordinator effective May 13, 2020 for 1 year.  <i>Action Needed: Approval of Agreement</i>	Robyn Lightcap	<i>Attachments</i>          <i>Action to Approve</i>

#### DISCUSSION ITEMS

10) Operations for Summer and Fall through the COVID-19 Pandemic	Robyn Lightcap Ashley Marshall Latoria Marcellus Charmaine Webster	
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#### ADJOURN

11) Adjourn  <i>Action Needed: Adjourn.</i>	Debbie Feldman	<i>Action to Adjourn</i>
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#### Upcoming Board Meetings

Dates	Planned Key Topics
Wednesday, June 24, 2020	Virtual Meeting through Zoom Register in advance for this meeting: <a href="https://zoom.us/meeting/register/tJUscuCupzwoH90WB7PwCC6W25vOT8JStTV">https://zoom.us/meeting/register/tJUscuCupzwoH90WB7PwCC6W25vOT8JStTV</a>
Wednesday, August 26, 2020	
Wednesday, October 28, 2020	Review of 2019-20 school year data
Wednesday, December 9, 2020	Approve budget for FY21



# Board of Trustees Meeting MINUTES

February 26, 2020

12:00 p.m. - 1:30 p.m.

SOITA, 1205 E. Fifth Street, Dayton, OH 45402

<b>Chair:</b>	Deborah Feldman
<b>Note Taker/Time Keeper:</b>	Barbara Elrod
<b>Members Expected to Attend:</b>	<input checked="" type="checkbox"/> PJ Brafford <input checked="" type="checkbox"/> Deborah Feldman <input checked="" type="checkbox"/> Anissa Lumpkin <input checked="" type="checkbox"/> Jane McGee-Rafal <input checked="" type="checkbox"/> Jamie Rippey <input type="checkbox"/> Angeline Washington
<b>Members Expected Absent:</b>	Angeline Washington
<b>Guests:</b>	
<b>Vision:</b>	All Montgomery County children are ready for kindergarten and have the foundation needed for success in school and life.
<b>Mission:</b>	Because Preschool is an important building block for a child's success, we will promise every child in Montgomery County the opportunity to attend at least one year of affordable, high quality Preschool. That commitment requires providing tuition assistance to families and helping Preschools continuously improve the quality of their programs.
<b>Goal:</b>	Increase the percentage of children in High Quality Preschool.

## CALL TO ORDER / EXECUTIVE DIRECTOR REPORT

- 1.) CALL TO ORDER  
Meeting was called to order at 12:10 p.m. by Deborah Feldman.
- 2.) Debbie Feldman welcomed new board member, Jamie Rippey. Each Board and Staff Member introduced themselves and shared background information.
- 3.) APPROVAL OF MINUTES FROM PREVIOUS MEETING  
Board reviewed minutes from the meeting held on December 12, 2019.  
*PJ Braffod motioned for approval. Jane McGee-Rafal seconded the motion. All in favor; none opposed; motion passed (4-0).*
- 4.) EXECUTIVE DIRECTOR REPORT  
Robyn Lightcap introduced the new staff members, Angie Tapogna, Communications Manager; Alma Long, Marketing and Events Specialist; and Ryhan Hoskins, Attendance and Enrollment Specialist. She further explained the Attendance & Enrollment Specialist is being funded by the What Cities Works grant and that this position would be filling the gap of assisting families with enrollment into preschool and working with attendance issues. She expressed excitement in the new staff and what they bring to the team.

Robyn Lightcap shared the tentative number of 88 providers for the 2020-2021 program year. The final number and list will be available next week. (This year we have 85) We will be expanding into Northridge and remaining of Mad River areas. She also explained that we 8 centers would not be returning next year, mostly because of not meeting the Star Rating requirement. She reminded the Board that we have funding from Montgomery County to assist centers in achieving their Rating, and that we have contracts in place to provide coaching and assistance to centers within the County.

## **ACTION ITEMS**

### **5.) REVIEW AND APPROVAL OF FINANCIALS.**

Approved the presented financial statements for year end, December 31, 2019.

*Jane McGee-Rafal motioned for approval. Anissa Lumpkin seconded the motion.*

*All in favor; none opposed; motion passed (4-0)*

### **6.) POLICIES APPROVAL**

Approved the revised Financial Policies aligning \$10,000 signatures for checks and contracts as presented under separate cover.

*Anissa Lumpkin motioned for approval. PJ Brafford seconded the motion.*

*All in favor; none opposed; motion passed (4-0)*

### **7.) CONTRACT APPROVAL**

Approved a contract with Flagel Huber Flagel, Certified Public Accountants to conduct an audit of the financial statements as of December 31, 2019 for an estimated amount of \$15,300.00.

*PJ Brafford motioned for approval. Jane McGee-Rafal seconded the motion.*

*All in favor; none opposed; motion passed (4-0)*

## **DISCUSSION ITEMS**

### **8.) OUTREACH AND MARKETING STRATEGIES**

Charmaine Webster presented to the Board the Marketing team and how the new positions will benefit Preschool Promise in reaching families, working with providers and community outreach. She discussed the updates to the Parent Ambassador program and that they have 20 members for 2020. They have expanded to allow the Ambassadors in the program for up to 3 years. This will allow for stability of the program and build relationships with families and the community. Their mission is: Leadership, Education, Empowerment, Advocacy and Partnership.

Charmaine Webster was excited to announce that they have over 20 qualified applicants for the Outreach team this year. This was accomplished by a job fair held on February 17<sup>th</sup> where they received 31 applicants. The Outreach team will be finalized within the next couple of weeks.

She discussed the goals of the marketing department from messaging, media and outreach. Their challenges that they will be tackling are East Dayton enrollment and reaching the new communities.

### **9.) QUALITY – PROFESSIONAL DEVELOPMENT UPDATES**

Barbara Elrod presented to the Board the recent success of the first Preschool Promise Conference Day held on February 17. The day offered teachers the ability to choose from 2 full-day courses or 5 part-day courses which were all Ohio Approved. There were over 150 participants with many of the centers bringing their entire staff. The feedback from the

participants were very positive with excitement of the hands-on approach taken in all of the courses offered.

She also presented the participation numbers for the year. The X-Treme trainings had 435 participants, Professional Learning Communities had 371 participants and Workshops had 219 participants. The upcoming opportunities were shared including 2 Cohorts at Sinclair, and Zaretta Hammond's-Culturally Responsive Teaching Workshop.

10.)ADJOURN

*Deborah Feldman adjourned the meeting at 12:58 p.m.*

DRAFT

**Preschool Promise, Inc.**  
**Report to the Board of Trustees**  
**December 31, 2019**

PENDING

To the Board of Trustees of  
Preschool Promise, Inc.  
4801 Springfield Street  
Dayton, OH 45431

We are pleased to present this report related to our audit of the financial statements of Preschool Promise, Inc. for the year ended December 31, 2019. This report contains comments regarding the scope and results of our audit. We submit these comments to assist you in your oversight responsibility for the financial reporting process. We would like to express our sincere gratitude for the opportunity to serve as your auditors and find it a pleasure to work with all of your personnel.

We look forward to meeting with you to discuss this report as well as any other questions or concerns you may have about the financial condition of the Organization.

Sincerely,

FLAGEL HUBER FLAGEL

**Preschool Promise, Inc.**

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**Preschool Promise, Inc.**  
**Required Communications**

Professional auditing standards require the auditor to communicate certain matters to those charged with governance. This information is intended to keep them adequately informed about matters related to the financial statement audit that are significant and relevant to the financial reporting process.

The following summarizes these communications.

<i>Topic</i>	<i>Communication</i>
<b>Auditor's Responsibility Under Professional Standards</b>	<p>Our responsibility under auditing standards generally accepted in the United States of America, is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement and are fairly presented in accordance with accounting principles generally accepted in the United States of America. Because an audit is designed to provide reasonable, but not absolute, assurance, and because we did not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and may not be detected by us.</p>
<b>Planned Scope and Timing of the Audit</b>	<p>We performed the audit according to our planned scope as previously communicated to you in the engagement letter dated December 30, 2019. The nature, timing and extent of our audit procedures were based on our review and understanding of management's internal control over financial reporting, our understanding of the Organization's operations, the industry in which it operates, and our assessment of the various risks associated with balances and transactions that impact the financial statements.</p> <p>No restrictions were placed on the scope of our work, and we were provided all information that we requested. In addition, we had direct access to all members of management and staff to obtain information as appropriate and required in the conduct of our audit. All of our audit objectives were satisfactorily achieved.</p>

**Preschool Promise, Inc.**

**Required Communications**

(Continued)

<i>Topic</i>	<i>Communication</i>
<b>Accounting Practices – Adoption of, or change in accounting policies</b>	<p>Management has the ultimate responsibility for the appropriateness and quality of the accounting policies and practices used by the Organization. This includes the consistency of the accounting policies and their application, the clarity and completeness of the financial statements, and items that have a significant impact on the representational faithfulness, verifiability, and neutrality of the accounting information included in the financial statements</p> <p>Two new accounting policies were adopted as follows: Accounting Standards Update No. 2014-09, Revenue from Contracts with Customers (Topic 606), which affects contracts with customers to transfer goods or services and Accounting Standards Update No. 2018-08, Not-For-Profit Entities (Topic 958), which clarifies the scope and the accounting guidance for contributions received and contributions made. The adoption of this new standard changed the classification of governmental reimbursement type grants from program service fee revenue to conditional contributions.</p>
<b>Accounting Practices – Significant or unusual transactions</b>	<p>We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.</p>
<b>Accounting Practices – Significant policies and practices</b>	<p>The attached “Significant Accounting Policies and Practices” is a description of the Organization’s critical accounting policies and practices identified by management.</p>

**Preschool Promise, Inc.**  
**Required Communications**

(Continued)

<i>Topic</i>	<i>Communication</i>
<b>Accounting Practices – Alternative treatments discussed with management</b>	We did not discuss with management any alternative treatments within generally accepted accounting principles for accounting policies and practices related to material items during the current audit period.
<b>Management’s Judgments and Accounting Estimates</b>	Summary information about the process used by management in formulating particularly sensitive accounting estimates and about our conclusions regarding the reasonableness of those estimates is in the attached “Summary of Accounting Estimates.”
<b>Audit Adjustments</b>	The adjusting journal entries recorded as part of the audit have been posted to the Organization’s accounts.
<b>Uncorrected Misstatements</b>	All material adjustments identified as part of the audit were recorded.
<b>Disagreements with Management</b>	We encountered no disagreements with management over the application of significant accounting principles, and the basis for management’s judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the financial statements.
<b>Consultations with Other Accountants</b>	We are not aware of any consultations management had with other accountants about accounting or auditing matters.
<b>Difficulties Encountered in Performing the Audit</b>	We did not encounter any difficulties in dealing with management during the audit.
<b>Communication of Significant Deficiencies and Material Weaknesses in Internal Control</b>	The attached “Communication of Internal Control Matters” summarizes our communications.
<b>Certain Written Communications Between Management and Our Firm</b>	Written communications between our firm and management include our engagement letter and management’s representation letter to us.

**Preschool Promise, Inc.**

**Summary of Accounting Estimates**

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's judgment. The process used by management encompasses their knowledge and experience about past and current events and certain assumptions about future events. The following describes the significant accounting estimates reflected in the Organization's December 31, 2019 financial statements:

<i>Area</i>	<i>Accounting Policy</i>	<i>Estimation Process</i>	<i>Comments</i>
<b>Functional Allocation of Expenses</b>	The Organization allocates expenses to program services, supporting services and fundraising.	Management estimates the allocation based on knowledge of operations and the time spent by personnel in these areas.	We have reviewed the allocation and determined that management's process is reasonable.
<b>Value of donated services</b>	Preschool Promise, Inc. records donated services that meet certain criteria at fair value.	Management estimates the value of the services based on information received from the service provider.	We have reviewed the information and determined that management's process is reasonable and appropriate.
<b>Allowance for Doubtful Accounts</b>	The Organization records its accounts receivable at net realizable value.	Management estimates the allowance for doubtful accounts based on the credit risk associated with its outstanding balances. No allowance was recorded.	We have reviewed management's process and determined it to be reasonable and appropriate.

**Preschool Promise, Inc.**

**Significant Accounting Policies and Practices**

The primary responsibility for establishing the Organization's significant accounting policies and practices applied in its financial statements rests with management. Following is a description of the significant accounting policies and practices identified by management. For a complete description of most all accounting policies, please refer to Note 2 of the financial statements.

<i><b>Description of Accounting Policy</b></i>	<i><b>Why Such Policy is Significant</b></i>	<i><b>Comments</b></i>
<b>Net Assets</b>  The Organization reports its financial information according to two classes of net assets (net assets with donor restrictions and net assets without donor restrictions) according to donor restrictions.	Accounting for donor restrictions is complex and requires monitoring by management and the Board.	Most of the Organization's net assets are without donor restriction and available for operations at December 31, 2019.
<b>Support and Revenues</b>  Contributions received are recorded as "with donor restrictions" or "without donor restrictions" depending on the existence and/or nature of any donor restrictions.  Revenue from reimbursement type grants are recorded as revenue when the expenses are incurred.	By their nature, revenue recognition policies have a significant impact on any organization's financial statements. This effect relative to the financial statements as a whole is considered significant.	The Organization believes it has adequate accounting policies and practices to accurately record revenue and support.

We believe management's disclosures in the financial statements regarding such policies and practices are adequate.

## Preschool Promise, Inc.

### Communication of Internal Control Matters

Internal controls are an integral part of any organization's financial and business policies and procedures. Internal controls consist of the measures taken by the organization for the purpose of (1) protecting its resources against waste, fraud, and inefficiency (2) ensuring accuracy and reliability in accounting and operating data and (3) securing compliance with the policies of the organization.

In planning and performing our audit of the financial statements as of and for the year ended December 31, 2019, in accordance with auditing standards generally accepted in the United States of America, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified.

#### Terminology

A **deficiency** in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements in a timely manner. These deficiencies can be considered a "deficiency" or a "significant deficiency" based on the magnitude of the problem identified.

A **material weakness** is a deficiency or combination of deficiencies in internal control, such that it is reasonably possible it will lead to a material misstatement of the entity's financial statements which will not be prevented, or detected and corrected, in a timely manner.

We are pleased to report that we did not identify any deficiencies in internal control that we consider to be material weaknesses as described above.

## **Preschool Promise, Inc.**

### **Highlights of the CARES Act**

#### **Small Business Disaster Loans**

The CARES Act authorized two SBA disaster loan programs—The Paycheck Protection Program (PPP) and the Emergency Economic Injury Disaster Loans (EIDL) program. While all non-profit organizations are eligible for the emergency EIDL program, the PPP program is limited in scope to 501(c)(3) and 501(c)(19) non-profit organizations.

#### **Tax Provisions**

##### *Employee Retention Credit for Employers*

Designed to encourage businesses to keep employees on their payroll, the refundable tax credit is 50% of up to \$10,000 in wages paid by an eligible employer whose business has been financially impacted by COVID-19. The credit is available to all employers regardless of size, including tax-exempt organizations (excluding state and local governments and small businesses who take small business loans described above).

Qualifying employers must fall into one of two categories:

(1) The employer's business is fully or partially suspended by government order due to COVID-19 during the calendar quarter (2) The employer's gross receipts are below 50% of the comparable quarter in 2019. Once the employer's gross receipts go above 80% of a comparable quarter in 2019, they no longer qualify after the end of that quarter. Available on qualified wages paid after March 12, 2020, through and including December 31, 2020.

Employers can be immediately reimbursed for the credit by reducing their required deposits of payroll taxes that have been withheld from employees' wages by the amount of the credit.

##### *Delay of Certain Payroll Tax Payments*

The CARES Act will allow employers (and self-employed individuals), to defer paying their portion of the Social Security payroll tax (6.2 percent) otherwise due with respect to wages accrued between March 27, 2020 and December 31, 2020. The deferred amounts will ultimately have to be paid to the U.S. Treasury in two installments. Half of the deferred amount of payroll taxes from 2020 will be due December 31, 2021, with the remaining half due December 31, 2022. However, if your organization receives loan forgiveness of an SBA loan, your organization will not be eligible for this benefit.

##### *Changes to Charitable Contributions for 2020*

- The adjusted gross income (AGI) limit for cash contributions was increased for individual donors. For cash contributions made in 2020, you can now elect to deduct up to 100 percent of your AGI (increased from 60 percent).
- The AGI limit for cash contributions was also increased for corporate donors. Corporations can now deduct up to 25 percent of taxable income (increased from 10 percent).
- The CARES Act allows for an additional, “above-the-line” deduction for charitable gifts made in cash of up to \$300. If you are not itemizing on your 2020 taxes, you can claim this new deduction.

## **Preschool Promise, Inc.**

### **Suggestions and Recommendations**

#### **Disaster Recovery Planning**

As we approach the one year anniversary of the Dayton tornadoes and reflect on current events such as the Oregon District shooting and the COVID 19 pandemic, we recommend revisiting your Organization's disaster recovery plan. A well-thought out and documented disaster recovery plan helps personnel act quickly and appropriately at a time when the stress and disruption of a disaster might adversely affect their memory, emotions, and judgment. It also helps others take charge in place of managers who might be lost, injured, or otherwise unavailable at the time of the crisis.

The evaluation and update of your disaster recovery plan should include a plan to recover your business data if your facilities are damaged and inaccessible, an analysis of your work from home capabilities and a communication and reporting structure to accompany an alternative work environment, and an assessment of the adequacy of your property and business interruption insurance.

#### **Sustainability and Building Cash Reserves**

The need for building cash reserves and providing for the long-term sustainability of the Organization should continue to be one of your top concerns as an organization and should tie directly to your long term strategic planning process. Best practices imply that cash reserves should equal a minimum of 3 months of operating costs. Fully funding and maintaining adequate cash reserves will protect the Organization from unforeseen expenditures or delays in funding. In reimbursement funding situations, the Organization should consider requesting an advance of funds at the start of a project to ensure cashflow is protected.



## **Preschool Promise, Inc.**

### **Recent Changes to Accounting Standards**

#### New Lease Accounting Standard

In February 2016, the FASB issued its much-discussed and controversial guidance on accounting for leases, ASU 2016-02, *Leases (Topic 842)*. The major thrust of this guidance will be the recognition of a lease asset and liability on the balance sheet, as well as new disclosures about the entity's leasing arrangements. The effective date for most not-for-profit entities is fiscal years beginning after December 15, 2021 (calendar year 2022). Note the effective date for this new standard has been delayed an additional year from the original implementation date.

#### Repeal of the "Parking Tax"

The government funding legislation passed by congress and signed into law by the President in December 2019 includes repeal of Internal Revenue Code Section 512(a)(7), commonly referred to as the "parking tax". The provision, enacted as part of the 2017 Tax Cuts and Jobs Act, required tax-exempt organizations to include in unrelated business income the amounts they pay or incur on qualified transportation fringe benefits. The imputed taxable income from the provision resulted in many organizations incurring unrelated business income tax (UBIT) liabilities for the first time. The repeal is retroactive to the original date of enactment. As a result, organizations are entitled to a refund of taxes paid since the provision's original effective date of January 1, 2018. Any organizations who previously were subject to unrelated business income taxes as a result of the parking tax can get a refund of any UBIT paid by filing an amended return under the new provision.

**Preschool Promise, Inc.**

**Financial Statements**

**December 31, 2019 and 2018**

**Preschool Promise, Inc.**

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**December 31, 2019 and 2018**

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Performed in Accordance with *Government Auditing Standards***

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## **Independent Auditor's Report**

To the Board of Trustees of  
Preschool Promise, Inc.

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Preschool Promise, Inc. (a not-for-profit organization), which comprise the statements of financial position as of December 31, 2019 and 2018, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial statement audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Preschool Promise, Inc. as of December 31, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated **PENDING**, on our consideration of Preschool Promise, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Preschool Promise, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Preschool Promise, Inc.'s internal control over financial reporting and compliance.

Certified Public Accountants

Dayton, Ohio

**PENDING**

DRAFT

**Preschool Promise, Inc.**  
**Statements of Financial Position**  
**December 31, 2019 and 2018**

	<u>2019</u>	<u>2018</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 217,449	\$ 259,880
Accounts and grants receivable	1,690,606	1,687,577
Accounts receivable - related party	33,194	0
Pledges receivable	20,000	0
Prepaid expenses	5,610	8,893
<b>Total Current Assets</b>	<u>1,966,859</u>	<u>1,956,350</u>
<b>Property and Equipment, net</b>	<u>394</u>	<u>866</u>
<b>Total Assets</b>	<u>\$ 1,967,253</u>	<u>\$ 1,957,216</u>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 710,390	\$ 808,115
Accounts payable - related party	7,066	7,066
Accrued expenses	11,510	0
Accrued leased employee costs	145,051	129,406
Refundable advances	800,000	844,367
<b>Total Current Liabilities</b>	<u>1,674,017</u>	<u>1,788,954</u>
<b>Net Assets</b>		
Net Assets Without Donor Restrictions	173,658	165,754
Net Assets With Donor Restrictions	119,578	2,508
<b>Total Net Assets</b>	<u>293,236</u>	<u>168,262</u>
<b>Total Liabilities and Net Assets</b>	<u>\$ 1,967,253</u>	<u>\$ 1,957,216</u>

The accompanying notes are an integral part of these statements.

**Preschool Promise, Inc.**  
**Statement of Activities**  
**For the Year Ended December 31, 2019**

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	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Support and Revenue</b>			
Government grants	\$ 5,292,267	\$ 0	\$ 5,292,267
Contributions	64,070	119,578	183,648
In-kind contributions	64,635	0	64,635
Other revenue	3,028	0	3,028
Net assets released from restrictions	2,508	(2,508)	0
<b>Total Support and Revenue</b>	<b>5,426,508</b>	<b>117,070</b>	<b>5,543,578</b>
<b>Expenses</b>			
Program services	4,912,370	0	4,912,370
Management and general	506,234	0	506,234
<b>Total Expenses</b>	<b>5,418,604</b>	<b>0</b>	<b>5,418,604</b>
<b>Change in Net Assets</b>	<b>7,904</b>	<b>117,070</b>	<b>124,974</b>
<b>Net Assets – beginning of year</b>	<b>165,754</b>	<b>2,508</b>	<b>168,262</b>
<b>Net Assets – end of year</b>	<b>\$ 173,658</b>	<b>\$ 119,578</b>	<b>\$ 293,236</b>

The accompanying notes are an integral part of these statements.

Preschool Promise, Inc.  
Statement of Activities  
For the Year Ended December 31, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Support and Revenue</b>			
Government grants	\$ 4,838,232	\$ 0	\$ 4,838,232
Contributions	36,742	2,508	39,250
In-kind contributions	19,306	0	19,306
Other revenue	1,082	0	1,082
<b>Total Support and Revenue</b>	<u>4,895,362</u>	<u>2,508</u>	<u>4,897,870</u>
<b>Expenses</b>			
Program services	4,454,995	0	4,454,995
Management and general	426,560	0	426,560
<b>Total Expenses</b>	<u>4,881,555</u>	<u>0</u>	<u>4,881,555</u>
<b>Change in Net Assets</b>	13,807	2,508	16,315
<b>Net Assets – beginning of year</b>	<u>151,947</u>	<u>0</u>	<u>151,947</u>
<b>Net Assets – end of year</b>	<u>\$ 165,754</u>	<u>\$ 2,508</u>	<u>\$ 168,262</u>

The accompanying notes are an integral part of these statements.



**Preschool Promise, Inc.**  
**Statement of Functional Expenses**  
**For the Year Ended December 31, 2019**

	<b>PROGRAM SERVICES</b>					
	<b>Community Education</b>	<b>Expansion of Availability and Quality</b>	<b>Family Assistance</b>	<b>Total Program Services</b>	<b>Management and General</b>	<b>Total</b>
Direct mission expense	\$ 127,368	\$ 2,438,216	\$ 1,128,333	\$ 3,693,917	\$ 276,242	\$ 3,970,159
Leased employee costs	225,874	151,761	300,002	677,637	109,253	786,890
Publicity and promotion	198,981	2,775	101,003	302,759	1,412	304,171
Printing and postage	26,494	9,481	2,833	38,808	579	39,387
Occupancy	1,318	9,992	0	11,310	56,998	68,308
Utilities	1,414	0	1,834	3,248	0	3,248
Professional fees	6,459	823	350	7,632	39,701	47,333
Insurance	0	0	0	0	8,119	8,119
Participant and teacher engagement	19,870	75,488	2,652	98,010	3,332	101,342
Office and educational supplies	6,228	13,921	3,392	23,541	4,846	28,387
Other office expense	985	17,709	17,175	35,869	4,823	40,692
Travel, meetings and training	1,188	18,179	272	19,639	457	20,096
Depreciation	0	0	0	0	472	472
<b>Total Expenses</b>	<b>\$ 616,179</b>	<b>\$ 2,738,345</b>	<b>\$ 1,557,846</b>	<b>\$ 4,912,370</b>	<b>\$ 506,234</b>	<b>\$ 5,418,604</b>
<b>Percent of Total Expenses</b>	<b>11%</b>	<b>51%</b>	<b>29%</b>	<b>91%</b>	<b>9%</b>	<b>100%</b>

The accompanying notes are an integral part of these statements.

**Preschool Promise, Inc.**  
**Statement of Functional Expenses**  
**For the Year Ended December 31, 2018**

	<b>PROGRAM SERVICES</b>					
	<b>Community Education</b>	<b>Expansion of Availability and Quality</b>	<b>Family Assistance</b>	<b>Total Program Services</b>	<b>Management and General</b>	<b>Total</b>
Direct mission expense	\$ 118,996	\$ 1,896,782	\$ 1,430,581	\$ 3,446,359	\$ 256,228	\$ 3,702,587
Leased employee costs	187,814	138,388	273,834	600,036	92,851	692,887
Publicity and promotion	174,810	230	111,944	286,984	594	287,578
Printing and postage	19,097	4,265	1,951	25,313	4,902	30,215
Occupancy	0	2,250	100	2,350	12,369	14,719
Utilities	0	1,478	4,906	6,384	0	6,384
Professional fees	1,305	0	0	1,305	35,842	37,147
Insurance	22	0	0	22	8,081	8,103
Participant and teacher engagement	4,067	36,853	829	41,749	3,429	45,178
Office and educational supplies	2,202	324	2,080	4,606	5,067	9,673
Other office expense	1,500	2,744	22,505	26,749	4,522	31,271
Travel, meetings and training	2,216	9,028	1,894	13,138	2,203	15,341
Depreciation	0	0	0	0	472	472
<b>Total Expenses</b>	<b>\$ 512,029</b>	<b>\$ 2,092,342</b>	<b>\$ 1,850,624</b>	<b>\$ 4,454,995</b>	<b>\$ 426,560</b>	<b>\$ 4,881,555</b>
<b>Percent of Total Expenses</b>	<b>10%</b>	<b>43%</b>	<b>38%</b>	<b>91%</b>	<b>9%</b>	<b>100%</b>

The accompanying notes are an integral part of these statements.

**Preschool Promise, Inc.**

**Statements of Cash Flows**

**For the Years Ended December 31, 2019 and 2018**

	<b>2019</b>	<b>2018</b>
<b>Cash Flows From Operating Activities:</b>		
Change in net assets	\$ 124,974	\$ 16,315
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	472	472
Changes in assets and liabilities:		
Accounts and grants receivable	(3,029)	(635,497)
Accounts receivable - related party	(33,194)	0
Pledges receivable	(20,000)	0
Prepaid expenses	3,283	(8,893)
Accounts payable	(97,725)	388,748
Accrued expenses	11,510	(162,500)
Accrued leased employee cost	15,645	25,317
Refundable advances	(44,367)	(78,028)
<b>Net Cash Used in Operating Activities</b>	<b>(42,431)</b>	<b>(454,066)</b>
<b>Change in Cash and Cash Equivalents</b>	<b>(42,431)</b>	<b>(454,066)</b>
<b>Cash, Cash Equivalents, and Restricted Cash – beginning of year</b>	<b>259,880</b>	<b>713,946</b>
<b>Cash, Cash Equivalents, and Restricted Cash – end of year</b>	<b>\$ 217,449</b>	<b>\$ 259,880</b>

The accompanying notes are an integral part of these statements.

**Preschool Promise, Inc.**

**Notes to Financial Statements**

**December 31, 2019 and 2018**

---

**1. Organization and Purpose**

Preschool Promise, Inc. is a not-for-profit organization designed to help children start kindergarten at the proper time, enroll in a high-quality preschool program, and be ready to learn in Montgomery County, Ohio. In all of its work, the Organization is committed to fostering equity and promoting best practices for young learners and achieves this outcome by educating the community about the power of preschool (Community Education), expanding the availability of high quality preschool programs (Expansion of Availability and Quality), and assisting families in finding and paying for preschool (Family Assistance). Preschool Promise, Inc. is primarily funded through grant agreements with the City of Dayton, Ohio; Montgomery County, Ohio, and local school districts.

**2. Summary of Significant Accounting Policies**

The following is a summary of the significant accounting policies followed in the preparation of the financial statements.

**Basis of Accounting**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United State of America for not-for-profit organizations.

**Financial Statement Presentation**

Preschool Promise, Inc. reports information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions. A description of each class as it pertains to the Organization is as follows:

**Net Assets With Donor Restrictions** – Represents net assets subject to donor imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

**Net Assets Without Donor Restrictions** – Represents net assets available for use in general operations and not subject to donor restrictions.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Fair Value Measurement**

Fair value is defined as the price that would be received for an asset or paid to transfer a liability, in the principal or most advantageous market for the asset or liability, in an orderly transaction between market participants at the measurement date. Assets or liabilities listed at fair value require expanded disclosure about the extent to which they are measured at fair value, the information used to measure fair value and the effect of fair value measurements on earnings. Fair value measurements apply whenever standards require (or permit) assets or liabilities to be measured at fair value. Preschool Promise, Inc. has not expanded the use of fair value measurements in any circumstances.

**Preschool Promise, Inc.**

**Notes to Financial Statements**

**December 31, 2019 and 2018**

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**2. Summary of Significant Accounting Policies (Continued)**

**Cash, Cash Equivalents, and Restricted Cash**

Effective January 1, 2019, the Organization adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-18, Statement of Cash Flows (Topic 230). The standard provides guidance on the classification and presentation of restricted cash in the statements of cash flows. The adoption of this new guidance does not have a material impact on the Organization's financial statements.

For financial statement purposes, the Organization considers all checking accounts, money market accounts, and certificates of deposit to be cash equivalents. Restricted cash represents amounts set aside due to donor restrictions.

The Organization may maintain a portion of this cash in commercial bank accounts which, at times, could exceed federally insured limits. The Organization has not experienced any losses in these accounts and believes it is not exposed to any significant credit risk on cash.

Cash, cash equivalents, and restricted cash as of December 31, 2019 and 2018 consist of the following:

	<u>2019</u>	<u>2018</u>
Cash	\$ 151,065	\$ 257,372
Cash - with donor restrictions	66,384	2,508
Total cash, cash equivalents and restricted cash shown in the statements of cash flows	<u>\$ 217,449</u>	<u>\$ 259,880</u>

**Accounts and Grants Receivable**

Accounts and grants receivable represent uncollected amounts due to Preschool Promise, Inc. The majority are related to government reimbursement grant agreements.

Preschool Promise, Inc. utilizes the allowance method to account for bad debts. An allowance is made for possible losses on collection of receivables based upon periodic review of risk. When accounts receivable are determined to be uncollectible, they are charged off against the allowance. Management deems an account to be uncollectible when all internal collection efforts have been exhausted. Management has evaluated its accounts receivable and determined an allowance was not necessary at December 31, 2019 and 2018. There was no bad debt expense with respect to accounts receivable for the years ended December 31, 2019 and 2018.

**Property and Equipment**

Property and equipment is stated at cost when purchased or fair value when received as a donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Preschool Promise, Inc. capitalizes all assets with a 3 year life or greater over \$1,000.

**Preschool Promise, Inc.**

**Notes to Financial Statements**

**December 31, 2019 and 2018**

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**2. Summary of Significant Accounting Policies (Continued)**

**Revenue Recognition**

The Financial Accounting Standards Board (FASB) issued two Accounting Standard Updates (ASU's) that affect the Organization's revenue recognition policies. The first, Accounting Standards Update No. 2014-09, Revenue from Contracts with Customers (Topic 606) affects contracts with customers to transfer goods or services. The core principle of this ASU is that an entity should recognize revenue in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the good or services provided. Revenues from contracts are measured based on the amount of consideration specified in a contract with a customer and are recognized when performance obligations (i.e. obligations to transfer goods and / or services) are satisfied, which generally occurs with the transfer of control of the goods or services to the customer. The adoption of this new standard has not had a material impact on the Organization's financial statements.

The second, Accounting Standards Update No. 2018-08, Not-For-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made, establishes standards for characterizing grants and similar contracts with resource providers as either exchange transactions, contributions or conditional contributions. The adoption of this new standard changed the classification of governmental reimbursement type grants from program service fee revenue to conditional contributions. Consequently, these reimbursement type grants are not subject to ASU 2014-09 Revenue from *Contracts with Customers*. The adoption of this new standard has not had a material impact on the Organization's financial statements.

**Contributions and Support**

Contributions received are recorded as with donor restrictions or without donor restrictions, depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions.

When a restriction expires (that is, when a stipulated time restriction ends, or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

**Donated Materials and Services**

Donated materials are recorded as contributions at their estimated fair values at the date of donation. Contributions of services are recognized in the financial statements if the services enhance or create non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Preschool Promise, Inc. recorded \$5,150 and \$5,489 of donated professional fees, \$2,725 and \$1,450 of donated direct mission expense, and \$56,760 and \$12,367 of donated occupancy for the year ended December 31, 2019 and 2018, respectively.

**Functional Allocation of Expenses**

The costs of providing various programs and related supporting services have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated to the appropriate program and supporting services. Approximately 91% of total expenses were spent on program services for both years ended December 31, 2019 and 2018.

**Preschool Promise, Inc.**

**Notes to Financial Statements**

**December 31, 2019 and 2018**

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**2. Summary of Significant Accounting Policies (Continued)**

Advertising Costs

The Organization uses advertising to promote its program services within the community. Advertising costs are expensed as incurred. Advertising expense for the years ended December 31, 2019 and 2018 totaled \$304,170 and \$287,578, respectively.

Income Tax Status

The financial statements include no provision for income taxes as Preschool Promise, Inc. is qualified as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. However, any income from certain activities not directly related to Preschool Promise, Inc.'s tax exempt purpose may be subject to taxation as unrelated business income.

Preschool Promise, Inc. determines the recognition of uncertain tax positions, if applicable, that may subject the Organization to unrelated business income tax necessary by applying a more-likely-than-not recognition threshold and determines the measurement of uncertain tax positions considering the amounts and probabilities of the outcomes that could be realized upon ultimate settlement with tax authorities. Preschool Promise, Inc. does not have any material uncertain tax positions, including any positions that would place the Organization's exempt status in jeopardy at December 31, 2019.

Reclassification

Certain amounts have been reclassified in the prior year to conform to the current year's presentation.

**3. Liquidity and Availability**

The following reflects the Organization's financial assets as of December 31, 2019, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year.

Cash and cash equivalents	\$	217,449
Accounts and grants receivable		1,690,606
Accounts receivable - related party		33,194
Pledges receivable		20,000
Financial assets at December 31, 2019		<u>1,961,249</u>
Less those unavailable for general expenditures within one year, due to:		
Donor-imposed restrictions:		
Restricted by donor with purpose restrictions		(119,578)
Performance obligations:		
Refundable advances		<u>(800,000)</u>
Financial assets available to meet cash needs for general expenditures within one year	\$	<u><u>1,041,671</u></u>

The Organization is substantially supported by contributions, which may contain donor restrictions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Organization's liquidity management policy, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. It is the policy of the Organization to regularly review and assess the need for funds to meet operating obligations and to ensure the availability of cash or collateral to fulfill those needs.

**Preschool Promise, Inc.**

**Notes to Financial Statements**

**December 31, 2019 and 2018**

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**4. Refundable Advances**

Certain grantor agreements stipulate that the grantors are entitled to a reimbursement from the Organization for any funds not expended or committed for the purposes of the grant, or within the period covered by the grant. Accordingly, the Organization recognizes the unexpended payments from these grantors as refundable advances until qualifying expenditures have been made.

Refundable advances at December 31 consist of the following:

<u>Grantor Name</u>	<u>2019</u>	<u>2018</u>
City of Dayton	\$ 800,000	\$ 800,000
Kettering School District	0	44,367
Net book value	<u>\$ 800,000</u>	<u>\$ 844,367</u>

The City of Dayton (City) amount consists of funds advanced in relation to their grant agreement with the Organization. These funds are intended to ease the cash flow difficulties that can result from reimbursement type grants and will be repaid to the City upon conclusion of the grant periods.

The Kettering School District amount consists of amounts received in excess of expenses incurred related to their grant. The revenue will be recognized as the grant expenses are incurred.

**5. Property and Equipment**

Property and equipment consists of the following at December 31:

	<u>2019</u>	<u>2018</u>	<u>Estimated Life in Years</u>
Computer equipment	\$ 1,417	\$ 1,417	3
Less accumulated depreciation	<u>(1,023)</u>	<u>(551)</u>	
Net book value	<u>\$ 394</u>	<u>\$ 866</u>	

Depreciation expense was \$472 for each year ended December 31, 2019 and 2018.

**6. Leased Employee Costs**

The Organization leases employees from Montgomery County Educational Service Center. The agreement provides for automatic renewal for successive one-year periods unless either party provides written notice of termination by January 1 of the following year. Total leased employee expense was \$786,890 and \$692,887 for the years ended December 31, 2019 and 2018, respectively.



## **Preschool Promise, Inc.**

### **Notes to Financial Statements**

**December 31, 2019 and 2018**

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#### **7. Commitments and Contingencies**

The Organization executed a contract with Dayton Public Schools (DPS) for implementation of the Preschool Promise Program within the school system. Subject to the terms and conditions of the contract, DPS agreed to transition all of its preschool classrooms to operate five days a week during full school day hours. The Organization agreed to provide up to \$365,000 for approved expenses to support the expansion of the preschool program within DPS for the 2019-2020 school year. As of December 31, 2019, the Organization had incurred expenses related to this contract of \$131,813. The contract expires in June 2020.

Financial awards from federal, state, and local governmental entities in the form of grants are subject to compliance audits. Such audits could result in claims against Preschool Promise, Inc. for disallowed costs or noncompliance with grantor restrictions. No provision has been made for any liabilities that may arise from such audits as Preschool Promise, Inc. does not believe it is at risk of such loss.

#### **8. Concentrations**

At December 31, 2019 and 2018, support from various government entities made up approximately 96% and 97% of total support and revenue, respectively. Likewise, these government entities comprised 99% and 94% of accounts and grants receivable at December 31, 2019 and 2018, respectively.

Five organizations made up 98% of the Organization's contribution revenue for the year ended December 31, 2019. Three organizations made up 100% of the Organization's contribution revenue for the year ended December 31, 2018.

#### **9. Related Party Transactions**

As a result of sharing certain management and staff personnel, Preschool Promise, Inc. and Learn to Earn Dayton are related parties. For the years ended December 31, 2019 and 2018, The Organization received a total of \$33,194 and \$19,850 in contributions from Learn to Earn Dayton. Additionally, the Organization paid \$164 and \$0 to Learn to Earn Dayton for various program expenses for the years ended December 31, 2019 and 2018. Learn to Earn Dayton reimbursed The Organization \$1,873 and \$5,540 for various program expenses for the years ended December 31, 2019 and 2018, respectively.

The Organization is a jointly governed organization of the City of Dayton (the City) in which the City appoints three members to the board of Preschool Promise, Inc. The Organization received significant funding from the City, which totaled \$3,360,423 and \$3,620,582 for the years ended December 31, 2019 and 2018, respectively.

In addition, as of December 31, 2019 and 2018 the Organization had \$800,000 of refundable advances to the City of Dayton.

The Organization is a related organization of Montgomery County (the County) in which the County appoints two members to the board of Preschool Promise, Inc. The Organization received significant funding from the County, which totaled \$1,887,476 and \$969,873 for the years ended December 31, 2019 and 2018, respectively.

**Preschool Promise, Inc.**

**Notes to Financial Statements**

**December 31, 2019 and 2018**

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**10. Net Assets**

Net assets with donor restrictions are restricted for the following purposes or periods at December 31:

	<u>2019</u>	<u>2018</u>
Subject to expenditure for specified purpose:		
STAR attendance	\$ 17,085	\$ 0
Passport to kindergarten	82,493	0
Ready for kindergarten	<u>0</u>	<u>2,508</u>
	<u>99,578</u>	<u>2,508</u>
 Subject to the passage of time:	 <u>20,000</u>	 <u>0</u>
Total net assets with donor restrictions	<u>\$ 119,578</u>	<u>\$ 2,508</u>

Net assets with donor restrictions were made up of the following at December 31:

	<u>2019</u>	<u>2018</u>
Cash	\$ 66,384	\$ 2,508
Accounts and grants receivable	33,194	0
Pledges receivable	<u>20,000</u>	<u>0</u>
	<u>\$ 119,578</u>	<u>\$ 2,508</u>

Net assets were released from donor restrictions during the year, by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors as follows:

	<u>2019</u>	<u>2018</u>
Purpose restrictions accomplished:		
Ready for kindergarten	\$ <u>2,508</u>	\$ <u>0</u>

**11. Functional Expenses**

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy and leased employee expense, which are allocated on the basis of estimates of personnel time.

**Preschool Promise, Inc.**

**Notes to Financial Statements**

**December 31, 2019 and 2018**

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**12. Subsequent Events**

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the “COVID-19 outbreak”) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in global exposure.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. The Organization is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2020.

Management evaluated the activity of Preschool Promise, Inc. through **PENDING** (the date the financial statements were available to be issued) and concluded that other than the above, no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

DRAFT

**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**

To the Board of Trustees of  
Preschool Promise, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Preschool Promise, Inc., (a not-for-profit organization), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated **PENDING**.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Preschool Promise, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Preschool Promise, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Preschool Promise, Inc.'s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned function, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Preschool Promise, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Certified Public Accountants

Dayton, Ohio

**PENDING**

DRAFT

**Preschool Promise, Inc.**  
**Schedule of Findings and Responses**  
**For the Year Ended December 31, 2019**

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There were no findings that are required to be disclosed.

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**Preschool Promise, Inc.**

**Schedule of Findings and Responses**

**For the Year Ended December 31, 2018**

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**2018 – 001      Cash Disbursement Controls**

Criteria:

Controls over cash disbursements are critical to ensure expenditures are appropriate and accounted for properly.

Condition:

During the year ended December 31, 2018, Preschool Promise, Inc. wrote over 650 checks, of which 9 were over \$50,000, and according to policy, require two signatures. We noted 2 instances of checks over \$50,000 that were disbursed without the appropriate second signature. However, we did note during our testing that the checks were issued for appropriate expenditures related to approved contracts.

Cause:

Ensuring appropriate signatures are on all documents is a manual process, subject to error.

Effect:

Expenses are paid without appropriate signatures and the Organization's internal control policies are not followed.

Recommendation:

We recommended that management implement a systematic procedure to ensure expenses are not paid until all appropriate signatures have been obtained.

View of Responsible Officials:

Management acknowledged omission of second signatures on two checks issued over \$50,000 and has implemented procedures to ensure that appropriate signatures are obtained in the future.

Current Status:

The recommendation was adopted in 2019. No similar findings were noted in the 2019 audit.

**Preschool Promise, Inc.**  
Pandemic Financial Policies  
Check Processing and Authorization Procedures

Approved by Board \_\_\_\_\_

Beginning March 18, 2020 the Preschool Promise staff began working remotely from home, so check processing and authorization procedures were adjusted.

**Check Request Procedures:**

1. All check requests are going through Barb Elrod.
2. She creates the check request form in a PDF format.
3. The request then electronically goes to Robyn Lightcap, Executive Director. She electronically signs the request.
4. The request then electronically goes to Marie Giffen, Director of Finance.
5. Marie verifies the request, inputs in QuickBooks and prepares the check.
6. Marie electronically signs the check request form and inputs the check number.
7. The check has Robyn's electronic signature.
8. Marie will mail the check and input that date on the check request form.
9. The check request form goes back to Barb Elrod electronically and includes a record of all the signatures and inputs.

**Check Signature:**

1. On March 20, Marie spoke with Katherine Pavy at Flagel, Huber and Flagel (the Preschool Promise audit firm) about using Robyn's electronic signature on checks if a Shelter in Place order was in effect.
2. Katherine indicated that she would approve the procedure if we could document Robyn's approval of the check being processed with her electronic signature.
3. Beginning March 23 (the Shelter in Place order effective date), Preschool Promise will use Robyn's electronic signature on the checks.
4. Marie Giffen will prepare the checks.
5. Marie will send a PDF listing to Barb Elrod of the checks in the batch, including check number, check recipient, and check amount. The PDF will include the date.
6. Barb will add approval boxes to the PDF and send to Robyn.
7. Robyn will approve with electronic signature and send to Marie.
8. Marie will mail the checks.



**Preschool Promise, Inc.**  
Pandemic Financial Policies  
Check Processing and Authorization Procedures

Approved by Board \_\_\_\_\_

Second Signature:

1. On April 27, 2020, Marie spoke with Katherine Pavy at Flagel, Huber and Flagel regarding the procedure to use in lieu of obtaining an actual second signature for a check greater than \$50,000.
2. Katherine indicated that electronic approval of the check by one of the additional check signers (other than Robyn Lightcap) would be sufficient in lieu of the actual signature on the check.
3. Barb Elrod will create a PDF that will go to Robyn for approval of electronic signature on the check and then to the second signer for approval of sending the check without second signature.
4. Marie Giffen will complete the PDF with electronic signature once check has been completed.

**Preschool Promise, Inc.**  
**Balance Sheet**  
As of March 31, 2020

	<u>Mar 31, 20</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	
1000 · Cash - PNC Checking	670,188.60
Total Checking/Savings	670,188.60
Accounts Receivable	
1100 · Accounts Receivable	1,377,553.20
Total Accounts Receivable	1,377,553.20
Other Current Assets	
1300 · Prepaid Star Attendance	-15,985.22
1350 · Prepaid Rent	5,610.00
Total Other Current Assets	-10,375.22
Total Current Assets	2,037,366.58
<b>Fixed Assets</b>	
1500 · Furniture and Equipment	
1550 · Accumulated Depreciation	-551.04
1500 · Furniture and Equipment - Other	1,416.96
Total 1500 · Furniture and Equipment	865.92
Total Fixed Assets	865.92
<b>TOTAL ASSETS</b>	<u><u>2,038,232.50</u></u>
<b>LIABILITIES &amp; NET ASSETS</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	
2000 · Accounts Payable	556,407.18
Total Accounts Payable	556,407.18
Credit Cards	
2100 · PNC Visa Business Options Card	28,824.43
Total Credit Cards	28,824.43
Other Current Liabilities	
2500 · Accrued Leased Employee Costs	200,552.29
2550 · Unearned Revenue	1,009,597.25
Total Other Current Liabilities	1,210,149.54
Total Current Liabilities	1,795,381.15
Total Liabilities	1,795,381.15
<b>Net Assets</b>	
3200 · Unrestricted Net Assets	260,513.35
Net Income	-17,662.00
Total Net Assets	242,851.35
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<u><u>2,038,232.50</u></u>

Preschool Promise, Inc.  
**Profit & Loss Budget vs. Actual**  
January through March 2020

	TOTAL				
	Actual	Budget			Annual
	Jan - Mar 20	Jan - Mar 20	\$ Over Budget	% of Budget	Budget
Change in Net Assets (Income/Expense)					
Income					
4300 · Direct Public Support					
4310 · Individual Contributions	300.00	0.00	300.00	100.0%	0.00
4320 · Corporate Grants	2,500.00	0.00	2,500.00	100.0%	0.00
4330 · Foundation Grants	0.00	42,249.99	-42,249.99	0.0%	169,000.00
4340 · Government Grants	1,229,473.18	1,824,999.99	-595,526.81	67.37%	7,300,000.00
4350 · Gifts in Kind	17,477.00	14,190.00	3,287.00	123.16%	56,760.00
Total 4300 · Direct Public Support	1,249,750.18	1,881,439.98	-631,689.80	66.43%	7,525,760.00
4600 · Other Types of Income					
4640 · Miscellaneous Revenue	624.08	0.00	624.08	100.0%	0.00
Total 4600 · Other Types of Income	624.08	0.00	624.08	100.0%	0.00
Total Income	1,250,374.26	1,881,439.98	-631,065.72	66.46%	7,525,760.00
Gross Profit	1,250,374.26	1,881,439.98	-631,065.72	66.46%	7,525,760.00
Expense					
6200 · Contract Services					
6210 · Accounting Fees	8,500.00	0.00	8,500.00	100.0%	12,000.00
6220 · Legal Fees	290.00	4,200.00	-3,910.00	6.91%	16,800.00
6230 · Outside Contract Services	6,299.10	5,600.00	699.10	112.48%	27,950.00
6235 · Coaching & Training for Provide	172,599.00	246,627.00	-74,028.00	69.98%	1,322,079.00
6236 · Communications Field Campaign	3,462.00	19,250.00	-15,788.00	17.98%	121,300.00
6238 · Research and Evaluation Contrac	63,609.00	67,500.00	-3,891.00	94.24%	291,000.00
6240 · Communications & Design Work	20,836.25	14,840.00	5,996.25	140.41%	53,910.00
6242 · Photography, Video, Audio Prod.	0.00	3,500.00	-3,500.00	0.0%	11,500.00
6250 · Child Assessment - Bracken	0.00	0.00	0.00	0.0%	0.00
6260 · Website And Database Dev't	500.00	26,999.99	-26,499.99	1.85%	70,280.00
6270 · Call Ctr & Eligibility Determin	0.00	0.00	0.00	0.0%	200.00
Total 6200 · Contract Services	276,095.35	388,516.99	-112,421.64	71.06%	1,927,019.00
6300 · Facilities and Equipment					
6310 · Depr and Amort - Allowable	0.00	0.00	0.00	0.0%	0.00
6320 · Donated Facilities	0.00	15,470.00	-15,470.00	0.0%	63,960.00
6330 · Equip Rental and Maintenance	1,062.75	4,732.50	-3,669.75	22.46%	22,050.00
6350 · Rent, Parking, Utilities	21,143.73	0.00	21,143.73	100.0%	0.00
6360 · Property Insurance	0.00	0.00	0.00	0.0%	0.00
Total 6300 · Facilities and Equipment	22,206.48	20,202.50	2,003.98	109.92%	86,010.00
6500 · Operations					
6510 · Books, Subscriptions, Reference					
6512 · Web services and subscriptions	17,025.96	3,446.03	13,579.93	494.08%	23,919.00
6510 · Books, Subscriptions, Reference - Other	4,844.87	1,937.49	2,907.38	250.06%	7,750.00
Total 6510 · Books, Subscriptions, Reference	21,870.83	5,383.52	16,487.31	406.26%	31,669.00
6515 · Memberships	0.00	149.97	-149.97	0.0%	600.00

speaker fee for DJ Batiste

using more during pandemic

5 Sugar Licenses that weren't budgeted till later months.

Books for PLCs more than budgeted

**Preschool Promise, Inc.**  
**Profit & Loss Budget vs. Actual**  
**January through March 2020**

	<b>TOTAL</b>				
	<b>Actual</b>	<b>Budget</b>			<b>Annual</b>
	<b>Jan - Mar 20</b>	<b>Jan - Mar 20</b>	<b>\$ Over Budget</b>	<b>% of Budget</b>	<b>Budget</b>
6520 · Postage, Mailing Service	5,112.81	3,537.51	1,575.30	144.53%	16,275.00
6530 · Printing and Copying	5,252.00	10,660.00	-5,408.00	49.27%	50,025.00
6535 · Promotional Items	123.80	9,000.00	-8,876.20	1.38%	91,300.00
6540 · Supplies	7,993.26	22,425.00	-14,431.74	35.64%	38,778.49
6550 · Telephone, Telecommunications	3,656.81	5,150.00	-1,493.19	71.01%	14,870.00
6565 · Marketing - Paid Media	8,148.89	5,821.25	2,327.64	139.99%	116,199.98
6567 · Gift Cards / Gifts	121.97	1,800.01	-1,678.04	6.78%	8,400.00
6580 · Events	0.00	200.00	-200.00	0.0%	6,400.00
6582 · Social Media	79.63	180.00	-100.37	44.24%	720.00
6586 · Teacher incentives / stipends	79,407.98	174,936.50	-95,528.52	45.39%	453,296.00
6587 · Teacher stipends-Dayton only	0.00	0.00	0.00	0.0%	173,040.00
6500 · Operations - Other	0.00	0.00	0.00	0.0%	0.00
<b>Total 6500 · Operations</b>	<b>131,767.98</b>	<b>239,243.76</b>	<b>-107,475.78</b>	<b>55.08%</b>	<b>1,001,573.47</b>
<b>6600 · Other Types of Expenses</b>					
6610 · Insurance - Liability, D and O	0.00	0.00	0.00	0.0%	10,000.00
6615 · Quality Assistance Stipends	72,667.60	234,000.00	-161,332.40	31.06%	864,000.00
6620 · Quality Expansion for Providers	79,087.89	129,500.01	-50,412.12	61.07%	599,000.00
6625 · Classroom Start-up Grants	21,288.20	50,000.00	-28,711.80	42.58%	50,000.00
6627 · Attendance Initiative	48,767.00	45,400.00	3,367.00	107.42%	260,100.00
6630 · Tuition Assistance	296,858.90	231,000.00	65,858.90	128.51%	997,000.00
6631 · Tuition Assistance Pandemic					0.00
6635 · Quality Improvement & Racial Eq	0.00	49,999.98	-49,999.98	0.0%	200,000.00
6640 · Parent Advisory Board	0.00	0.00	0.00	0.0%	0.00
6642 · Family engagement/ parent comm	25,762.15	30,500.00	-4,737.85	84.47%	188,600.00
6645 · Bank Fees	229.35	270.00	-40.65	84.94%	1,080.00
6650 · Training / Education	6,725.00	8,800.00	-2,075.00	76.42%	19,100.00
6690 · Other Costs	2.08	0.00	2.08	100.0%	0.00
<b>Total 6600 · Other Types of Expenses</b>	<b>551,388.17</b>	<b>779,469.99</b>	<b>-228,081.82</b>	<b>70.74%</b>	<b>3,188,880.00</b>
<b>6750 · Leased Employees</b>	<b>258,120.46</b>	<b>294,325.62</b>	<b>-36,205.16</b>	<b>87.7%</b>	<b>1,177,302.53</b>
<b>6800 · Travel and Meetings</b>					
6810 · Conference, Convention, Meeting	199.00	2,250.00	-2,051.00	8.84%	10,550.00
6815 · Mileage	997.65	1,715.01	-717.36	58.17%	7,455.00
6820 · Travel					
6822 · Lodging	0.00	1,050.00	-1,050.00	0.0%	10,200.00
6825 · Parking	5.00	112.50	-107.50	4.44%	1,050.00
6827 · Travel-other	0.00	1,050.00	-1,050.00	0.0%	11,400.00
6820 · Travel - Other	330.02	0.00	330.02	100.0%	0.00
<b>Total 6820 · Travel</b>	<b>335.02</b>	<b>2,212.50</b>	<b>-1,877.48</b>	<b>15.14%</b>	<b>22,650.00</b>
<b>6830 · Meals</b>					
6830A · Meals - Meetings	3,778.52	4,750.00	-971.48	79.55%	14,500.00
6830B · Meals- Travel	19.91	75.00	-55.09	26.55%	1,650.00
6830C · Meals- Events	66.00	2,850.00	-2,784.00	2.32%	28,350.00

Preschool Promise, Inc.  
**Profit & Loss Budget vs. Actual**  
January through March 2020

	TOTAL				
	Actual	Budget			Annual
	Jan - Mar 20	Jan - Mar 20	\$ Over Budget	% of Budget	Budget
6830D · Meals- Training	21,919.09	14,630.00	7,289.09	149.82%	59,820.00
6830E · Meals- Pandemic	1,142.63	0.00	1,142.63	100.0%	0.00
Total 6830 · Meals	26,926.15	22,305.00	4,621.15	120.72%	104,320.00
Total 6800 · Travel and Meetings	28,457.82	28,482.51	-24.69	99.91%	144,975.00
Total Expense	1,268,036.26	1,750,241.37	-482,205.11	72.45%	7,525,760.00
Change in Net Assets	-17,662.00	131,198.61	-148,860.61	-13.46%	0.00

Should even out since no in- person training in late March-April

**GRANT AGREEMENT  
BETWEEN RESULTS FOR AMERICA  
AND PRESCHOOL PROMISE, INC.**

**Date:** February 5, 2020

**Grant Number:** RFA\_EM\_05

**Grantee Name:** Preschool Promise, Inc.

**Grantee contact:** Robyn Lightcap, Executive Director  
Email: [robyn.lightcap@learntoearn Dayton.org](mailto:robyn.lightcap@learntoearn Dayton.org)

4801 Springfield St.  
Dayton, OH 45431

**Grant Amount:** \$122,500

**Grant end date:** September 30, 2020

**Results for America  
contact:** Maia Jachimowicz  
Email: [maia@results4america.org](mailto:maia@results4america.org)

**Program:** WWC EM - Dayton, Increase Preschool Attendance and Lower Achievement Gap

**Schedule of payments and contingencies:**

Grant Funds will be paid after receipt by RFA of the enclosed countersigned copy of this Agreement and according to the following payment schedule and instructions for payment:

<u>Payment Date</u>	<u>Payment Amount</u>	<u>Contingent Upon</u>
On or before 30 days following RFA's receipt of the countersigned copy of this Agreement	\$ 65,000	Receipt by RFA of countersigned copy of this Agreement
May 29, 2020	\$57,500	Submission of interim report

## Grant Purpose

The Grant shall be used by the Grantee to increase preschool attendance and lower the racial achievement gap by using and evaluating four linked interventions: attendance plan, weekly attendance text messages to parents, hiring an attendance enrollment specialist and building Urban Thinkscapes. The grantee will also develop an evaluation plan to support continuous improvement and impact measurement. The program, use of funds, milestones and targets are further described in Schedule A Grant Application attached hereto (the “Program”) and in a manner consistent with the Program as outlined in this Agreement, the schedules attached hereto and the Program budget as set forth on Schedule B attached hereto (the “Program Budget” or the “Budget”).

## Use of Grant Funds

1. Scope: Under United States law, Grant Funds may be expended only for charitable, scientific, literary or educational purposes. This Grant is made only for the purposes stated in this Agreement and the attached Schedules.
2. Budget: Grant Funds shall be used in accordance with the Program Budget attached as Schedule B. Grantee may not use funds in any way other than described in this Agreement, unless Grantee receives written permission from RFA. Any Grant Funds not expended or committed for the purposes of the Grant, or within the Grant Term, must be returned to RFA, unless otherwise authorized in writing by RFA. If there are any funds remaining at the end of the Grant Term, Grantee must contact the RFA staff person noted above.
3. Key Persons: Please inform RFA if there are changes in personnel who are important to the administration of this grant (“Key Persons”). If the role of a “Key Person” has not been filled within 60 days of such notification with a with a person possessing similar skills and capabilities, as determined by RFA in its sole discretion, RFA may terminate the Agreement.
4. Restrictions on Distribution of Grant Funds: The Grantee acknowledges that it is familiar with the U.S. Executive Orders and laws that prohibit the provision of resources and support to organizations and individuals and/or organizations associated with terrorism and terrorist related lists promulgated by the U.S. Government, the United Nations, and the European Union. The Grantee will take all precautions necessary to ensure that none of the Grant Funds will be used (i) in support of or to promote violence, terrorist activity or related training, whether directly through its own activities and programs, or indirectly through its support of, or cooperation with, other persons and organizations known to support terrorism or that are involved in money laundering activities or (ii) for purposes of or in connection with bribery or in contravention of the U.S. Foreign Corrupt Practices Act of 1977, as amended, or other applicable anti-bribery law. In addition, the Grantee confirms that no Grant Funds will be paid to, or on behalf of, U.S. Government officials, except as permitted under Treasury Regulation 53.4941(d)-3(e).
5. Cooperation with Consultants: The Grantee shall cooperate with and provide information to the consultants who may be provided by RFA to serve technical assistance partners on the Project. Such cooperation shall include participating in calls, meetings and site visits, and providing information about the Project when requested.

## Reporting

1. Progress and Financial Reports: RFA requires progress and financial reports at specified dates. *Please note that if a grantee has failed to submit a report, remaining grant disbursements may not be made, and future grant requests will not be considered.* Please see Schedule C for more information on reporting content. Please submit the progress report and financial reports on the following schedule:

First interim report due: May 15, 2020

Final report due: October 31, 2020

2. Additional information sharing: From time to time, RFA may request additional information and follow-up from its Grantees. Grantee agrees to provide such further information and follow-up as reasonably requested. Regardless of the schedule of formal reports, Grantee will inform RFA staff person named above in writing within 5 working days of learning of any issue that could delay or prevent the project from moving forward.

## Recordkeeping

Grantee shall keep adequate records to substantiate the charitable purposes of its expenditures from the grant funds. Grantee shall make its books and records pertaining to the grant funds available to RFA at reasonable times for review and audit, and shall comply with all reasonable requests of RFA for information and interviews regarding the use of grant funds. Grantee shall keep copies of all books and records related to this grant and all reports to RFA for at least four years after Grantee has expended the last of its grant funds.

## Intellectual Property

The Grantee hereby grants to RFA, Behavioral Insights Team (BIT), and other consultants working on this project, a perpetual, worldwide, non-exclusive license to use, reproduce, distribute, display, perform, edit, adapt, create derivative works from and otherwise exploit and sub-license, in all languages and all media now known or hereafter developed, all written work or other materials of any nature created by it under this Agreement ("the Work"). The Grantee acknowledges and agrees that no royalties will be paid for such license or use, total consideration being the grant described in this agreement.

## Confidentiality

Each party recognizes that it will have access to information of a proprietary or confidential nature owned by the other party. The parties acknowledge that the information they share with each other is proprietary, private and confidential. As such, each party agrees to keep such information in strictest confidence and protect it from disclosure; provided that the parties may disclose such information as required by law. Each party hereby waives any and all right, title and interest in and to such proprietary information of the other and agrees to return all physical copies, and destroy all electronic copies, of such proprietary information, except as otherwise agreed, at their expense, upon the expiration or termination of this Agreement.



## **Recognition and media**

No external communications about the Grant shall be made without obtaining RFA's prior written approval.

### **Promotion of the Project:**

The Grantee shall (i) work with RFA to maximize ongoing media opportunities including but not limited to Mayoral events, press releases, social media promotion, (ii) participate in, and provide leadership with respect to, creating communities of interest in the Project and (iii) work with RFA and consultants provided by RFA to document the Program by facilitating and/or producing publications, audio or video programming, film or other media regarding the Program.

### **Prohibited uses**

Grantee shall not use or permit any subgrantee or independent contractor to use any portion of the funds granted:

- a. In a manner inconsistent with Internal Revenue Code ("IRC") Section 501 (c)(3), including:
  - i. Influencing the outcome of any specific candidate election for public office, including, without limitation, travel expenses, direct costs, or compensation-related expenses incurred in connection with raising funds for any candidate campaign; or
  - ii. Inducing or encouraging violations of law or public policy, or causing any private inurement or improper private benefit to occur, or taking any other action inconsistent with IRC Section 501 (c)(3).
- b. In any attempt to influence the legislation within the meaning of IRC Section 501 (c)(3).

## **Representations and Covenants**

The Grantee represents that conduct by the Grantee and any Sub-Grantee of the activities described in the Schedules attached hereto in the manner described therein shall not cause the Grantee to be in violation of any federal, state, local or municipal law, rule, regulation or ordinance. The Grantee further represents that it is not aware of any of the following ever having occurred: (i) any misappropriation of assets of the Grantee; (ii) the occurrence of an excess benefit transaction between the Grantee and any of its disqualified persons or an act of self-dealing by any of the Grantee's disqualified persons; (iii) a violation of the Grantee's conflicts of interest policy; or (iv) a formal investigation of an allegation of any of the foregoing. The person signing this Agreement on behalf of the Grantee represents and certifies that she or he has full, express power and authority to do so.

The Grantee represents, warrants and covenants to RFA that (a) it has and shall maintain during the Grant Term the proper licenses and rights to perform the activities described herein; (b) it is in compliance with all applicable local, city, state, federal and international laws, rules and regulations including, but not limited to, all environmental, safety and health and labor and employment (including those addressing discrimination, harassment and retaliation) laws, rules and regulations, and it shall

remain in compliance during the Grant Term; (c) the personnel shall have the necessary experience, qualifications, knowledge, competency and skill set necessary to perform the activities under this Agreement; and (d) it shall use reasonable efforts to avoid employing any persons or using any labor, or using or having any equipment, or permitting any condition to exist which shall or may cause or be conducive to any labor complaints, troubles, disputes or controversies which interfere or are likely to interfere with the activities under this Agreement. At any time, the RFA may request the Grantee to present copies of its programs, policies and/or documentation as to any training provided by it to its personnel.

### **Warranty/Indemnity**

The Grantee represents, warrants and covenants that the Work is original and that it is the sole creator of the Work, except for any material incorporated into the Work created or owned by third parties, from whom the Grantee has obtained or will obtain, at its expense, all licenses necessary to incorporate and use such third-party material in the Work, including, if required, the right to sub-license to the Results for America such material incorporated into the Work. The Grantee further represents, warrants and covenants that the Work does not and will not contain any matter that is obscene or libelous, in violation of any copyright, trademark, proprietary right, or personal right of any third party, or otherwise violate any law. The Grantee will indemnify and hold RFA, its licensees and assigns, harmless from any and all claims, liabilities, costs and expenses, including reasonable attorneys' fees, arising as a result of the breach or alleged breach of these representations, warranties and covenants.

### **Remedies**

If RFA determines, in its sole discretion, that Grantee has substantially violated or failed to carry out any provision of this Agreement, including but not limited to failure to submit reports when due, RFA may, in addition to any other legal remedies it may have, refuse to make any further grant payments to Grantee under this or any other grant agreement, and RFA may demand the return of all or part of the unexpended grant funds, which Grantee shall immediately repay to RFA. RFA may also avail itself of any other remedies available by law.

### **Governing Law.**

This Agreement shall be interpreted in accordance with the laws of the State of New York.

### **Entire Agreement and Amendment**

This Agreement constitutes the entire understanding between the Grantee and RFA with respect to the subject matter hereof and shall supersede all prior arrangements on such subject matter, whether made orally or in writing. This Agreement may not be amended except by written instrument executed by authorized representatives of both the Grantee and RFA.

### **Notice**

All legal notices and other legal communications shall be in writing and shall be delivered personally or sent by registered or certified mail (postage prepaid, return receipt requested), or overnight courier and addressed to the party's proper address as set forth above. Any such notice shall be deemed to be given as of the date it is delivered to the recipient.

## Miscellaneous

This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which, when taken together, shall constitute one and the same instrument. This Agreement shall be binding upon, inure to the benefit of, and may be enforced by, each of the parties to this Agreement and its successors and permitted assigns. Each provision of this Agreement shall be considered separable, and if, for any reason, any provision or provisions hereof are determined to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall attach only to such provision and shall not in any manner affect or render illegal, invalid or unenforceable any other provision of this Agreement, and this Agreement shall be carried out as if any such illegal, invalid or unenforceable provision were not contained herein. This Agreement shall not be assigned without the prior written consent of RFA. This Agreement, including any schedules, amendments, modifications, waivers, or notifications relating thereto may be executed and delivered by facsimile, electronic mail, or other electronic means. Any such facsimile, electronic mail transmission, or communication via such electronic means shall constitute the final agreement of the parties and conclusive proof of such agreement, and shall be deemed to be in writing and to have the same effect as if signed manually. Any consent required to be given in writing hereunder may be given by electronic mail.

IN WITNESS WHEREOF, the parties to this Agreement have affixed their signatures:

By: \_\_\_\_\_

By: 

**Results for America**

**Preschool Promise, Inc.**

Name: Simone Brody

Name: Robyn Lightcap

Title: Executive Director, What Works Cities

Title: Executive Director

Date: \_\_\_\_\_

Date: April 19, 2020

## **Schedule A**

Grant Application - Preschool Promise, Inc.  
Re-Submitted to Results for America on January 10, 2019

### **Description of the Intervention Concept:**

#### **1. Preschool Promise Attendance & Attainment Strategies**

##### **Project Context / Background**

Preschool attendance is a critical issue for fostering early childhood development and laying the groundwork for a child's future success. The Mayor and City Manager in Dayton have championed high-quality early childhood education for all 4-year-olds in the City, including the passage of Issue 9, which funds preschool for all qualified 4-year-olds in Dayton. This funding also goes towards Preschool Promise, an organization that exists to ensure that every child in Montgomery County has the opportunity to attend at least one year of affordable, high-quality preschool. Preschool Promise provides tuition assistance to families and helps preschools continuously improve the quality of their programs.

Despite these efforts and excellent gains in high-quality preschool programming in Dayton, racial gaps in attendance and preschool outcomes (including Kindergarten Readiness Scores) continue to hold back some of the youngest members of the Dayton community. Most researchers agree that young children should attend preschool at least 90% of the time to retain maximum benefits in early childhood education. (Less than 90% attendance is considered "chronically absent".) Yet, in West Dayton, a largely African-American neighborhood, despite higher-than-average preschool enrollment, attendance remains relatively low: Currently only 52-54% of African American students attend preschool 90% of the time, compared to 70% of white children in Dayton.

Dayton also has an achievement gap between white and African-American preschoolers; even when controlling for poverty and other socio-economic factors, African American preschoolers in Dayton are still not meeting the national average in assessment scores compared to their white counterparts. To ensure children receive the maximum developmental benefit from high-quality preschool, all 4-year-olds ought to have strong (at least 90%) on-time attendance in preschool.

As part of the What Works Cities Program, the Behavioral Insights Team (BIT) is working with the City of Dayton and Preschool Promise to increase the percentage of African American 4-year-olds who attend Dayton preschools at least 90% of the time by the end of the 2019-20 school year. A secondary outcome measure we will be looking at is trying to reduce the racial achievement gap between African American and white students by increasing the collective achievement rate.

##### **Barriers to Attendance**

In conjunction with Idea Couture, BIT, Preschool Promise, and Preschool Promise's partners at the University of Dayton conducted stakeholder interviews and research labs with both teachers and parents in an effort to determine specific barriers parents face to attending preschool. This

research uncovered a wide variety of barriers that parents experience that prevent regular attendance rates, such as:

#### **Structural Barriers:**

- Lack of access to early childhood education due to no transit options or no centers available in the parents' areas
- Lack of access to safe, consistent, and affordable transportation
- Lack of consistency in parents' schedules or childcare availability (e.g., if another child in the home is sick)
- Structural racial inequalities and implicit bias contributing to the kindergarten readiness gap

#### **Behavioral and Motivational Barriers**

- Parental beliefs about early childhood education that preschool is not a priority and that play is not education
- Lack of knowledge about their student's attendance rates over time
- Distractions that lead to early childhood education being deprioritized

Dayton's suite of interventions with BIT are designed to address the barriers that prevent high attendance rates. The following section outlines BIT's interventions and the barriers they hope to address.

#### **Overview of Dayton's Interventions with BIT**

Our proposed interventions aim to increase preschool attendance and lower the achievement gap by using four linked interventions:

- An Attendance Plan
- Weekly Attendance Text Messages to parents
- An Attendance and Enrollment Specialist
- Urban Thinkscapes

The four interventions will serve many Dayton preschool students:

- Attendance Plan:
  - 30 students and families will receive 1-on-1 Attendance Plan sessions
  - 160-200 students and families receive the attendance plan handout (depending on class size).
  - If scaled: 600 students and families (all Preschool Promise students near or under 90% Attendance)
- Weekly Attendance Text Messages to parents:
  - 150 students and families
  - If scaled: All 1500 Preschool Promise students and families
- An Attendance and Enrollment Specialist:
  - All 1500 Preschool Promise students and families
- Urban Thinkscapes:
  - The exact number of people served by the Thinkscapes will depend on the three locations selected. We can be sure that it will capture current Preschool Promise families and new families, as well as students in additional age groups.

#### **Attendance Plan**

Parents complete an "Attendance Plan" that asks them to identify barriers to attendance and define backup plans for each barrier. This also serves as a commitment device for having their

child attend preschool at least 90% of each month. The Attendance Plan could be filled out during orientation meetings with teachers, parent teacher conferences, or a teacher could send the Attendance Plan home to be filled out. The Attendance Plan works to elevate preschool as a priority while also helping parents create plans to address more structural barriers, such as the lack of transportation. We plan to roll out a process evaluation to learn more about how teachers are engaging with this tool to create an updated iteration for the 2020-2021 school year. Smaller quantitative evaluation methods may be included in this as well, such as a short teacher survey with evaluation participants.

### **Weekly Attendance Text Messages**

In addition to the text message campaign that Preschool Promise already engages in (including Ready4K! texts aimed at parents, in addition to monthly text messages aimed at telling parents about Star Attendance awards), we propose sending parents weekly text messages about their child's attendance record for the preceding week; texts may also emphasize the importance of regularly attending preschool and encouraging their commitment to attendance, tips on attendance or social-norm setting for attendance, and more information on the number of days their child can miss before they lose their \$25 Star Attendance Award. These Weekly Attendance Text Messages are intended to address the behavioral barriers outlined above. We plan to evaluate whether weekly text messages increase positive attendance behaviors using a randomized controlled trial (RCT) within a predetermined subset of the Preschool Promise preschool population.

### **Attendance and Enrollment Specialist**

While the Attendance Plan and Weekly Attendance Text Messages address many behavioral barriers, they do not fully support parents in overcoming the structural barriers that they face. This is why the Attendance and Enrollment Specialist is a valuable third strategy to implement. This intervention will help parents overcome serious obstacles in maintaining 90% preschool attendance and setting their child up for success later in life. As the most intensive part of this suite of interventions, an overview of this role is outlined in the next section below.

### **Urban Thinkscapes**

Thinkscapes provide opportunities for brain-building activities and playful learning, while encouraging positive caregiver-child interactions. These designs transform public spaces, placing durable, challenging, and engaging activities in commonly-used areas such as bus stops, supermarkets, sidewalks, or community centers. Thinkscapes aim to encourage children and their caregivers to engage with activities that naturally build their kindergarten readiness skills, extend the conversation around play-based learning into the built environment, boost the community recognition of Preschool Promise and their attendance programs, combat the abandonment of public spaces, and promote trauma-informed healing through storytelling and play.

## **2. The Attendance and Enrollment Specialist**

### **Overview of the Attendance and Enrollment Specialist**

The Preschool Promise Attendance and enrollment Specialist will strive to improve attendance and enrollment across Preschool Promise preschools, including encouraging 90% attendance, curbing chronic absenteeism, and reducing the attendance gap by coordinating Preschool Promise's attendance initiatives as well as engaging in personalized parental support to parents of preschoolers. This new pilot position would be focused on direct parent interactions and providing support to eliminate behavioral and structural barriers to enrollment and attendance.

If an initial pilot of this position is successful, the Specialist could become a full-time salaried position within Preschool Promise. Additionally, this role will be accompanied by a budget to help parents overcome structural barriers.

### **Personalized Parental Support**

This position will directly engage with parents to assist them in getting their children signed up for Preschool and then making sure they attend at least 90% of the time. To accomplish this, the Preschool Promise Attendance and Enrollment Specialist will develop relationships with Preschool Promise families to provide additional support where needed, including:

- Managing relationships with families and providers and troubleshoot barriers with families and Preschool Promise providers.
- Distributing new and existing resources through a support fund, including bus passes, ride sharing services, child minding services, or other resources.
- Engaging in individualized follow-up support to address the needs of families.
- Using data to identify families who show early signs of chronic absenteeism.
- Following up with parents on attendance plans and personalized outreach.
- Sending reminders or other timely prompts to encourage preschool attendance.
- Help with developing new resources or tools to address attendance needs.

For a full job description of this pilot position, please see the Appendix attached to the grant application.

### **Attendance Initiatives and Tools**

The Preschool Promise Attendance and Enrollment Specialist will actively use Preschool Promise's attendance tools but will not be responsible for directly managing them. Instead, through their work with parents and teachers, this role will provide feedback and ideas to the people responsible for the continuous refinement of Preschool Promise's attendance tools.

### **Support Fund**

During this pilot, the Attendance and Enrollment Specialist will also administer a new \$10,000 fund to help parents and families overcome structural barriers to attendance. This fund will last throughout the school year. As outlined above, parents face many barriers to maintaining strong attendance such as lack of access to safe, consistent, and affordable transportation. These barriers are exacerbated in the winter months—for example, if a parent doesn't have support or backup, and if there are multiple children in the home. The Attendance and Enrollment Specialist will use the funds to provide parents and students with bus passes, ride sharing services, child minding services, or other resources. Furthermore, if an issue is identified that cannot be solved with assistance of this nature, the Attendance and Enrollment Specialist will connect families with other support organizations that can help solve the problem.

This is a critical element to pilot for future funding to determine whether this type of advocacy and help can assist families in getting their children to school more frequently. This one-year pilot of a new type of role and funding structure will help determine if this is worth scaling in Dayton in future years. In the event that these funds are not fully utilized, Preschool Promise will repurpose the funds for another component of the intervention such as building the three Thinkscapes or scaling the Weekly Attendance Text Message system.

## Attendance and Enrollment Specialist Outcomes and Evaluation

### Outcomes

Our long-term outcomes for all of the interventions are: Close the achievement gaps in kindergarten readiness, which could increase likelihood of 3rd and 8th grade readiness, increase high-school completion, reduce criminal justice involvement, and increase employment and economic attainment.

Our short-term outcomes for the Attendance and Enrollment Specialist are:

- Ensure that a majority of Dayton preschoolers are attending preschool at least 90% of the time
- Decrease the racial attendance gaps among 4-year-olds in Dayton preschools
- Decrease the racial achievement gaps (i.e., Kindergarten Readiness Score) among 4-year-olds in Dayton preschools
- Increase in parent engagement with Preschool Promise attendance programs (e.g., Star Attendance Program)

### Evaluation

We propose evaluating the Attendance and Enrollment Specialist using a propensity score matching evaluation method. In conjunction with our University of Dayton partners, we could determine whether the help and resources provided by the Specialist yielded better attendance and attainment outcomes from these students.

### Scaling the Attendance and Enrollment Specialist

We propose that this role be trialed for 1 year. If the role is shown to be impactful through evaluations, Preschool Promise will budget the position into their overall \$7M annual budget for the following year. If this pilot program is shown to be successful, the intervention will be funded for future years and scaled to serve all Montgomery County Preschool Promise Preschools. Furthermore, this model could be replicated in other cities.

## 3. Urban Thinkscapes

### Three Thinkscape Experiences

Thinkscapes provide opportunities for brain-building activities and playful learning, while encouraging positive caregiver-child interactions. Thinkscapes aim to encourage children and their caregivers to engage with activities that naturally build their kindergarten readiness skills, extend the conversation around play-based learning into the built environment, boost the community recognition of Preschool Promise and their attendance programs, combat the abandonment of public spaces, and promote trauma-informed healing through storytelling and play.

With these funds, Preschool Promise will implement three Thinkscape experiences in highly trafficked areas in Dayton, where young children and their parents frequent. By placing durable, challenging, and engaging activities, these three experiences will transform three of Dayton's public spaces. Additionally, Preschool Promise would be monitoring use and interaction through an app built to connect families.

The following stakeholders are committed to Thinkscapes: City of Dayton, Conscious Connect, Dayton Metro Library, Downtown Dayton Partnership, Family Engagement Collaborative, Five Rivers Metro Parks, Miami Valley Regional Transit Authority, Montgomery County Neighborhood, Parent, and Community Advocates, Preschool Promise, and the University of Dayton.



## App Development

Although this intervention focuses on designing and building the physical Thinkscapes, the Thinkscapes will be designed with the intention to feature a Thinkscape mobile app in the future.

Alongside the implementation of three Thinkscape experiences, Preschool Promise will launch the development of an app to engage families with Preschool Promise as well as connect them to services as they prepare for Preschool.

Families must be able to easily find On Purpose play experiences. The app will make the spaces accessible, while simultaneously allowing Preschool Promise to connect and share important information about valuable services. It also will foster data collection regarding families' most common needs. Building the Three Thinkscapes to accommodate an app will allow for Preschool Promise and their partners to evaluate the app once it is launched in the future.

The app will likely not be completed, launched, and evaluated within this program's timeline. Although, once the app is launched in the future, Preschool Promise would then be monitoring use and interaction.

## Implementation Process

Preschool Promise is working with the City of Dayton and the University of Dayton to implement three Thinkscape experiences. The University of Dayton's engineering students have conducted community and user research as well as developed engaging prototypes of the Thinkscape experiences. Also, Preschool Promise is working with the city to identify three highly trafficked locations to install the three Thinkscapes.

Once the final sites are chosen, engineering students use the Spring Semester to finalize their designs and develop plans to install the three Thinkscapes. After the students are finished, the three Thinkscapes will be installed in early summer.

In summary, the funds requested here will be used to finalize the three Thinkscape designs, build the three Thinkscape experiences, and launch app development for parent engagement.

## Implementation Plan (1-2 pages)

Timing	Owner	Key Milestone / Deliverable
11/1/19	Preschool Promise/BIT	Job Description Written
11/21/19	Preschool Promise/BIT	Kick-Off Meeting for Attendance Plan Pilot/Process Evaluation
11/25/19	Preschool Promise	Job Posted
12/4/20	Preschool Promise/BIT	Launch Weekly Text Message RCT
12/4/20 – 6/30/20	Preschool Promise/BIT	Send Weekly Text Messages
1/1/20	Preschool Promise	Attendance Specialist Job Filled
1/1/20 – 2/17/20	Preschool Promise / City	Three Thinkscape Locations Selected
1/15/20	Preschool Promise	Attendance Specialist Start

1/16/20	Preschool Promise/BIT	Deadline for Attendance Plan Distribution; Pilot Teacher Focus Group #1
1/15/20 – 7/1/20	Preschool Promise / BIT	Monthly Check-ins on Preschool Promise Specialist
2/17/20 – 5/15/20	Preschool Promise / University of Dayton	Three Thinkscapes Designed
4/23/20	Preschool Promise/BIT	Attendance Plan Pilot Teacher Focus Group #2
5/15/20 – 10/1/20	Preschool Promise / University of Dayton / City	Three Thinkscapes Installed
6/30/20	Preschool Promise/U of Dayton	Achievement Data Gathered
7/1/20	Preschool Promise/U of Dayton	Attendance Data Gathered
8/1/20	Preschool Promise/U of Dayton	Attendance Data Analyzed
8/1/20	Preschool Promise/U of Dayton	Achievement Data Analyzed
12/31/20	Preschool Promise	Fund new year of Preschool Promise Specialist

**Schedule B**

**[PROJECT BUDGET]**

Expense Categories	Amount
Compensation for the Attendance Specialist Pilot year	\$70,000
Attendance Specialist Materials and Supplies (non-technology) – Support Fund	\$10,000
Attendance Plan Process Evaluation Costs – Teacher Stipends (\$350 each)	\$7,500
Dayton Thinkscape Experiences	\$42,500
<b>Total Project Costs</b>	<b>\$130,000</b>

## **Schedule C**

### **Reporting Requirements**

Grantee will report to RFA on the following schedule:

- Interim Report: by May 15, 2020
- Final Report: by October 31, 2020

All reports must be submitted to Maia Jachimowicz ([maia@results4america.org](mailto:maia@results4america.org)) and Tiffany Lopez ([tiffany@results4america.org](mailto:tiffany@results4america.org)) via email. All materials should be submitted in a single communication.

**All reports must include the following components:**

#### **1. Narrative Report**

The Grantee will provide a narrative on grant activities. Content of the report will be specified by Results for America prior to the reporting deadline and will include but won't be limited to: program activities, opportunities and challenges. The update can take the form of a brief (approximately three-to-five-page) memo.

#### **2. Metrics Measurement**

The Grantee will report on, at a minimum, the following metrics:

1. Number of students / families receiving 1-on-1 Attendance Plan Sessions
2. Number of students / families receiving the attendance plan handout
3. Number of students / families receiving text messages
4. Number of students / families receiving support from Attendance & Enrollment Specialist
5. Number of families accessing \$10,000 support Fund and in what ways

The **final report** should also include a submission of evaluation findings as prepared by the Behavioral Insights Team or other research partners, where available.

#### **3. Financial Reporting**

The Grantee will provide a high-level summary of spending of grant funds by expense category. RFA will provide a template.

## COVID-19 Request from Preschool Promise, Inc.

The worldwide COVID-19 pandemic has dramatically altered normal operations for every sector, including child care. Ohio Governor Mike DeWine asked parents to find alternative child care if possible. However, many frontline healthcare and essential workers do not have other options. The State of Ohio created a process for child care providers to become Temporary Pandemic Child Care Centers, serving only essential workers. All other centers had to close by March 26. The Ohio Department of Job and Family Services (ODJFS) has since imposed new regulations that make it difficult, if not impossible, for a Temporary Pandemic Child Care site to cover payroll and fixed costs. Specifically, ODJFS reduced the number of children who can be in any one room (6 children, 1 adult). These are understandable precautions to mitigate the spread of this deadly virus. However, the regulations significantly increase the cost of doing business, and there's been no commensurate compensation for this reality. Additionally, ODJFS initially committed to pay the temporary pandemic child care programs for all children of essential workers, and then at the last minute, issued revised rules that say the State will only pay for essential workers who qualify for Publicly Funded Child Care (PFCC). (To qualify for PFCC, families must earn below 130% of the Federal Poverty Level, which is less than \$28,000 for a family of 3.) This move, combined with the change to ratios, shocked programs that stepped up to meet the appeal to become a pandemic center. This increased cost of doing business is forcing programs to raise rates for private-pay families, putting financial pressure on essential workers who are not receiving Publicly Funded Child Care. Nurses, other hospital personnel, etc., cannot afford to pay the real cost of caring for their own children in this more costly environment; and they certainly can't afford to subsidize the cost of caring for the children of low-income essential workers.

Also, those who were attending a free site (e.g. Dayton Public Schools, Head Start) are now suddenly faced with tuition of \$800-\$1,600 a month because their "free" location is now closed.

**We will use the \$25,000 requested in this grant to provide Pandemic Tuition Assistance to Essential Workers who need child care to serve the community on the front lines.** Preschool Promise exists to provide support to early childhood care and education programs and to make sure families can afford and access them. We are using our resources to support the children who are eligible for Preschool Promise by providing tuition assistance to those who attend Temporary Pandemic Child Care programs. We do not, however, have adequate funds to assist families with children from Birth through age 3 or school-age children. (Preschool Promise, with limited exceptions, serves only 4-year-olds.)

We will serve essential workers in Montgomery County who have children attending a Temporary Pandemic Child Care site. At the time of writing this request, 75% of essential worker families applying for Tuition Assistance at Pandemic Child Care sites are under 200% of the Federal Poverty Level (less than \$43,000 for a family of three). We estimate families will receive \$100-\$300 a week in tuition assistance, depending on the child care site. At \$100/week, we would be able to serve 60 families for five weeks with a \$30,000 grant. (Currently the Temporary Pandemic Child Care sites are to operate through at least April 30).

We will use the accounting systems and processes we have established to quickly mobilize a tuition assistance program to support the children of essential workers and ensure they have needed child care during this pandemic. We will accept a copy of the enrollment form that the State requires for children attending pandemic child care sites (verifying their family's essential worker status), and then enter into

## COVID-19 Request from Preschool Promise, Inc.

a simple contract with the provider that allows us to issue payment on a weekly basis via Electronic Funds Transfer on behalf of the enrolled family.

### Explanation of Insufficient Funding from the State

The budget below shows what would happen in a Temporary Pandemic Child Care site in Montgomery County if it were to have full enrollment of 6 children per classroom who are eligible for the State reimbursement for Publicly Funded Child Care. This shows how the Temporary Pandemic Child Care Site cannot even cover payroll and why they are not able to pay their teachers hazard pay. These grant dollars will go to support the essential workers who do not qualify for Publicly Funded Child Care, and will help mitigate a portion of the loss our Child Care sites are facing.

<u>State Reimbursement</u>	PFCC Weekly Reimbursement per child Cat 3	Max Number of children in Room	Maximum Weekly Reimbursement from State PFCC
Infant (1 classroom)	294.84	6	1769.04
Toddler (1 classroom)	264.02	6	1584.12
Preschool (1 classroom)	230.97	6	1385.82
School Age (1 classroom)	131.22	6	787.32
<b>Max Reimbursement from State</b>			<b>5526.3</b>

*Note that this is unrealistic to think that every classroom will be full at the maximum 6 capacity and that all children will qualify for PFCC.*

<u>Weekly Staff Expenses</u>	Estimated Hourly Wage	Number of Hours	Estimated weekly Salaries
Infant Teacher	13	65	845
Second Infant Teacher	13	65	845
Toddler Teacher	13	65	845
Preschool Teacher	13	65	845
School Age Teacher	13	65	845
Administrator	18	65	1170
Cook	15	40	600
Maintenance/Nurse	18	65	1170
<b>Total Minimum Salaries</b>			<b>7165</b>

## COVID-19 Request from Preschool Promise, Inc.

Difference	-1638.7
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*This does not include other expenses such as, but not limited to mortgage, utilities, food, etc. so it is not possible to make the State reimbursement cover expenses. And these wages are very low.*

### **Implementation timetable**

**March 30:** Launch of Tuition Assistance for Essential Workers program to Temporary Pandemic Child Care providers in Montgomery County.

**Upon Award of Grant from PNC:** Continuation of funding to essential workers.

**At the time of Governor DeWine's end to the Temporary Pandemic Child Care licenses:** We will end the pandemic tuition assistance to families and stipends to child care staff.



The Frank M.



KETTERING TOWER  
SUITE 1530  
DAYTON, OH 45423  
Ph: 937-222-2401  
Fax: 937-224-6015

Email: [taifdn@earthlink.net](mailto:taifdn@earthlink.net)

[taifdn@gmail.com](mailto:taifdn@gmail.com)

April 14, 2020

Robyn Lightcap, Executive Director  
Preschool Promise  
4801 Springfield Street  
Dayton, Ohio 45431

Dear Robyn,

Enclosed please find our check for \$30,000 for Preschool Promise's *COVID-19 Pandemic Child Care Scholarships and Care Giver Stipends* program. This grant is to be used solely for the purposes and activities described in your grant proposal to The Foundation.

Please comply with the following:

- \*Acknowledge **The Frank M. Tait Foundation** in any printed materials or other pertinent communication concerning this program, as appropriate.
- \*Advise me of any changes to the scope and/or nature of this program.
- \*Advise me of any significant operating or financial issues that could impact this program or your organization.
- \*Provide a final report prior to the submission of any future grant request.

Please note that The Foundation reserves the right to terminate the subject grant and require reimbursement of all or part of the grant proceeds, should circumstances warrant such action.

Please have your Board Chair review and sign this letter and return a copy to my office to confirm that Preschool Promise agrees to the aforementioned grant arrangements.

Please do not hesitate to contact me at 222-2401 should you have any questions.

Sincerely,

A handwritten signature in blue ink that reads 'Jenni Roer'.

Jenni Roer  
Executive Director

\_\_\_\_\_  
Board Chair (please print)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Board Chair Signature



THE FRANK M. TAIT FOUNDATION

01-87

40 N. MAIN ST. STE 1530  
DAYTON, OH 45423-1054

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6-12/410  
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4/22/2020 Date

Pay to the  
Order of

Preschool Promise

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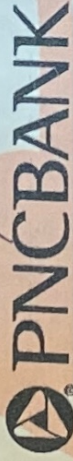
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Photo  
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Details on back



PNC Bank, N.A. 070

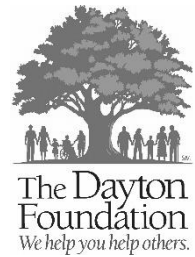
For Grant

[Signature] NP

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# ***COVID-19 Response Fund for Greater Dayton Grant Application***



## **Complete the Application**

- An electronic signature is acceptable.
- Incomplete applications will not be reviewed.
- Your answers are limited to the space provided. Please use an 11 point font, and do not alter the format of this application.

## **Required Documentation**

1. IRS letter of determination 501(c)(3) [if applicable].
2. Names of your organization's board members, terms of office and compensation, if any.
3. List of key staff members and your organizational chart.
4. A balance sheet and income statement covering your organization's most recently completed fiscal year or copy of the organization's most recently completed audit, including auditor's notes.

## **Application Submission**

- Please email the completed application in Word format to Tracy Sibbing at [tracys@dayton-unitedway.org](mailto:tracys@dayton-unitedway.org).
- Please email the required documents in PDF format with the application to Tracy Sibbing.
- You will receive an email confirmation when your application has been successfully submitted.
- If there are additional questions about your application, staff will contact you.

## **Final Decision and Notification**

- Once a decision has been made, you will be contacted.
- All funds will be distributed via Electronic Funds Transfer (EFT). If selected, you will be asked to complete a written EFT Authorization Form from The Dayton Foundation if the Foundation does not already have the necessary information.


## **Final Narrative and Financial Report**

- Final report will be due 90 days after the project is complete. We understand this date may change and are happy to grant and extension if you make an advanced request.
- Please submit a paragraph explaining how the funds were used and a brief financial report to Tracy Sibbing at [tracys@dayton-unitedway.org](mailto:tracys@dayton-unitedway.org).

**Please Note:** Requests/needs that are eligible to receive reimbursements from the Federal Government or the State may not be considered for funding through this grant opportunity.

# COVID-19 Response Fund for Greater Dayton Grant Application

## GENERAL INFORMATION (all fields required)

Organization's Name:	Preschool Promise, Inc.				
Federal Tax ID#:	81-4799474				
Mailing Address:	4801 Springfield Street				
City:	Dayton	State:	Oh	Zip	45431
Daytime Telephone:	937-620-8647				
Web Site Address:	<a href="http://www.preschoolpromise.org">www.preschoolpromise.org</a>				
<input checked="" type="checkbox"/> Executive Director/ <input type="checkbox"/> CEO's Name (check one):	Robyn Lightcap				
Executive Director/CEO's E-mail Address:	<a href="mailto:Robyn.Lightcap@preschoolpromise.org">Robyn.Lightcap@preschoolpromise.org</a>				
Organization's Current Budget:				\$	7M
Project/Program Budget:				\$	\$50,000
Requested Grant Amount:				\$	\$30,000
Contact Name for Grant Application:	Robyn Lightcap				
Title:	Executive Director				
Daytime Telephone:	937-620-8647				
E-mail Address:	<a href="mailto:Robyn.Lightcap@preschoolpromise.org">Robyn.Lightcap@preschoolpromise.org</a>				
State the purpose of your proposal/request in no more than two sentences:					
Provide support to families of essential workers who need childcare during the COVID-19 pandemic.					
What is the program area that best applies to this proposal (check one):					
<input checked="" type="checkbox"/>	Immediate, basic human needs				
<input type="checkbox"/>	Mental health services				
<input type="checkbox"/>	Economic impact on individuals from reduced or lost work due to the outbreak				
<b>TERMS AND CONDITIONS</b>					
Application <u>must</u> be submitted only as an e-mail attachment. I hereby certify that, to the best of my knowledge, all information presented in connection with this application is accurate.					
					3-25-2020
Executive Director/CEO's Signature					Date

## PROJECT SUMMARY

Title of Project/Program: COVID-19 Childcare Support

Please summarize your proposal, including brief, but specific information including:

- the purpose and need,
- how it will work,
- who it will serve (including number of clients and geographical area),
- costs involved,
- and a timetable for implementation of the project.

**Your project summary must not exceed 3,000 characters in length (spaces count as characters). Please use an 11 point font.**

### **Purpose and Need**

The State of Ohio has created a process for child care providers to become Temporary Pandemic Child Care Centers, serving only essential workers. (Centers without a pandemic license have been ordered to close at midnight March 25.) The Ohio Department of Job and Family Services has in the last five days imposed new and, in certain instances, unexpected regulations that make it difficult, if not impossible, for a Temporary Pandemic Child Care site to operate and cover payroll, let alone meet their obligatory fixed costs. This is particularly true for small sites that operate on the slimmest margins and that arguably are among the safest child care programs precisely because they serve limited numbers of children (and, therefore, COVID-19 exposure is limited).

In the case of the newly created pandemic centers, ODJFS has **increased** the required teacher-to-child ratios and also **reduced** the number of children who can be in any one defined space (6 children, 1 adult). These are understandable precautions aimed at mitigating the spread of this deadly virus. However, the regulations significantly increase the cost of doing business, and there's been no commensurate compensation for this reality.

While authorities initially said ODJFS would pay child care costs for **all** essential workers who enroll their children at a pandemic center, the revised rules issued March 24 provide that **only** child care for essential workers who qualify for Publicly Funded Child Care (PFCC) will be paid for by the State. (To qualify for PFCC assistance, families must earn at or below 130% of the Federal Poverty Level, which is less than \$28,000 for a family of three.) Many healthcare and other essential workers earn too much to receive this subsidized child care. This move shocked programs that stepped up to meet the appeal to become a pandemic center. The terms of taking on this responsibility had changed dramatically.

Though the State is reimbursing pandemic centers at the Step Up to Quality 5-Star rate for eligible low-income children, this reimbursement rate is based on lower (and less costly) child-to-teacher ratios and assumes a greater number of children per classroom. In short, the COVID-19 health and safety regulations effectively prohibit any economies of scale, and the State is not providing for any increase in reimbursement for the necessary precautions they've imposed to keep children and the wider community safe.

This increased cost of doing business is forcing programs to raise rates for private-pay families, putting financial pressure on essential workers who are **not** receiving Publicly Funded Child Care. Nurses, other hospital personnel, firefighters and police cannot afford to pay the real cost of caring for their own children in this more costly environment; and they certainly can't afford to subsidize the cost of caring for the children of low-income essential workers. Also, those who were attending a free site (Dayton Public Schools, Head Start) are now suddenly faced with tuition of \$800-\$1,600 a month because their "free" location is now closed.

The stark situation is that essential workers whose jobs require they go into harm's way can't afford child care, while our pandemic child care sites created to serve these critical employees are calculating when they won't be able to pay their employees the meager average wage of \$13/hour.

### **How can the Dayton Foundation help**

Preschool Promise exists to provide support to early childhood care and education programs and to make sure families can afford and access them. We are using our resources to support the children who are eligible for

Preschool Promise by providing tuition assistance to those who attend Temporary Pandemic Child Care programs. We do not, however, have funds to assist families with children from Birth through age 3 or school-age children. (Preschool Promise, with limited exceptions, serves only 4-year-olds.)

We will use the accounting systems and processes we have established to quickly mobilize a tuition assistance program to support the children of essential workers and ensure they have needed child care during this pandemic. If awarded grant funding, we will immediately stand up tuition assistance to serve as many essential workers sending their children to pandemic child care sites as funding permits. We will accept a copy of the enrollment form that the State requires for children attending pandemic child care sites (verifying their family's essential worker status), and then enter into a simple contract with the provider that allows us to issue payment on a weekly basis via Electronic Funds Transfer on behalf of the enrolled family.

### **Who will be served**

We will serve essential workers in Montgomery County who have children attending a Temporary Pandemic Child Care site. We will serve as many families as possible with the funds available. We estimate families will receive \$100-\$300 a week in tuition assistance, depending on the child care site. Currently, over 50 providers have been licensed as Temporary Pandemic Child Care sites. This number includes child care centers and in-home family child care sites. At \$100/week, we would be able to serve 60 families for five weeks with a \$30,000 grant. (Currently the Temporary Pandemic Child Care sites are to operate through April 30.) We are also applying for a grant from The Frank M. Tait Foundation to request additional funds to support families and pandemic centers.

### **Costs involved**

Temporary Pandemic Child Care sites are charging different rates, depending on their resources and cost of operation. We will establish a Tuition Assistance Table to support essential workers who are not eligible for the State-funded Public Funded Child Care.

### **Implementation timetable**

**March 23-26:** Preparation for distribution of tuition assistance to programs serving essential workers who don't qualify for Publicly Funded Child Care assistance.

**Upon Award of Grant:** Distribution of tuition assistance to essential workers who are attending Temporary Pandemic Child Care sites.

**At the time of Governor DeWine's end to the Temporary Pandemic Child Care licenses:** We will end the tuition assistance to families and submit the required grant report.

The budget below shows what would happen in a Temporary Pandemic Child Care site in Montgomery County if it were to have full enrollment of 6 children per classroom who are eligible for Publicly Funded Child Care. This shows how the Temporary Pandemic Child Care Site cannot even cover payroll, and explains why the site must charge more for private pay. These grant dollars will go to support the essential workers who do not qualify for Publicly Funded Child Care, and will help mitigate a portion of the loss our Child Care sites are facing.

	<b>PFCC Weekly Reimbursement per child Cat 3</b>	<b>Max Number of children in Room</b>	<b>Maximum Weekly Reimbursement from State PFCC</b>
<b><u>State Reimbursement</u></b>			
Infant (1 classroom)	294.84	6	1769.04
Toddler (1 classroom)	264.02	6	1584.12
Preschool (1 classroom)	230.97	6	1385.82
School Age (1 classroom)	131.22	6	787.32
<b>Max Reimbursement from State</b>			<b>5526.3</b>

*Note that this is unrealistic to think that every classroom will be full at the maximum 6 capacity and that all children will qualify for PFCC.*

<u>Weekly Staff Expenses</u>	Estimated Hourly Wage	Number of Hours	Estimated weekly Salaries
Infant Teacher	13	65	845
Second Infant Teacher	13	65	845
Toddler Teacher	13	65	845
Preschool Teacher	13	65	845
School Age Teacher	13	65	845
Administrator	18	65	1170
Cook	15	40	600
Maintenance/Nurse	18	65	1170
<b>Total Minimum Salaries</b>			<b>7165</b>
Difference			-1638.7
<p><i>This does not include other expenses such as, but not limited to mortgage, utilities, food, etc. so it is not possible to make the State reimbursement cover expenses. And these wages are very low.</i></p>			

## PROJECT/PROGRAM REQUEST BUDGET

<i>(Items typical for operating a program)</i>	
REVENUE	BUDGET
Corporate and foundation grants	\$50,000
Government grants and contracts	
Contributions and other gifts	
United Way	
Program service fees	

Special events, fundraisers	
Other revenue (please list):	
<b>Total Revenue</b>	\$0.00
<b>EXPENSES</b>	
Tuition Assistance for families	\$40,000
Support to Pandemic Child Care Teachers	\$10,000
<b>Total Expenses</b>	\$50,000
<b>REVENUE LESS EXPENSES</b>	\$0.00

**If expenses exceed revenues, please explain how difference will be offset.**

**Accompanying one-page narrative welcome if additional explanation is warranted.**

Preschool Promise funds will be used to supplement this grant request to allow us to serve children and families who are not eligible for Preschool Promise. We are already directing Preschool Promise dollars to Temporary Pandemic Child Care sites to assist with payroll and operational expenses to try to help them minimize their loss as they provide this critical service to our community. These grant dollars will allow us to serve the essential workers during this crisis.

**RESOLUTION AUTHORIZING AMENDMENT 01 TO RESOLUTION 18-1663 DATED DECEMBER 13, 2018 WITH PRESCHOOL PROMISE, INC. TO EXPAND SUPPORT FOR THE MONTGOMERY COUNTY PRESCHOOL PROMISE PROGRAM BY INCREASING FUNDS BY \$25,000 THROUGH DECEMBER 31, 2020. THE TOTAL CONTRACT AMOUNT IS NOT TO EXCEED SIXTEEN MILLION TWENTY-FIVE THOUSAND DOLLARS (\$16,025,000) THROUGH DECEMBER 31, 2023.**

**FUNDING SOURCE (JANUARY THROUGH JUNE 2019): DEPT: 14, OCA: 214058, OBJ: 7102, COMMODITY CODE: 91800, \$1,000,000 CE# 900171.**

**FUNDING SOURCE (JULY THROUGH DECEMBER 2019): DEPT: 14, OCA: 214058, OBJ: 7102, COMMODITY CODE: 91800, \$1,000,000 CE# 900336.**

**FUNDING SOURCE (JANUARY THROUGH DECEMBER 2020): DEPT: 14, OCA: 214058, OBJ: 7102, COMMODITY CODE: 91800, \$3,025,000 CE# 000061.**

**REVISED FUNDING SOURCE (JANUARY THROUGH DECEMBER 2020): DEPT: 14, OCA: 214937, OBJ: 7325, COMMODITY CODE: 95243, \$25,000 CE# 000061.**

**FUNDING SOURCE (JANUARY THROUGH DECEMBER 2021): DEPT: 14, OCA: 214058, OBJ: 7102, COMMODITY CODE: 91800, \$3,000,000 CE# \_\_\_\_\_.**

**FUNDING SOURCE (JANUARY THROUGH DECEMBER 2022): DEPT: 14, OCA: 214058, OBJ: 7102, COMMODITY CODE: 91800, \$4,000,000 CE# \_\_\_\_\_.**

**FUNDING SOURCE (JANUARY THROUGH DECEMBER 2023): DEPT: 14, OCA: 214058, OBJ: 7102, COMMODITY CODE: 91800, \$4,000,000 CE# \_\_\_\_\_.**

**WHEREAS,** the Montgomery County Board of County Commissioners has previously authorized per Resolution 18-1663 dated December 13, 2018, a consulting services agreement to support the Preschool Promise program in Montgomery County through December 31, 2023; and

**WHEREAS,** the Montgomery County Board of County Commissioners, per Resolution 20-0372, have declared a State of Emergency in Montgomery County, Ohio due to the COVID-19 pandemic; and

**WHEREAS,** through the Coronavirus Relief Fund, the CARES Act provides for payment reimbursements to State, Local, and Tribal governments navigating the impact of the COVID-19 outbreak; and



**WHEREAS**, Montgomery County will request payment from the US Treasury from the Coronavirus Relief Fund to cover this amendment to support temporary pandemic child care for children of essential workers in Montgomery County, as identified by the Board of County Commissioners as a priority and essential COVID-19 relief service; and

**WHEREAS**, Preschool Promise, Inc. desires to provide tuition scholarships to families of essential workers, ineligible for state-subsidized child care, whose children are being served at Temporary Pandemic Child Care Centers as a result of the COVID-19 pandemic.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of County Commissioners of Montgomery County, Ohio, does hereby authorize Amendment 01 to Resolution 18-1663 dated December 13, 2018 with Preschool Promise, Inc. to expand support for the Montgomery County Preschool Promise program by increasing funds by \$25,000 through December 301, 2020. The total contract amount is not to exceed sixteen million twenty-five thousand dollars (\$16,025,000) through December 31, 2023.

**BE IT FURTHER RESOLVED** that the Clerk of the Commission certify a copy of this Resolution and make an imaged copy of this resolution available on the Montgomery County, Ohio website at <http://www.mcoho.org/>.

**CONSULTING SERVICES AGREEMENT**  
**AMENDMENT 01**

**THIS CONSULTING SERVICES AMENDMENT**, is made this \_\_\_\_\_ day of \_\_\_\_\_, 2020, in Dayton, Montgomery County, Ohio, by and between the Board of County Commissioners of Montgomery County, Ohio (hereinafter referred to as the "Board"), and Preschool Promise, Inc., conducting business at 4801 Springfield St., Dayton, Ohio 45431 (hereinafter referred to as the "Consultant").

**AMENDED PROVISIONS**

This Amendment shall expand the services provided through December 31, 2020 and Amend Article Two. All other terms and conditions of the original agreement remain in full force and effect, unless otherwise specified.

**ARTICLE TWO: SCHEDULE OF PAYMENTS**

2.1 To compensate the Consultant for services rendered as outlined in Exhibit "A", the Board agrees to pay the Consultant an amount in accordance with the following schedule not to exceed the annual amounts listed up to Sixteen Million Twenty-Five Thousand Dollars (\$16,025,000) from January 1, 2019 through December 31, 2023:

- 2019: Two Million Dollars (\$2,000,000)
- 2020: Three Million Twenty-Five Thousand Dollars (\$3,025,000)
- 2021: Three Million Dollars (\$3,000,000)
- 2022: Four Million Dollars (\$4,000,000)
- 2023: Four Million Dollars (\$4,000,000)

IN WITNESS WHEREOF, the parties have hereunto set their hands this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

Signed and acknowledged in the presence of:

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Witness

**BOARD OF COUNTY COMMISSIONERS OF MONTGOMERY COUNTY, OHIO (Board)**

By: \_\_\_\_\_  
Judy Dodge, President

By: \_\_\_\_\_  
Deborah A. Lieberman, Commissioner

By: \_\_\_\_\_  
Carolyn Rice, Commissioner

**OR**

By: \_\_\_\_\_  
Michael B Colbert,  
Montgomery County Administrator

**Human Services Planning & Development**

By: \_\_\_\_\_  
Tom Kelley,  
Assistant County Administrator – Human Services

**Contractor: Preschool Promise, Inc.**

By: (Sign) Jane McGee-Rafal  
Jane McGee-Rafal (Apr 27, 2020)

By: (Print) Jane McGee-Rafal

Title: Board of Trustees, Secretary/Treasurer

Date: April 27, 2020

**Approved as to Form:**  
**Mathias H. Heck, Jr.**  
**Prosecuting Attorney for Montgomery County, Ohio**

By: Waul SA  
Assistant Prosecuting Attorney

Date: 4/27/20

By: Robyn Lightcap  
Robyn Lightcap (Apr 27, 2020)

By: Robyn Lightcap  
Executive Director

Date: April 27, 2020

**EXHIBIT A**  
*ADDENDUM*

**EXHIBIT A  
SCOPE OF WORK  
PRESCHOOL PROMISE, Inc.**

**Preschool Promise Objectives**

The Preschool Promise objective and goals include dramatically expanding the number of *high quality* programs and instituting rigorous evaluation of progress toward ensuring every child is fully ready to start kindergarten. Research shows that children who attend Preschool are better prepared for kindergarten, more likely to be healthy and have appropriate medical care, and more likely to be successful in high school, college, and beyond.

The three “pillars” of the Preschool Promise model are:

- 1) **Educating the community** about the benefits of Preschool, helping to drive Preschool enrollment.
- 2) **Expanding the number** of high quality programs by incenting and assisting Preschools to improve instruction, implement effective classroom management and curricula, and expand the number of seats available to children.
- 3) **Assisting families** in finding and paying for Preschool with tuition assistance tiered to their income and the quality level of the program they choose.

**\*ADDENDUM\***

**Purpose and Need**

Preschool Promise has been able to secure funds from the COVID-19 Response Fund for Greater Dayton, PNC Grow Up Great, and The Frank M. Tait Foundation to provide tuition scholarships to the families of essential workers whose children are being served at Temporary Pandemic Child Care Centers.

We project exhausting all funding from these three sources before the Governor’s stay-at-home order is fully lifted and Ohio allows child care programs to re-open. To serve the 81 children of essential workers currently receiving scholarships through May, we estimate we need an additional \$25,000. While Gov. DeWine is suggesting that Ohio will try to open as soon as possible, it’s reasonable to assume that pandemic child care centers will be in operation through May. As we detail below, this funding request will benefit only essential workers who do not qualify for state-subsidized child care.

To review the history around this need, the State of Ohio created a process for child care providers to become Temporary Pandemic Child Care Centers serving only essential workers subsequent to the Governor’s stay-at-home order. (All centers *without* a pandemic license were ordered closed at midnight March 25.) The Ohio Department of Job and Family Services then quickly imposed new and, in certain instances, unexpected regulations that make it difficult, if not impossible, for a Temporary Pandemic Child Care site to operate and cover payroll, let alone

meet their obligatory fixed costs. This is particularly true for small sites that operate on the slimmest margins and that arguably are among the safest child care programs precisely because they serve limited numbers of children (and, therefore, limit exposure to COVID-19).

In the case of the newly created pandemic centers, ODJFS has increased the required teacher-to-child ratios and also reduced the number of children who can be in any one defined space (1 adult with 6 children). These are understandable precautions aimed at mitigating the spread of this deadly virus. However, the regulations significantly increase the cost of doing business, and there's been no commensurate compensation for this reality.

While authorities initially said ODJFS would pay child care costs for all essential workers who enroll their children at a pandemic center, the revised rules issued March 24 provided that only child care for essential workers who qualify for Publicly Funded Child Care (PFCC) would be paid for by the State. (To qualify for PFCC assistance, families must earn at or below 130% of the Federal Poverty Level, which is less than \$28,000 for a family of three.) Many healthcare and other essential workers earn too much to receive this subsidized child care. The State's move shocked programs that stepped up to meet the appeal to become a pandemic center. The terms of taking on this responsibility had changed dramatically.

Though the State is reimbursing pandemic centers at the Step Up to Quality 5-Star rate for eligible low-income children, this reimbursement rate is based on lower (and less costly) child-to-teacher ratios and was predicated on a greater number of children per classroom. In short, the COVID-19 health and safety regulations effectively prohibit any economies of scale, and the State is not providing for any increase in reimbursement for the necessary precautions it has imposed to keep children and the wider community safe.

This increased cost of doing business is forcing programs to raise rates for private-pay families, putting financial pressure on essential workers who are not receiving Publicly Funded Child Care. Nurses, other hospital personnel, firefighters and police cannot afford to pay the real cost of caring for their own children in this more costly environment; and they certainly can't afford to subsidize the cost of caring for the children of low-income essential workers. Also, essential workers who were attending a free child care/preschool site (through Dayton Public Schools or Head Start) suddenly faced tuition costs of \$800-\$1,600 a month because their "free" location is closed.

The stark situation is that essential workers whose jobs require they go into harm's way can't afford child care, while our pandemic child care sites created to serve these critical employees are calculating when they won't be able to pay their employees the meager average wage of \$13/hour.

### **What the COVID-19 Response Funds will Support**

Preschool Promise provides support to early childhood care and education programs to make sure families can afford and access them. We are using our resources to support the children who are eligible for Preschool Promise by providing tuition assistance to those who attend Temporary Pandemic Child Care programs.

We are assisting essential workers with children from Birth through age 3 or school-age children. (Preschool Promise, with limited exceptions, may serve only 4-year-olds.)

### **Who is being served**

We are providing tuition scholarships to 81 children whose parents are essential workers in Montgomery County. Families are receiving \$100-\$300 per child each week in tuition assistance, paid directly to their child care provider. The benefit amount is greatest for families earning under 200% of the Federal Poverty Level. Families with infants also receive more because that care is the most expensive.

### **Implementation timetable**

Continue scholarships awards to 81 children of essential workers who don't qualify for Publicly Funded Child Care assistance through Friday, May 29.

When Governor DeWine allows all child care programs to resume normal operations, we will end the tuition assistance to families and submit the required grant report.

### **BUDGETING, INVOICING AND REPORTING PROCEDURES**

Montgomery County will increase its investment in Early Care and Education Services provided by Preschool Promise in an amount not to exceed the annual amounts listed up to \$16,000,000, according to the following timeline:

2019: \$2 million

2020: \$3 million and (\$25,000 for Temporary Pandemic Child Care tuition assistance)

2021: \$3 million

2022: \$4 million

2023: \$4 million

Preschool Promise operates on a January-December Fiscal Year. Annually, the budget will be approved by Montgomery County, Human Services Planning and Development. The budget will be provided in four general categories: 1) Educating the community (marketing and outreach); 2) Expanding quality (coaching, quality improvement); 3) Assisting families (tuition assistance, parent supports); and 4) Evaluation and administration. Expenses will be billed to Montgomery County by the four categories outlined above. Additionally, an audit conducted by an external firm will be done annually and reports will be shared with Montgomery County.

Quarterly reporting shall continue until expiration or termination of this Agreement. All reports shall be submitted to the Montgomery County Human Services Planning and Development department.

Preschool Promise will submit a monthly invoice to the Montgomery County Human Services Planning and Development department for incurred Preschool Promise expenses, organized by the four categories detailed above. The Temporary Pandemic Child Care Tuition assistance will be invoiced separately.

**Preschool Promise Budget Fiscal Year 2020 (January-December)**

*Amendment 01 - Addendum*

<b>Expense</b>	<b>County Budget</b>
6210 · Accounting Fees	4,800.00
6220 · Legal Fees	6,720.00
6230 · Outside Contract Services	11,180.00
6235 · Coaching & Training for Provide	495,721.60
6236 · Communications Field Campaign	48,520.00
6238 · Research and Evaluation Contrac	116,400.00
6240 · Communications & Design Work	21,564.00
6242 · Photography, Video, Audio Prod.	4,600.00
6260 · Website And Database Dev't	28,112.00
6270 · Call Ctr & Eligibility Determin	80.00
6330 · Equip Rental and Maintenance	5,700.00
6350 · Rent, Parking, Utilities	6,000.00
6512 · Web services and subscriptions	9,567.60
6510 · Books, Subscriptions, Reference - Other	3,100.00
6515 · Memberships	240.00
6520 · Postage, Mailing Service	6,510.00
6530 · Printing and Copying	20,010.00
6535 · Promotional Items	36,520.00
6540 · Supplies	15,511.40
6550 · Telephone, Telecommunications	5,948.00
6565 · Marketing - Paid Media	46,480.00
6567 · Gift Cards / Gifts	3,360.00
6580 · Promotional Events	2,560.00
6582 · Social Media	288.00
6586 · Teacher incentives / stipends	181,318.40
6587 · Teacher Promise stipends	69,216.00
6610 · Insurance - Liability, D and O	4,000.00
6615 · Quality Assistance Stipends	345,600.00
6620 · Contract with Providers for Expansion Quality	239,600.00
6625 · Classroom Start-up Grants	20,000.00
6627 · Attendance Initiative	-
66XX · Pilot for Quality Improvement & Racial Equity	80,000.00
6630 · Tuition Assistance	573,350.00
6642 · Parent Communications	75,440.00
6645 · Bank Fees	432.00
6650 · Training / Education	7,640.00
6750 · Leased Employees	470,921.00
6810 · Conference, Convention, Meeting	4,220.00
6815 · Mileage	2,982.00
6822 · Lodging	4,080.00
6825 · Parking	420.00
6820 · Travel - Other	4,560.00
6830A · Meals - Meetings	5,800.00
6830B · Meals- Travel	660.00
6830C · Meals- Events	11,340.00
6830D · Meals- Training	23,928.00
<b>Total Expense</b>	<b>3,025,000.00</b>



# Preschool Promise - Amendment 01

Final Audit Report

2020-04-27

Created:	2020-04-27
By:	Barbara Elrod (barbara.elrod@preschoolpromise.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAfSGslyqxj9yraqJukyIHfXSSwZwi4wMN

## "Preschool Promise - Amendment 01" History



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Signed document emailed to Robyn Lightcap (robyn.lightcap@learntoearnadayton.org), Barbara Elrod (barbara.elrod@preschoolpromise.org) and Jane McGee-Rafal (jmcrafal@sbcglobal.net)

2020-04-27 - 6:56:28 PM GMT



Adobe Sign

## Conscious Discipline and Curriculum Coach

### Anita Craighead

This contract is made by and between Preschool Promise, Inc. and Anita Craighead (the "Consultant"), and effective as of July 1, 2020 the ("Effective Date").

This contract assures that Consultant will act, pursuant to the terms of this contract, in the position of Conscious Discipline and Curriculum Coach and provide services as outlined in the Scope of Work (Exhibit A).

**I. Term.** The term of this contract runs July 1, 2020 through June 30, 2021. This contract may be terminated by either party in writing at any time and for any reason.

**II. Services.** Consultant agrees to provide Services to Preschool Promise, Inc. that are outlined in the attached Scope of Work (Exhibit A).

**III. Payment.** To perform the Services, Preschool Promise, Inc. agrees to pay Consultant \$5,667 monthly upon receiving an invoice. Preschool Promise will also pay the Consultant \$100/month for mileage and cell phone charges, for a total monthly charge to Preschool Promise of \$5,767 not to exceed \$69,205 for the term that this contract is in effect, unless otherwise agreed to in writing by the parties. The Consultant will create a calendar indicating which days will not be working during the term. The calendar is due to the Preschool Promise Director of Quality by July 1, 2020.

**IV. Invoicing.** Reference Exhibit A for invoicing details. If invoice is turned in late payment may be delayed. Payment will be made within 30 days of receipt of invoice.

**V. Relationship of Parties.** Consultant shall be an independent contractor for Preschool Promise, Inc. and shall have no authority to make commitments or incur any obligations or liabilities relating to or on behalf of Preschool Promise, Inc. or any of its officers, officials, contractors, directors, trustees, employees, agents, affiliates, representatives, successors, and assigns. No provision of this contract shall be construed to place the parties in the relationship of employer-employee, partners, joint venturers, or otherwise. The Consultant agrees and acknowledges that the Consultant is serving as an independent contractor, and therefore is responsible for federal, state, local/city, FICA, and other related income taxes.

**VI. Compliance with Laws.**

- a) Consultant agrees to comply with all federal, state, or local laws, rules, regulations regarding the Services provided under this contract, including, as applicable, the Family Educational and Rights Privacy Act ("FERPA") and all pertinent laws, rules, and regulations promulgated thereunder.

- b) Each party agrees to comply with all local and state civil rights statutes, rules, regulations and ordinances, and with Title VI of the Civil Rights Act of 1964, as amended, Title VIII of the Civil Rights Act of 1968, as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974, as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, Executive Order 11246, as amended by Executive Orders 11375, 11478, 12107, and 12086, and Section 35.14 of the Revised Code of General Ordinances of the City of Dayton, Ohio.
- c) Each party agrees that (i) it shall be committed to carry out an affirmative action program to the extent required in the President's Executive Order 11246 of September 24, 1966, and (ii) it will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this Agreement. As used in this section, the term "small business" means a business that meets the criteria set forth in Section 3(a) of the Small Business Act, as amended (15 U.S.C. 632).
- d) Each party shall not discriminate because of race, color, religion, sex, sexual orientation, gender identity, ancestry, national origin, military status, place of birth, age, marital status, or disability in any of its activities or operations. These activities or operations include but are not limited to actions against any employee; applicant for employment; subcontractor; vendor; applicant for services; or any family, individual, or child in its programs or business activities.

**VII. Indemnity.** Consultant agrees to defend, indemnify, and hold harmless Preschool Promise, Inc. and its officers, officials, contractors, directors, trustees, employees, agents, affiliates, representatives, successors, and assigns against any and all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind (including reasonable attorney fees) that may arise out of either (i) the performance of the Services by Consultant, or (ii) any breach of this contract by Consultant or any of Consultant's agents, employees or contractors.

**VIII. Release.** Except in regards to any payments due from Preschool Promise, Inc. to Consultant as set forth in this contract, Consultant expressly waives and releases any and all claims, actions, complaints, grievances, and causes of action, direct, indirect or consequential, of whatever nature, whether known or unknown, which exist or may exist, in any jurisdiction, against Preschool Promise, Inc. and its agents, due to circumstances beyond Preschool Promise, Inc.'s reasonable control including, but not limited to, the following events: (i) acts of God; (ii) flood, fire, earthquake, explosion, meteor strike, tornados, epidemics, pandemics, or quarantines; (iii) exposure to or contraction of illness (iv) war, invasion, hostilities, terrorist threats or acts, riot or other civil unrest, or cyber-attacks; (v) government order, law, actions, or restrictions, whether valid or invalid; (vi) national or regional emergency; (vii) shortage of materials, infrastructure, or

transportation; (viii) strikes, labor difficulties, slowdowns; and (ix) any other events or circumstances beyond the reasonable control of Preschool Promise, Inc.

**IX. Governing Law.** This contract shall be governed by and construed in accordance with the laws of the State of Ohio.

**X. Entire Agreement.** This contract contains the entire agreement of the parties with respect to the subject matter hereof and there are no other promises or conditions hereunder whether oral or written. This contract supersedes any prior written or oral agreements between the parties.

**XI. Amendment.** This contract may be modified or amended in writing signed by both parties.

**XII. Severability.** If any provision of this contract is held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this contract is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

**XIII. Waiver.** The failure of either party to enforce any provision of this contract shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this contract.

**XIV. Alternative Dispute Resolution.** For any dispute, controversy or claim arising out of or relating to this contract, the parties shall use their best efforts to find resolution through mediation by using a trained, experienced mediator selected by mutual agreement of the parties, the cost of which shall be shared equally by the parties. If the dispute, controversy or claim is not resolved within sixty (60) days to the satisfaction of both parties by such mediation, such dispute, controversy or claim shall be settled by final and binding arbitration in conformance with the rules of the American Arbitration Association. The place of arbitration shall be Montgomery, Ohio, or any other place as mutually agreed upon by the parties in writing. Cost of such arbitration shall be shared equally by the parties. Each party shall be responsible for its own attorney fees.

**XV. Notice.** Any notice required or permitted to be sent under this contract shall be delivered by hand, by confirmed facsimile, telex, electronic mail, by overnight courier or mailed by registered or certified mail.

**XVI. Disclosure.** Consultant agrees and acknowledges that it may be required to furnish, to the extent permitted by law, certain information relating to this contract and Consultant's status as a contractor of Preschool Promise, Inc., including but not limited to an accounting of money received by Consultant under this contract, to certain governmental bodies or agencies in connection with any audits or investigations into

Preschool Promise, Inc. by such governmental bodies or agencies. The information to be furnished by Consultant under this section is only intended to include books, records, and accounts of Consultant as it relates to this contract, and is not intended to include the general disclosure of Consultant's business books, records, or accounts not otherwise related to this contract.

**XVII. Assignment.** Consultant's obligations under this contract are personal to Consultant and may not be assigned or transferred to any other individual, entity, or other third party, unless Consultant receives prior written consent from Preschool Promise, Inc. Preschool Promise, Inc. may assign this contract at any time.

**XVIII. Termination Due to Funding Reduction.** Consultant understands and agrees that Preschool Promise, Inc. may, at any time terminate or amend this contract due to reduced or eliminated funding from the City of Dayton and/or Montgomery County. Preschool Promise will give the Consultant 60 days' notice of any termination or proposed amendments to this contract. In the event that Consultant receives a notice of termination or a proposed contract amendment from Preschool Promise, Inc., payment will be rendered to Consultant by Preschool Promise, Inc. on the amended terms for Services actually delivered at the time of receipt of the notice of termination.

**XIV. Survival.** Sections VII, XIII, and XVI shall survive any termination of this contract.

**IN WITNESS WHEREOF**, the parties have executed this contract on this \_\_\_\_ day of \_\_\_\_\_, 2020.

**Consultant**

**Preschool Promise, Inc.**

Signed: \_\_\_\_\_

Signed: \_\_\_\_\_

Title: \_\_\_\_\_

Signed: \_\_\_\_\_

Title: \_\_\_\_\_

**Conscious Discipline and Curriculum Coach for Preschool Promise – Anita Craighead**  
**Exhibit A**

**I. Introduction**

Anita Craighead will provide Conscious Discipline and curriculum coaching and classroom supports for Preschool Promise classrooms in Montgomery County. The scope of work will include:

**II. Scope of Work**

**1. Coaching and Support**

- a. Establish a system for scheduling coaching and technical support for the implementation of Conscious Discipline and curriculum in preschools that are part of Preschool Promise
- b. Participate in activities and coach for Preschool Promise's CDAT (Conscious Discipline Action Team)
- c. Assist in the creation of materials and hands-on learning tools for the implementation of Conscious Discipline and curriculum in Preschool Promise classrooms
- d. Use Conscious Discipline rubric assessment for classrooms participating in regular coaching visits and PLCs
- e. Meet with coaching staff to ensure implementation across Preschool Promise sites.

**2. Train Preschool Promise Coaches**

- a. Receive question/concerns and problem-solve with coaches, teachers, program administrators and Preschool Promise Mental Health Consultants.
- b. Provide training and support to Preschool Promise coaches when necessary.

**3. Training and Professional Development**

- a. Set up site-based training for Preschool Promise programs as available
  - a. Parenting classes
  - b. CD overviews
  - c. Curriculum overviews
- b. Plan, prepare for, and facilitate (1) "Introduction to Conscious Discipline" Professional Learning Community and the Conscious Discipline Action Team.

**4. Preschool Promise Meetings**

- a. Attend once/month coaching collaborative meetings
  - a. Sharing with coaches any sites that are being coached
  - b. Receiving request for support from 4C coaches
  - c. Participating in professional development hosted by Preschool Promise
- b. Attend Leaders' Table meetings

- a. Welcoming attendees
- b. Provide tips for administrators to use with staff
- c. Attend Preschool Promise events
- d. Attend once/month coaching meetings with 4C for Children and Preschool Promise Director of Quality
- e. Collaborate and meet with Preschool Promise's Director of Quality concerning upcoming projects and programming

**Deliverables:**

- 1) Report of progress in identified Preschool Promise classrooms that are using Conscious Discipline effectively in November 2020 and May 2021. This report will qualitatively analyze the growth and progress of these identified programs using the Conscious Discipline assessment rubric. This report will be turned in to the Preschool Promise Director of Quality.
  - a. PLC participants
  - b. Identified Preschool Promise classrooms will be evaluated
  - c. Assist in the completion of approximately 30-40 rubrics to be turned into the Director of Quality and Dr. Richard Stock in the Spring and Fall.

**III. Cost of Effort**

The Conscious Discipline and Curriculum Coach cost is \$69,205.

**IV. Invoicing**

The Conscious Discipline and Curriculum Coach cost is for work billed from July 1, 2020 through June 30, 2021. The Consultant will invoice Preschool Promise by the 16<sup>th</sup> and 30<sup>th</sup> of each month for \$2,883.50. Invoices will be sent to the Preschool Promise Director of Operations at [Ashley.marshall@preschoolpromise.org](mailto:Ashley.marshall@preschoolpromise.org) and a copy sent to Latoria Marcellus at [latoria.marcellus@preschoolpromise.org](mailto:latoria.marcellus@preschoolpromise.org). Invoices will include the date worked, number of hours worked, sites and teachers coached, and the type of activities completed during the billing period.

**V. Termination Due to Funding Reduction**

Consultant understands and agrees that Preschool Promise, Inc. may, at any time terminate or amend this contract due to reduced or eliminated funding from the City of Dayton and/or Montgomery County. Preschool Promise will give the Consultant 60 days' notice of any termination or proposed amendments to this contract. In the event that Consultant receives a notice of termination or a proposed contract amendment from Preschool Promise, Inc., payment will be rendered to Consultant by Preschool Promise, Inc. on the amended terms for Services actually delivered at the time of receipt of the notice of termination.

## **Passport to Kindergarten Coordinator Debbie Barnhart**

This contract is made by and between Preschool Promise, Inc. and Debbie Barnhart (the "Consultant"), and effective as of May 16, 2020 the ("Effective Date").

This contract assures that Consultant will act, pursuant to the terms of this contract, in the position of Passport to Kindergarten Coordinator and provide services as outlined in the Scope of Work (Exhibit A).

**I. Term.** The term of this contract runs May 16, 2020 through May 30, 2021. This contract may be terminated by either party in writing at any time and for any reason.

**II. Services.** Consultant agrees to provide Services to Preschool Promise, Inc. that are outlined in the attached Scope of Work (Exhibit A).

**III. Payment.** To perform the Services, Preschool Promise, Inc. agrees to pay Consultant \$25/hour upon receiving an invoice. Preschool Promise will also pay the Consultant up to \$100/month for mileage, not to exceed \$13,000 for the term that this contract is in effect, unless otherwise agreed to in writing by the parties.

**IV. Invoicing.** Reference Exhibit A for invoicing details. If invoice is turned in late payment may be delayed. Payment will be made within 30 days of receipt of invoice.

**V. Relationship of Parties.** Consultant shall be an independent contractor for Preschool Promise, Inc. and shall have no authority to make commitments or incur any obligations or liabilities relating to or on behalf of Preschool Promise, Inc. or any of its officers, officials, contractors, directors, trustees, employees, agents, affiliates, representatives, successors, and assigns. No provision of this contract shall be construed to place the parties in the relationship of employer-employee, partners, joint venturers, or otherwise. The Consultant agrees and acknowledges that the Consultant is serving as an independent contractor, and therefore is responsible for federal, state, local/city, FICA, and other related income taxes.

**VI. Compliance with Laws.**

- a) Consultant agrees to comply with all federal, state, or local laws, rules, regulations regarding the Services provided under this contract, including, as applicable, the Family Educational and Rights Privacy Act ("FERPA") and all pertinent laws, rules, and regulations promulgated thereunder.
- b) Each party agrees to comply with all local and state civil rights statutes, rules, regulations and ordinances, and with Title VI of the Civil Rights Act of 1964, as amended, Title VIII of the Civil Rights Act of 1968, as amended, Section 104(b) and



Section 109 of Title I of the Housing and Community Development Act of 1974, as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, Executive Order 11246, as amended by Executive Orders 11375, 11478, 12107, and 12086, and Section 35.14 of the Revised Code of General Ordinances of the City of Dayton, Ohio.

- c) Each party agrees that (i) it shall be committed to carry out an affirmative action program to the extent required in the President's Executive Order 11246 of September 24, 1966, and (ii) it will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this Agreement. As used in this section, the term "small business" means a business that meets the criteria set forth in Section 3(a) of the Small Business Act, as amended (15 U.S.C. 632).
- d) Each party shall not discriminate because of race, color, religion, sex, sexual orientation, gender identity, ancestry, national origin, military status, place of birth, age, marital status, or disability in any of its activities or operations. These activities or operations include but are not limited to actions against any employee; applicant for employment; subcontractor; vendor; applicant for services; or any family, individual, or child in its programs or business activities.

**VII. Indemnity.** Consultant agrees to defend, indemnify, and hold harmless Preschool Promise, Inc. and its officers, officials, contractors, directors, trustees, employees, agents, affiliates, representatives, successors, and assigns against any and all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind (including reasonable attorney fees) that may arise out of either (i) the performance of the Services by Consultant, or (ii) any breach of this contract by Consultant or any of Consultant's agents, employees or contractors.

**VIII. Release.** Except in regards to any payments due from Preschool Promise, Inc. to Consultant as set forth in this contract, Consultant expressly waives and releases any and all claims, actions, complaints, grievances, and causes of action, direct, indirect or consequential, of whatever nature, whether known or unknown, which exist or may exist, in any jurisdiction, against Preschool Promise, Inc. and its agents, due to circumstances beyond Preschool Promise, Inc.'s reasonable control including, but not limited to, the following events: (i) acts of God; (ii) flood, fire, earthquake, explosion, meteor strike, tornados, epidemics, pandemics, or quarantines; (iii) exposure to or contraction of illness (iv) war, invasion, hostilities, terrorist threats or acts, riot or other civil unrest, or cyber-attacks; (v) government order, law, actions, or restrictions, whether valid or invalid; (vi) national or regional emergency; (vii) shortage of materials, infrastructure, or transportation; (viii) strikes, labor difficulties, slowdowns; and (ix) any other events or circumstances beyond the reasonable control of Preschool Promise, Inc.

**IX. Governing Law.** This contract shall be governed by and construed in accordance with the laws of the State of Ohio.

**X. Entire Agreement.** This contract contains the entire agreement of the parties with respect to the subject matter hereof and there are no other promises or conditions hereunder whether oral or written. This contract supersedes any prior written or oral agreements between the parties.

**XI. Amendment.** This contract may be modified or amended in writing signed by both parties.

**XII. Severability.** If any provision of this contract is held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this contract is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

**XIII. Waiver.** The failure of either party to enforce any provision of this contract shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this contract.

**XIV. Alternative Dispute Resolution.** For any dispute, controversy or claim arising out of or relating to this contract, the parties shall use their best efforts to find resolution through mediation by using a trained, experienced mediator selected by mutual agreement of the parties, the cost of which shall be shared equally by the parties. If the dispute, controversy or claim is not resolved within sixty (60) days to the satisfaction of both parties by such mediation, such dispute, controversy or claim shall be settled by final and binding arbitration in conformance with the rules of the American Arbitration Association. The place of arbitration shall be Montgomery, Ohio, or any other place as mutually agreed upon by the parties in writing. Cost of such arbitration shall be shared equally by the parties. Each party shall be responsible for its own attorney fees.

**XV. Notice.** Any notice required or permitted to be sent under this contract shall be delivered by hand, by confirmed facsimile, telex, electronic mail, by overnight courier or mailed by registered or certified mail.

**XVI. Disclosure.** Consultant agrees and acknowledges that it may be required to furnish, to the extent permitted by law, certain information relating to this contract and Consultant's status as a contractor of Preschool Promise, Inc., including but not limited to an accounting of money received by Consultant under this contract, to certain governmental bodies or agencies in connection with any audits or investigations into Preschool Promise, Inc. by such governmental bodies or agencies. The information to be furnished by Consultant under this section is only intended to include books, records, and accounts of Consultant as it relates to this contract, and is not intended to include the

general disclosure of Consultant's business books, records, or accounts not otherwise related to this contract.

**XVII. Assignment.** Consultant's obligations under this contract are personal to Consultant and may not be assigned or transferred to any other individual, entity, or other third party, unless Consultant receives prior written consent from Preschool Promise, Inc. Preschool Promise, Inc. may assign this contract at any time.

**XVIII. Termination Due to Funding Reduction.** Consultant understands and agrees that Preschool Promise, Inc. may, at any time terminate or amend this contract due to reduced or eliminated funding from the City of Dayton and/or Montgomery County. Preschool Promise will give the Consultant 60 days' notice of any termination or proposed amendments to this contract. In the event that Consultant receives a notice of termination or a proposed contract amendment from Preschool Promise, Inc., payment will be rendered to Consultant by Preschool Promise, Inc. on the amended terms for Services actually delivered at the time of receipt of the notice of termination.

**XIV. Survival.** Sections VII, XIII, and XVI shall survive any termination of this contract.

**IN WITNESS WHEREOF**, the parties have executed this contract on this \_\_\_\_ day of \_\_\_\_\_, 2020.

**Consultant**

**Preschool Promise, Inc.**

Signed: \_\_\_\_\_

Signed: \_\_\_\_\_

Title: \_\_\_\_\_

Signed: \_\_\_\_\_

Title: \_\_\_\_\_

## **Exhibit A**

### **I. Scope of Work**

1. Preparation and attendance at professional development for teachers
  - a. Prepare for and attend the annual Teacher Institute.
  - b. Prepare for and attend the monthly Professional Learning Communities from August-May.
2. Event planning
  - a. Work with Dayton Metro Library on the Kickoff event or activities.
  - b. Work with Boonshoft on family events and activities.
  - c. Work with MetroParks on the end of year event and activities.
  - d. Coordinate invitations and attendance and family feedback forms for all events.
3. Planning for other partner activities
  - a. Facilitate connections between teachers and other partners such as Muse Machine, Dayton Art Institute, and Boonshoft.
  - b. Follow up with teachers as needed.
4. Administrative activities
  - a. Process invoices and check requests from vendors.
  - b. Manage teacher communication.
  - c. Handle Ready4K parent releases and parent forms.
  - d. Manage family surveys.
  - e. Work with evaluator on needed data.
  - f. Manage the recruitment and selection of teachers each year.
  - g. Write reports as needed.
  - h. Purchase supplies as needed, such as t-shirts, passports, invitations.
5. Coaching
  - a. Coach 12 classrooms on implementation of dialogic reading in small groups.
  - b. Visit each classroom on a monthly basis from September through April.
  - c. Provide feedback to each teacher to improve practices.
6. Attendance at Preschool Promise Meetings
  - a. Attend Preschool Promise meetings such as monthly Core Team meetings, monthly Coaching Collaborative meetings.
  - b. Participate in the

### **II. Estimated Hours and Hourly Rate**

The hourly rate for this position is \$25/hour. The estimated hours for this position are described below.

Description of Task	Hours Per Month
Preparation and attendance at Summer Institute, monthly PLC meeting, coordination with partners	3
Event planning and attendance (Kickoff at Dayton Metro Library, 2 Boonshoft events, End of Year at MetroParks, modification for virtual meetings)	4
Planning for other partner activities (Muse Machine in classrooms, Dayton Art Institute)	2
Administrative Work – processing invoices and check requests, teacher communication, Ready4K releases, t-shirts to teachers and families, family surveys, selection of teachers, report writing	4
Coaching (estimating 25 teachers or 25 classrooms for first and second year teachers), Debbie will be responsible for 12 of the classrooms once/month during school year from September-April (8 months, 2 hours including debrief time and documentation) – coaching may be done virtually if needed	16
Attendance at Preschool Promise meetings	6
TOTAL	35

### III. Invoicing

The Consultant will invoice Preschool Promise by the 15<sup>th</sup> of the month for the previous month for hours incurred. The Consultant will submit an invoice and a time sheet with a description of the tasks completed. Invoices will be sent to the Preschool Promise Quality & Training Coordinator at [Barbara.Elrod@preschoolpromise.org](mailto:Barbara.Elrod@preschoolpromise.org) and a copy sent to Latoria Marcellus at [Latoria.Marcellus@preschoolpromise.org](mailto:Latoria.Marcellus@preschoolpromise.org). Invoices will include the date worked, number of hours worked, sites and teachers coached, and the type of activities completed during the billing period.