

Hutch Kids Child Care Center Board of Directors
Final Meeting Minutes
May 15, 2009 / 3-5 PM / HR Training Room

The meeting was called to order by Steve Johnson at 3:04 p.m.

In attendance

Kathy Briant
Liz Briesemeister
James Fan
Lisa Johnson
Steve Johnson
Lori Kenyon (ex-officio)
Emily Li
Jennifer Mahlum
Misti McKenna (staff)
Nancy Myles (ex-officio)
Babette Saltzman
Jennifer (Jenn) Silva

Not in attendance

I. Approval of Minutes

Motion was made, seconded, and passed to approve the minutes from the March and April meetings.

II. Review draft contract:

- Nancy, Steve & Jennifer met with negotiating committee May 14, 2008.
- Facilities costs are still undecided. Scott Rusch, FHCRC VP of Facilities and Planning, will play role in this decision, and he was not able to make the meeting yesterday. Scott will also play a role in decision about playground renovation and what FHCRC can contribute towards that.
- Nancy is researching what other in-kind expenses other employers cover for employer-sponsored daycare to show as examples of industry practice to FHCRC.
- Would like to add language about cap of costs HKCCC will pay in year 2 of picking up in-kind costs.
- HKCCC will still be in FHCRC chain of command in emergency situations.
- Contract administrator for HKCCC will be FHCRC VP of Human Resources.
- Language will be added about FHCRC getting HKCCC possessions equal to amount due if we breach the contract.
- FHCRC would like a security lien, so they would like to inventory all HKCCC property. Nancy would like to suggest that they do that after-hours as opposed to HK staff having to do it. Some method to identify “teacher owned materials” vs. HK owned materials will have to be identified.
- Is lien still appropriate if we are in breach of contract for a non-financial reason?
- Initial draft contract has not been shared with FHCRC yet. Once it is (sometime next week), they will add their language, and then send it back to the Board for sign-off.

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- Jennifer suggested that we get a lawyer to review the contract before sign-off. Steve indicated that there is an alumni family who has offered up their service. Steve or Nancy will follow-up with them.
- All further edits, comments, suggestions to the draft contract should be sent to Nancy and Steve by Wednesday, 5/20 at 12 PM.
- Enrollment priority was also brought up. There was concern about locking in SCCA employees at same priority as FHCRC, since we are still exploring the possibility of higher tuition for SCCA employees if they do not give any in-kind or subsidy towards FHCRC.

III. Presentation of HK Administrative Model

- Steve announced that Nancy is now officially a HK employee.
- Nancy provided overview of HK Administrative Model (handout provided).
- Nancy indicated that if we want to re-size the organization, an outside Organizational Development consultant should be considered.
- With unlimited resources, it would be fine to keep current administrative model. In our current situation, perhaps we have to consider meeting somewhere in the middle with what current industry standards are.
- If you change the Administrative Model, you end up changing the HK program and its quality.
- Babette suggested looking at ways to reduce inefficiencies so that if FTE is cut, it's not trying to squeeze same amount of work into less time.
- If we need cost savings, before reconfiguring the administrative model, we need to figure out how much we want dedicated to administrative support vs. classroom teacher support.
- Need to figure out if its hours or money that is the issue. With cut in Misti's FTE and Nancy's compensation as a HK employee, we will already have some cost savings.
- Kathy and Jennifer suggested that a revised FY10 budget be brought forth to the Board so they can see the cost-savings
- What does the Board do with this information?
- How do we communicate this to the membership?
- As a Board, we need to discuss this information and figure out at what level we want to track it and log it in (Board, Accounting/Finance, Program). Breakdown between administrative expenses vs. other staffing expenses and what percentage is ideal for HK.
- Lisa suggested logging it under Accounting/Finance and Nancy suggested it fall under Program.

IV. Tuition Rate Approval for UW/Community Members

- Jennifer sent the following in an e-mail on 5/14 to the Board: *At this time we are not ready to present/vote on what the community rates will be. There is some more research to be done about rates at comparable centers to make sure we can stay competitive for the older age groups where we currently have no one on the waiting list and where we need to try to target outside users. Nancy and I will be working on this in the near future to be presented to the board at a later date. There isn't as much urgency right now because we aren't ready to market to the community at large anyway and I believe we*

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discussed that current UW families would be grandfathered in at the current rates, unless they go down. So the current rates will stand until later this summer.

*thanks,
Jennifer*

- Take different percentages we already approved, apply those to last year's tuition rates, revise the grid, publish by June 1, and send out to the membership. Steve will send out to membership by next Friday after getting Board review on communication.

V. Endowment Fund Disbursement

- If we decide to disburse some of the fund, Nancy would wait until after 6/30/09 interest is posted.
- Jenn pointed out that the funds have been raised for the improvement of the lives of HK staff, so if we decide to use it to help continue HK operations if our financial situations calls for it, we would need to communicate that with the membership.
- Steve reviewed a few disbursement options.
- **MOTION:** Jennifer proposed disbursement at same level as last year. This would be approximately \$175 per person and it could be done in July. Lisa seconded. Motion passed.
- Nancy indicated that merit increases happen as part of employees' anniversary date (not at a given time each year). Jennifer suggested we have a separate budget meeting before the next Board meeting.

VI. Director's Update – Nancy

- Nancy talked about childcare management software HK would like to purchase now that all accounting functions formerly provided by FHCRC will be handled by HK. Assistant Director Michelle Primc has researched 5 different options, and narrowed it down to one (Child Care Manager). Software would cost about \$1895, plus yearly updates. Michelle has met with consultants and walked through a demo.
- Nancy suggested inviting the FHCRC committee that reviewed the vendor contracts to present to the Board to provide information about what was appealing to the committee from the other proposals that HKCCC could consider incorporating going forward.
- "Hutch Kids" is not trademarked. It would cost \$1000 to get a national trademark and \$500 to get a state trademark.
- Nancy asked all the Board to attend the NAEYC orientation meeting on Tuesday, 6/2 from 12-1:30 PM in J5-231.

A request was made for all materials for Board meetings to be sent out at least one week in advance of meetings to give Board members adequate time to review.

V. Action Items Summary (for next meeting):

1. All further edits to the draft contract should be sent to Nancy and Steve by Monday, 5/20 at 12 PM.
2. Nancy will follow-up with alumni parent lawyer.
3. Nancy will send a revised FY10 budget in advance of the next meeting.

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4. Steve to send new tuition rates to the Board soon, get approval and out to membership by next Friday, 5/22.
5. Schedule Budget & Playground Meeting – try to make it 5/26, 5/27, or 5/28. Kathy will send email asking about availability.
6. Board members should visit www.childcaremanager.com to read about the childcare management software.
7. Steve will send out RFP committee prioritization lists out electronically to the Board so they can start working on time critical issues.

Meeting ended at 5:16 p.m. Voting members stayed after for executive session.

Next Meeting: Monday, May 11, 2009 from 3 – 5 PM in J2-516.

Minutes submitted by: Kathy Briant

Minutes approved by: 6/8/09