

**Moody Early Childhood Center Board of Directors**  
**Board Meeting**  
**Friday, January 28, 2022 @ 1:00 p.m.**

Via Zoom

Join Zoom Meeting <https://us02web.zoom.us/j/83605027689>

Meeting ID: 836 0502 7689

**AGENDA**

1. Call to order
2. Review & Approval of December 12, 2021 and January 12, 2022 Board Meetings Minutes (enclosed)
3. Public Comment on Agenda and Non-Agenda Items
4. Committee Reports
  - a) Finance
    - i. September – December 2021 reports (enclosed)
    - ii. Finance Committee highlights (enclosed)
    - iii. Budget Revisions (enclosed with Finance Reports)
  - b) Governance and Board Development
  - c) Resource Development
  - d) Scholarship
  - e) Government Affairs
5. Executive Director's report (enclosed)
  - a) Action items to consider
    - i. Covid quarantine procedures
    - ii. EIDL Resolution
6. Adjourn to Executive Session – The board may recess into Closed Executive Session as permitted by the Texas Open Meeting Act Government Code Sections 551.071-551.090 Sub-chapter D and E. Should any final action, final decision, or final vote be required in the opinion of the Board with regard to any matter considered in such closed meeting then the final action, final decision or final vote shall be either:
  - a) in the open meeting covered by the Notice upon the reconvening of the public meeting; or
  - b) at a subsequent public meeting of the Board upon notice thereof as the board shall determine
7. Reconvene from Executive Session and take any action warranted.
8. Next Board Meeting scheduled for Friday, February 25, 2022 @ 1:00pm
9. Adjourn

**MECC Board of Directors Meeting: December 10, 2021,**

**Attendees:** Betty Massey, Jeri Kinnear, Angela Brown, Weez Doherty, Dustin Henry, Marcus Parker

**Staff:** Karin Miller

**Absent:** Amber Brown, Erica Adams, John Prochaska, Deborah Jones, Karen Ratcliff, and Chiqui Kennedy

The meeting was called to order at 1:07pm.

A quorum of the board was present.

No members of the public were present.

Motion to approve the minutes by Ms. Kinnear, seconded by Ms. Doherty. Motion passed unanimously.

Ms. Brown presented the Finance Committee submitted report which was followed by a motion by Ms. Kinnear and a second by Mr. Henry to approve report. The motion passed unanimously. Discussion of credit payment led to decision to make a \$214,000 payment in January to reduce the balance on the line of credit.

Ms. Massey asked members to spend a little time sharing their thoughts on long-range planning. GISD is starting a strategic planning process in January, which is anticipated to be completed by May. MECC’s current strategic plan ends in August 2022. Ms. Massey suggests discussion with board on process for initiating strategic planning: consultant or in-house, etc. Further discussion led to consideration of having an internal planning session in January focused on being ready to respond to GISD should the district’s planning lead to a request that MECC assume responsibility for all PreK and possibly even Kindergarten education for the district.

As part of the MECC scholarship committee, Mr. Parker and Dr. Jones met with Malia MacKenna and Irazema Garcia. Mr. Parker said several parents are having trouble with attending required courses. Ms. Miller stated that the courses are available online and that they can be taken when convenient for the parents. The online option may be more of a challenge for holding the parents accountable. Ms. Miller believes it may be a problem of the parents not being told to take the courses in the past.

Dr. Brown had drafted a letter to the members of MECC’s Professional Advisory Board advising them of the dissolution of that board and their transition to MECC Ambassadors. Although she could not attend this board meeting, Dr. Brown wanted the MECC board’s approval before she distributed the letter. By consent, the board approved the letter and its distribution.

Ms. Miller reviewed the Executive Director's report contained in the board materials, noting in particular:

\*Moody Gardens sold MECC tickets at half-price for MECC Night at the Festival of Lights.

\*Toys for Tots will be delivered next week. MECC will need a wrapping party.

\*No response from Up Bring in regards to proposal to end contract.

\*Staff is preparing for NAYEC recertification in February.

Next Board meeting: **January 28, 2022**

MECC Board meeting adjourned at 1:47 p.m.

MECC Board of Directors Meeting  
January 12, 2022

### Meeting Minutes

Present: Ms. Massey, Ms. Kinnear, Ms. Brown, Dr. Prochaska, Ms. Doherty, Dr. Brown, Mr. Parker, Dr. Ratcliff, Mr. Henry, Ms. Miller

Absent: Ms. Adams, Dr. Jones, Ms. Sanchez-Kennedy

Location: Virtual Meeting on Zoom Platform as indicated on public meeting posting.

The meeting was called to order at 1:32 pm.

No members of the public were present. A quorum of the Board is present.

Ms. Miller presented the Board with the current situation regarding number of hours of instruction MECC needs to make up for TEA requirements and reviewed a couple of proposals for the Board to consider. Option one included making up hours by extending the school day from a 3:55 pm dismissal to 4:10pm dismissal. Option two included cancelling spring break.

A motion was made to approve extending our dismissal time to 4:10pm to make up needed TEA required hours by Ms. Kinnear, seconded, by Ms. Doherty. Motion passed unanimously.

Ms. Massey updated the Board upcoming meeting dates and times.

The meeting was adjourned at 1:39 pm on a motion by Ms. Kinnear, seconded by Mr. Henry.

Respectfully submitted by Dr. John Prochaska, Board Secretary

## **MECC FINANCE MEETING JANUARY 20<sup>TH</sup> 2022 NOTES**

We received 3 reports from YPTC. Below is a summary of each.

### **FIRST REPORT:**

Angela Stephens presented us with a "**Revised August 2021 Financial Report**" for our 2020-2021 Audit.

There are several corrections listed on the MEMO page of that Report.

The committee was concerned as to why these corrections had to be made & whose fault ?

Do we pay for her time doing corrections ? **Some their fault, some ours or our software ??**

**I think we must follow-up with YPTC as to not charging us for "all" the time correcting these errors.**

First correction – **Moody Grant money** removed for last year – WHY-new change in Federal Laws about how multi-year grants were to be reported.

BEFORE-MECC reported the \$5M Moody Grant as income when we received in parts - \$1.9M each year . The "new law" requires we report the entire \$5M the year Moody approved it, with NO income from the grant in the following 4 years.

Angela Stephens said we can request Moody Foundation to add specific new wording to our grant and this problem can be changed.

Removing the Moody Grant of 1,900,000 from our 2020-2021 End of the Year report puts MECC in the RED by **\$2,068,426**. I am not sure how that bottom line will impact our grant funding in the future. But please note...all NPOs are now facing the same issue with multi-year grants.

### **Other corrections in her report:**

Income – GISD revenue increased \$65K after adjustments & accruals

Expenses – Payroll increased \$11K due to accrual issues

Contract services increased \$11K – Bill.com did not sync with QuickBooks properly

Insurance decreased - \$25K – moved to 2021-2022 for amortization

**SECOND REPORT:  
END OF THE MONTH FOR DEC. 2021 & a 4-MONTH REPORT (SEPT-DEC.)  
Note-these are Accrual reports – not Cash Reports**

**DEC. 2021 REPORT:**

Because of the Federal guide lines, the \$1.97M grant we received in Dec was recognized as a "receivable" not Revenue.

Our second PPP loan was forgiven and recognized as a "contribution"

Cash on Hand was \$\$2.25 M as of Dec. 31, 2021 (with receipt of annual \$1.9 M Moody Grant)

Some of the expenses we asked about are:

- Food Services (\$9312) Includes paying 2 wks. during Holidays when GISD does not help
- Professional Fees – (\$5425) includes YPTC & all their work on Audit and their corrections
- Educational Consultants- (\$8520) GISD has not given us this help & we pay for our own as we ready MECC for NAEYC inspection.
- Supplies – (\$7126) Asked for more of a breakdown next month – educational, janitorial, office ?
- Repairs & Maintenance –(\$16343) includes KK Cleaning & changes to meet NAEYC requirements
- Dues & Subscriptions – (\$2631) Karin said those are all about paid for the year now

**END OF THE MONTH FOR 4 MONTHS (Sept – Dec.)**

Bottom Line -4 month Loss of \$210,795. This is an "Accrual" Report, not Cash in the Bank report.

We had \$2.23M on hand at end of Dec. 2021 with the receipt of the Moody Grant.

**THIRD REPORT: Rolling Forecast 2021-2022**

Error in the report - \$8000 for the Education Consultants was placed in every month. Karin said that expense will drop to \$1000/month from Jan-Aug. -saving us \$56,000 in our Flow Chart Estimates.

*Remember the Rolling Forecast is an Estimate Only. COVID and other factors will influence our bottom line through-out this school year.*

**KARIN'S BUDGET AMENDMENTS 2<sup>ND</sup> QUARTER**

Karin presented her recommendations for Budget Amendments based on real numbers from this first quarter. She will talk about these at the finance meeting.

# MEMO

**TO:** Karin Miller, Executive Director  
**FROM:** Angela Stephens, Your Part-Time Controller, LLC  
**DATE:** January 19, 2022  
**SUBJECT:** **Revised August 2021 Financial Report for Moody Early Childhood Center**

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Attached please find the revised financial reporting package for the fiscal year ended August 31, 2021. It includes:

- Balance Sheets as of August 31, 2021 and August 31, 2020
- Income Statements & Budget Analysis for the fiscal year ended August 31, 2021 and August 31, 2020

To prepare for the fiscal year 2021 audit, YPTC scrubbed the transactions for the year and posted several journal entries to ensure the financial statements are in accordance with generally accepted accounting principles. Following are the significant (over \$10k) changes to the financial statements from the original fiscal year reports produced on September 15, 2021:

#### Balance Sheet:

- FYE 8/31/2020 audit adjustments were not posted in QBO. Therefore, contributions receivable as of 9/1/2020 was understated by \$4m with \$3.9m due from Moody Foundation in 2020 and 2021 and \$149k owed from GISD.
- Contributions receivable as of 8/31/2021 includes the \$1.9m due from Moody Foundation in received in December 2021 and \$214k due from GISD (special allotment received in November 2021).
- Prepaid expenses increased by \$21k due to fourth quarter insurance payments being moved from expense to be amortized in FY 2021/2022.

#### Income Statement:

- Revenue decreased by \$1.9m due to the Moody Foundation deposit being moved to receivables.
- GISD revenue increased by \$65k after adjustments for the FY 2020 (-\$149) and FY 2021 accruals (+\$214).
- Payroll expenses increased by \$11k due to moving employee taxes and benefits payments from the balance sheet to offset expenses and accruing payroll at the end of the fiscal year.
- Contract services and professional fees increased by \$12k due to some bills processed by through Bill.com did not sync properly with QuickBooks and were not expensed in the financials originally.
- Insurance expenses decreased by \$25k due to fourth quarter insurance payments being moved to prepaid expense to be amortized in FY 2021/2022.

If you have any questions or would like to discuss in further detail, please feel free to contact me.

**Moody Early Childhood Center**  
**Balance Sheets**  
**As of August 31, 2021 and August 31, 2020**

<b>ASSETS</b>	<b>8/31/2021</b>	<b>8/31/2020</b>
Current Assets		
Cash - Operating	\$ 239,210	\$ 108,993
Cash - Second PPP Loan	633,100	-
Cash - Professional Development	-	800
Cash - Scholarship	50,000	150,000
Cash - Capital	699	-
Cash - Money Market	27,762	674,840
Accounts Receivable	88,030	167,830
Contributions Receivable	2,180,176	2,115,564
Prepaid Expenses	24,488	22,357
Other Assets	-	1,832
Total Current Assets	<u>3,243,465</u>	<u>3,242,216</u>
Contributions Receivable	-	1,966,666
Property and Equipment		
Fixed Assets	1,063,242	1,063,242
Accumulated Depreciation	<u>(412,889)</u>	<u>(299,127)</u>
Property and Equipment, Net	<u>650,353</u>	<u>764,115</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 3,893,818</u></b>	<b><u>\$ 5,972,997</u></b>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Accounts Payable and Accrued Expenses	\$ 29,423	\$ 35,534
Payroll Liabilities	77,006	69,649
Line of Credit	283,000	295,000
Refundable Advance	<u>633,100</u>	<u>633,100</u>
Total Liabilities	<u>1,022,529</u>	<u>1,033,283</u>
Total Net Assets	<u>2,871,289</u>	<u>4,939,714</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 3,893,818</u></b>	<b><u>\$ 5,972,997</u></b>



Moody Early Childhood Center  
Income Statements & Budget Analysis  
For the Year Ended August 31, 2021

	ACTUALS		BUDGET COMPARATIVE		PRIOR YEAR COMPARATIVE	
	Year-To-Date	Year-to-Date	\$ Variance		\$ Variance	
			Favorable/		Favorable/	
			(Unfavorable)		(Unfavorable)	
<b>REVENUES</b>						
Tuition	\$ 514,110	\$ 685,080	\$ (170,970)	\$ 530,512	\$ (16,402)	
Contributions	418,760	603,000	(184,240)	373,708	45,052	
Contributions - PPP Loan Forgiven	633,100	-	633,100	-	633,100	
Contributions - Moody	-	2,202,000	(2,202,000)	5,900,000	(5,900,000)	
GISD Allotment	684,841	300,000	384,841	638,192	46,649	
Title Funds	-	-	-	36,502	(36,502)	
Federal Food Services	36,038	60,000	(23,962)	35,356	682	
Federal Child Care Subsidy	184,521	250,000	(65,479)	251,713	(67,192)	
Interest Income	2,139	-	2,139	5,775	(3,636)	
Federal Head Start Contract	94,996	193,000	(98,004)	-	94,996	
Other Income	11,918	21,400	(9,482)	24,294	(12,376)	
<b>TOTAL REVENUES</b>	<b>2,580,423</b>	<b>4,314,480</b>	<b>(1,734,057)</b>	<b>7,796,052</b>	<b>(5,215,629)</b>	
<b>EXPENSES</b>						
Payroll and Related Expenses	3,794,067	4,112,177	318,110	3,332,970	(461,097)	
Food Services	37,341	143,000	105,659	66,834	29,493	
Transportation	39,729	76,000	36,271	44,333	4,604	
Family Engagement	1,692	3,000	1,308	2,586	894	
Professional Development Charges	26,662	-	(26,662)	74,238	47,576	
Board Expenses	863	1,200	337	1,087	224	
Contract Services and Professional Fees	179,122	205,000	25,878	293,779	114,657	
Supplies	108,462	68,000	(40,462)	71,039	(37,423)	
Repairs and Maintenance	89,500	10,000	(79,500)	31,545	(57,955)	
COVID-19 Expenses	76,161	60,000	(16,161)	63,057	(13,104)	
Depreciation	113,762	-	(113,762)	100,806	(12,956)	
Insurance	39,965	40,000	35	40,236	271	
Fundraising	495	-	(495)	-	(495)	
Interest Expense	10,500	18,000	7,500	16,090	5,590	
Printing and Postage	16,231	10,000	(6,231)	14,602	(1,629)	
Dues and Subscriptions	19,587	16,250	(3,337)	15,607	(3,980)	
Bank Fees	9,001	13,000	3,999	10,877	1,876	
Utilities	41,629	99,250	57,621	67,256	25,627	
Travel	2,527	5,000	2,473	5,791	3,264	
Information Technology	13,941	-	(13,941)	4,211	(9,730)	
Marketing	13,245	12,500	(745)	16,642	3,397	
Other Expenses	14,367	11,500	(2,867)	19,318	4,951	
<b>TOTAL EXPENSES</b>	<b>4,648,849</b>	<b>4,903,877</b>	<b>255,028</b>	<b>4,292,904</b>	<b>(355,945)</b>	
<b>TOTAL NET INCOME (LOSS)</b>	<b>(2,068,426)</b>	<b>(589,397)</b>	<b>(1,479,029)</b>	<b>3,503,148</b>	<b>(5,571,574)</b>	

<b>Moody Early Childhood Center</b>			
<b>Budget Amendment - 2nd quarter</b>			
	<b>2122 Budget</b>	<b>Amendment</b>	
<b>REVENUES</b>			
Tuition	\$ 550,000	\$533,500	
Contributions	300,000	\$300,000	
Contributions - PPP Loan Forgiven	-	\$633,100	
Contributions - Moody	1,900,000	\$1,900,000	
Grants			
GISD Allotment	905,816	\$914,874	
Title Funds			
Federal Food Services	60,000	\$36,000	
Federal Child Care Subsidy	215,000	\$225,750	
Interest Income	7,000	\$2,400	
Federal Head Start Contract	285,000	\$100,000	
Other Income	15,000	\$15,000	
<b>TOTAL REVENUES</b>	<b>\$ 4,237,816</b>	<b>\$4,660,624</b>	
<b>EXPENSES</b>			
Payroll and Related Expenses	4,184,407	\$4,100,719	
Food Services	30,000	\$45,000	
Transportation			
Family Engagement	3,000	\$3,450	
Occupancy			
Professional Development Charges		\$15,000	
Board Expenses	5,000	\$4,000	
Professional Fees	100,000	\$112,000	
Educational Consultants	11,500	\$25,000	
Supplies	83,500	\$78,908	
Repairs and Maintenance	160,000	\$151,200	
COVID-19 Expenses	54,000	\$67,500	
Depreciation			
Insurance	45,000	\$40,500	
Fundraising			
Interest Expense	10,000	\$6,500	
Printing and Postage	17,500	\$11,375	
Dues and Subscriptions	17,300	\$14,000	
Bank Fees	5,500	\$6,600	
Utilities			Reimbursement requested
Travel	5,000	\$7,500	
Information Technology	8,500	\$10,200	
Marketing	5,000	\$6,000	
Other Expenses	16,000	\$18,400	
<b>TOTAL EXPENSES</b>	<b>4,761,207</b>	<b>\$4,723,851</b>	
<b>TOTAL NET INCOME (LOSS)</b>	<b>523,391</b>	<b>\$63,227</b>	

# MEMO

**TO:** Karin Miller, Executive Director  
**FROM:** Angela Stephens, Your Part-Time Controller, LLC  
**DATE:** January 19, 2022  
**SUBJECT:** **December 2021 Financial Report for Moody Early Childhood Center**

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Attached please find the financial reporting package for the four months ended December 31, 2021. It includes:

- Balance Sheets as of December 31, 2021 and December 31, 2020
- Income Statements & Budget Analysis for the month ended December 31, 2021 and December 31, 2020
- Income Statements & Budget Analysis for the four months ended December 31, 2021 and December 31, 2020
- Statements of Cash Flows for the four months ended December 31, 2021 and December 31, 2020
- Rolling Forecast – 2021/2022

## **Executive Summary:**

MECC received the \$1.97m annual grant payment from the Moody Foundation in December. Because the full amount of the 2020 3-year \$5m grant was recognized as revenue in the fiscal year 2020 audit, the contribution was applied to the receivable instead of being booked as revenue.

The second PPP loan has been forgiven by the SBA and \$633k was moved to revenue in December.

## **Year-to-Date Financial Highlights:**

- Total Revenue of \$1.44m was below budgeted levels of \$2.68m by \$1.24m and above fiscal 2021 Total Revenue of \$379k due to the transactions discussed in the Executive Summary above as well as \$150k received from the Permanent Endowment Fund for Scholarship funding that was not budgeted.
  - The special allotment of \$214k from Galveston ISD for the 2018/2019 school year was booked as a receivable for fiscal year 2021 and is no longer in current year revenue.
  - The Head Start Contract ended on January 14, 2022.
- Total Expenses of \$1.61m (excluding depreciation) were \$67k over budgeted levels of \$1.58m. Significant variances are explained as follows:
  - Educational consultant fees over budget by \$24k due to timing as S.B. Consultants prepped rooms for new teachers.
  - Food services over budget by \$11k due to contractors paid to supply food for the holidays.
- Cash on hand ended at \$2.25m as of December 31<sup>st</sup>. The current forecast predicts cash on hand to be \$227k as of August 31<sup>st</sup>.

If you have any questions or would like to discuss in further detail, please feel free to contact me.

**Moody Early Childhood Center**  
**Balance Sheets**  
**As of December 31, 2021 and December 31, 2020**

<b>ASSETS</b>	<b>December 31, 2021</b>	<b>December 31, 2020</b>
Cash - Operating	\$ 596,766	\$ 332,872
Cash - Professional Development	-	800
Cash - Scholarship	120,000	100,000
Cash - Capital	699	-
Cash - Money Market	1,533,676	1,650,930
Accounts Receivable, net	(10,385)	37,717
Contributions Receivable	-	1,966,666
Prepaid Expenses	17,147	15,246
Other Assets	9,900	9,356
Total Current Assets	<u>2,267,803</u>	<u>4,113,587</u>
Fixed Assets	1,063,243	1,063,243
Accumulated Depreciation	<u>(449,539)</u>	<u>(337,903)</u>
Total Fixed Assets, Net	<u>613,704</u>	<u>725,340</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 2,881,507</u></u>	<u><u>\$ 4,838,927</u></u>
 <b>LIABILITIES AND NET ASSETS</b>		
Accounts Payable and Accrued Expenses	\$ 92,410	\$ 30,171
Payroll Liabilities	58,601	76,352
Line of Credit	70,002	293,269
Refundable Advance	-	<u>633,100</u>
Total Liabilities	<u>221,013</u>	<u>1,032,892</u>
Total Net Assets	<u>2,660,494</u>	<u>3,806,035</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 2,881,507</u></u>	<u><u>\$ 4,838,927</u></u>

Moody Early Childhood Center  
Income Statements & Budget Analysis  
For the Month Ended December 31, 2021

	BUDGET COMPARATIVE				PRIOR YEAR COMPARATIVE		
	Current Month	Current Month	\$ Variance		Current Month	\$ Variance	
			Favorable/ (Unfavorable)	% Variance		Favorable/ (Unfavorable)	% Variance
<b>REVENUES</b>							
Tuition	\$ 45,319	\$ 45,833	\$ (514)	-1%	\$ 44,113	\$ 1,206	3%
Contributions	1,064	25,000	(23,936)	-96%	16,673	(15,609)	-94%
Contributions - PPP Loan Forgiven	633,100	-	633,100	100%	-	633,100	100%
Contributions - Moody	-	1,900,000	(1,900,000)	-100%	-	-	0%
GISD Allotment	76,492	75,485	1,007	1%	47,678	28,814	60%
Federal Food Services	1,622	5,000	(3,378)	-68%	1,466	156	11%
Federal Child Care Subsidy	21,833	17,917	3,916	22%	14,262	7,571	53%
Interest Income	42	583	(541)	-93%	195	(153)	-78%
Federal Head Start Contract	9,931	23,750	(13,819)	-58%	-	9,931	100%
Other Income	300	1,250	(950)	-76%	536	(236)	-44%
<b>TOTAL REVENUES</b>	<b>789,703</b>	<b>2,094,818</b>	<b>(1,305,115)</b>	<b>-62%</b>	<b>124,923</b>	<b>664,780</b>	<b>532%</b>
<b>EXPENSES</b>							
Payroll and Related Expenses	372,819	348,701	(24,118)	-7%	530,000	157,181	30%
Food Services	9,312	2,500	(6,812)	-272%	8,140	(1,172)	-14%
Family Engagement	2,203	250	(1,953)	-781%	810	(1,393)	-172%
Professional Development	1,149	-	(1,149)	-100%	720	(429)	-100%
Board Expenses	-	417	417	100%	-	-	0%
Professional Fees	5,425	6,667	1,242	19%	10,904	5,479	50%
Educational Consultants	8,520	958	(7,562)	-789%	14,450	5,930	41%
Supplies	7,126	6,958	(168)	-2%	6,204	(922)	-15%
Repairs and Maintenance	16,343	13,333	(3,010)	-23%	829	(15,514)	-1871%
COVID-19 Expenses	6,311	4,500	(1,811)	-40%	557	(5,754)	-1033%
Depreciation	9,162	-	(9,162)	-100%	9,748	586	6%
Insurance	3,440	3,750	310	8%	4,249	809	19%
Fundraising	-	-	-	0%	99	99	100%
Interest Expense	1,002	833	(169)	-20%	1,044	42	4%
Printing and Postage	630	1,458	828	57%	640	10	2%
Dues and Subscriptions	2,631	1,442	(1,189)	-82%	1,239	(1,392)	-112%
Bank Fees	328	458	130	28%	297	(31)	-10%
Utilities	5,315	-	(5,315)	-100%	-	(5,315)	-100%
Travel	813	417	(396)	-95%	-	(813)	-100%
Information Technology	1,705	708	(997)	-141%	223	(1,482)	-665%
Marketing	376	417	41	10%	-	(376)	-100%
Other Expenses	1,836	1,333	(503)	-38%	817	(1,019)	-125%
<b>TOTAL EXPENSES</b>	<b>456,446</b>	<b>395,101</b>	<b>(61,345)</b>	<b>-16%</b>	<b>590,970</b>	<b>134,524</b>	<b>23%</b>
<b>TOTAL NET INCOME (LOSS)</b>	<b>\$ 333,257</b>	<b>\$ 1,699,717</b>	<b>\$ (1,366,460)</b>	<b>-80%</b>	<b>\$ (466,047)</b>	<b>\$ 799,304</b>	<b>172%</b>

Moody Early Childhood Center  
Income Statements & Budget Analysis  
For the Four Months Ended December 31, 2021

	ACTUALS		BUDGET COMPARATIVE			PRIOR YEAR COMPARATIVE		
	Year-To-Date	Year-to-Date	\$ Variance		Year-To-Date	\$ Variance		
			Favorable/ (Unfavorable)	% Variance		Favorable/ (Unfavorable)	% Variance	
<b>REVENUES</b>								
Tuition	\$ 175,179	\$ 183,333	\$ (8,154)	-4%	\$ 159,756	\$ 15,423	10%	
Contributions	195,940	100,000	95,940	96%	44,430	151,510	341%	
Contributions - PPP Loan Forgiven	633,100	-	633,100	100%	-	633,100	100%	
Contributions - Moody	-	1,900,000	(1,900,000)	-100%	-	-	0%	
GISD Allotment	305,966	301,939	4,027	1%	103,371	202,595	196%	
Federal Food Services	12,447	20,000	(7,553)	-38%	3,477	8,970	258%	
Federal Child Care Subsidy	74,938	71,667	3,271	5%	66,502	8,436	13%	
Interest Income	201	2,333	(2,132)	-91%	348	(147)	-42%	
Federal Head Start Contract	25,490	95,000	(69,510)	-73%	-	25,490	100%	
Other Income	10,303	5,000	5,303	106%	870	9,433	1084%	
<b>TOTAL REVENUES</b>	<b>1,433,564</b>	<b>2,679,272</b>	<b>(1,245,708)</b>	<b>-46%</b>	<b>378,754</b>	<b>1,054,810</b>	<b>278%</b>	
<b>EXPENSES</b>								
Payroll and Related Expenses	1,367,243	1,394,802	27,559	2%	1,281,576	(85,667)	-7%	
Food Services	20,842	10,000	(10,842)	-108%	13,103	(7,739)	-59%	
Family Engagement	2,488	1,000	(1,488)	-149%	810	(1,678)	-207%	
Professional Development	5,035	-	(5,035)	-100%	3,572	(1,463)	-41%	
Board Expenses	315	1,667	1,352	81%	-	(315)	-100%	
Professional Fees	18,935	26,667	7,732	29%	29,603	10,668	36%	
Educational Consultants	27,512	3,833	(23,679)	-618%	53,732	26,220	49%	
Supplies	30,281	27,833	(2,448)	-9%	35,441	5,160	15%	
Repairs and Maintenance	50,383	53,333	2,950	6%	3,844	(46,539)	-1211%	
COVID-19 Expenses	24,689	18,000	(6,689)	-37%	23,869	(820)	-3%	
Depreciation	36,650	-	(36,650)	-100%	38,776	2,126	5%	
Insurance	13,575	15,000	1,425	10%	16,624	3,049	18%	
Fundraising	-	-	-	0%	396	396	100%	
Interest Expense	4,076	3,333	(743)	-22%	3,268	(808)	-25%	
Printing and Postage	2,993	5,833	2,840	49%	2,169	(824)	-38%	
Dues and Subscriptions	11,632	5,767	(5,865)	-102%	5,073	(6,559)	-129%	
Bank Fees	2,167	1,833	(334)	-18%	3,069	902	29%	
Utilities	7,022	-	(7,022)	-100%	(8,000)	15,022	188%	
Travel	1,171	1,667	496	30%	-	(1,171)	-100%	
Information Technology	5,729	2,833	(2,896)	-102%	1,029	(4,700)	-457%	
Marketing	3,090	1,667	(1,423)	-85%	329	(2,761)	-839%	
Other Expenses	8,531	5,333	(3,198)	-60%	4,150	(4,381)	-106%	
<b>TOTAL EXPENSES</b>	<b>1,644,359</b>	<b>1,580,401</b>	<b>(63,958)</b>	<b>-4%</b>	<b>1,512,433</b>	<b>(131,926)</b>	<b>-9%</b>	
<b>TOTAL NET INCOME (LOSS)</b>	<b>\$ (210,795)</b>	<b>\$ 1,098,871</b>	<b>\$ (1,309,666)</b>	<b>-119%</b>	<b>\$ (1,133,679)</b>	<b>\$ 922,884</b>	<b>81%</b>	

**Moody Early Childhood Center****Statements of Cash Flows****For the Four Months Ended December 31, 2021 and December 31, 2020**

	<u>Year-to-Date December 31, 2021</u>	<u>Year-to-Date December 31, 2020</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Total Net Income (Loss)	\$ (210,795)	\$ (1,133,679)
<b>Adjustments to Reconcile Total Net Income (Loss) to Net Cash (Used)/Provided by Operating Activities:</b>		
Depreciation	36,650	38,776
<b>Changes in Operating Assets and Liabilities:</b>		
Accounts Receivable	98,415	130,115
Contributions Receivable	2,180,176	2,115,564
Prepaid and Other Current Assets	(2,559)	(413)
Accounts Payable and Accrued Expenses	<u>44,581</u>	<u>1,338</u>
<b>Net Cash (Used)/Provided by Operating Activities</b>	<u>2,146,468</u>	<u>1,151,701</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Refundable Advance	(633,100)	-
Line of Credit Draw/(Repayment)	<u>(212,998)</u>	<u>(1,732)</u>
<b>Net Cash Provided/(Used) by Financing Activities</b>	<u>(846,098)</u>	<u>(1,732)</u>
<b>CHANGE IN CASH [increase/(decrease)]</b>	<u>1,300,370</u>	<u>1,149,969</u>
Cash, Beginning of Period	<u>950,771</u>	<u>934,633</u>
<b>Cash, End of Period</b>	<u>\$ 2,251,141</u>	<u>\$ 2,084,602</u>

Moody Early Childhood Center  
Rolling Forecast - 2021/2022

	FORECAST											
	Aug-22	Jul-22	Jun-22	May-22	Apr-22	Mar-22	Feb-22	Jan-22	Dec-21	Nov-21	Oct-21	Sep-21
<b>REVENUES</b>												
Tuition	45,833	45,833	45,833	45,833	45,833	45,833	45,833	25,000	45,319	42,795	46,598	40,466
Contributions	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	1,064	37,241	5,135	152,500
Contributions - PPP Loan Forgiveness	-	-	-	-	-	-	-	-	633,100	-	-	-
GISD Allowment	76,492	76,492	76,492	76,492	76,492	76,492	76,492	76,492	76,492	76,492	76,492	76,492
Federal Food Services	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	1,845	1,845	1,804	7,176
Federal Child Care Subsidy	17,917	17,917	17,917	17,917	17,917	17,917	17,917	17,917	21,833	20,513	15,908	16,684
Interest Income	30	30	30	30	30	30	30	30	42	30	31	98
Federal Head Start Contract	-	-	-	-	-	-	-	-	9,931	8,938	-	6,821
Other Income	500	500	500	500	500	500	500	500	9,485	9,485	180	339
<b>TOTAL REVENUES</b>	<b>170,772</b>	<b>170,772</b>	<b>170,772</b>	<b>170,772</b>	<b>170,772</b>	<b>170,772</b>	<b>170,772</b>	<b>148,939</b>	<b>789,703</b>	<b>197,339</b>	<b>148,148</b>	<b>300,376</b>
<b>EXPENSES</b>												
Payroll and Related Expenses	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	372,819	402,717	299,950	291,757
Food Services	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	9,312	5,233	2,557	3,739
Family Engagement	250	250	250	250	250	250	250	250	2,203	1,790	635	285
Professional Development	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,149	-	-	1,461
Board Expenses	-	-	-	-	-	-	-	-	-	-	-	315
Professional Fees	5,000	5,000	5,000	5,000	5,000	5,000	5,000	6,000	5,425	4,900	4,340	4,270
Educational Consultants	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,520	300	8,095	10,597
Supplies	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	7,128	8,086	9,140	5,928
Repairs and Maintenance	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	16,343	10,656	13,908	9,478
COVID-19 Expenses	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,311	5,912	7,812	4,853
Insurance	3,440	3,440	3,440	3,440	3,440	3,440	3,440	3,440	3,440	3,440	3,440	3,255
Interest Expense	700	700	700	700	700	700	700	700	1,002	1,036	1,002	1,036
Printing and Postage	600	600	600	600	600	600	600	600	546	546	828	991
Dues and Subscriptions	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	2,631	2,545	2,476	3,979
Bank Fees	300	300	300	300	300	300	300	300	328	285	250	1,303
Utilities	-	-	-	-	-	-	-	-	5,315	-	-	1,708
Travel	-	-	-	-	-	-	-	-	813	-	-	358
Information Technology	800	800	800	800	800	800	800	800	1,082	1,082	345	2,586
Marketing	500	500	500	500	500	500	500	500	376	-	1,830	884
Other Expenses	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,836	4,690	1,183	825
<b>TOTAL EXPENSES</b>	<b>402,890</b>	<b>402,890</b>	<b>402,890</b>	<b>402,890</b>	<b>402,890</b>	<b>402,890</b>	<b>402,890</b>	<b>403,890</b>	<b>447,284</b>	<b>453,228</b>	<b>357,589</b>	<b>349,604</b>
<b>TOTAL NET INCOME (LOSS)</b>	<b>\$(232,118)</b>	<b>\$(232,118)</b>	<b>\$(232,118)</b>	<b>\$(232,118)</b>	<b>\$(232,118)</b>	<b>\$(232,118)</b>	<b>\$(232,118)</b>	<b>\$(253,951)</b>	<b>\$ 342,419</b>	<b>\$(255,889)</b>	<b>\$(211,441)</b>	<b>\$(49,228)</b>
<b>CASH FLOW ADJUSTMENTS:</b>												
Net Income	(232,118)	(232,118)	(232,118)	(232,118)	(232,118)	(232,118)	(232,118)	(253,951)	342,419	(255,889)	(211,441)	(49,228)
Change in Receivables	-	-	-	-	-	-	-	-	1,959,694	230,088	(9,923)	98,752
Change in Other Current Assets	-	-	-	-	-	-	-	-	3,440	2,060	2,060	(10,119)
Change in Payables	-	-	-	-	-	-	-	-	84,733	(7,336)	(4,638)	(9,760)
Change in Other Current Liabilities	-	-	-	-	-	-	-	-	35,955	22,647	-	(77,006)
Change in Loans	(1,357)	(1,357)	(1,357)	(1,357)	(1,357)	(1,357)	(1,357)	(1,357)	(846,098)	-	-	-
<b>NET CASH FLOW</b>	<b>(233,475)</b>	<b>(233,475)</b>	<b>(233,475)</b>	<b>(233,475)</b>	<b>(233,475)</b>	<b>(233,475)</b>	<b>(233,475)</b>	<b>(255,308)</b>	<b>1,560,143</b>	<b>(6,450)</b>	<b>(223,642)</b>	<b>(47,361)</b>



Moody Early Childhood Center  
Rolling Forecast - 2021/2022

	ACTUAL				FORECAST							
	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22
Beginning, Checking	239,210	335,131	162,160	184,716	596,767	341,459	807,983	554,508	321,032	487,557	254,081	210,606
Deposits/(Withdrawals)	(196,387)	(222,971)	(27,444)	412,051	(255,308)	(233,475)	(253,475)	(233,475)	(233,475)	(233,475)	(343,475)	(238,475)
Transfer from/(to) Scholarship	-	50,000	50,000	-	-	-	-	-	-	-	-	-
Transfer from/(to) Money Market	292,308	-	-	-	-	700,000	-	-	400,000	-	300,000	-
Ending, Checking	335,131	162,160	184,716	596,767	341,459	807,983	554,508	321,032	487,557	254,081	210,606	(27,870)
<b>Beginning, Money Market</b>	<b>660,862</b>	<b>367,560</b>	<b>366,589</b>	<b>365,583</b>	<b>1,533,675</b>	<b>1,533,675</b>	<b>833,675</b>	<b>833,675</b>	<b>833,675</b>	<b>433,675</b>	<b>433,675</b>	<b>133,675</b>
MM Deposits/(Withdrawals)	(994)	(971)	(1,006)	1,168,092	-	(700,000)	-	-	(400,000)	-	(300,000)	-
Transfer from/(to) Checking	(292,308)	-	-	-	-	-	-	-	-	-	-	-
Ending, Money Market	367,560	366,589	365,583	1,533,675	1,533,675	833,675	833,675	833,675	433,675	433,675	133,675	133,675
Beginning, Scholarship & Capital	50,699	200,699	150,699	120,699	120,699	120,699	120,699	120,699	120,699	120,699	120,699	120,699
Scholarship Deposit/(Draw)	150,000	(50,000)	(30,000)	-	-	-	-	-	-	-	-	-
Ending, Scholarship & Capital	200,699	150,699	120,699	120,699	120,699	120,699	120,699	120,699	120,699	120,699	120,699	120,699
Beginning, Total Cash	950,771	903,390	679,448	670,998	2,251,141	1,995,833	1,762,357	1,508,882	1,275,406	1,041,931	808,455	464,980
Checking Deposits/(Withdrawals)	(196,387)	(222,971)	(27,444)	412,051	(255,308)	(233,475)	(253,475)	(233,475)	(233,475)	(233,475)	(343,475)	(238,475)
MM Deposits/(Withdrawals)	(994)	(971)	(1,006)	1,168,092	-	-	-	-	-	-	-	-
Scholarship Deposit/(Draw)	150,000	-	20,000	-	-	-	-	-	-	-	-	-
Ending, Total Cash	903,390	679,448	670,998	2,251,141	1,995,833	1,762,357	1,508,882	1,275,406	1,041,931	808,455	464,980	226,504

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*"Giving all Galveston children the opportunity to soar"*

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**MECC: Executive Director  
Board Report  
January 28, 2022**

**A. Enrollment/Recruitment**

**i. Enrollment**

1. 135 PK
  - 83% Low SES
  - 17% Full Pay
2. 77 Infant/Toddler
  - 53% Low SES
  - 47% Full Pay

**ii. Recruitment**

1. PK registration beginning in March
  - Flyers/Banners/Signs
  - Neighborhood canvassing

**iii. Items**

1. Audit
2. Child Care Relief Funding (CCRF)
3. COVID quarantine for staff
  - Workman's Comp If exposed on site
  - 5 days given to all staff who have to be quarantined due to a school exposure
  - Will not go against their PTO
  - 2 exposures max
  - Action Item
4. EIDL Loan
  - 2.75% interest (LOC currently at 4.25%)
  - \$2 million max
  - 2 year deferred payments
  - 30-year loan
  - Board Resolution
  - Action Item



U.S. Small Business Administration

**RESOLUTION AND CERTIFICATION OF  
Moody Early Childhood Center**

(print or type Name of Business)

(1) RESOLVED, that the officers/owners of Moody Early Childhood Center  
(name of Business) (hereinafter referred to as "Organization") named below, or any one of them, or their, or any one of their, duly elected or appointed successors in office, be and they are hereby authorized and empowered in the name and on behalf of this Organization to execute and deliver to the Small Business Administration, an agency of the Government of the United States of America (hereinafter called "SBA"), in the form required by SBA, the following documents:

(a) Application for a loan or loans, the total thereof not to exceed in the principal amount of \$2,000,000.00, maturing upon such date or dates and bearing interest at such rate or rates as may be prescribed by SBA; (b) Applications for any renewals or extensions of all or any part of such loan or loans and of any other loans, heretofore or hereafter made by SBA to this Organization; (c) the Note or Notes of this Organization evidencing such loan or loans or any renewals or extensions thereof; and (d) any other Instruments or Agreements of this Organization which may be required by SBA in connection with such loans, renewals, and/or extensions; and that said officers in their discretion may accept any such loan or loans in installments and give one or more Notes of this Organization therefore, and may receive and endorse in the name of this Organization any checks or drafts representing such loan or loans or any such installments; (e) sign Guarantee of loan or loans in the principal amount of SBA Loan.

(2) FURTHER RESOLVED, that the aforesaid officers/owners or any one of them, or their duly elected or appointed successors in office, be and they are hereby authorized and empowered to do any acts, including but not limited to the mortgage, pledge, or hypothecation from time to time with SBA of any or all assets of this Organization to secure such loan or loans, renewals and extensions, and to execute in the name and on behalf of this Organization or otherwise, any Instruments or Agreements deemed necessary or proper by SBA, in respect of the collateral securing any indebtedness of this Organization;

(3) FURTHER RESOLVED, that any indebtedness heretofore contracted, and any Contracts or Agreements heretofore made with SBA on behalf of this Organization, and all acts of officers or agents of this Organization in connection with said indebtedness or said Contracts or Agreements, are hereby ratified and confirmed.

(4) FURTHER RESOLVED, that the officers/owners referred to in the foregoing resolutions are as follows (add additional pages, if more than three (3) officers/owners required):

<u>Betty Massey</u> (Name)	<u>Board President</u> (Title)
<u>Jeri Kinnear</u> (Name)	<u>Board Vice President</u> (Title)
<u>Angela Brown</u> (Name)	<u>Board Treasurer</u> (Title)

(5) FURTHER RESOLVED, that SBA is authorized to rely upon the aforesaid resolutions until receipt of written notice of any change.

I HEREBY CERTIFY that the foregoing is a true and correct copy of a resolution regularly presented to and adopted by the authorized representatives of Moody Early Childhood Center (name of Business Entity) at a meeting duly called and held at which a quorum was present and voted, and that such resolution is duly recorded in the minute book of this organization; that the officers named in said resolution have been duly elected or appointed to, and are the present incumbents of, the respective offices set after their respective names.

Dr. John Prochaska/Board Secretary  
Name / Title of Certifier

1/28/2022  
Date Resolution Approved

Signature