

CITY OF VALDEZ

GRANT FUNDING REQUEST FOR COMMUNITY SERVICE ORGANIZATIONS

APPLICATION CHECKLIST

This checklist is simply for your use in preparation of your application packet. It is not a part of the packet to be copied and submitted.

You are encouraged to check and double check your facts and figures prior to making your copies. Packets that omit any of the requested information or that contain errors in calculations **WILL BE RETURNED TO THE APPLICANT** for correction and resubmission. The ensuing delay may jeopardize your application for funding.

A COMPLETE APPLICATION PACKET INCLUDES:

- _____ 501(c)(3) tax exempt status letter
- _____ Proof of Insurance as required per application
- _____ Funding Request/Certification form (labeled page 1)
- _____ Recent Total Organization Financial Statement (labeled page 2)
- _____ Copy of Prior Three Prior Years' Balance Sheets (labeled page 3)
- _____ Current Operating Budget for Total Organization (labeled page 4)
- _____ Copy of Proposed 2020 Budget (labeled page 5)
- _____ Program Information forms (labeled pages 6, 7, and 8)
- _____ Operating Expenses of Proposed Program/Budget form #1 (labeled page 9)
- _____ Funding Sources for Proposed Program/Budget form #2 (labeled page 10)
- _____ Scope of Services form (labeled page 11)
- _____ Additional pages submitted by agency (label page numbers accordingly)
- _____ Copy of Balance Sheet and Profit and Loss as of 6/30/2019

REMINDER: You must submit **one (1) DOUBLE SIDED COPY OF COMPLETE PACKET** and a **COMPLETE PDF FILE** before the deadline. Late submissions will not be considered for funding.

DEADLINE: **5:00 p.m., Friday, August 23rd, 2019**
Early submissions are accepted and encouraged!

Thank you for your submission.

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **NOV 17 2017**

STEPPING STONES LEARNING CENTER INC
PO BOX 1558
VALDEZ, AK 99686-0000

Employer Identification Number:
82-3070865
DLN:
26053706001157
Contact Person:
CUSTOMER SERVICE ID# 31954
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
December 31
Public Charity Status:
170(b)(1)(A)(vi)
Form 990/990-EZ/990-N Required:
Yes
Effective Date of Exemption:
October 01, 2017
Contribution Deductibility:
Yes
Addendum Applies:
No

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a public charity under the IRC Section listed at the top of this letter.

If we indicated at the top of this letter that you're required to file Form 990/990-EZ/990-N, our records show you're required to file an annual information return (Form 990 or Form 990-EZ) or electronic notice (Form 990-N, the e-Postcard). If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.



WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY
INFORMATION PAGE

Original Printing

Issued October 30, 2018

Standard

Type : Stock

Markel Insurance Company
Ten Parkway North
Deerfield, IL 60015

NCCI Carrier Code:22616

Policy Number:

MWC0137477-01

Renewal of Policy:

Rewrite of Policy:

Fein # / Risk ID #:

823070865 /

1. The Insured's Name and Mailing address:

Stepping Stones Leaning Center
PO Box 1558
Valdez, AK 99686-1558
9072555171

DBA Name:

SIC CODE: 8351

Other work place not shown above: See Attached Location Schedule

**Type of
entity:**

Nonprofit

2. The policy period is from 11/16/2018 to 11/16/2019 [12.01 AM Standard Time] at the insured's mailing address.

3. A. Workers Compensation Insurance: Part One of this policy applies to the Workers

Compensation Law of the states listed here: ALASKA

B. Employers liability Insurance: Part Two of this policy applies to work in each state listed in Item 3A.

The limits of our liability under Part Two are:

Bodily Injury by Accident:	\$ 100,000	each accident
Bodily Injury by Disease:	\$ 500,000	policy limit
Bodily Injury by Disease:	\$ 100,000	each employee

C. Other States Insurance: Part Three of this policy applies to the states, if any, listed here

All states except those listed in Item 3A of the Information Page and the following states or territories: District of Columbia, ID, MT, NY, ND, OH, OR, WA, WY, Puerto Rico and US Virgin Islands.

D. California Endorsements and Schedules

Other State Endorsements and Schedules:

MDWC1001, MWC 1201, WC000000C, WC000308, WC000310, WC000404, WC000406A, WC000414, WC000419, WC000422B, WC000425, WC540301, WC540601A, WC540602, Form 54-2, MJWC1000, MIL 1214, MPIL 1083, MPIL 1007

4. The premium for this policy will be determined by our Manual of Rules, Classifications, Rates and Rating Plans. All Information required is subject to verification and change by audit.

Minimum Premium: 423.00

Deposit Premium: \$713.00

Total Estimated Annual Premium: \$4,687.00
Pay plan: 10-Pay- 15%

Producer: CHI of Alaska, Inc.
507 W Northern Lights Blvd 907-276-7667
Anchorage AK 99503

Countersigned By:

Date: 10/30/2018

Servicing office:

Markel Service, Inc., (888) 500-3344
Central Park Plaza, 222 South 15th Street, Suite 1500N
Omaha, NE 68102-1680

(See extension of information page for class code, rate and premium detail)

THIS INFORMATION PAGE WITH THE WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY AND ENDORSEMENTS, IF ANY ISSUED TO FORM A PART THEREOF, COMPLETES THE ABOVE NUMBERED POLICY

MDWC 1001 05 10



008012-013279-43679915-10302018



MWC0137477-01

**COMMERCIAL GENERAL LIABILITY POLICY DECLARATIONS**

POLICY NUMBER: CCP20039041-01

RENEWAL OF NUMBER: CCP20039041-00

Named Insured And Mailing Address (No., Street, Town or City, County, State, Zip Code)

Stepping Stones Learning Center, Inc.

DBA: Stepping Stones Learning Center

PO Box 1558

Valdez, AK 99686

Policy Period: From 12/01/2018 To 12/01/2019, at 12:01 A.M. Standard Time at your mailing address shown above**IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.**

Limits Of Insurance			
General Aggregate Limit (Other Than Products-Completed Operations)	\$	<u>\$2,000,000</u>	
Products-Completed Operations Aggregate Limit	\$	<u>\$2,000,000</u>	
Personal And Advertising Injury Limit	\$	<u>\$1,000,000</u>	
Each Occurrence Limit	\$	<u>\$1,000,000</u>	
Damage To Premises Rented To You Limit	\$	<u>\$100,000</u>	Any One Premises
Medical Expense Limit	\$	<u>\$10,000</u>	Any One Person

Retroactive Date (CG 00 02 Only) N/A In New York

This Insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" which occurs before the Retroactive Date, if any, shown below.

Retroactive Date: None
(Enter Date Or "None" If No Retroactive Date applies)**Business Description And Location Of Premises**

Form Of Business: Corporation

Business Description: Child Care Center

Location Of All Premises You Own, Rent Or Occupy:

REFER TO "COMMERCIAL GENERAL LIABILITY EXTENSION OF DECLARATIONS"**Producer Number, Name And Mailing Address**

57432

CHI of Alaska Inc

507 W Northern Lights Blvd.

Anchorage, AK 99503

III

GRANT FUNDING REQUEST FOR COMMUNITY SERVICE ORGANIZATIONS

2020 FUNDING REQUEST/CERTIFICATION FORM

ORGANIZATION NAME: Stepping Stones Learning Center PHONE: 907-835-5160
 ADDRESS: 212 Tatitlek Ave., PO Box 1558, Valdez, AK ZIP: 99686
 CONTACT PERSON: Kelly Brown PHONE: 907-831-6137
 CONTACT PERSON E-MAIL: kellybrown@cvalaska.net
 PROGRAM TITLE: Stepping Stones Learning Center
 FUNDING REQUEST FOR 2020: \$90,000.00

1. Non-Profit Corporation? Yes x No
 Date of incorporation: 01 October 2017 Federal Tax ID #: 82-3070865
2. Organization's estimated TOTAL 2020 operating budget: \$ 402,071.00
3. Historical Funding and Membership Information

	Total CSO Budget	City Funding	City % of Total	# of Members
2016	N/A	N/A	N/A	N/A
2017	\$40,360.00	\$34,000.00	84%	
2018	\$276,117.00	\$30,000.00	11%	
2019	\$401,710.00	\$90,000.00	22%	

4. What was previous grant funding used for? Be specific.

2019 grant funding was initially "earmarked" for: professional development, contractual services, fund raising and grant writing efforts. In reality, 100% of the City grant funding went towards operational costs, including; salaries & wages, payroll taxes, monthly lease, utilities, insurance, new bookkeeper expenses, CPA fees and mandatory staff training (Better Kid Care Courses, OCS Mandatory Reporter Training and First Aid/CPR).

Additional operating income was derived from the State Child Care Grant Program, State Child Care Assistance Program, Office of Child Services Reimbursement Program and the Coast Guard Child Care Reimbursement Program (now managed through the Navy).

ATTACHMENTS: (label as indicated)

- Copy of your organization's most recent fiscal year end financial statements including balance sheet and profit and loss, and sources and uses of revenues. These statements must also show all accumulated fund balances for all of the organization's assets. (label page 2)
- Copy of balance sheets from three prior fiscal years. (label page 3)
- Copy of your organization's estimated current operating budget, including revenues and expenditures. (label page 4)
- Copy of proposed 2020 budget, including revenues and expenditures. (label page 5)
- Copy of your organization's balance sheet and profit and loss as of 6/30/2019

CERTIFICATION: (must be signed by both individuals)

I certify that the information contained in this application, including all attachments and supporting materials, is true and correct to the best of my knowledge.


D. P. Verfaillie

EXECUTIVE DIRECTOR (or equivalent)

16 Aug 2019

DATE


Kelly Brown

PRESIDENT, BOARD OF DIRECTORS (or equivalent)

16 Aug 2019

DATE

Financial Statement
Stepping Stones Learning Center
For the 7 months ended July 31, 2019
Cash Basis

Income

CCAP	1,797.60
CCG	4,621.26
CGG	857.88
City Grant	52,500.00
CVEA Grant	250.00
Daily Fee	5,741.81
Field Trip	333.58
Hourly Fee	3,548.12
OCS Payment	(700.00)
Tuition	111,163.21
Total	180,113.46

Expenses

Accountant fees	(275.00)
Background Check	150.00
Bank Service Charges	29.00
Bookkeeping fees	1,216.44
Business License & Fees	25.00
Dues & Subscriptions	738.55
Groceries	3,584.58
Insurance	6,193.84
Lease	21,100.00
Meals & Entertainment	274.30
Miscellaneous Expenses	1,650.00
Office Supplies	289.28
Payroll Processing Fees	1,386.77
Payroll Tax Expense	31,914.79
Postage & Delivery	10.00
Professional Fees	350.00
Repairs and Maintenance	829.70
Staff Training	218.70
Supplies	2,950.18
Utilities	2,061.35
Wages & Salaries	105,757.72
Total	187,100.32
Net Income	(341.74)

Three Year's Balance Sheets **Stepping Stones Learning Center** **Cash Basis**

	DEC 31, 2019	DEC 31, 2018	DEC 31, 2017	DEC 31, 2016
Assets				
Current Assets				
Cash and Cash Equivalents				
BUSINESS CHECKING ...8870	25,862.53	24,016.68	15,920.82	*
Total Cash and Cash Equivalents	25,862.53	24,016.68	16,920.82	*
Accounts Receivable	(10.00)	(1,011.00)	(22.00)	*
Total Current Assets	25,852.53	23,005.68	16,898.82	*
Fixed Assets				
Equipment Child Care Business Items	5,830.00	5,830.00	5,000.00	*
Furniture and Fixtures	7,933.79	5,604.08	1,500.00	*
Learning Center Equipment	1,948.50	1,899.25	-	*
Total Fixed Assets	15,712.29	13,333.33	7,500.00	*
Total Assets	41,564.82	36,339.01	24,398.82	*
Liabilities and Equity				
Liabilities				
Current Liabilities				
Note Payable	-	-	5,000.00	*
Total Current Liabilities	-	-	5,000.00	*
Total Liabilities	-	-	5,000.00	*
Equity				
Balance	642.26	642.26	642.26	*
Current Year Earnings	5,225.81	17,540.19	17,756.56	*
Retained Earnings	35,696.75	17,756.56	-	*
Total Equity	41,564.82	36,339.01	18,398.82	*
Total Liabilities and Equity	41,564.82	36,339.01	24,398.82	*

2019 Operating Budget

Stepping Stones Learning Center

Cash Basis

Income:

CCAP	35,627
CCG	9,314
CGG	10,026
CVEA Grant	250
OCS Payment	12,600
Tuition	243,893
City Grant	90,000
Total:	401,710

Expenses:

Personal Services	314,693
Salaries/Wages	231,192
Other: Payroll Tax Expense	82,501
Other: Bonus	1,000
Contractual Services	14,405
Dues & Subscriptions	954
Contractual Services:	
Subcontractors	40
Bookkeeping fees	3,000
Professional Fees and Services:	
Accountant fees	1,200
Background Check	500
Professional Fees	700
Payroll Processing Fees	2,488
Credit Card Processing Fees	1,227
Bank Service Charges	58
Other: Business License/Fees	100
Other: Inspections/Permits	4,138
Other Services	7,894
Postage & Delivery	54
Other: Meals & Entertainment	550
Other: Misc. Expenses	3,329
Other: Phone	3,961
Commodities	19,344
Office Supplies	483
Building Maintenance	1,659
Operating Supplies:	
Groceries	5,839
Supplies	11,363
Other Charges/Expenses	45,374
Insurance	9,000
Training	374
Lease/Storage	36,000
Total Operating Expenses	401,710

2020 Operating Budget

Stepping Stones Learning Center

Cash Basis

Income:

CCAP	34,000
CCG	9,000
CGG	9,500
CVEA Grant	500
OCS Payment	16,800
Tuition	242,271
City Grant	90,000
Total:	402,071

Expenses:

Personal Services	319,146
<i>Salaries/Wages</i>	235,211
<i>Other: Payroll Tax Expense</i>	83,935
Contractual Services	13,100
<i>Dues & Subscriptions</i>	1,000
<i>Contractual Services:</i>	
<i>Subcontractors</i>	40
<i>Bookkeeping fees</i>	3,000
<i>Professional Fees and Services:</i>	
<i>Accountant fees</i>	1,200
<i>Background Check</i>	500
<i>Professional Fees</i>	700
<i>Payroll Processing Fees</i>	2,500
<i>Bank Service Charges</i>	60
<i>Other: Business License/Fees</i>	100
<i>Other: Inspections/Permits</i>	4,000
Other Services	4,650
<i>Postage & Delivery</i>	100
<i>Other: Meals & Entertainment</i>	550
<i>Other: Phone</i>	4,000
Commodities	17,000
<i>Office Supplies</i>	500
<i>Building Maintenance</i>	2,500
<i>Operating Supplies:</i>	
<i>Groceries</i>	6,000
<i>Supplies</i>	8,000
Other Charges/Expenses	48,175
<i>Insurance</i>	10,000
<i>Training</i>	375
<i>Lease/Storage</i>	37,800
Total Operating Expenses	402,071

PROGRAM INFORMATION

ORGANIZATION NAME: Stepping Stones Learning Center

Program Title: Stepping Stones Preschool Program, Child Care and Before & After School Enrichment Programs

Complete section below. Limit comments to this page.

1. Summarize the program you are proposing. (You will provide the details in the scope of services form.)

Stepping Stones Learning Center (SSLC) is the only State Licensed, multi-age Preschool and Child Care Facility in Valdez serving children from birth to twelve (12) years old. Our team is dedicated to the social, emotional, and cognitive development of our children while simultaneously ensuring parents and/or guardians a safe, secure environment for their loved ones, from 0700 to 1800, Monday through Friday. Without the generous support of the City of Valdez, the continued operation of SSLC would be unsustainable in its current location, as the current facility lacks the square footage to accommodate the growing list of local working families seeking child care.

2. Briefly, but specifically, describe why the program to be funded under this proposal is needed and how it will benefit the Valdez community. Is this a new or existing program? How have you determined the need for your program?

As previously stated, Stepping Stones Learning Center (SSLC) is the only State Licensed Child Care Facility in Valdez, providing services for up to 36 children at any one time. Aside from the obvious advantages to providing structured, quality childcare and its proven positive effects on early childhood development (both physical and cognitive), SSLC provides a critical role in ensuring the economic sustainability of our community. By ensuring working families have a reliable childcare alternative, employers see fewer employee absences and greater productivity when child care concerns are mitigated by providing a safe, secure learning environment close to home. In addition, we work closely with the Office of Child Services to provide emergency child care on an as-needed basis, frequently accommodating last-minute requests from the State Office of Health and Social Services.

3. Is this program year-round, seasonal, or a one-time event? Year-Round
Schedule: Beginning date: _____ Ending date: _____

4. Estimated number of people to be served by this program? 100+
Provide formula for estimate:

In its current location, SSLC is currently licensed to serve a total of 36 children (age birth to 12), thereby providing a direct service to these children's parents and/or guardians. The number of children authorized per the State Office of Child Care Development is based on numerous factors, including the total available square footage accessible for child care (35ft²/child). Other factors include child-to-staff ratios that vary amongst age groups - and range from 1 staff per 5 infants, to 1 staff per 10 preschoolers, etc. The number served could easily be higher taking into account, those employers who rely on employees with children - to come to work each day - on time - rather than staying home to watch their children due to unreliable home day-care resources.

5. Target population served: (ie: youth, adult, Senior Citizens, disadvantaged, etc.)

Per our current State License, we are authorized to serve children from birth to twelve (12) years old. We work closely w/individual families to ensure economic concerns are addressed through various State & Federal Programs.

6. Is membership in your organization required for participation: Yes _____ No X
7. Fee to participant: Member \$ _____ Non-Member \$ _____
8. Number of paid program staff: Full-time 7 Part-time 1 Temporary _____

ORGANIZATION NAME: Stepping Stones Learning Center

Program Information (continued)

9. Volunteer Services Information:

Number of volunteers:	Actual 2017	_____
	Actual 2018	_____
	Anticipated 2019	3
	Estimated 2020	3

Source of volunteers (parents, members, professionals, others):

Stepping Stones Learning Center's Board of Directors represent various stakeholder groups throughout the community - as well as being parents of several of the attending children, themselves. There is always a willing parent to assist when additional skills/talents or time is needed.

Types of services provided by volunteers:

Minor construction projects (e.g. built-in cabinetry, etc.), art supplies, and participation on the all-volunteer SSLC Board of Directors.

10. Where will you operate this program? What facilities?

The Center is currently located at 212 Tatitlek Avenue, Valdez, AK.

11. What is the specific impact on your program if City funding is available at the following percentages of your request?

75% While remaining in its current location, Stepping Stones Learning Center would be forced to reverse many of the positive advances made this fiscal year, including eliminating the hiring of our professional bookkeeper, local accountant, as well as reducing or eliminating any new developmental purchases.

50% At 50% of our requested funding, the potential exists to be drawn into a "catch-22" situation which would involve the need to reduce staff to reduce payroll expenses, which would directly affect the total number of children authorized, thereby reducing the number of children (aka: tuition costs) which would further reduce the operating budget.

25% At 25% of our requested funding, the continued operation of Stepping Stones Learning Center would be unsustainable in its present location.

0% _____

12. The City is prohibited from contracting with businesses or persons that violate the Americans with Disabilities Act (ADA). What methods does your organization employ to comply with the requirements of ADA?

Stepping Stones Learning Center is licensed through the Alaska Department of Health and Social Services. As such, we are strictly regulated and monitored for compliance on an ongoing basis, for compliance with ADA and all other applicable Federal and State regulations.

ORGANIZATION NAME: Stepping Stones Learning Center
Program Information (continued)

13. Any other comments you would like to make about your program?

The National Education Association states that the popular proverb, "it takes a village to raise a child," produces a clear message and that is, "the whole community has an essential role to play in the growth and development of its young people." It's noted that parents and family members play a vital role in the life of the child and so, too, does the entire community as a whole. Community involvement sends a powerful message to children. It's one that says you are important. You are loved. You belong. And it's a message that, with it, holds the strength to empower every child.

Regardless of where in the country you are, parents need child care in order to obtain and retain a job. Conversely, children need a safe place to be that promotes their healthy development while their parents are working. As such, Stepping Stones Learning Center (SSLC) is an important economic driver within Valdez. In fact, throughout the country, child care has an economic impact (directly and indirectly) of \$99.3 billion.

The Committee for Economic Development (CED) released a report, "Child Care in State Economies: 2019 Update" on January 31, 2019. The report revealed that with regard to employment, beyond direct jobs within the childcare industry, over half a million jobs are supported within communities leading to an overall jobs impact of 2 million workers (you can find the report, executive summary and state by state fact sheets on the CED's "Child Care Impact" web page).

Though often overlooked by "seemingly" unaffected sectors of our community, childcare - or more accurately - the lack of adequate childcare, impacts all areas of growth within our region. SSLC recognizes the criticality of the services we provide, and have focused on providing families with a safe and secure learning environment for their children. Despite the inherent high cost of living in a rural area, SSLC has worked diligently to keep the growing costs of childcare within reach of all who are in need. This is accomplished through several factors including, but not limited to; child care rates ranging from \$5.27/hr for infants to \$4.55/hr for pre-school age students, participation in the State Child Care Grant Program, Child Care Assistance Program, Office of Child Services Reimbursement and the Coast Guard Tuition Reimbursement Program.

ORGANIZATION NAME: Stepping Stones Learning Center

OPERATING EXPENSES OF PROPOSED PROGRAM

(Budget Form #1)

<u>Program Expenses:</u>	<u>Budget</u>	<u>Breakdown</u>
PERSONAL SERVICES:	<u>\$ 319,146</u>	
Salaries/wages		<u>\$ 235,211</u>
Employee benefits		<u>\$</u>
Other: <u>Employer Tax Liability</u>		<u>\$ 83935</u>
CONTRACTUAL SERVICES:	<u>\$ 13,100</u>	
Reproduction/copying		<u>\$</u>
Equipment rental		<u>\$</u>
Data processing		<u>\$</u>
Dues/subscriptions		<u>\$ 1000</u>
Contractual services		<u>\$ 3040</u>
Professional fees & services		<u>\$ 4960</u>
Other: <u>Business Lic/Fees/Insp/Permits</u>		<u>\$ 4100</u>
OTHER SERVICES:	<u>\$ 4650</u>	
Volunteer services		<u>\$</u>
Communications/postage		<u>\$ 100</u>
Printing		<u>\$</u>
Advertising/promotion		<u>\$</u>
Electricity		<u>\$</u>
Heating		<u>\$</u>
Travel/transportation		<u>\$</u>
Other: <u>Meals/Entertainment/Phone</u>		<u>\$ 4550</u>
COMMODITIES:	<u>\$ 17,000</u>	
Clothing		<u>\$</u>
Office supplies		<u>\$ 500</u>
Building maintenance		<u>\$ 2500</u>
Operating supplies		<u>\$ 6000</u>
Parts & supplies - equipment		<u>\$ 8000</u>
OTHER CHARGES/EXPENSES:	<u>\$ 48,175</u>	
Insurance		<u>\$ 10000</u>
Contingencies		<u>\$</u>
Training		<u>\$ 375</u>
Rent		<u>\$ 36000</u>
Capital equipment		<u>\$</u>
Office equipment		<u>\$</u>
Other expenses: <u>Storage</u>		<u>\$ 1800</u>
TOTAL COST FOR OPERATION OF THIS PROGRAM:	<u>\$ 402,071</u>	

ORGANIZATION NAME: Stepping Stones Learning Center

FUNDING SOURCES FOR PROPOSED PROGRAM
(Budget Form #2)

This program budget covers the period of 01 January 2020 to 31 December 2020

<u>SOURCES OF PROGRAM FUNDING</u>	<u>GOAL AMOUNT</u>	<u>%</u>	<u>COMMITTED (Y/N)</u>
Parent Organization	\$ _____	_____	_____
Gifts and Contributions	\$ <u>500</u>	<u><1</u>	_____
Membership Dues	\$ _____	_____	_____
Fees & charges to participants	\$ <u>242,271</u>	<u>60</u>	_____
Private sector grants (specify source and date of award)			
CCG	\$ <u>9,000</u>	<u>2</u>	_____
CCAP (subsidy)/OCS (subsidy)	\$ <u>50,800</u>	<u>13</u>	_____
CGG (subsidy)	\$ <u>9,500</u>	<u>2</u>	_____
Fundraisers (specify major fundraising events/programs)			
_____	\$ _____	_____	_____
_____	\$ _____	_____	_____
_____	\$ _____	_____	_____
Subtotal of Financial Support for this program:	\$ <u>312,071</u>	<u>78</u>	
Supplemental Funding Requested from City of Valdez:	\$ <u>90,000.00</u>	<u>22</u>	
<u>TOTAL FUNDING FOR OPERATION OF THIS PROGRAM:</u>	\$ <u>402,071</u>	100%	

NOTE: Projected program financial support should meet or exceed projected program expenditures. If not, you must provide an explanation. If the financial support is projected to exceed the expenditures by a substantial amount, please provide an explanation as to why grant funds are being requested for this program.

ORGANIZATION NAME: Stepping Stones Learning Center

SCOPE OF SERVICES

Timeline OUTCOMES for 2020 (What do you plan to accomplish in 2020 - be specific)

Bottom Line Up Front: Stepping Stones Learning Center (SSLC) remains reliant on City funding, and will continue to be reliant on City support until a more appropriate facility becomes available. This is based on the inherent limitations of our facility (overall square footage available) to meet State Child Care requirements. This limits the number of children we can safely and adequately care for, which in turn, leaves little room to balance the varied child care needs of working families (full-time vs. part time enrollment). Add to that, the State and National paradigm of high turn-over rates for child care professionals - due to low pay, minimal benefits and high stress - and you are faced with dwindling options for working families who must often decide between entering or leaving the workforce to care for one or more children.

In reality, SSLC is currently operating due to the generosity of the City and to present any other explanation would be disingenuous. To ease the burden on parents and/or guardians, SSLC has worked closely (and will continue to work closely) with both the State of Alaska Department of Health and Social Services and the Navy, to offset tuition costs through varying programs, including the; State Child Care Assistance Program, Child Care Grant Program, Office of Child Services Reimbursement Program and the Coast Guard Child Care Subsidy Program. It is our goal to continue to partner with these agencies as well as enroll in new subsidy programs in 2020, such as the State Milk Reimbursement Program that lends financial assistance to child care providers in rural communities.

Despite these challenges, SSLC continues to work towards building a sustainable business model which has included; the addition of "Board of Directors" Insurance, the hiring of a professional bookkeeper and a local CPA. These seemingly small investments have already led to valuable changes in our accounting and invoicing processes, which will shape how we operate in the future. It is our goal to continue to partner with the City in order to showcase the importance - both directly and indirectly - early childhood development programs have on not only our children, but on our community's economic development as a whole. "Piggy-backing" off successfully established programs, such as Juneau's "HEART" Initiative may lend to a partial solution in addressing the local child care industry's high staff turn-over rates. This initiative incentivises licensed child care providers (both in-home and Center-provided) to maintain their early childhood development certifications as part of the City's annual budget. Its purpose is to improve the quality and availability of child care by offering support to licensed child care personnel.

In the end, the quality of childcare is dependent upon the quality of the child care providers and the facility in which it is provided. Once we are able to meet adequate staffing standards, we will focus our efforts on pursuing existing grant monies that were overlooked or not routinely requested in previous budget cycles (Alyeska, United Way, The Alaska Community Foundation, etc.).

Attach additional pages if necessary

Definition: Outcome - End product or result accomplished.

Profit and Loss

Stepping Stones Learning Center
For the 6 months ended June 30, 2019

Cash Basis

JAN-JUN 2019

Income

CCAP	3,177.29
CCG	4,621.26
CGG	1,321.21
City Grant	52,500.00
CVEA Grant	250.00
Daily Fee	5,822.00
Field Trip	333.58
Hourly Fee	2,780.56
Tuition	101,123.95
Total Income	171,929.85

Gross Profit

171,929.85

Operating Expenses

Background Check	150.00
Bank Service Charges	29.00
Bookkeeping fees	730.72
Dues & Subscriptions	628.58
Employee Child Care Expense	6,645.12
Groceries	2,969.67
Insurance	6,193.84
Lease	18,500.00
Meals & Entertainment	274.30
Miscellaneous Expenses	1,650.00
Office Supplies	241.58
Payroll Processing Fees	1,244.27
Payroll Tax Expense	28,472.16
Postage & Delivery	10.00
Professional Fees	350.00
Repairs and Maintenance	829.70
Staff Training	187.05
Supplies	2,834.48
Utilities	1,699.37
Wages & Salaries	93,855.66
Total Operating Expenses	167,495.50

Operating Income

4,434.35

Other Income / (Expense)

Deductions for Employee Child Care Expense

6,645.12

Total Other Income / (Expense)**6,645.12****Net Income****11,079.47**

Balance Sheet

Stepping Stones Learning Center

As of June 30, 2019

Cash Basis

JUN 30, 2019

Assets

Current Assets

Cash and Cash Equivalents

BUSINESS CHECKING ...8870

31,716.19

Total Cash and Cash Equivalents

31,716.19

Accounts Receivable

(10.00)

Total Current Assets

31,706.19

Fixed Assets

Equipment Child Care Business Items

5,830.00

Furniture and Fixtures

7,933.79

Learning Center Equipment

1,948.50

Total Fixed Assets

15,712.29

Total Assets

47,418.48

Liabilities and Equity

Equity

Balance

642.26

Current Year Earnings

11,079.47

Retained Earnings

35,696.75

Total Equity

47,418.48

Total Liabilities and Equity

47,418.48