



RESOLUTION APPROVING AND ADOPTING THE KIDS PROGRESS, INC. FISCAL YEAR 2020 MID-YEAR OPERATING BUDGET AND AUTHORIZING THE PRESIDENT TO EXECUTE ANY REQUIRED DOCUMENTS AND ADMINISTER KPI IN ACCORDANCE WITH ADOPTED BUDGET AUTHORITY



Jenny Scanlin, President



Marlene Garza, Treasurer

Request: Review and approve the FY2020 Mid-Year Operating Budget for Kids Progress Inc. (“KPI”)

Purpose: KPI is funded entirely by grants and supports the residents living in government-assisted housing, with a primary focus on the Housing Authority of the City of Los Angeles’ (“HACLA”) public housing residents. As a companion to the mid-year review and look forward to our FY2020 program year, this report provides the Governing Board with a review of the budget activity against initial expectations for FY2020.

Issues:

FY2020 Adopted Budget

With limited resources anticipated, the adopted FY2020 Operating Budget focused on funding for KPI’s baseline program initiatives and operations. This included supporting KPI’s 8th Annual Scholarship awards and setting aside funding to seed a larger scholarship endowment and support the establishment of an Advisory Board for the Scholarship Program to encourage a more long-term, well-funded approach. KPI’s largest additional investment anticipated for FY2020 was focused on our Digital Literacy Initiative, with significant resources tied to the continuation and improvement of internet connectivity projects at some of the Housing Authority of the City of Los Angeles’ largest sites (Jordan Downs, Mar Vista, and San Fernando Gardens). The goal of this investment was to maintain and repair the large mesh wifi systems supported on each site and drive residents to utilize this important free resource.

KPI’s intended fundraising goals for FY2020 were focused on securing and stabilizing future funding for two programs focused on eliminating barriers to employment and post-secondary success:

1. Project SOAR in partnership with SoCal CAN to provide one-on-one support for aspiring college students on a minimum of 5 public housing sites with the goal of expanding the program to all of HACLA’s public housing sites.
2. Developing an endowed scholarship fund that could offer multi-year scholarships to our current and future recipients.

*Progress
Towards Goals*

KPI was able to raise \$20,000 in scholarships for this year's scholarship event and through additional partnerships with HACLA's Section 3 Program and the County Probation Department raised a total of \$36,000 for scholars. Although we have not been able to move as aggressively to establish a more formalized fundraising backbone for the scholarship program, KPI raised enough money to fund every applicant in this year's scholarship round and will begin working in the fall towards our longer-term goals.

Additionally, significant progress was made to stabilize the Project SOAR Program. After a formal engagement with philanthropic interests, KPI and SoCal CAN continued to outreach to individual foundations and submit formal applications for funding. In addition to receiving a small \$5,000 grant from the ECMC Foundation to support SOAR clients during COVID-19 and being in the running for LA2050's Challenge Grant - the Kresge Foundation, Len Hill Charitable Trust, California Community Foundation and All Ways Up Foundation came together to support the continuation of Project SOAR on five public housing sites for the next 18 months. This secures significant funding which KPI and SoCal CAN will capitalize on to meet the goal of extending and expanding the program.

KPI has continued to be on target to meet its original objectives and has been able to work with HACLA to secure additional partnerships to improve connectivity. This includes a partnership with Starry at Mar Vista Gardens, utilizing new technologies to provide even faster internet at extremely low-cost to residents. This new partnership along with changes at San Fernando Gardens should save us some anticipated costs for internet access and allow those funds to be shifted to expand service on other public housing sites.

*Mid-Year
Budget Changes*

The most significant budget changes this year reflect KPI's pivot to address the unique and immediate needs of residents under the COVID-19 pandemic. KPI has successfully applied for multiple grants and created new partnerships, raising over \$400,000 for resident resources. The majority of funding has been spent on purchasing food, water and meals for delivery to our most vulnerable residents. Through a partnership with EveryTable, KPI provided over 77,000 meals to almost 1,900 residents of public housing. Additional funds have paid for PPE, signage and donation distribution carts for KPI and partners to safely deliver resources and services to residents. With the pandemic still far from over, KPI anticipates continued fundraising activities related to COVID-19 response to remain the organization's primary concern for the balance of FY2020.

Budget line items have shifted away from meeting and publication related expenditures and have refocused on rebranding activities. With KPI's name change approved by the Board and pending approval from the State, the organization is undertaking an initiative to create a new logo and communication plan and a complete revision to our website. Operating and third party consultant costs will be focused on this endeavor with the intent of launching in early 2021.

Funding: The primary funding change for the midyear adjustment is recognition of year-to-date and projected donations through year-end for COVID-19 supportive services of \$420,000. Moreover, funding for the website redesign require an additional contribution from LA LOMOD of \$30,000.

Attachments:

1. Resolution
2. KPI FY2020 Mid-Year Budget Summary

RESOLUTION NO. _____

RESOLUTION APPROVING AND ADOPTING THE KIDS PROGRESS, INC. FISCAL YEAR 2020 MID-YEAR OPERATING BUDGET AND AUTHORIZING THE PRESIDENT TO EXECUTE ANY REQUIRED DOCUMENTS AND ADMINISTER KPI IN ACCORDANCE WITH ADOPTED BUDGET AUTHORITY

WHEREAS, the Treasurer has prepared and the President has submitted the Fiscal Year 2020 Mid-Year Operating Budget to the Kids Progress Inc. Board of Directors for consideration; and

WHEREAS, the Mid-Year Operating Budget is reasonable in that it indicates a source of funding for proposed expenditures, and it does not provide for expenditure in excess of funding; and

WHEREAS, all proposed charges and expenditures are consistent with Kids Progress Inc. bylaws and purpose; and

WHEREAS, the Board of Directors has reviewed the Fiscal Year Mid-Year 2020 Operating Budget and finds the recommendations acceptable.

NOW, THEREFORE, IT BE RESOLVED that the Kids Progress Inc. Board of Directors 1) approves and adopts the Mid-Year Operating Budget for the fiscal year ending December 31, 2020; and 2) authorizes the President to execute all required documents and administer KPI operations and related programs in accordance with the adopted budget.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

APPROVED AS TO FORM:

KIDS PROGRESS, INC.

By: _____
General Counsel

Ben Besley, Chairperson

Date: _____

KPI 2020 Midyear Budget Modification

Table 1 - KPI - Operations

FUND		[06101,06102]	2020			2020 Midyear		
COST CTR		[*,/0901]	2020 MOD 5	YTD June	% YTD	Increase/ (Decrease)	Budget	Notes
ACCOUNT	OBJECT	Account Name						
REVENUE								
[71500,70400]	*	Other Revenue	35,000	359,483	1027%	390,000	425,000	
71500	369120	Donations - Scholarships	30,000	-	0%	(30,000)	-	donations for scholarships to be funded from prior year
71500	369120	Donations - Support Services	5,000	359,483		420,000	425,000	donations for COVID-19 Support Services
TOTAL REVENUE			35,000	359,483	1027%	390,000	425,000	
EXPENSES								
91200	*	Auditing Fees	11,432	-	0%	-	11,432	Audited Statements and Taxes Prep
91600	*	Office Expenses	17,300	964	6%	(10,300)	7,000	
91600	426460	Meeting	9,800	-	0%	(4,800)	5,000	Advisory Board for Scholarships; costs related to Scholarship event
91600	426320	Off Site Storage	2,500	964	39%	(500)	2,000	Bin at Estrada for books, diapers etc.
91600	426371	Publication/Printing - Public Informa	5,000	-	0%	(5,000)	-	was printing costs for Scholarship event
91900	*	Other Administrative	30,700	134	0%	29,900	60,600	
91900	426510	Bank Charges	-	79		200	200	
91900	423050	Business Consulting	30,000	-	0%	-	30,000	Logo Refresh and Brand Collateral
91900	426570	Licenses and Fees	200	55	28%	(100)	100	
91900	423090	System Design/Programming	-	-		30,000	30,000	Website redesign
91900	423070	Translation	500	-	0%	(200)	300	
[92200,92400]	*	Tenant Services	35,000	297,341	850%	410,150	445,150	
92400	427040	Resident Stipend	-	150		150	150	JD wifi assistance
92400	427170	Supportive Services	5,000	297,191	5944%	420,000	425,000	add'l for COVID-19 Support Services
92400	427200	Youth Scholarship Awards	30,000	-	0%	(10,000)	20,000	balance of scharships from Section 3 and HBDSP
96100.96140	*	Insurance	4,800	3,107	65%	(1,600)	3,200	
96120	451010	General Liability Insurance	4,800	3,107	65%	(1,600)	3,200	
TOTAL EXPENSES			99,232	301,546	304%	428,150	527,382	
Revenue over Expenses			(64,232)	57,937		(38,150)	(102,382)	
9**	*	ALL EXP	-	-				
NON-OPERATING								
5*	*	Transfers and Surplus	64,232	-		38,150	102,382	
51110	281000	From/(To) Unrestricted Reserves	34,232	-		(11,850)	22,382	for general operating costs
51110	281000	From/(To) Donations Reserves	-	-		20,000	20,000	2019 donations for 2020 Scholarships
50993	281000	Transfers In LA LOMOD	30,000	-		30,000	60,000	LA LOMOD for for Business Consulting and Website
TOTAL REVENUE			64,232	-		38,150	102,382	
Net Revenue over Expenses			-	57,937		-	-	

KPI 2020 Midyear Budget Modification

Table 1 - KPI - Operations

Donation Detail	YTD June	
<i>Amazon Smile</i>	56	<i>unrestricted donations</i>
<i>California Community Foundation</i>	27,500	<i>Any COVID-19 need</i>
<i>Cedars Sinai</i>	15,000	<i>Meals for PH Residents</i>
<i>City of Los Angeles</i>	229,340	<i>Meals for PH Residents</i>
<i>Reserving Rights, LLC</i>	500	<i>Pico Gardens Community Event</i>
<i>Top Dawg Entertainment</i>	86,087	<i>PH Senior Rents</i>
<i>US Inspection Group</i>	1,000	<i>Jordan Downs Toy Give Away</i>
Total Received	359,483	

Supportive Services Detail	YTD June	
<i>Everytable Avalon Gardens</i>	7,926	
<i>Everytable Estrada Courts</i>	24,928	
<i>Everytable Gonzague Village</i>	11,910	
<i>Everytable Imperial Courts</i>	12,099	
<i>Everytable Jordan Downs</i>	13,602	
<i>Everytable Mar Vista Gardens</i>	26,460	
<i>Everytable Nickerson Gardens</i>	31,748	
<i>Everytable Pico Gardens</i>	19,188	
<i>Everytable Pueblo del Rio</i>	31,641	
<i>Everytable Ramona Gardens</i>	20,341	
<i>Everytable Rose Hills</i>	8,656	
Subtotal Everytable	208,499	
<i>Top Dawg Imperial Courts senior rent</i>	19,361	
<i>Top Dawg Jordan Downs senior rent</i>	19,453	
<i>Top Dawg Nickerson senior rent</i>	47,273	
Subtotal Top Dawg	86,087	
<i>PO Accruals</i>	2,606	
Total Received	297,191	

KPI 2020 Midyear Budget Modification

Table 2 - Broadband Connectivity at Jordan Down, Mar Vista Gardens, and San Fernando Gardens

FUND 06103		2020				2020 Midyear		
ACCOUNT	OBJECT	Account Name	2020 MOD 5	YTD June	% YTD	Inc/(Dec)	Budget	Notes
EXPENSES								
[92200,92 *	0416	Jordan Downs WiFi	46,680	10,005	21%	11,000	57,680	
92400	[426210,4 0416	Data / Broadband	24,000	10,005	42%	11,000	35,000	AT&T
92400	426215 [0416,012	Telecomm Maintenance	22,680	-	0%	-	22,680	Connected Communities
[92200,92 *	[*,/0416,/	Mar Vista Gardens WiFi	33,600	12,552	37%	2,400	36,000	
92400	[426210,4 [*,/0416,/	Data / Broadband	12,600	5,552	44%	2,400	15,000	TimeWarner Spectrum
92400	426215 0421	Telecomm Maintenance	21,000	7,000	33%	-	21,000	Kalpesh (pending RFI)
[92200,92 *	0422	San Fernando Gardens	34,800	-	0%	-	34,800	
92400	[426210,4 0422	Data / Broadband	24,000	-	0%	-	24,000	assumption of YPI obligation
92400	426215 0422	Telecomm Maintenance	10,800	-	0%	-	10,800	Connected Communities
TOTAL EXPENSES			115,080	22,557	20%	13,400	128,480	
Revenue over Expenses			(115,080)	(22,557)			(128,480)	
NON-OPERATING								
50993	* *	Transfers and Surplus	115,080	22,557	20%	13,400	128,480	
50993	281000 *	Transfers from LOMOD	115,080	22,557	20%	13,400	128,480	
TOTAL REVENUE			115,080	22,557	20%	13,400	128,480	
Net Revenue over Expenses			-	-			-	