

A YEAR OF TRAILBLAZING

EC3 2021 Annual Report



Our Mission:

Provide developmentally appropriate child care in a nurturing environment that promotes growth of the whole child while responding to the needs of the family.

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The Basis for Brighter Futures

In the midst of a global pandemic where business closures and layoffs were routine, one would expect a nonprofit organization to cut expenses left and right. That would make logical, fiscal sense and would seem like a responsible course of action during a year as tumultuous as 2021. Yet in these times of uncertainty, EC3 continued to raise the bar and differentiate itself from other early education centers by making radical budgetary improvements, most notably raising staff wages. That distinct boldness is what brought my family to EC3 at its former sister school, Early LCC, in late 2018.

After moving from Maryland and starting in a new preschool here in Michigan, my precious little son started acting out. My husband and I attributed it to the move — a big adjustment for a 4-year-old. Despite discussions, changes in routines, lots of love, and various coping techniques, he continued to struggle. One day, a teacher in our infant daughter's classroom mentioned another preschool that

may help our son with his difficulties. The recommended preschool focused on children as individuals, smaller class sizes, all natural environments, more time outside, and highly qualified teachers — all attributes that weren't occurring in his current situation. We immediately called Early LCC and were fortunate enough to find an opening within a few weeks.

Soon after, all of our son's negative behaviors dissipated and he was back to the wonderfully loving, happy boy we knew. In hindsight, his original classroom was too chaotic, loud, overcrowded, and had constant staff turnover. Our son went on to excel at Early LCC and has since excelled in public school. Seeing the impact the school had on our son, we enrolled our daughter in Early LCC as soon as a spot opened up.

I quickly grew to love Early LCC as I familiarized myself with all that was involved in maintaining a high-quality



environment. From conflict resolution, to the parent-teacher conferences, to the community events, I knew that I wanted — no, needed — to be involved in preserving this amazing environment. I joined Early LCC's Advisory Committee within a month of enrolling and was elected to the Board of Directors a few months after that.

When the pandemic forced the closure of Early LCC, I was devastated for my daughter. My son was already in kindergarten, but she was still a toddler. The thought of moving her to another place after having experienced such high-quality education was distressing. Gratefully, EC3 had an opening for her and she became a Lion a few months after EC3 reopened its doors.

My experience has led me to truly appreciate the impact that a high-quality educational center has on young children. But high quality doesn't just happen; values must be upheld, finessed, and conditioned; bars must be raised;

uncharted steps must be taken. Our EC3 family — the staff, teachers, Board, and community — works together to ensure our kids have the best possible foundation in education. That takes radical change, even in the middle of a pandemic.

My family and I are so thankful to every person who has set the foundation, continued the path, and raised the bar to uphold EC3's excellent standards. Each and every one of you has played an important role in making EC3 what it is today, and for that I am forever grateful.



CHRISTINE MARSHALL
Chair

Setting a Budgetary Standard

It would be an understatement to say that the past two years have been arduous. Moving forward from the chaos that was 2020, we collectively stepped onto the rollercoaster that was 2021. Yet even in these unprecedented times, EC3 and the families that support it have risen to the challenge. Despite the limitations imposed by the pandemic, the support and understanding we have received has been integral to our continued success. Staff have seen this day-to-day, and it's evident in the responses to the annual Family Survey and the affirmations we received from parents during the public comment portion of our Board meetings. We are grateful to all our stakeholders for staying the course and putting your trust in us.

While it was a tumultuous year, we came out stronger than expected. For the first time in years, EC3 ended the fiscal year with positive net assets. Contributing to this were the two Paycheck Protection Program (P3) loans from the U.S. Small Business Administration totaling roughly \$600,000.



While these loans were a boon in their initial form, they were forgiven and ultimately converted to grant funds. This was incredibly helpful in enabling our employees to keep providing for themselves and their families during

such uncertainty. A smaller but still substantial win was the \$24,000 grant we received for summer camp, which covered all expenses and allowed for the tuition revenue to be invested in the program.

Special fundraising and the refinancing of EC3's mortgage (which revealed a substantial increase in property value) allowed us to make two significant capital expenditures: a new parking lot and numerous enhancements to the playgrounds. These updates both brought us up to code and greatly improved the curb appeal and safety of EC3. We hope to continue these types of renovations and updates as funding becomes available.

EC3 has long been a leader in the early learning field, and we are stepping out again to elevate the profession. To attract and retain the dedicated workforce at the heart of our program, the Board of Directors passed a new budget overhauling EC3's wage scale so that our staff will be

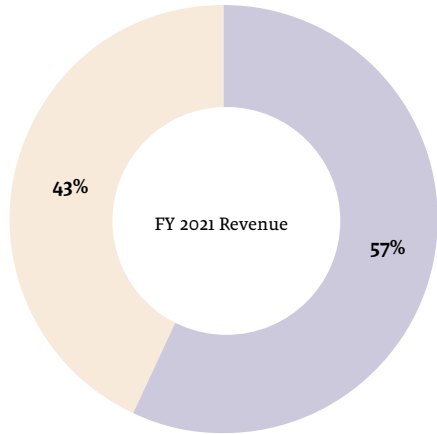
compensated in a manner befitting their credentials, skills, and experience. We are also making a statement about valuing our employees enough to pay them a living wage: going forward, any full-time EC3 employee will earn no less than \$15 per hour. We hope other child care providers will follow our lead, and that everyone who stands to gain from having an available and engaged workforce will validate these changes.

A complete copy of our independently-reviewed annual financial statements can be found at ec3kids.org/reports_financial.



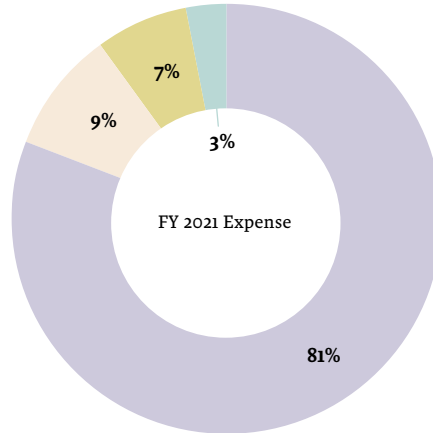
JOEL D'SOUZA
Treasurer

Statement of Financial Position



- Tuition and Fee Income
\$1,050,458
- Fundraising, Donations,
and Other Income
\$801,644

| Assets | 9/30/2021 | 9/30/2020 |
|-----------------------------|------------------|------------------|
| Current Assets | | |
| Cash | \$114,868 | \$127,110 |
| Accounts receivable | \$20,616 | \$17,890 |
| Prepaid expenses | \$11,589 | \$827 |
| Total Current Assets | \$147,073 | \$145,827 |
| Property and equipment, net | \$385,580 | \$332,804 |
| Total Assets | \$532,653 | \$478,631 |



- Staff \$1,214,234
- Program \$133,301
- Building \$109,159
- Administration \$37,364

| Liabilities and Net Assets | 9/30/2021 | 9/30/2020 |
|---|------------------|-------------------|
| Current Liabilities | | |
| Accounts payable | \$6,711 | \$3,596 |
| Deferred revenue | \$59,053 | \$40,329 |
| Accrued wages | \$59,932 | \$31,343 |
| Accrued paid time off | \$57,744 | \$40,918 |
| Accrued interest | \$169 | \$1,546 |
| Refundable advance | | \$413,400 |
| Current portion of long-term debt | \$15,614 | \$15,643 |
| Other current liabilities | \$3,836 | \$4,213 |
| Total Current Liabilities | \$203,059 | \$550,988 |
| Long-term debt, net of current portion | \$279,097 | \$235,190 |
| Total Liabilities | \$482,156 | \$786,178 |
| Net Assets (Deficiency) | | |
| Without donor restrictions | \$50,497 | -\$316,308 |
| With donor restrictions | \$8,761 | \$8,761 |
| Total Net Assets (Deficiency) | \$50,497 | -\$307,547 |
| Total Liabilities and Net Assets | \$532,653 | \$478,631 |



A New Horizon

It was a year of unprecedented and universal challenges: enrollment outpaced our ability to staff it, cash flow hit record lows, and many of our time-honored family events — the art auction, the Halloween parade — were scrapped out of concern for “social distance.” Remarkably, we met these challenges with unprecedented and universal effort from within the ranks of EC3’s “family” — teachers filled in for one another and held family meetings by video; families participated in “service Saturdays” to improve the building and grounds; alumni and donors came through with funds to help us get by until the second P3 loan came around. The countless instances of hardship and pain — classrooms closing for quarantine, families scrambling to find care — were countered by much that was good, such as families showering teachers with gifts and helping to decorate for the staff holiday party.

At a time when child care and early learning was (finally!) being seen as critical to working parents and a recovering

economy, EC3 took the lead in helping people understand the work, the challenges, and the systemic changes necessary for providers to succeed. We helped explain the importance of early learning on television and social media newsfeeds, in nationally-published articles, at virtual panel discussions, and to state and local policymakers — all in the name of focusing attention on and knocking down access barriers to high-quality early learning. We even took innovative action by overhauling EC3's wage scale so we can compete with K-12 schools for talent, providing a decent living for our hard-working teachers and staff.

Now it is time for another change — that of a new Chief Executive stepping in to shepherd EC3's remarkable work and to support the wonderful EC3 family. For nearly twelve years I have been tremendously blessed to have worked alongside so many dedicated coworkers and volunteers. Together, we are making it through this “will-it-never-end?” pandemic, and we have built a stronger EC3 upon the

organization's longstanding legacy of love and cooperation toward children, families, and one another.

I will remain forever grateful to have shared this journey and work with you, and I look forward the next chapter for all of us.



ELISABETH TOBIA
Chief Executive Officer

Want to Impact a Child's Life? So Do We.

As a nonprofit child care organization, EC3 relies on donations to help maintain the delicate balance between affordable tuition rates and high-quality programming, experienced teachers, and a safe and pleasant facility. There are many ways for enrolled families, alumni, community members, and businesses to support EC3's mission of providing developmentally appropriate child care in a nurturing environment that promotes growth of the whole child while responding to the needs of the family.

- **GENERAL FUND:** Donations made via check, credit/debit card, ACH, or on an EC3 account support our general operations and help us through times of financial uncertainty.
- **BUILDING BLOCKS FUND:** A gift to the Building Blocks Fund supports improvements to EC3's facility and grounds. Building Blocks contributions are held in a restricted fund

overseen by the Board of Directors, ensuring that our legacy Main Street School will be home for generations of young children to come. Contributions over \$250 are memorialized by a plaque in EC3's entranceway.

- **PLANNED GIVING:** Making a planned gift to EC3 during your lifetime, or naming EC3 in your will or trust, exemplifies a lifetime passion and commitment to our mission and provides long-term financial sustainability for EC3. You may also designate EC3 as a beneficiary of your retirement plan or life insurance policy, or you can create a charitable gift annuity which provides immediate support to EC3 during your lifetime.
- **THIRD PARTY RESIDUAL GIVING:** EC3 has partnered with outside organizations who offer fundraising options. There is no direct cost — they simply donate a portion of your sale back to EC3.



Amazon Smile: Amazon.com supports charities by giving 0.5% of each sales order to a charity of your choice, and EC3 can be your designee. <http://smile.amazon.com/ch/38-2566227>



Kroger Community Rewards: Register your Kroger Plus card and a percentage of your purchases will be donated to EC3. <https://www.kroger.com/i/community/community-rewards>



iGive: Online stores within the iGive network give a portion of the money you spend to benefit EC3. <https://www.iGive.com/EducationalChildCareCenterEC3>

We are profoundly grateful for the generosity of our community — the individuals and organizations listed here who have made contributions in the past year that are allowing EC3 to invest in its teachers and its environment. The pandemic may have given us a “new normal,” but our commitment to our mission is helping young children to thrive even as they face challenges.



Our play-based curriculum targets the developmental needs of children, and focuses on the maintenance of an open, supportive relationship with the family.



Our Incredible Team

Cheryl Adkins | Teacher
Codie Armstrong | Support Staff
Wanda Bancroft | Teacher
Roger Bertram | Custodian
Marley Bitz | Teacher
Morgan Blair | Support Staff
Amanda Brock | Teacher
Nicolas Burford | Food & Facilities Associate
Tabby Burford | Support Staff
Taylor Burford | Classroom Assistant
Catherine Carroll | Teacher
Patti Casey-Powell | Support Staff
Morgan Castle | Support Staff
Buffy Clements | Teacher
Betsy Clinton | Program Director
Claudia Conley | Teacher
Taylor Cozine | Classroom Assistant

Corynne Crandall | Support Staff
Dani Douglas | Teacher
Juliann Douglas | Teacher
Raquel Duran | Classroom Assistant
Jennifer Enterline | Teacher
Tammy Epling | Teacher
Jamie Fortin | Office Manager
Casey Fowler | Teacher
Megan Lycos | Support Staff
Ronda Martinez | Classroom Assistant
Ehricka Masalkoski | Teacher
Kathryn Miller | Support Staff
Thalia Nan | Support Staff
Carley O'Byrne | Teacher
Jennifer Patrick | Program Communications Associate
Ilham Sarhan | Support Staff
Ada Scott | Teacher

Sofia Stathoulia | Teacher
Sarah Stein | Teacher
Mercedes Steward | Teacher
Katlyn Tews | Support Staff
Elisabeth Tobia | Chief Executive Officer
Bridget Vander Hoff | Classroom Assistant
Angela Wallace | Teacher
John Werner | Teacher
Christina Wood | Teacher
Christina Young | Teacher

Board of Directors

JEWEL DAVIS-TOMBUL

Program Committee Chair

Education Director, Early Learning Neighborhood Director

JOEL D'SOUZA

Treasurer, Finance Committee Chair

Business Analyst, Office of Administrative Hearings & Rules,
Michigan Department of Licensing & Regulatory Affairs

JENNIFER ESTILL

Marketing Committee Chair

Principal, Creative Director, and Founder at Redhead

MARK FREEMAN

Vice Chair

Engineering Consultant

LAURA GEIST

Secretary

Manager, Grants Administration Section,
Michigan Department of Health & Human Services

DAN HORN

Director-at-Large

Manager of Valuation, Commodities,
& Internal Control, Avis Industrial

CHRIS JACKSON

Parliamentarian

Senior Consultant, Deloitte Consulting

ANN-MARIE MAPES

Director-at-Large

Educational Technology Manager, Office of Systems,
Evaluation, & Technology, Michigan Department of Education

CHRISTINE MARSHALL

Chair

Director, Springer Lawson & Associates, LLC

Family Donors

Oct. 1, 2020 to Sep. 30, 2021

Phil Stadler & Karley Abramson

Carl Utess & Tara Becker-Utess

Mindy Bradford

Paul Wozniak & Erin Buitendorp

Chris & Stacey Cadogan

Chris & Windy Carroll

Jeff & Julie Cassidy

Betsy Clinton

Jeff & Erin Cobb

Lauren Collins

David Fosdick & Holly Cranmer-Fosdick

Patrick LeBeau & Jennifer Cuthbert

Jewel Davis-Tombul

Josh & Dana DeBruyn

Dan & Lois Despres

J & Dani Douglas

John & Jennifer Estill

Jeff & Dawn Fedewa

Jason Rapelje & Laura Geist

Jon & Lauren Gewirtz

Nick & Nina Glauch

Joel & Kristin Hofman

Wendy & Thomas Hofman

Daniel Horn

Chris & Sara Jackson

Paul & Katie Jones

Corwin Smidt & Melissa Keeley

Aimee & Jeff Khaled

Michael & Kate Kingsley

Steve & Nancy Klukowski

Jeremy & Carrie Krueger

Roy Saper & Nell Kuhnmuench

Jordan & Lori Leaming

Michael & Lauren Leeds

John & Anita Lloyd

Joseph & Ann-Marie Mapes

Mary Mapes

Zachary & Christine Marshall

Kevin & Jennifer McFatrige

Travis & Courtney Millbrook

Julie Morgan

Joseph Fase & Nicole Nelson

Kathryn Nelson

Levin & Tekea Norwood

William Walden & Bethany Oglesby

Jeff Padden

Dominick & Maggie Pallone

Jason & Lauren Palmer

Todd & Lisa Parker
Rodney & Michelle Parkkonen
Linda Pere
Susan & Jason Peters
Roy & Jennifer Plowman
Karissa & Stephen Purchase
Matt & Jessica Randall
Brenda & Matt Resch
Adam & Michelle Richard
Tim & Alyssa Riley
Alan & Mariam Robinson
Edward & Deborah Roeber
Judy Samelson
Andy & Erin Schor
Nancy Solo
Donna Stine

Mark & Ellen Sullivan
Michael & Meghan Suty
Angela Swan
Elisabeth Tobia
Bryan & Katherine VanDorn
Erin Housefield & Russ Wicksall
Joy Whitten & Jeff Williams
Forest Tate & Sarah Willson
Michael Hart & Ciera Wilson
Brad & Sara Wurfel





Grantmakers and Corporate Donors

Oct. 1, 2020 to Sep. 30, 2021

Amazon.com

Austin Memorial Foundation

Capitol Region Community Foundation

Charles Stewart Mott Foundation

Community Foundation for Southeast Michigan

iGive.com

Kroger Community Rewards

Michigan Department of Education

Michigan Department of Labor & Economic Opportunity

Mother & Earth Baby Boutique

Motorola Solutions Foundation

MSU Federal Credit Union

Network for Good

U.S. Small Business Administration





Educational Child Care Center

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