

To: Board of Education

The purpose of this letter is provide information regarding the Preschool for All (PFA) program regarding funding and to provide context for next steps. On June 7th, 2018 the district received a letter from the Illinois State Board of Education informing us that our district was not recommended to receive funding for the Preschool for All program (PFA) for the 2019 Fiscal Year. We are one of hundreds of districts across the state that received non-funding letters. This is a program that has been funded for 26 years, and successfully achieved Gold Circle Quality of Rating from ISBE for our Ladder's to Learning PreK program. Families applied, children were screened for need, we secured employees for the program, and families received Spring 2018 acceptance letters. We completed all this because this has been a consistent program, funding, and need for our district the past 26 years. Failing to receive state money for the program puts the district, and most importantly, the families we serve in an impossible situation as FY 19 begins in less than three weeks, and the amount received from the state changes from \$233,000 in FY18 to \$0 in FY19. This grant cycle is for 5 years unless additional funds are secured. This was confirmed by ISBE on June 11th via phone call. Obviously, this is a devastating loss out of nowhere that causes a district to decide next steps, while currently underfunded and deficit spending, and the options all have varying consequences to many stakeholders.

We have been in contact with our Regional Office of Education, Legislators, Illinois State Board of Education Early Learning Division, the State Superintendent, and other districts to determine our next steps. Mr. Kuffel has submitted an appeal letter (attached), but the appeal is limited to the grant review process and not the scoring, and thus, does not provide much hope to have it overturned.

In our opinion, multi-year planning for Preschool is inappropriate now due to the timing, lack of knowledge regarding the appeal outcome, and an exact timeline on when funding may be available again, if ever. What we do know is that we have families and staff ready for 18-19 and a decision for Preschool in the 2018-19 school year needs to be decided so that all involved may be prepared. The state has put us in a bind, but after looking at possibilities, we have listed options below for review. Please note that all options are simply for the 18-19 school year. It would be our recommendation that we revisit this topic by the December 2018 board meeting when provided with more information to make decisions for future years.

#### Option 1: Eliminate Program for 2018-19 School Year (FY19)

- A tenured teacher would be reallocated to another position in the district for the next two school years. This teacher is retiring at the conclusion of the 2019-20 school year. My recommendation would be to move her into an "at-risk" kindergarten classroom with a limited class size focusing on students whose skills are below kindergarten readiness.
- Aides and parent coordinator would be re-allocated to open instructional aide positions in the district and could potentially be written into title grant.

- 34 families would need to be contacted notifying of no preK for this school year due to funding cuts. 20 students would still be served via the blended classroom based those students who received the highest ratings.

**Projected Budget: Option 1**

Expenses:	Revenue	Total Cost to District for 18-19
Salary & Benefits: \$91,000 Total Expenses: \$91,000	Roll-over funds: \$70,000 Title Grant (Aides) - \$21,000	\$0

**Option 2:** Run program at full rate for upcoming school year 18-19 (FY 19).

- No negative effect on program or students.
- Transportation could be reimbursed through state at 80% rate in FY20
  - Approximately \$50,000 x .50 (non reimbursed amount) = \$25,000 FY20
- Additional funding sources (working cash or referendum) or cuts of other programs will be needed, or further deficit spending.

**Projected Budget: Option 2**

Expenses:	Revenue	Total Cost to District for 18-19
Salary & Benefits: \$91,000 Supplies: \$2,000 Transportation: \$50,000 FY20 Total Expenses: 143,000 FY19 (\$25,000 reimbursement in FY20)	Roll-over funds: \$70,000 FY20 Transportation reimbursement: \$25,000	\$73,000 FY19 *Total out of pocket for 18-19 preK will be \$48,000 with FY20 transportation reimbursement

**Option 3:** Run program at “bare-bone” rate for 2018-19 school year (FY 19)

- Reduction of parent coordinator - need is reduced due to lack of compliance police.
  - Timely notice wasn't provided, and she would be transitioned to another position in the building.
- Transportation could be reimbursed through state at 50% rate
  - Approximately \$50,000 x .50 (non reimbursed amount) = \$25,000 FY20
- Transfer of parent coordinator to instructional aide saves \$12,000 due to title funds
- Additional funding sources (working cash or referendum), cuts of other programs, or further deficit spending will be needed.

**Projected Budget: Option 3**

Expenses:	Revenue	Total Cost to District for 18-19
Salary & Benefits: \$91,000 Supplies: \$2,000 Transportation: \$50,000 FY20 Total Expenses: 143,000 FY19 (\$25,000 reimbursement in FY20)	Roll-over funds: \$70,000 FY20 Transportation reimbursement: \$25,000 Title Funds: Parent Coordinator transferred to instructional aide: \$12,000	\$62,000 FY19 *Total out of pocket for 18-19 preK will be \$36,000 with FY20 transportation reimbursement

**Recommendation for Board of Education for Approval:  
Option 2 - Full rate program for 18-19**

**Importance of PreK and Data:**

- Student enrollment in high-quality preschool programs results in students having better social-emotional, and cognitive outcome than those who do not participate (US Dept. of Education, 2017).
- An average of 50-60, 3-5 age students served annually each year through Geneseo PFA grant.
- All students (100%) made growth on learning targets.
- 85% of students deemed kindergarten ready through end of year assessments. The remaining 15% are encouraged to repeat PreK or attend summer school.

**Rationale/Thoughts:**

- Students and families are counting on us and the start of school is two months away.
- Give district time to plan for future including communication of possible elimination of programs.
- We have roll-over money (\$70,000) to offset a significant portion of cost for one year.

**Projected Budget: Option 2**

Expenses:	Revenue	Total Cost to District for 18-19
Salary & Benefits: \$91,000 Supplies: \$2,000 Transportation: \$50,000 FY20 Total Expenses: 143,000 FY19 (\$25,000	Roll-over funds: \$70,000 FY20 Transportation reimbursement: \$25,000	\$73,000 FY19 *Total out of pocket for 18-19 preK will be \$48,000 with FY20 transportation reimbursement

reimbursement in FY20)		
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