



Read to Lead Development Fund Fiscal Year 2014-15

Background

The Read to Lead Development Fund [was created in April 2012](#). The Fund and a related general purpose revenue (GPR) appropriation provide grants to school boards and other persons in support of literacy and early childhood development programs. The [Read to Lead Development Council](#), which was also created in April 2012, is responsible for recommending potential recipients of these grants.

The amount of grant awards that the Council may recommend is limited by the amount available in the Fund and the amount appropriated to the related GPR appropriation. At the end of fiscal year (FY) 2011-12, the Fund received \$400,000 in initial funding, but subsequently received only minimal interest earnings through FY 2014-15. In FY 2011-12, and in each subsequent fiscal year, the related GPR appropriation has been appropriated \$23,600 annually.

Provisions of 2015 Wisconsin Act 55, the 2015-17 Biennial Budget Act, [transferred the Governor's responsibilities related to the Fund](#) to the Secretary of the Department of Children and Families (DCF) and transferred to DCF the grant funding sources that were previously part of the Governor's Office. Act 55 did not affect the responsibilities of the State Superintendent of Public Instruction or the grant funding sources at the Department of Public Instruction related to these literacy and early childhood development program grants.

To fulfill our statutory requirement to audit the Fund, we reviewed the expenditures of the Fund and the grants awarded during FY 2014-15. Because the GPR appropriation and the Fund are closely related, we also considered grants funded by the related GPR appropriation in our review.

Key Findings

We found:

- From the Fund's creation in April 2012 through FY 2014-15, [grants totaling \\$336,926 were awarded](#), including \$291,751 in grants funded by the Fund and \$45,175 in grants funded by the related GPR appropriation. The State [expended \\$138,247 for these grants](#) in FY 2014-15.
- As of the end of FY 2014-15, the Fund had a balance of \$283,303, of which \$173,895 was committed for grants awarded but not yet expended by the State, and the remaining [\\$109,408 was available](#) for future grant awards.
- If, as a result of the next applicant selection process, grants are awarded in an amount comparable to the amount awarded in FY 2014-15, the balance in the [Fund may be fully committed](#). At this time, if the Fund is fully committed, only amounts annually appropriated to the related GPR appropriation will remain available for future grant awards.

Audit Recommendation

The Council is required to annually submit a report on its operations to the Legislature. [We recommend](#) that DCF work with the Council to include information in the Council's next annual report on the Council's plans for awarding grants in the future and for raising private funds.