



STATE OF WISCONSIN

Legislative Audit Bureau

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Report 17-18
November 2017

BRIEFING SHEET

State Auditor: Joe Chrisman

Read to Lead Development Fund Fiscal Year 2016-17

Background

The Read to Lead Development Fund was created in April 2012 by 2011 Wisconsin Act 166. The Fund and a related general purpose revenue (GPR) appropriation provide grants to school districts and other entities to support literacy and early childhood development programs. The Read to Lead Development Council, which was also created by Act 166, is statutorily responsible for recommending grant awards from both the Fund and the related GPR appropriation.

The amount of grant awards the Council may recommend is limited by the amount available in the Fund and the related GPR appropriation. The Fund received \$400,000 in initial funding, but subsequently received only minimal interest earnings through FY 2016-17. In FY 2011-12, and in each subsequent fiscal year, the related GPR appropriation has been appropriated \$23,600 annually.

The Secretary of the Department of Children and Families chairs the Council and shares responsibility for awarding grants with the State Superintendent of Public Instruction.

Key Findings

We found:

- From the Fund's creation in April 2012 through FY 2016-17, a total of \$496,959 was awarded to 17 grant recipients. Through FY 2016-17, \$461,365 was expended to reimburse recipients for grant-related costs.
- After taking all outstanding grant commitments into account, the Fund's available balance was \$2,219 on June 30, 2017.
- The Council did not solicit grant applications for FY 2016-17, but it did issue one award. In response to a scoring error we identified in report 16-9, the Indianhead Community Action Agency was awarded a grant for \$23,600 in FY 2016-17.
- Unless additional funding is solicited or appropriated to the Fund, available grant funding will likely be limited to the related GPR appropriation for future grants.
- Under state law, 12 members of the Council constitute a quorum to conduct business. In October 2017, the Council lacked a sufficient number of members to achieve a quorum.

Key Recommendations

We make recommendations to improve grant management, encourage the Council to develop a formal position on soliciting funds to support future grant awards, recruit additional members to fill vacancies, and report to the Joint Legislative Audit Committee by June 1, 2018.