

Andover Elementary School Preschool

Financial Analysis · FY 2024–25 actuals and FY 2025–26 anticipated · Updated May 10, 2026 with Superintendent's response

A personal report by Scott Sauyet · scott@sauyet.com · Not an official town document

Report compiled May 2, 2026, with significant updates May 10, 2026, for use in town deliberations on the financial role of the Andover Elementary School preschool program. This report has two layers. The original analysis (Parts 1–6) is built from public records: the FY 2024–25 Andover audit (filed with the Connecticut Office of Policy and Management on EARS, document ID 13598), the Connecticut Comptroller’s OpenCheckbook for the same fiscal year, the Andover Board of Education’s monthly meeting packets (specifically the financial report dated April 8, 2026), the AEA Contract 2025–2029, the CSEA Contract 2024–2028, and the school’s published “About Pre-K” page and 2025–26 Preschool Registration Packet. A May 9, 2026 update from Superintendent Dr. Valerie Bruneau — sitting in front of the original analysis and quoted with permission — confirms several figures, supplies actuals where the original relied on estimates, and clarifies a structural point about how preschool is funded that materially changes the headline conclusion. Inline callouts in each affected section of the original analysis cross-reference the Update. All figures are presented as found; methodology, caveats, and known data gaps are described below.

MAY 10, 2026 UPDATE

Update from the Superintendent’s Office (May 9, 2026)

This Update sits in front of the original report at Dr. Bruneau’s invitation to “lay out, even at a high level, what the preschool’s expenses are and what funds them” — the very question the original report was designed to surface. On the evening of May 9, 2026, the author emailed Dr. Bruneau with a short list of questions and a link to the original report. Her response, sent later the same evening, is reproduced and discussed below with her permission. The Update has six parts: a structural finding about how preschool is funded, confirmation of actual figures, a statement that the four-classroom program is not at risk in the budget vote, a substantive methodology update on the FERPA and HIPAA constraints that limit aggregate benefits disclosure in a small program, additional context on out-of-town enrollment, and a follow-up analysis using publicly available sources that explains why the Smart Start grant has stayed at \$65,000 since 2017 — answering one of the open questions the original report flagged.

1. Preschool is not in the BOE general fund

The single most consequential clarification is structural. From Dr. Bruneau’s email:

“Preschool is not funded through the town’s general fund, so even if the AES budget is reduced, there is no preschool line item there to cut. The eight preschool staff salaries are funded through tuition and grants and would not be affected. ... Any reductions to the AES general fund budget would directly impact kindergarten through sixth grade programming. ... If people are saying that a budget cut would force preschool reductions, that simply is not accurate. I can’t cut what does not exist in the general fund.”

Diagram: two separate funds, two separate budgets. The General Fund holds K–6 instruction, RHAM, administration, and town departments. The School Grants Fund holds preschool tuition, state grants, and the eight preschool staff.

***Figure 1.** The two funds, side by side. The BOE budget vote affects the General Fund (left). Preschool spending lives entirely in the School Grants Fund (right) and is paid out of tuition and Office of Early Childhood grants — so a reduction to the General Fund cannot reach it.*

This reframes a category of arguments heard around the budget. The eight preschool staff are paid through the School Grants Fund — a separate fund populated by tuition revenue and Office of Early Childhood grants, accounted for separately from the General Fund that holds K–6 instructional spending. The original analysis treated this as a fund-accounting detail; in town discussion it has been treated as if “the BOE budget” and “the preschool budget” were the same pool, which they are not. A vote to reduce the AES general fund does not reduce preschool, because no preschool spending lives in that fund to be reduced. The arithmetic constraint runs the other way: preschool expenses match preschool revenues in their own fund, and reductions to the General Fund would land on K–6 programming.

This shifts how the original report’s “net town subsidy” figure should be read. The estimate of approximately \$92,000 per year is a fully-loaded allocation that adds employee benefits — which the BOE charges to district-wide General Fund accounts — to the program. It is not a preschool-specific line item that could be eliminated by changing the preschool’s structure. To the extent the town wants to identify “what the preschool costs the General Fund,” that figure is benefits-only and runs through district-wide accounts that are not preschool-segregated and not straightforwardly reducible without affecting other programs. Even that figure, as the FERPA/HIPAA discussion below explains, the town’s accounting cannot make any more granular than it already is without disclosure risk.

2. Confirmed actuals replace several estimates

Dr. Bruneau confirmed several figures the original report estimated, and her overall assessment is that the original estimates ran *high* rather than low:

“I can tell you spent a great deal of time carefully using public information, and overall it is accurate. If anything, your estimates were conservative. You actually overestimated the costs of salaries and insurance. ... two of our preschool teachers are newer staff members, so their salaries are actually lower than what was estimated. Assuming the same staffing assignments next year, preschool teacher salaries will total approximately \$297,000, and paraprofessional salaries approximately \$118,000 — to be covered through anticipated tuition and grant funding. We are definitely still going to receive the Smart Start and Early Start grant funding at equal or higher amounts.”

The numerical comparison:

Item	Original report estimate	Superintendent’s confirmed FY 2025–26 actual
Teacher salaries (4 teachers)	~\$265,000 (mid-step) / \$399,951 BOE total split implied higher	~\$297,000
Paraeducator wages (4 paras)	~\$109,000 (mid-step) / \$399,951 BOE total split implied higher	~\$118,000
Combined staff compensation	\$399,951 (BOE total)	~\$415,000
Smart Start grant (FY 2025–26)	\$65,000 anticipated	confirmed at equal or higher level
Early Start grant (FY 2025–26)	\$123,000 anticipated	confirmed at equal or higher level
Benefits, program-allocated	~\$115,000 estimated (mid scenario)	not disclosable in aggregate (see § 4); actual is lower than estimated because not all staff take district insurance

Notes: The Superintendent’s confirmed combined staff compensation figure of approximately \$415,000 (\$297,000 + \$118,000) is approximately \$15,000 *higher* than the BOE packet’s \$399,951 anticipated salary figure. The two figures are not contradictory — the BOE packet’s “anticipated salary expense” line and the Superintendent’s “salaries totaling” figure may differ in scope (e.g., whether stipends, longevity, or partial-year pro-rations are included), and the Superintendent indicates the actual figure may sit slightly above the BOE packet’s anticipated number. Either way, the original report’s contract-schedule derivation of approximately \$374,000 was conservative on the low side, and the BOE packet’s \$399,951 was conservative on the low side as well. On the benefits side, the Superintendent’s note that many staff do not take district insurance means the original \$115,000 mid-scenario benefits estimate likely overstated the actual figure. The original estimate range of \$107,000–126,000 was anchored to a salary base of approximately \$400,000 with assumed insurance utilization at typical levels; both anchors should be revised slightly downward in light of the Superintendent’s confirmation. A precise actual is not separately reportable for the reasons explained in § 4.

The structural conclusion of the original report — that the program is approximately revenue-neutral in fund accounting, with a fully-loaded program-level cost slightly above program-level revenue — is unchanged. What changes is the magnitude: the actual gap is somewhat narrower than the original estimates suggested, in the direction of the program covering more of its fully-loaded cost than the original mid-estimate of ~\$92,000/year showed.

3. The four classrooms remain regardless of the budget vote

Dr. Bruneau also confirmed that the four-classroom complement is set by enrollment need and is not a budget variable:

“I’m not sure if you had a chance to watch my last video, but four preschool classrooms are needed based on the number of students and their needs. No matter what happens with the general fund budget in round two, those four classrooms will remain. ... If staff were ever to be cut, again four classes would still exist next school year for preschool.”

This is consistent with the structural picture in Part 4 of the original report: federal Least Restrictive Environment rules under IDEA Part B specifically prefer the integrated model Andover uses, and the number of classrooms is determined in part by the enrollment of children with identified needs whom the district is legally required to serve. The four-classroom complement is therefore not a discretionary line that can be shrunk to save money in the General Fund — it both lives in a different fund (per § 1) and is sized to comply with mandates the district cannot decline.

4. On the FERPA and HIPAA constraints — why aggregate benefits data isn't always shareable in a small program

The original report's Part 6 included a recommendation that the BOE publish an estimated allocation of benefits to the preschool program, with the parenthetical "(no individual data required)." That parenthetical was methodologically wrong, in a way worth explaining carefully because the distinction matters in any small program. From Dr. Bruneau's email:

"Regarding benefits, I cannot share aggregate insurance information, even without names attached. In a small program like ours, where staff roles can be connected to specific student needs, even aggregate information could indirectly identify individuals, and I have a legal obligation to protect that information."

The legal framework she is referring to has two pieces, both with explicit federal guidance.

FERPA's "indirect identifier" doctrine. Under FERPA, personally identifiable information (PII) is not limited to direct identifiers like names. Federal regulations at 34 CFR §99.3, and the U.S. Department of Education's published guidance, define PII to include "other information that, alone or in combination, is linked or linkable to a specific student that would allow a reasonable person in the school community ... to identify the student with reasonable certainty." Department of Education guidance explicitly notes that *aggregate* data with small cell sizes can constitute PII when "other information that would make the student's identity easily traceable" exists in the aggregated tabulations. The cited examples of indirect identifiers include disability status, race, place of birth, and "other descriptors."

The mechanism is concrete on the student side. If a published preschool figure shows, say, "N children in the program receive special-education services," and a reader in the school community knows the four-classroom structure and can see which classroom or grouping is served by particular staff, the reader may in some cases be able to identify which students are in the count — which means the published aggregate has effectively disclosed their disability status. The rough threshold widely used in school-data publication (suppressing or generalizing cells with fewer than 10 students) exists precisely because cell counts at small numbers are vulnerable to this kind of working-back. Andover's preschool is small enough that several plausible cross-tabulations would fall below that threshold.

HIPAA's "summary health information" rule. A parallel constraint applies under HIPAA, but on the staff side rather than the student side. Under 45 CFR §164.504(f), an employer-sponsor of a group health plan may receive "summary health information" — aggregate claims or expense data about plan participants — only under specified conditions, and even then the rule expressly notes that summary health information "does not constitute de-identified information because there may be a reasonable basis to believe the information is identifiable to the plan sponsor, especially if the number of participants in the group health

plan is small.” Department of Health and Human Services guidance on this provision echoes that the small-group case is precisely where aggregate summaries remain potentially identifiable. Eight preschool staff is a small group by any reasonable definition.

The mechanism is concrete on the staff side as well. If the preschool’s aggregate benefits figure shows, say, “the preschool’s staff health insurance cost is \$X,” and a reader knows roughly what plans the district offers and at what tier, and can compare that figure against the same figure published the year before or against a similarly small comparable group, the reader can in some cases work back to who in the program is taking family-tier coverage versus single, or who is taking no district coverage at all. With eight staff whose roles observers in a small town can readily identify by classroom, that working-back is more plausible than it would be in a 100-staff program — which is why federal guidance treats small cell sizes as a privacy concern in their own right.

Why both frameworks apply jointly here. In a larger program these two risks would be more separable: FERPA on student data, HIPAA on staff data, managed through different channels. In Andover’s preschool the two collapse together because *staff roles can be linked to specific student needs*. A SPED-trained paraeducator assigned to a classroom serving children with IEPs is a staff fact (relevant under HIPAA when their benefits utilization is exposed) and an indirect identifier of those children’s services and disability status (relevant under FERPA when staffing-by-classroom is publicly known). This is the specific concern Dr. Bruneau identifies in her email — “where staff roles can be connected to specific student needs, even aggregate information could indirectly identify individuals.” The joint application is not double-counting; it’s the consequence of a small program in which one piece of aggregate data can do work under both privacy frameworks simultaneously.

The combined effect is that “share an aggregate program-level benefits figure” is not as cost-free a request as the original report’s Part 6 implied. The Superintendent’s position is supported by federal guidance under both FERPA and HIPAA, not just one. The original report’s framing — that an aggregate benefits figure “would not require disclosing individual names” and “would not violate FERPA or HIPAA” — conflated *direct* identifiers (names, IDs) with the broader category of *indirect* identifiers that small-cell aggregate data can supply.

What this means for the report. The revised position: an aggregate program-level benefits figure for the preschool, on its own and in any form granular enough to be analytically useful, is *not* something the district can responsibly publish without further analysis of disclosure risk. The original report’s recommendation in Part 6 that the BOE publish “an estimated allocation of employee benefits to the preschool program ... even at the level of a percentage applied to salaries” is correspondingly walked back: a *district-level* benefits figure with a methodology note explaining how preschool’s share is calculated would serve essentially the same analytical purpose without the indirect identifier risk that a program-level figure carries. That alternative is described in § 5 below.

The corroborating federal guidance is cited in Sources under the new “FERPA and HIPAA reference materials” subsection.

5. Out-of-town enrollment, with sharper context

Dr. Bruneau makes the same structural argument the original Part 5 made — out-of-town tuition is incremental revenue, not a cost — but adds context about how the preschool compares to other shared community resources, and a sharper statement of the financial mechanism:

“I find it interesting that this ‘out of town expense’ concern/accusation only seems to arise around preschool. Out-of-town residents use many town resources (the library, senior center, basketball, and pickleball programs) all at no charge or additional to them. In fact, in Monday’s Board of Selectmen packet I see included a library report showing 586 out-of-town checkouts. ... The difference with preschool is that out-of-town families actually pay tuition (\$6,000 per student) to fill otherwise empty seats that aren’t bringing in the additional revenue. That revenue helps keep all eight preschool salaries out of the general fund and reduces costs to taxpayers. The math truly works in the opposite direction of what some people are suggesting.”

The comparison is worth surfacing because it lands the point that out-of-town tuition is not just neutral but actively favorable: it pays toward the staff costs that would otherwise sit somewhere on the town’s ledger, and it does so for seats that — under the resident-priority enrollment policy — would otherwise be empty. The original Part 5 made the “incremental revenue” argument structurally; her framing supplies the second half of it, which is that the incremental revenue specifically *displaces* costs that would otherwise fall on taxpayers. Combined with § 1 above, this means out-of-town tuition is a direct contribution to the School Grants Fund’s ability to cover preschool staff costs without drawing on the General Fund.

6. After further analysis — why the Smart Start grant has stayed at \$65,000

This subsection is not based on the Superintendent’s email. It is the author’s follow-up analysis using publicly available sources, addressing one of the open questions flagged at the end of Part 3 and in Key Observations of the original report: why has Andover’s Smart Start grant remained at \$65,000 every year since 2017, even as the program has expanded from one classroom to four? The answer that emerges from public sources is that the static figure is mechanical, not discretionary, and that the program structure itself has frozen.

The arithmetic anchor. Andover’s \$65,000 annual Smart Start grant equals exactly 13 students × \$5,000 per student — the per-student operating cap set in statute. The 2017 award announcement listed Andover as receiving funding for one classroom of 13 children, and that 13-seat allocation has carried forward unchanged. Adding classrooms does not automatically expand the seat count, because the seat count was tied to the original award rather than to subsequent enrollment.

The program horizon was statutory. The original Smart Start statute (Public Act 14-41, signed in 2014) explicitly set a 10-year operating window: *“For the fiscal years ending June 30, 2015, to June 30, 2024, inclusive, the Office of Early Childhood ... shall design and administer the Connecticut Smart Start competitive grant program.”* The program was designed from the start as a finite expansion vehicle, not an open-ended funding stream.

Smart Start has effectively stopped accepting new applications. According to the Connecticut Office of Early Childhood’s Smart Start provider resources page, “To date, 25 school districts have received a Smart Start grant, with 23 current grantees.” The only meaningful expansion since the original cohort was a 2021 pandemic-response opportunity called “Smart Start for Recovery,” funded for three years through the federal American Rescue Plan Act and offered specifically to existing grantees and districts identified to have unmet preschool need. Ten districts received Smart Start for Recovery awards. The general Smart Start program is not currently soliciting applications from new districts.

The funding focus shifted to Early Start CT. Effective July 1, 2025, Connecticut consolidated its School Readiness, Child Day Care Contracts, and State Head Start Supplement Grant programs into a single program called Early Start CT, administered by OEC. Early Start CT, not Smart Start, is the program through which Connecticut now expands publicly funded preschool access. The 2025 legislative session also saw a much larger commitment to early childhood funding through Senate Bill 1, which became law in June 2025 and creates an Early Childhood Education Endowment drawing up to \$300 million per year from state surplus funds — intended to support an estimated 16,000 additional preschool and infant toddler spaces by 2030. The funding trajectory is moving toward Early Start CT and the new endowment, not toward expansion of Smart Start allocations.

A specific Smart Start increase was proposed but did not pass in 2025. Senate Bill 6 of the 2025 legislative session would have raised the Smart Start operating cap from \$5,000 to \$7,000 per student and from \$75,000 to \$105,000 per classroom — the first proposed increase to those caps since the original 2014 statute. The bill passed the Senate on May 13, 2025 but died in the House at the end of the session and did not become law. Smart Start operating caps therefore remain at the original \$5,000/\$75,000 figures.

What this means for the original report’s question. The original report asked whether Andover might pursue additional Smart Start funding as the program has expanded from one to four classrooms. Public sources suggest the answer is that this is not currently a viable path, for two reasons: (a) the per-student cap has not been increased, so additional funding would require additional seats rather than higher per-seat amounts, and (b) the program is no longer accepting applications for new seats from districts that are not already designated grantees of an expansion round. The funding mechanism that would accommodate Andover’s classroom growth is Early Start CT — which Andover already participates in, and which the Superintendent has confirmed is funded at “equal or higher” levels going forward.

The Smart Start figure, in other words, is not static because anyone has declined to ask for more; it is static because the program structure that would deliver more has effectively closed to new requests, with funding attention shifting elsewhere. The original report’s framing in Key Observations, that “the original 2017 award

has continued unchanged ... whether additional Smart Start funding is available, whether application would be successful, and whether the town has actively pursued expansion of its Smart Start allocation are questions worth asking,” is now answered to the extent public sources can answer it: the funding is not currently available, an application would not currently be successful, and pursuing expansion would in any case be the wrong vehicle — Early Start CT is where Connecticut’s preschool expansion funding now lives.

What this means for the rest of the report

The original analysis (Parts 1–6) was built from public records and explicitly invited the Superintendent’s office to fill in the gaps. That invitation was accepted, and the gaps were filled. The original analysis remains a useful exposition of how the program looks from public records — the audit, the Comptroller’s payments, the BOE packets, the contracts — and the methodology stands. Where the Update narrows or sharpens specific numbers or framings, an inline callout in the affected section (formatted ► **Update (May 10, 2026):** ...) points back to the relevant part of this Update section. None of the original sections has been removed or rewritten; the Update layer sits in front of them and the callouts cross-reference where the public-records picture and the Superintendent-confirmed picture meet.

A reader who wants the headline answers can stop after reading this Update section. A reader who wants to see how the original public-records analysis produced the questions the Update answered should read on into Parts 1–6.

INTRODUCTION

Why this report exists

The Andover Elementary School preschool program has been the subject of recurring discussion in town budget conversations, focused on two questions: what does the program actually cost the town, and to what extent does it serve out-of-town families. Both questions have answers that can be assembled from public sources — the town’s annual audit, the Connecticut Comptroller’s payment records, the Board of Education’s monthly meeting packets, the published collective bargaining agreements, and the school’s own enrollment policies — but assembling the answer takes some work. This report does that work and presents what is determinable. A closing section observes how the existing monthly reporting could be consolidated and contextualized to make the same information available without requiring residents to assemble it themselves.

► **Update (May 10, 2026):** A subsequent email exchange with the Superintendent addressed several of the open questions in the original analysis directly. See the Update section above for the consolidated findings; inline callouts throughout Parts 1–6 cross-reference the relevant items.

The short version of the answer to the first question: the program is approximately revenue-neutral on an operating basis and runs a small net subsidy when employee benefits are fully loaded. The Board of Education’s own April 2026 financial report shows FY 2025–26 anticipated revenue of \$435,986 (tuition plus state grants) against \$399,951 in anticipated staff salaries, leaving roughly \$36,000 to cover substitutes, supplies, and other classroom costs. Once an estimated allocation of employee benefits is added — the figure the BOE report does not break out at the program level — the fully-loaded marginal cost rises to approximately \$520,000–539,000 and produces a net town subsidy in the range of \$84,000–103,000 per year.

That figure, however, addresses only what the preschool program *directly* costs. It does not reflect the costs the town and the school district would otherwise incur to comply with state and federal special-education law, which require the district to provide a Free Appropriate Public Education to children ages 3–6 with disabilities regardless of whether a preschool program exists. Part 4 of this report estimates those mandate-driven costs at roughly \$170,000–230,000 per year in current dollars — meaning the preschool, as structured, is plausibly the *cheapest* legal way for the district to meet obligations it cannot decline. Treated against that benchmark, the preschool likely produces a small net *savings* to the town rather than a net cost. The narrow \$84,000–103,000 figure above remains correct as an answer to “what does the program itself cost on the operating ledger”; it is not, on its own, an answer to “what would the town save if the program did not exist.”

The short version of the answer to the second question: the preschool’s published enrollment policy gives Andover residents priority at every step. Out-of-town students fill seats only after Andover demand has been satisfied. Because the marginal cost of one additional enrolled student in an existing classroom is essentially zero (the teacher is already paid, the classroom is already running), every dollar of tuition from an out-of-town family is incremental revenue that helps fund the program. Out-of-town students do not subsidize their tuition with town money — they contribute revenue that helps subsidize income-eligible Andover residents.

METHODOLOGY

A note on methodology before the numbers

Two methodological points are worth flagging before the figures.

First, there are two distinct ways to attribute cost to a school program, and the choice between them changes the answer by an order of magnitude. This report uses the **marginal cost** framing throughout — the costs that would not be incurred if the program did not exist — and discusses the alternative **average cost** framing in a single subsection (under Part 3). For budget-deliberation purposes the marginal framing is the relevant one, because the costs that would not actually disappear if the program were eliminated should not be counted against the program when weighing it.

Second, this report uses **multiple sources to triangulate** rather than relying on any single document. Where the FY 2024–25 audit, the Connecticut Comptroller’s payment ledger, the BOE’s monthly financial reports, and the published collective bargaining agreements all converge on a figure, that figure is reported with high confidence. Where they differ, the differences are noted. The largest area where direct public sources fall short is **employee benefits at the program level**: the BOE’s reports show salary detail by funding source but do not allocate health insurance, FICA, OPEB, life insurance, or disability insurance to the preschool. Those figures are estimated in this report using the AEA and CSEA contracts’ employee/ employer cost-share provisions; they remain estimates rather than confirmed actuals.

► **Update (May 10, 2026):** The “estimated rather than confirmed” framing above is the right framing for what public records support, but it understates the privacy reason a confirmed program-level figure cannot straightforwardly be published. See § 4 of the Update section for the FERPA and HIPAA constraints on aggregate benefits disclosure in a small program; an aggregate program-level figure is not just unpublished but in many cases not responsibly publishable.

REVENUE

Part 1 — Revenue: what the preschool brings in

► **Update (May 10, 2026):** The Superintendent’s email confirms continued Smart Start and Early Start grant funding “at equal or higher amounts” for the next fiscal year, sustaining the revenue picture in this section. See § 2 of the Update.

The Board of Education’s anticipated FY 2025–26 revenue ✓ *Confirmed from BOE packet, April 8, 2026*

The Andover Board of Education’s monthly meeting packet for April 8, 2026 includes a one-page program-level financial report titled “Grants/Tuition/Expenses FY26.” It presents preschool revenue in three tuition accounts and two grant accounts:

Account	Description	FY 2025–26 anticipated
009-250-0909-0000	PreK Tuition Revenue (NG)	\$155,566.00
009-250-0909-0119	PreK Early Start Tuition	\$60,480.00
009-250-0909-0219	PreK Smart Start Tuition	\$31,940.00
	Subtotal: tuition	\$247,986.00
009-101-0865-1001	Early Start Grant (state)	\$123,000.00
009-101-0976-1001	Smart Start Grant (state)	\$65,000.00
	Subtotal: state grants	\$188,000.00
	Total anticipated revenue, FY 2025–26	\$435,986.00

The three-way tuition split is worth pausing on, because it directly answers a question that comes up implicitly in town discussions of the program. Families enrolled in income-eligible (grant-funded) slots are not receiving the program for free — they pay sliding-scale tuition determined by the Connecticut Office of Early Childhood’s published income-eligibility scale. The three tuition accounts represent three categories of paying family:

- **PreK Tuition Revenue (NG)** — \$155,566 anticipated. The “NG” designation means “no grant”: full-pay families, paying \$6,000 per year (\$600/month) regardless of income.
- **PreK Early Start Tuition** — \$60,480 anticipated. Sliding-scale tuition collected from families enrolled in Early Start grant slots.
- **PreK Smart Start Tuition** — \$31,940 anticipated. Sliding-scale tuition collected from families enrolled in Smart Start grant slots.

This means that of the program’s \$247,986 anticipated tuition, roughly 63% comes from full-pay families and 37% comes from income-eligible families paying on the sliding scale. Every category of enrolled family contributes some tuition revenue to the program.

Cross-validation with the FY 2024–25 audit ✓ *Confirmed*

The most recently completed fiscal year is FY 2024–25, ended June 30, 2025 and audited in April 2026. The FY 2024–25 audit’s Schedule of Expenditures of State Financial Assistance reports the following preschool grant revenue:

Grant	Core-CT identifier	FY 2024–25 actual
Early Care and Education (now Early Start)	11000-OEC64845-16274	\$123,300
Smart Start	11000-OEC64845-16279	\$65,000
School Readiness Quality Enhancement	11000-OEC64845-16158	\$3,881
Total OEC state grants, FY 2024–25		\$192,181

The audit’s tuition revenue for the same year, recorded in the School Grants Fund’s “charges for services” line, was **\$235,917**.

So we have two consecutive fiscal years of revenue figures from independent sources:

Revenue category	FY 2024–25 (audit, actual)	FY 2025–26 (BOE, anticipated)
Family tuition	\$235,917	\$247,986
Smart Start grant	\$65,000	\$65,000
Early Care and Education / Early Start grant	\$123,300	\$123,000
School Readiness Quality Enhancement	\$3,881	not budgeted
Federal IDEA Section 619 Preschool	\$3,213	not separately tracked
Federal CSLFRF School Readiness pass-through	\$2,232	(residual, likely zero)
Total identified preschool revenue	\$433,543	\$435,986

The two years’ totals match within \$2,500, well inside any reasonable estimation tolerance. Tuition grew 5% year-over-year — consistent with continued program enrollment growth. The Smart Start and Early Care and Education / Early Start grant amounts are essentially identical between years (the \$300 difference is rounding).

The Quality Enhancement grant (\$3,881) appears in the FY 2024–25 audit but does not appear in the BOE’s FY 2025–26 anticipated revenue. This may be because the grant is awarded irregularly rather than annually, or because it represents a residual closeout from a prior award; the BOE’s FY 2025–26 budget does not anticipate receiving it. This discrepancy is small (under 1% of total revenue) and does not materially affect the analysis.

Federal preschool grants — IDEA Section 619 (\$3,213) and the COVID-era CSLFRF School Readiness pass-through (\$2,232) — appear in the FY 2024–25 audit’s Schedule of Expenditures of Federal Awards but are not separately broken out in the BOE’s program-level FY 2025–26 report. Their amounts are small and are likely embedded in a larger district-wide federal grants account in the BOE’s tracking. For purposes of this analysis they are included in the FY 2024–25 totals and assumed to continue at roughly similar levels for FY 2025–26.

Cross-validation against the Connecticut Comptroller ✓ *Confirmed*

The Connecticut Office of the State Comptroller publishes every state payment to every vendor at the invoice level via OpenCheckbook (opencheckbook.ct.gov (<https://opencheckbook.ct.gov/>)). For FY 2024–25, the Comptroller recorded 18 individual payments to “TOWN OF ANDOVER TOWN TREASURER” coded to the Office of Early Childhood:

OEC Program (Comptroller)	Payments	Total
Smart Start	8	\$65,000.00
Early Care and Education	8	\$123,300.00
Child Care Quality Enhancement	2	\$3,881.00
Total OEC payments	18	\$192,181.00

This figure ties to the audit’s OEC subtotal **to the dollar**. Three independent state and local systems — the Comptroller’s accounts payable ledger, the auditor’s compliance schedule prepared by an outside CPA firm, and the Andover BOE’s own monthly financial reporting — all report consistent figures. Where the Comptroller and audit address the same period (FY 2024–25), they reconcile exactly. Where the audit and BOE address adjacent periods (FY 2024–25 actual vs. FY 2025–26 anticipated), the figures are consistent within normal year-over-year variation.

Part 2 — Marginal cost: what the program actually costs the town

► **Update (May 10, 2026):** The Superintendent confirms that the original estimates in this section were *conservative* — the actual figures are somewhat lower than the BOE-packet-derived \$399,951 implies for benefits, because not all staff take district insurance. See § 2 of the Update for the confirmed actuals; § 4 explains why a precise program-level benefits figure is not separately publishable.

Staff complement ✓ *Confirmed from school website and BOE packet*

The Andover Elementary School “About Pre-K” page describes program staffing as: “*At Andover Elementary Pre-School, we maintain a low student-to-teacher ratio, with four highly trained educators and four dedicated assistants.*”

The BOE’s April 2026 financial report breaks the eight staff across the three funding sources:

Funding source	Staff funded	Anticipated FY26 budget
Local tuition	2 teachers + 3 paraeducators	(covers staff plus subs and supplies)
Early Start grant	1 teacher + 1 paraeducator	\$99,000 (salaries only)
Smart Start grant	1 teacher	\$65,000 (salaries only)
Total	4 teachers + 4 paraeducators	

This is a useful detail. It shows that the two state grants are functioning as direct salary offsets — the Early Start grant pays for one teacher-paraeducator pair, and the Smart Start grant pays for one teacher. The remaining two teachers and three paraeducators are paid from tuition revenue. So the question “which staff are paid by grants and which by tuition” has a precise answer: **half of the certified teachers and one quarter of the paraeducators are grant-funded; the rest are funded from tuition.**

Anticipated salary expenses ✓ *Confirmed from BOE packet, April 8, 2026*

The BOE's April 2026 report states the total anticipated FY 2025–26 salary expense for the preschool's eight staff:

Funding source	Anticipated FY 2025–26 salary expense
Local tuition (2 teachers + 3 paras)	(subset of the \$247,986 tuition revenue)
Early Start grant (1 teacher + 1 para)	\$99,000
Smart Start grant (1 teacher)	\$65,000
Total anticipated salaries — all eight staff combined	\$399,951

The bottom of the BOE report performs the following arithmetic:

Total Anticipated 2025–2026 Revenue: \$435,986 (\$247,986 Local Tuition + \$123,000 Early Start Grant + \$65,000 Smart Start Grant) — Less \$399,951 Total anticipated salary expense for eight (8) staff = \$36,035 for supplies/classroom expenditures.

Diagram: revenue sources flowing to staff salaries and operating remainder. Tuition (\$248K) and state grants (\$188K) total \$435,986 of revenue. Of that, \$399,951 funds eight staff salaries and \$36,035 remains for substitutes, supplies, and other operating costs.

Figure 2. *The BOE's arithmetic, in one frame. Three tuition accounts and two state grants total \$435,986 of anticipated FY 2025–26 revenue, of which \$399,951 funds the eight preschool staff and \$36,035 remains for substitutes, supplies, and other operating costs. On the program's own ledger — before benefits are loaded in — the program is approximately revenue-neutral.*

This is the source of the program's break-even framing in public discussion — revenue covers salaries with \$36,035 left over for classroom expenses.

What the BOE figure includes and does not include

The BOE's \$399,951 is anticipated salaries only. It does not include:

- **Substitute coverage.** The April 2026 report shows \$6,720 already expended on substitutes through March 31, 2026 (account 009-106-0909-0000); annualized, this is approximately \$8,000–9,000.
- **Supplies actually purchased.** The same report shows \$2,444.55 expended on supplies through March 31 (account 009-610-0909-0000); the full-year figure is likely on the order of \$3,000–5,000.

- **Employee benefits.** Health insurance, FICA/Medicare, OPEB, life insurance, and long-term disability insurance are paid by the town for all preschool staff but are not allocated to the preschool program in the BOE’s monthly reporting. They are charged instead to district-wide accounts in the General Fund (e.g., account 002-210 for FICA, 002-220 for Group Insurance, 002-230 for Pension), which makes them invisible at the program level.

The “\$36,035 for supplies” framing therefore reflects an accurate calculation of one slice of the program’s finances — specifically, the operating result on a fund-accounting basis when only the items tracked in the program’s own accounts are counted. It is not the same as a fully-loaded marginal cost figure for the town. Both numbers are honest, but they answer different questions.

Cross-check from the published salary schedules ✓ *Confirmed from AEA and CSEA contracts*

A second, independent way to estimate preschool staff costs is to apply the published collective bargaining schedules to a typical staffing pattern. The Andover Education Association contract (effective July 1, 2025) sets teacher compensation by Appendix B; the relevant 2025–26 schedule:

Step	BA	BA+15	MA	MA+15	6th Year
1	\$52,084	\$53,517	\$58,000	\$59,365	\$60,738
5	\$60,667	\$62,174	\$66,308	\$67,734	\$69,160
10	\$85,198	\$87,078	\$93,719	\$95,493	\$97,298

(Full schedule available at the contract link in Sources.)

The CSEA SEIU Local 2001 paraeducator pay scale for FY 2025–26 ranges from \$19.84 (Step 1) to \$24.03 (Step 9) per hour, on a 10-month part-time work year (Class D classification, 20–30 hours per week).

Applying typical mid-step staffing assumptions:

- Four teachers at Step 5 MA = \$265,232
- Four paraeducators at Class D mid-step (~1,196 hrs * \$22.84/hr) = \$109,260
- **Implied total = approximately \$374,000**

The BOE’s anticipated \$399,951 is approximately \$26,000 above this mid-step estimate — a difference that suggests actual staffing skews slightly above mid-career mid-step credentials. This is consistent with a typical school’s longevity profile (most teachers are not exactly at Step 5) and well within the sensitivity range produced by the contract schedule. The \$399,951 figure should be treated as the central estimate for the report; the contract-schedule estimate is included as confirming methodology.

Benefits loading

Connecticut public school benefits have a distinctive structural feature that matters for this analysis: certified teachers' pensions are paid entirely by the state through the Connecticut Teachers' Retirement System (CTRS), not by the town. Teachers in CTRS contribute 7% of salary to the state retirement fund and are exempt from Social Security on their teaching wages. The town pays no employer pension contribution and no Social Security match for teachers — only the Medicare portion of FICA at 1.45%. This is a meaningful difference from states where school districts fund pensions directly, which is why the “30–35% of salary” benefits rule of thumb often cited in school finance does not apply directly to Connecticut towns.

Paraeducators are a different story. They are not in CTRS; they pay full Social Security plus Medicare (7.65% each side), and they may participate in the Connecticut Municipal Employees' Retirement System (CMERS) if Andover has enrolled them and they meet the 20-hour-per-week minimum. CMERS would add an employer contribution of roughly 7-9% of wages on top. Whether Andover's Class D paraeducators are actually enrolled in CMERS is something this report cannot determine from public sources alone — it depends on whether the town has elected to extend CMERS to part-time non-certified staff. The estimate range below treats this as a real source of uncertainty.

Building up the cost estimate component by component, rather than applying a generic percentage, produces the following picture for FY 2025–26.

For the four certified teachers (combined salary base approximately \$260,000 based on a typical mid-career staffing mix):

Component	Rate (% of salary)	Estimated annual cost
Health insurance (town pays 83.75% of premium per AEA Art. 8)	~22%	~\$57,000
HSA / deductible funding (50/50 split per Article 8)	~3%	~\$8,000
Medicare only (CTRS exempts Social Security)	1.45%	~\$3,800
OPEB (retiree health benefit accrual)	~1.5%	~\$3,900
Group life insurance (\$75,000 term per Article 8)	~0.3%	~\$800
Long-term disability insurance	~0.4%	~\$1,000
Workers' compensation	~0.5%	~\$1,300
Subtotal — teachers	~29%	~\$75,800

For the four paraeducators (combined wage base approximately \$140,000):

Component	Rate (% of wages)	Estimated annual cost
Health insurance (employee pays 28% per CSEA Art. 15; possible prorating for Class D)	~14%	~\$19,500
Full FICA — Social Security (6.2%) + Medicare (1.45%)	7.65%	~\$10,700
CMERS pension (uncertain — only if Andover enrolls part-time paras)	0–8%	~\$0–11,200
Group life insurance (\$10,000 term per Article 15.02)	~0.1%	~\$150
Long-term disability insurance	~0.4%	~\$550
Workers' compensation	~0.5%	~\$700
Subtotal — paras (low: no CMERS)	~22%	~\$31,500
Subtotal — paras (mid: partial/full CMERS, partial health)	~28%	~\$39,000
Subtotal — paras (high: full CMERS, full family health)	~33%	~\$46,000

The dominant uncertainty is on the para side, driven by two unknowns: whether Andover enrolls Class D paras in CMERS, and how the part-time hours interact with health insurance eligibility under CSEA Article 15. The teacher estimate is more stable because the AEA contract terms are clearer and the absence of town-paid pension is a fixed structural feature.

Combined estimates across the eight staff:

Scenario	Teachers	Paras	Total benefits	As % of \$400K salary base
Low (favorable assumptions)	~\$75,000	~\$31,500	~\$107,000	~27%
Mid (typical assumptions)	~\$76,000	~\$39,000	~\$115,000	~29%
High (high benefit utilization)	~\$80,000	~\$46,000	~\$126,000	~32%

The mid estimate of approximately **\$115,000** in total benefits is used as the central figure in the marginal-cost analysis below. The plausible range is \$107,000 to \$126,000.

► **Update (May 10, 2026):** The Superintendent indicates that because not all preschool staff take district insurance coverage, the actual benefits cost is *lower* than the \$107,000–126,000 range estimated here. The exact figure is not separately publishable — see § 4 of the Update for the FERPA/HIPAA reasoning — but the implication is that the original estimates were conservative on this dimension as well.

Total marginal cost, FY 2025–26

Combining the BOE’s confirmed anticipated salary figure with the estimated benefits and the BOE’s own annualized substitute and supplies figures:

Component	FY 2025–26 (mid-estimate)
Eight staff salaries (BOE anticipated)	\$399,951
Estimated benefits loading (mid scenario from build-up above)	\$115,000
Substitute coverage (BOE actual through 3/31, annualized)	\$8,500
Preschool-specific supplies (BOE actual through 3/31, annualized)	\$4,500
Total estimated marginal cost	~\$527,951

Sensitivity range, varying the benefits assumptions:

Scenario	Benefits estimate	Marginal cost
Low (no para CMERS; reduced health utilization)	~\$107,000	~\$520,000
Mid (typical assumptions, see breakdown above)	~\$115,000	~\$528,000
High (full para CMERS; high health utilization)	~\$126,000	~\$539,000

Part 3 — Net financial impact

► **Update (May 10, 2026):** The Superintendent’s clarification that preschool is not a General Fund line item — see § 1 of the Update — should be kept in mind when reading “net town subsidy” in this section. The figure here is a fund-accounting result that adds estimated benefits (charged to district-wide General Fund accounts) to the program’s own School Grants Fund accounting. It is not a discretionary preschool line that can be eliminated by reducing the BOE budget, because there is no preschool spending in the General Fund’s preschool-specific accounts to reduce.

The bottom line

FY 2025–26 (mid-estimate)	
Total anticipated revenue (BOE)	\$435,986
Total estimated marginal cost	~\$528,000
Estimated net town subsidy	~\$92,000/year

Sensitivity range across both staffing and benefits assumptions:

Scenario	Marginal cost	Net subsidy	\$/household/year	\$/household/month
Low (no para CMERS; reduced health)	~\$520,000	~\$84,000	~\$60	~\$5.00
Mid (typical assumptions)	~\$528,000	~\$92,000	~\$66	~\$5.50
High (full para CMERS; high health)	~\$539,000	~\$103,000	~\$74	~\$6.13

Across the full plausible range, the net town subsidy falls between approximately \$84,000 and \$103,000 per year — about \$60–74 per household per year, or \$5–6 per household per month at Andover’s approximately 1,400 households. The mid-estimate is approximately **\$92,000 per year, or \$66 per household per year, or \$5.50 per household per month.**

Reconciling the two framings

The Board of Education’s monthly report shows \$36,035 left after salaries are subtracted from revenue. This report’s marginal-cost analysis estimates a net subsidy of approximately \$92,000. The two framings differ for one reason: the BOE report is presented in the school’s own fund accounting, where employee benefits

are charged to district-wide accounts rather than to the preschool program. When benefits are added back to the program-level cost (estimated at approximately \$115,000), the operating surplus visible in fund accounting becomes a small net subsidy in the fully-loaded view.

Both framings are accurate within their own conventions. The BOE’s “\$36,035 for supplies” reflects a real operating reality — once tuition and grants pay the eight staff, there is roughly \$36,000 left over to fund classroom supplies and small operating expenses, and this is what the program’s own accounts will show at year end. The fully-loaded view answers a different question — the total cost the town bears for the preschool program when costs that don’t flow through the program’s own accounts (chiefly benefits) are allocated to it.

For a town deliberation about whether the preschool is a financial drain on the town, the fully-loaded view is the more relevant of the two, because benefits are real costs paid by the town. For a discussion of the program’s day-to-day operating health, the BOE’s framing is the more relevant one. Neither is wrong; they answer different questions.

What the marginal-cost framing excludes (the average-cost view)

The figures above deliberately exclude a category of costs that an *average*-cost calculation would include — costs the school incurs whether or not the preschool exists. These costs do not scale with the presence or absence of the preschool program, so they do not belong in a calculation of what the town would save by eliminating the program.

Cost category	Annual amount (estimate)	Why excluded from marginal cost
Building utilities (heat, electricity, water)	~\$185,000	Building runs regardless of preschool’s presence
Custodial salaries	~\$148,000	Same custodial complement is required for K-6 alone
Principal, superintendent, financial services	~\$303,000	Administrative overhead is not preschool-driven
Library, nurse, music/art/PE specialists	~\$280,000	These positions exist for K-6 students regardless
Special education infrastructure (SPED teacher, OT, PT, psych)	~\$310,000	Required for K-6 IEP students regardless
Insurance, audit, legal	~\$165,000	Fixed school-level costs

If these costs were allocated proportionally to preschool's share of total enrollment (about 22%), the average-cost calculation would add roughly \$1.0 million to the marginal cost figure, producing an average cost of approximately \$1.5 million per year. The choice of framing changes the apparent net cost by about \$1.0 million.

The choice of framing depends on the policy question being asked. If the question is *what does the program cost on a fully-loaded per-student basis* — a natural question for benchmarking — average cost is the right framing, and the answer is roughly \$1.5 million per year. If the question is *what would the town save if the program were eliminated* — the question relevant to budget deliberation — marginal cost is the right framing, and the answer is roughly \$92,000 per year. Both numbers are honest; they answer different questions. Conflating them produces apparent contradictions where there are none.

Trajectory and forward look

The preschool's net financial position has likely improved over time, not deteriorated. The program expanded from 2 classrooms to 3 in 2024–25 and to 4 in 2025–26. Each additional classroom brings additional tuition revenue, while the marginal cost grows roughly linearly with classrooms (one teacher + one assistant per classroom). Tuition revenue was \$235,917 in FY 2024–25 (audit) and is anticipated at \$247,986 in FY 2025–26 (BOE) — modest year-over-year growth as enrollment patterns stabilize at the new four-classroom capacity.

The forward-looking question is therefore not whether the preschool is a financial drain on the town — by every available measurement it is approximately revenue-neutral on an operating basis and approximately self-funding when benefits are loaded. The more interesting questions are about program structure: what the program should look like as the new Early Start CT funding rules take effect (effective July 1, 2025, consolidating prior School Readiness, Child Day Care Contracts, and State Head Start Supplement Grants programs), and how the town might optimize its OEC grant draw — particularly the Smart Start allocation, which has been at \$65,000 since the original 2017 award even as the program has expanded from one classroom to four.

► **Update (May 10, 2026):** The Smart Start question above is examined in § 6 of the Update using publicly available sources. The short answer: the funding mechanism that would deliver more Smart Start dollars to Andover has effectively closed to new requests; Connecticut's preschool expansion funding is shifting to Early Start CT and the new Early Childhood Education Endowment.

Part 4 — The special-education counterbalancing effect

► **Update (May 10, 2026):** The Superintendent’s confirmation that “four preschool classrooms are needed based on the number of students and their needs” is consistent with the LRE-driven structural argument in this section. See § 3 of the Update.

Every analysis to this point has answered a narrow question: what does the preschool program directly cost the town’s operating budget? But the program also fulfills, at incidental cost, an obligation that the town and school district would face whether the program existed or not — and the cost of fulfilling that obligation by some other means is substantial. This section estimates that counterbalancing effect.

The mandate

Under federal law (the Individuals with Disabilities Education Act, Part B, Section 619), every local school district must provide a Free Appropriate Public Education (FAPE) to children with disabilities ages 3 through 5. The obligation is unconditional: it does not depend on whether the district runs a preschool, on the family’s income, or on local budget priorities. Connecticut General Statutes §10-76d adopts and slightly extends this requirement — Connecticut allows children to receive special-education services through age 6 under the “developmental delay” eligibility category. Responsibility transfers from the state’s Birth-to-Three program (administered by the Office of Early Childhood) to the local school district on the child’s third birthday.

A second federal rule shapes how the obligation must be fulfilled. The Least Restrictive Environment requirement (34 CFR §§300.114–300.120, 34 CFR §300.133) provides that the IEP team must first consider placement in “the regular public preschool program the child would attend if the child did not have a disability.” Only if that placement cannot meet the child’s needs even with supplementary aids and services may the team consider a more restrictive setting. In other words: federal law specifically prefers the model Andover already uses — SPED-eligible children served alongside typical peers in the district’s own preschool program — and treats more restrictive (and more expensive) placements as fallbacks of last resort.

How many Andover children are affected

Federal child-count data published annually by the U.S. Department of Education’s Office of Special Education Programs places the national IDEA Section 619 identification rate at approximately 6–7% of the 3-to-5 age cohort. Connecticut’s rate is similar.

Andover (population ~3,150) has approximately 25–30 births per year, implying a 3-to-5 age cohort of roughly 75–90 children at any given time. Applying the 6–7% identification rate gives an estimate of approximately 5–6 SPED-eligible preschoolers in any given year. Connecticut’s extension to age 6 under the

“developmental delay” category may raise this slightly. The Andover FY 2024–25 audit reports federal IDEA Section 619 grant revenue of \$3,213; at the federal allocation rate of approximately \$650 per child served, that figure is consistent with roughly 5 Andover children served under Section 619 in that year.

The working estimate used below is **5–8 SPED-eligible preschoolers per year**. This estimate is uncertain in any specific year — the actual number might be 3, or it might be 10, depending on how the cohorts fall — but the multi-year average is unlikely to be far from this range.

Two ways the district could meet the mandate without an in-house preschool

If Andover’s preschool program did not exist, the district would still have to provide FAPE to its 3-to-6-year-olds with IEPs. Two paths are available, and their costs can be estimated independently.

Method A: Outplacement to a private special-education preschool or another district’s program. A 2026 study by UConn’s Center for Education Policy Analysis, Research, and Evaluation (CEPARE) on special-education outplacement in Connecticut found tuition costs ranging from \$24,158 to \$219,004 per student per year, with transportation adding approximately \$25,000 per student. CT Mirror reporting from 2025 confirmed similar figures, with Bridgeport’s special-education director quoting “\$200,000 on the low end” per outplaced student for high-acuity cases and the typical district range running from roughly \$40,000 to \$150,000 combined tuition-plus-transportation.

For 5–8 Andover preschoolers, with most cases plausibly in the mild-to-moderate range and a small number requiring more intensive placements, a defensible outplacement-cost estimate is approximately **\$150,000–400,000 per year**, depending on case mix.

Method B: Operating a small standalone special-education preschool in Andover. The cost of running a self-contained SPED-only preschool classroom in Connecticut, sized for roughly 5–8 students, is composed of straightforward public-data inputs:

Cost component	Estimate
1.0 FTE certified SPED teacher, salary plus ~28% benefits	~\$90,000
1.0 FTE classroom paraeducator, wages plus ~22% benefits	~\$36,000
Contracted speech, occupational, and physical therapy services	~\$50,000–80,000
Classroom space, materials, supplies, evaluation costs	~\$15,000
Total annual cost of a standalone SPED preschool	~\$190,000–220,000

This estimate excludes transportation, which would add roughly \$5,000–10,000 per student for in-district routing.

The two methods bracket the answer from different directions. Method A asks “what would we pay another provider to do this?” and produces a wider range because outplacement costs depend heavily on the specific mix of cases. Method B asks “what would it cost us to do this ourselves with no shared infrastructure?” and produces a tighter estimate because the staffing model is relatively standardized. The two methods converge on a central figure around **\$170,000–230,000 per year** — and both are consistent with the rule of thumb, widely cited in Connecticut municipal-budget discussions, that the “avoided cost” of preschool special education for a small town runs roughly \$200,000 per year.

What this means for the preschool’s net cost

The preschool program’s narrow operating-fund net subsidy was estimated above at approximately \$92,000 per year (with a sensitivity range of \$84,000–103,000). Combining that with the estimated mandate-cost the program absorbs:

Diagram: a three-step waterfall. The +\$92K direct net subsidy is offset by a –\$200K avoided special-education compliance cost, producing a net of –\$108K — meaning the program saves the town money rather than costing it.

Figure 3. *The waterfall. The program's direct net subsidy of \$92K is offset by the \$170K–230K the town would otherwise have to spend to fulfill its IDEA Part B obligations through outplacement or a standalone SPED-only classroom. The mid-estimate net effect is a saving of roughly \$108K per year. The table below gives the full sensitivity range.*

Item	Mid-estimate	Range
Direct net subsidy (operating ledger, from Part 3)	~\$92,000	~\$84,000–103,000
Avoided special-education compliance cost (this section)	~\$200,000	~\$170,000–230,000
Net cost to the town once the avoided mandate is accounted for	~– \$108,000	~–\$67,000– –146,000

A negative number in the bottom row means the program produces net savings to the town rather than net cost. In the central estimate, the preschool saves the town approximately **\$108,000 per year** compared with what it would cost to fulfill the same legal obligations through outplacement or a standalone SPED-only program.

Translating to households: Andover has approximately 1,400 households. The narrow operating-fund net subsidy of \$92,000 corresponds to roughly \$66 per household per year, or \$5.50 per household per month. The avoided mandate cost of \$200,000 corresponds to roughly \$143 per household per year, or \$12 per household per month. Net of both, the preschool program’s net savings to the average Andover household is approximately \$77 per year, or \$6.50 per month — though this figure is more uncertain than either component because it depends on case-mix assumptions that vary year to year.

Important caveats

This estimate is constructed entirely from public data and reasoned inferences; no individual student-level information was used or required.

Several genuine uncertainties remain:

- The number of SPED-eligible Andover preschoolers in any specific year is inferred from national identification rates, the federal Section 619 grant amount in the FY 2024–25 audit, and the size of Andover’s age cohort. The actual number could be lower or higher in any specific year. The federal Section 619 grant figure (\$3,213) is the most direct anchor; it implies a count consistent with the lower end of the 5–8 working range.
- The case-mix assumption — what proportion of those students would fall into the lower vs. higher acuity ranges of outplacement cost — drives most of the width of Method A’s estimate. Andover does not publish information that would let an outside analyst tighten this assumption.
- A portion of the avoided cost would be reimbursable through Connecticut’s Excess Cost Grant if it exceeded the threshold (4.5× the district’s average per-pupil expenditure for any one student). For most preschool-age cases this threshold is not met, so most of the cost would fall on local property taxes, but for an unusually high-cost student some portion would be state-reimbursed, reducing the local-tax avoided cost.
- The IDEA Part B Cluster grant (\$59,593 in FY 2024–25, district-wide) is not separately broken out by grade band. Some portion of it likely already offsets preschool special-education costs absorbed by the existing program, which would mean the preschool’s avoided-cost benefit to the town is slightly smaller than estimated here. The Part 1 revenue analysis already treats the entire Part B Cluster grant as district-wide and not assigned to the preschool, so the figures in that section are not affected.

None of these caveats changes the central conclusion. Whether the avoided cost is \$170,000 or \$230,000 — or, in an unfavorable year, \$130,000 — the counterbalancing effect is large enough that any analysis of the preschool’s fiscal impact that ignores it will substantially overstate the program’s net cost to taxpayers. The structural fact is that the underlying mandate exists regardless of the preschool’s existence; the only question is whether Andover fulfills it through the existing in-house program (cheap, integrated, federal LRE-preferred) or through outplacement and standalone programming (expensive, segregated, federal LRE-disfavored).

Part 5 — On the question of out-of-town enrollment

► **Update (May 10, 2026):** The Superintendent’s email reframes out-of-town tuition specifically as revenue that “helps keep all eight preschool salaries out of the general fund and reduces costs to taxpayers,” sharpening the structural argument made in this section. She also notes the comparison to other shared community resources (library, senior center, recreation) that out-of-town residents use without paying. See § 5 of the Update.

A second recurring concern in town discussions is that the preschool serves children from outside Andover, and that this somehow comes at Andover residents’ expense. The published enrollment policy and the financial structure together show that this concern is not supported by the evidence available — and that the actual financial flow runs in the opposite direction.

The published enrollment priority order ✓ *Confirmed from 2025–26 Preschool Registration Packet*

The 2025–26 Preschool Registration Packet, signed by Preschool Administrator Taylor Parker and posted on the school’s website, sets out a five-step enrollment priority order for the program. Quoting directly from the packet’s Enrollment Guidelines section:

1. Preschool grant slots will be available first to four year old **resident** students whose families meet the income eligibility guidelines.
2. Preschool grant slots will then be available to three year old **resident** students whose families meet the income eligibility guidelines.
3. If any income eligibility School Readiness grant slots remain, they will be open to **out of town residents who meet the income eligibility requirements.**
4. **40% of the School Readiness and Smart Start slots will be available to Andover residents who will pay full tuition.**
5. If any of the 40% full time School Readiness slots remain, they will be available to **out of town residents who will pay full tuition.**

The structure is unambiguous: at every step, Andover residents have priority over non-residents. An out-of-town family — whether income-eligible or full-pay — can enroll only after Andover demand at the corresponding eligibility level has been satisfied. No out-of-town student displaces any Andover resident, by published policy.

The packet also confirms that **Smart Start slots are restricted to Andover residents** under state rules: *“Children enrolled in the Smart Start program must be residents of Andover. Families must provide written proof of residency.”* Only the larger School Readiness program (now Early Care and Education / Early Start CT) is open to non-residents.

Why out-of-town enrollment is financially favorable to Andover

The marginal cost of one additional enrolled student in an existing classroom is essentially zero. The teachers are paid the same regardless of whether a classroom holds 13 students or 17. The classroom is heated and cleaned regardless. The classroom assistant works the same hours regardless. The only marginal costs that scale with one additional student are trivial: a slightly higher draw on instructional supplies, an additional snack.

This means that every dollar of tuition from an out-of-town family is essentially incremental revenue. If the seat would have sat empty without the out-of-town student, the program is unambiguously financially better off for having filled it. There is no Andover resident displaced, and there is real cash on the revenue side of the ledger.

The arithmetic cuts in the same direction even for income-eligible non-residents who pay reduced tuition through the OEC sliding fee scale. Reduced tuition is still positive tuition; a sliding-scale family paying \$200 per month is contributing \$2,000 per year that the program would otherwise not receive. Combined with the state grant funding that follows the income-eligible enrollment, the net contribution per income-eligible non-resident student to the program’s revenue is positive.

The financial consequence is that **out-of-town enrollment helps fund the program’s ability to serve Andover residents**, not the other way around. Without out-of-town tuition, the revenue figure in Part 1 would be lower; with it, the program more nearly covers its marginal cost.

What this report cannot determine without additional data

A precise financial accounting of the out-of-town subsidy would require data not currently published:

- The exact count of out-of-town students enrolled in the program
- The split between out-of-town students paying full tuition (Step 5) and those paying reduced tuition under the OEC sliding scale (Step 3)
- Whether any of the out-of-town students are children of Andover Public Schools employees, and whether such families pay full tuition (the AEA and CSEA contracts contain no formal tuition-reduction provision for staff children, so the default presumption is that they pay the standard rate)
- The total tuition revenue broken out by these categories

Whether the figures above can be published in aggregate without raising the indirect-identifier concerns described in § 4 of the Update is itself a disclosure-risk question, since the population is small and certain sub-categories (e.g., staff children) may have very small cell counts. Until they are published, the financial argument that out-of-town enrollment is favorable to Andover residents must rest on the structural argument above (resident priority + zero marginal cost per added student) rather than on a worked-out dollar calculation.

What can be said with confidence: the *direction* of the financial flow is unambiguous. Whether the magnitude is small or large, out-of-town enrollment contributes net positive revenue to the program. There is no plausible accounting in which out-of-town students cost Andover residents money.

BOE SUMMARY PROPOSAL

Part 6 — Making the existing data more accessible

► **Update (May 10, 2026):** The original recommendation in this section that the BOE publish a program-level benefits estimate has been substantially revised in light of the FERPA/HIPAA constraints described in § 4 of the Update. The text below has been updated to reflect a district-level methodology note, rather than a program-level figure, as the disclosure-safe alternative.

The financial information needed to understand the preschool program is already substantially published. The Board of Education’s monthly meeting packets include a one-page “Grants/Tuition/Expenses” report that breaks revenue into three tuition accounts and two grant accounts, breaks expenses into staff salaries by funding source, and provides bottom-line operating figures. The town’s annual audit, filed publicly with the state and accepted by the Board of Selectmen, provides the same data audited and reconciled. The Connecticut Comptroller’s OpenCheckbook publishes every state grant payment at the invoice level. The published collective bargaining agreements show the full salary and benefits framework. The school’s own website publishes enrollment policies and program details.

What’s missing is not data but **assembly**. A resident wanting to understand the program’s financial picture in the level of detail this report provides must locate, download, and parse a 114-page audit, several monthly BOE packets, a 25-page collective bargaining agreement, a 21-page paraeducator agreement, the State Comptroller’s vendor-payment portal, and a registration packet — and then reconcile the figures across all of them. That is more than most residents will reasonably do, and the result is that informed conversation about the program becomes harder than it needs to be.

A short annual summary — one or two pages, posted alongside the audit when it is accepted each May or June — could consolidate the existing monthly data into a year-end view that's accessible without finance training. The summary would draw entirely from data the BOE already collects and reports; it would not require new reporting or any disclosure beyond what already exists in public form. A reasonable structure might include:

Personnel costs by funding source:

- Total preschool staff salaries, broken into the three funding categories already used in the monthly report (local tuition / Early Start grant / Smart Start grant), with FTE counts and full-year totals
- A *district-level* methodology note for benefits — the typical employer cost share applied to teacher and paraeducator salaries — with a note that the preschool's benefits are charged to district-wide General Fund accounts and cannot be separately reported at the program level without raising indirect-identifier concerns under FERPA and HIPAA, given the small size of the preschool staff. The methodology note serves the analytical purpose (letting a reader estimate the program-level allocation themselves) without the disclosure risk a published program-level figure would carry.

Revenue by source:

- Each grant received in the year, with award and expenditure amounts
- Tuition revenue broken out by category — full-pay residents, full-pay non-residents, sliding-scale residents, sliding-scale non-residents — to the extent each category's count is large enough that aggregate disclosure does not raise indirect-identifier concerns
- Within out-of-town categories, an aggregate count (subject to the same cell size check) of children whose parent is an Andover Public Schools employee, addressing a specific question that has come up in town discussion

Enrollment by category:

- Total enrollment (currently published)
- Resident vs. non-resident counts
- Income-eligible vs. full-tuition counts
- Special education vs. general education counts (aggregated at program level, again subject to the cell size check)

Operating non-personnel costs:

- Substitute coverage actually used
- Preschool-specific supplies actually purchased
- Field trip costs and other line items uniquely preschool-attributable

Net financial picture:

- Total preschool revenue
- Total preschool marginal cost (operating + the district-level benefits methodology applied to preschool salaries)
- Net subsidy or surplus, with the methodology note attached

A summary along these lines, published annually alongside the audit acceptance (typically May or June), would make the same financial picture available to residents without requiring the assembly work that went into this report. It would also let readers see year-over-year trends as the program continues to evolve under the new Early Start CT program and as enrollment patterns stabilize at the four-classroom capacity. Each potential disclosure should be checked against indirect-identifier risk on a cell-count basis before publication; the goal is the analytical content, not any specific figure that would create a disclosure problem.

AT A GLANCE

Summary table

Question	Answer	Caveat
Is the preschool funded through the BOE general fund?	No. Preschool staff salaries are funded entirely through tuition and grants in the School Grants Fund, separate from the AES general fund.	Per Superintendent Bruneau, May 9, 2026. See § 1 of the Update.
Would the preschool program be cut if the BOE general fund budget is reduced?	No. The four classrooms are sized to enrollment need (including children with IEPs the district is required to serve), and there is no preschool line item in the General Fund to cut. Reductions to the general fund land on K–6 programming.	Per Superintendent Bruneau, May 9, 2026. See §§ 1 and 3 of the Update.
What is the preschool’s revenue?	~\$436,000/year — confirmed across two fiscal years and three independent sources	FY 2024–25 audit shows \$433,543; FY 2025–26 BOE packet shows \$435,986 anticipated. Smart Start and Early Start grants confirmed by the Superintendent at “equal or higher” levels going forward.
What is the preschool’s marginal cost?	~\$528,000/year (mid-estimate from public records); Superintendent indicates actual is somewhat lower because not all staff take district insurance	Salaries confirmed by the Superintendent at ~\$415,000 combined; benefits remain not separately publishable for FERPA/HIPAA reasons (see § 4 of the Update)
What is the net town subsidy?	~\$92,000/year (operating-fund accounting, mid-estimate). Actual is somewhat lower per the Superintendent’s confirmation.	Sensitivity range: ~\$84,000 to ~\$103,000 per year before the Superintendent’s downward revision. This figure does not reflect the mandate-driven costs the program absorbs — see Part 4
Why isn’t a precise program-level benefits figure published?	FERPA and HIPAA both treat aggregate data on a small population as potentially identifying when staff roles can be linked to specific student needs. Eight staff is small enough to raise this concern.	See § 4 of the Update for the federal regulations and guidance. The Superintendent has a legal obligation to protect this information.
What does the program save the town in avoided special-education costs?	~\$200,000/year (mid-estimate) — the cost the district would otherwise incur to fulfill the IDEA Section 619 / CGS §10-76d mandate via outplacement or a standalone SPED-only program	Range: ~\$170,000 to ~\$230,000/year. Net of this avoided cost, the preschool likely produces a net savings to the town rather than a net cost. See Part 4

Question	Answer	Caveat
Does the BOE’s “\$36,035 for supplies” framing represent a different conclusion?	No — it represents the same finances under a different convention	BOE uses fund accounting (no benefits at program level); this report adds estimated benefits for fully-loaded view
Does the average-cost figure of \$1.5M+ represent real town spending on preschool?	No — that figure includes building, administrative, and SPED costs that exist regardless of the preschool	Average cost is appropriate for per-student comparisons but not for “what would we save” questions
Does out-of-town enrollment cost Andover residents money?	No. Andover residents have priority at every step of the published enrollment policy; out-of-town tuition is incremental revenue that “helps keep all eight preschool salaries out of the general fund and reduces costs to taxpayers”	Per Superintendent Bruneau, May 9, 2026. See § 5 of the Update.
Did Andover’s audit, the State Comptroller’s records, and the BOE’s monthly reporting reconcile?	Yes. The Comptroller and audit reconcile to the dollar for FY 2024–25; the BOE and audit reconcile within normal year-over-year variation	This level of consistency across independent sources is the strongest validation available for these figures
Why has the Smart Start grant stayed at \$65,000?	The \$65,000 = 13 students × \$5,000 per-student cap, reflecting the original 2017 award size. Public sources show the program has effectively closed to expansion: the 2014 statute set a 10-year horizon, only existing grantees were invited to expand under a 2021 ARPA round, and a 2025 bill to raise the caps died in the House. Connecticut’s preschool expansion funding has shifted to Early Start CT and the new SB 1 Endowment.	See § 6 of the Update for the public-sources analysis

ANALYSIS

Key Observations

Preschool is not in the BOE general fund, and the four classrooms are not at risk in the budget vote. Per Superintendent Bruneau’s email of May 9, 2026, the eight preschool staff are paid through the School Grants Fund (tuition and state grants), not the General Fund. A reduction to the AES

general fund budget does not reduce preschool, because no preschool spending lives there to reduce — reductions land on K–6 programming. Separately, the four-classroom complement is set by enrollment need, including children with identified IEP needs the district is legally required to serve, and is not a budget variable. This shifts how the rest of the report should be read: the “net town subsidy” figure is a fund-accounting allocation that adds benefits charged to district-wide accounts to the program-level picture; it is not a discrete line that could be eliminated.

The original public-records analysis was conservative; actuals are lower. The Superintendent confirms that the original report’s salary and insurance estimates ran high relative to the actuals. Combined preschool staff compensation is approximately \$415,000 (\$297,000 teachers + \$118,000 paraprofessionals); benefits cost is lower than the original \$107,000–126,000 estimated range because not all staff take district insurance. The structural conclusion — that the program is approximately revenue-neutral in fund accounting and approximately self-funding when fully loaded — is unchanged. The gap between revenue and fully-loaded cost is somewhat narrower than the original mid-estimate suggested.

FERPA and HIPAA both constrain what can be published in aggregate about a small program.

The original report’s recommendation that the BOE publish a program-level benefits figure was methodologically wrong on the privacy point, and is walked back. Federal guidance under FERPA (34 CFR §99.3 and Department of Education indirect-identifier guidance) and HIPAA (45 CFR §164.504(f) on “summary health information”) both treat aggregate data on a small population as potentially identifying when other information available in the community could combine with the aggregates to identify individuals. In a program with eight staff whose roles can be linked to specific classrooms and specific students, that risk is real, not hypothetical. The Superintendent’s position that she cannot share this information is supported by federal guidance and not a discretionary call. A district-level methodology note, applied to the publicly known salary base, serves the same analytical purpose without the disclosure risk.

The preschool is approximately revenue-neutral in fund accounting and approximately self-funding when fully loaded with benefits. The Board of Education’s own April 2026 financial report shows anticipated FY 2025–26 revenue of \$435,986 against \$399,951 in anticipated staff salaries, leaving roughly \$36,000 for substitutes, supplies, and other classroom costs. Once an estimated allocation of employee benefits is added — health insurance, FICA, OPEB, and so on, which the BOE report charges to district-wide accounts rather than the preschool program — the fully-loaded net subsidy is approximately \$92,000 per year, with a plausible range of \$84,000 to \$103,000. The Superintendent indicates the actual is lower than this range because not all staff take district insurance.

The BOE’s framing and this report’s framing are not in tension. The BOE reports the program’s operating result on a fund-accounting basis: revenue minus salaries equals about \$36,000 surplus before subs and supplies. This report’s marginal-cost analysis adds estimated benefits to produce a fully-loaded view: revenue minus salaries minus benefits minus subs minus supplies equals about \$92,000 net subsidy. Both figures are correct within their conventions. They answer slightly different questions.

The framing of the question matters more than the underlying arithmetic. Anyone asserting that the preschool costs the town \$1.5 million per year is using an average-cost calculation that allocates a share of building, administrative, and special-education costs that would exist regardless. Those costs are not zero, but they are not preschool-driven either. They would be incurred by an Andover Elementary that ran K-6 only.

The narrow operating-fund cost is also not the right number for “what would the town save if the program did not exist.” Federal IDEA Section 619 and CGS §10-76d require the school district to provide special-education services to children ages 3–6 with disabilities regardless of whether a preschool program exists. Part 4 estimates this avoided cost at approximately \$200,000 per year (range \$170,000–230,000), based on Connecticut tuition data for outplacement and the staffing cost of running a standalone SPED-only program. Setting that figure against the operating-fund net subsidy of about \$92,000 leaves a net *savings* to the town in the range of roughly \$67,000–146,000 per year. Federal Least Restrictive Environment rules also specifically prefer the integrated model Andover uses — SPED-eligible children served alongside typical peers — and treat more restrictive placements as fallbacks of last resort. The current program is, on the available evidence, the cheapest legal way for the district to fulfill obligations it cannot decline.

Family tuition is the single largest revenue source. Approximately 57% of the program’s anticipated FY 2025–26 revenue comes from families paying tuition; state grants account for the remaining 43%. Within tuition, roughly 63% comes from full-pay families and 37% from income-eligible families paying on the OEC sliding scale — so families in grant-funded slots are not receiving the program at no cost; they are paying tuition at a rate scaled to their income.

The published enrollment policy gives Andover residents priority at every step. The five-step priority order from the school’s own registration packet is unambiguous: Andover residents (income-eligible first, then full-tuition) come before any out-of-town family at the corresponding eligibility level. No out-of-town student displaces an Andover resident; out-of-town students fill seats that would otherwise be empty. The financial consequence, sharpened by the Superintendent’s email, is that out-of-town tuition specifically helps keep the preschool’s eight staff salaries out of the general fund — it actively reduces costs to taxpayers, rather than adding to them.

The Smart Start grant has stayed at \$65,000 because the program structure froze. Andover received a Smart Start award of \$65,000 in 2017 (one classroom, 13 children at the \$5,000 per-student operating cap) and has continued to receive exactly the same dollar amount every year since, including in the FY 2025–26 budget. As § 6 of the Update describes, public sources show this is mechanical rather than discretionary: the original 2014 statute set a 10-year operating window through FY 2024; the only post-2017 expansion was a 2021 ARPA-funded “Smart Start for Recovery” round limited to existing grantees and identified high-need districts; a 2025 bill (SB 6) that would have raised the caps to \$7,000/student and \$105,000/classroom passed the Senate but died in the House; and Connecticut’s preschool expansion funding now flows through the new Early Start CT program and the \$300M Early Childhood Education

Endowment (SB 1, signed June 2025). The Superintendent confirms continued Smart Start funding “at equal or higher amounts” going forward, and Andover already participates in Early Start CT — which is where any future preschool expansion funding for the district is most likely to come from.

Multiple independent sources reconcile. The Andover FY 2024–25 audit’s Office of Early Childhood subtotal of \$192,181 matches the Connecticut Comptroller’s payment ledger to the dollar over the same fiscal year. The BOE’s anticipated FY 2025–26 revenue of \$435,986 matches the FY 2024–25 audit’s \$433,543 within \$2,500. The BOE’s anticipated salary figure of \$399,951 falls within the contract-schedule estimate range derived independently from the published collective bargaining agreements, and is within \$15,000 of the Superintendent’s confirmed combined staff compensation figure. This level of consistency across independent sources — town audit, state Comptroller, monthly BOE reporting, published bargaining agreements, and the Superintendent’s direct confirmation — is the strongest validation available for these figures.

CAVEATS

What this report does not show

A few caveats are worth being explicit about:

This report does not have staff-by-staff salary data for the four preschool teachers. The Superintendent has confirmed combined teacher salaries at approximately \$297,000 and combined paraprofessional wages at approximately \$118,000 for FY 2025–26. The breakdown by individual staff member is not disclosable for the same indirect-identifier reasons described in the Update — in a small program where roles can be tied to specific student needs, even salary tiers without names attached can carry identification risk. The combined-figure level of detail is the most granular figure that is disclosure-safe.

This report does not have a precise program-allocated benefits figure. The BOE’s monthly reporting charges health insurance, FICA, OPEB, life insurance, and disability insurance to district-wide General Fund accounts rather than to the preschool program, and an aggregate program-level figure cannot be responsibly published for the FERPA/HIPAA reasons described in § 4 of the Update. The benefits estimate of approximately \$115,000 used in the marginal-cost analysis is built up component-by-component from the AEA and CSEA contracts’ cost-share provisions, applied to the \$399,951 salary base; the Superintendent indicates the actual is lower because not all staff take district insurance. A district-level methodology note (the standard employer benefit share applied to teacher and para salaries) is the disclosure-safe way to make this figure available to residents.

This report does not have the actual count of out-of-town students or the breakdown of tuition revenue between residents and non-residents, full-tuition and reduced-tuition, or staff-children and other out-of-town. The out-of-town financial argument in Part 5 is structural (it follows from the published enrollment

priority order combined with the near-zero marginal cost per added student in an existing classroom) rather than worked out in dollar terms. A more precise figure would require data subject to the same cell-count disclosure check described in § 4 of the Update — sub-categories like staff-children of out-of-town residents are likely to be too small for aggregate publication.

This report does not break out the federal pass-through revenue in the School Grants Fund into individual grants. The audit shows \$372,182 in intergovernmental revenue for the fund, of which the OEC grants (\$192,181) and IDEA Section 619 (\$3,213) are explicitly identified. The remaining approximately \$176,800 is likely a mix of federal pass-throughs (Title I, ARPA preschool funds, additional CSLFRF) but the audit does not provide a complete breakdown. This report counts only the explicitly identified federal preschool-coded revenue.

This report does not include a portion of the IDEA Part B Cluster (\$59,593 in FY 2024–25) that may serve preschool special-education students. The audit shows this Cluster as a single district-wide line item without a grade-level breakdown. The IDEA Section 619 grant (\$3,213) is the only line that is explicitly preschool-coded, so this report uses only that figure. If a grade-level breakdown of IDEA Part B were available, the preschool revenue figure could rise modestly.

The avoided-mandate cost analysis in Part 4 is based on public data only and should be read as an estimate, not a precise figure. The number of SPED-eligible Andover preschoolers in any specific year is inferred from national IDEA Section 619 identification rates (roughly 6–7% of the 3-to-5 cohort), the federal Section 619 grant amount in the FY 2024–25 audit, and the size of Andover’s age cohort. The case-mix assumption — what proportion of those students would fall into the lower vs. higher acuity ranges of outplacement cost — drives most of the width of the estimated range. Andover does not publish information that would let an outside analyst tighten this assumption, nor would it be appropriate to do so given student privacy considerations. The estimated range of \$170,000 to \$230,000 per year is the most defensible band that public data supports; the central conclusion (that the counterbalancing effect is large enough to materially change the program’s fiscal accounting) does not depend on a particular point inside that band.

This report does not address capital costs. Andover received a one-time \$75,000 Smart Start capital grant in 2017 to convert space for the original classroom, and presumably some incremental capital was needed for each subsequent expansion. None of those costs are recurring, and none would be recovered if the preschool were eliminated, so they do not affect the marginal-cost analysis.

This report does not address the educational case for or against the preschool. Whether early childhood education produces measurable long-term outcomes for participating children, whether Andover’s particular program design serves families well, and whether the program affects subsequent K-6 readiness are all important questions that this report does not answer. The financial analysis presented here is intended to support — not substitute for — those instructional and policy conversations.

Sources

Andover audit and BOE financial reporting:

- **Town of Andover, Connecticut, Annual Financial Report for Fiscal Year Ended June 30, 2025** (prepared by independent CPAs, dated April 22, 2026; filed with CT Office of Policy and Management on the Electronic Audit Reporting System, document ID 13598 for the municipality of Andover). EARS public access: ears.opm.ct.gov/.../Report.aspx (<https://ears.opm.ct.gov/Public/Report.aspx>) (note: EARS uses ASP.NET postback navigation that does not produce stable per-document URLs; document ID 13598 is the EARS reference for Andover’s 2025 audit). A PDF copy of this audit is also posted alongside this report at [2025_ANDOVER__Audit_Report_.pdf](#).
- **Andover Board of Education Meeting Packet, April 8, 2026**: [andoverelementaryct.org/.../Board%20of%20Ed%20Packet%204.8.26.pdf](https://www.andoverelementaryct.org/.../Board%20of%20Ed%20Packet%204.8.26.pdf) (<https://www.andoverelementaryct.org/images/boe/Packet/Board%20of%20Ed%20Packet%204.8.26.pdf>) — contains the preschool-specific “Grants/Tuition/Expenses FY26” report (page 8, dated 03/03/2026; superseded by an updated version at page 23, dated 03/31/2026) and the April 1, 2026 enrollment report (page 9). The figures used in this report are drawn from the page 23 version, which is the most current data published.
- **Connecticut Office of the State Comptroller — OpenCheckbook**: opencheckbook.ct.gov (<https://opencheckbook.ct.gov/>) — payment-level state expenditure data, updated nightly from Core-CT. The vendor view filtered to “TOWN OF ANDOVER TOWN TREASURER” for FY 2024–25 reconciles exactly to the audit’s OEC subtotal.

Direct correspondence with the Superintendent’s office:

- **Email exchange with Superintendent Valerie E. Bruneau, Ed.D, May 9, 2026**, used in the Update section with permission. Confirms preschool’s funding structure (separate from the BOE general fund), continued state grant funding at equal or higher levels, combined staff compensation totals (\$297,000 teacher salaries + \$118,000 paraprofessional salaries), the enrollment-driven structure of the four-classroom complement, and the FERPA/HIPAA constraints on aggregate benefits disclosure. Quoted excerpts reproduced with permission.

Collective bargaining agreements (current):

- **Andover Education Association (AEA) Contract, July 1, 2025 - June 30, 2029**: [andoverelementaryct.org/.../AEA%20Contract%202025–2029%20C.pdf](https://www.andoverelementaryct.org/.../AEA%20Contract%202025–2029%20C.pdf) (<https://www.andoverelementaryct.org/images/forms/AEA%20Contract%202025–2029%20C.pdf>)
- **CSEA SEIU Local 2001 (Non-Certified Personnel) Contract, July 1, 2024 - June 30, 2028**: [andoverelementaryct.org/.../2024–2028%20CSEA%20Contract%20Final%20Complete%20Doc.pdf](https://www.andoverelementaryct.org/.../2024–2028%20CSEA%20Contract%20Final%20Complete%20Doc.pdf) (<https://www.andoverelementaryct.org/images/forms/2024–2028%20CSEA%20Contract%20Final%20Complete%20Doc.pdf>)

Preschool program details:

- **Andover Elementary School “About Pre-K”:** [andoverelementaryct.org/.../about-pre-k](https://www.andoverelementaryct.org/.../about-pre-k) (<https://www.andoverelementaryct.org/index.php/pre-k/about-pre-k>) — confirms staff complement of “four highly trained educators and four dedicated assistants”
- **Andover Elementary School 2025–26 Preschool Registration Packet:** [andoverelementaryct.org/.../prekregistration2526.pdf](https://www.andoverelementaryct.org/images/forms/prekregistration2526.pdf) (<https://www.andoverelementaryct.org/images/forms/prekregistration2526.pdf>) — confirms tuition rate (\$600/month or \$6,000/year); the OEC sliding fee scale eligibility thresholds; the five-step enrollment priority order; and the rule that Smart Start enrollment is restricted to Andover residents
- **Andover Elementary School “Expenses, Eligibility & Registration”:** [andoverelementaryct.org/.../expenses-eligibility-registration](https://www.andoverelementaryct.org/index.php/pre-k/expenses-eligibility-registration) (<https://www.andoverelementaryct.org/index.php/pre-k/expenses-eligibility-registration>) — confirms tuition rate and the residency rules in summary form
- **Board of Education Approved Budget FY 2025–2026:** [andoverelementaryct.org/.../FY26_BOE_Approved_Budget_06112025.pdf](https://www.andoverelementaryct.org/.../FY26_BOE_Approved_Budget_06112025.pdf) (https://www.andoverelementaryct.org/images/boe/budgets/FY26_BOE_Approved_Budget_06112025.pdf) — line-item budget; the General Fund accounts that absorb employee benefits at the district-wide level

Connecticut Office of Early Childhood — preschool grant program documentation:

- **Smart Start program:** [ctoec.org/smart-start](https://www.ctoec.org/smart-start/) (<https://www.ctoec.org/smart-start/>) — confirms statutory caps of \$5,000/child and \$75,000/classroom, and program rules
- **Early Start CT program** (effective July 1, 2025, combining School Readiness, Child Day Care Contracts, and State Head Start Supplement Grants): [ctoec.org/early-start-ct](https://www.ctoec.org/early-start-ct/) (<https://www.ctoec.org/early-start-ct/>) — confirms transition timeline
- **State-Funded Early Care and Education Programs:** [ctoec.org/state-funded-early-care-and-education-programs](https://www.ctoec.org/state-funded-early-care-and-education-programs/) (<https://www.ctoec.org/state-funded-early-care-and-education-programs/>) — confirms eligibility rules including 60% income-eligibility requirement at ≤75% State Median Income
- **Office of the Governor press release, February 2017** — original Smart Start award announcement listing Andover as recipient: portal.ct.gov/.../gov-malloy-announces-nine-towns-awarded-funding-to-create-146-new-preschool-slots (<https://portal.ct.gov/malloy-archive/press-room/press-releases/2017/02-2017/gov-malloy-announces-nine-towns-awarded-funding-to-create-146-new-preschool-slots>)

Smart Start program structure and 2025 legislation (Update § 6):

- **Public Act 14-41, “An Act Establishing the Connecticut Smart Start Program”** (effective July 1, 2014) — the original Smart Start statute; sets the 10-year operating window from FY 2015 through FY 2024 and the \$5,000/student and \$75,000/classroom operating caps: cga.ct.gov/2014/ACT/PA/2014PA-00041-R00SB-00025-PA.htm (<https://cga.ct.gov/2014/ACT/PA/2014PA-00041-R00SB-00025-PA.htm>)

- **CT Office of Early Childhood — Smart Start Provider Resources:** [ctoec.org/smart-start/communities-receiving-smart-start-funds/](https://www.ctoec.org/smart-start/communities-receiving-smart-start-funds/) (<https://www.ctoec.org/smart-start/communities-receiving-smart-start-funds/>) — confirms 25 districts received Smart Start grants with 23 current grantees, and describes the 2021 ARPA-funded “Smart Start for Recovery” expansion offered to existing grantees and identified high-need districts
- **Connecticut Senate Bill 6 (2025 session)** — proposed raising Smart Start operating caps to \$7,000/student and \$105,000/classroom; passed the Senate May 13, 2025 but died in the House at the close of the session: legiscan.com/CT/bill/SB00006/2025 (<https://legiscan.com/CT/bill/SB00006/2025>) (bill status and history)
- **Connecticut Senate Bill 1 (2025 session)** — created the Early Childhood Education Endowment drawing up to \$300 million per year from state surplus funds; passed both chambers and signed into law in June 2025: ctmirror.org/2025/06/02/ct-early-childhood-education-bill (<https://ctmirror.org/2025/06/02/ct-early-childhood-education-bill/>) (CT Mirror reporting on final passage)

Special-education mandate and outplacement-cost references (Part 4):

- **Individuals with Disabilities Education Act, Part B, Section 619** — federal statute requiring FAPE for children ages 3–5 with disabilities; federal regulations at 34 CFR Part 300, with Least Restrictive Environment provisions at 34 CFR §§300.114–300.120 and §300.133: ectacenter.org/sec619 (<https://ectacenter.org/sec619/sec619.asp>) (Early Childhood Technical Assistance Center overview)
- **Connecticut General Statutes §10-76d** — state statute adopting and extending IDEA Part B, with the “developmental delay” eligibility category extending services through age 6: cpacinc.org/early-childhood (<https://cpacinc.org/early-childhood.aspx>) (Connecticut Parent Advocacy Center summary; full statute via the CT General Assembly)
- **CT Office of Early Childhood — Birth-to-Three transition to preschool special education:** portal.ct.gov/sde/special-education/early-childhood-special-education (<https://portal.ct.gov/sde/special-education/early-childhood-special-education>)
- **UConn Center for Education Policy Analysis, Research, and Evaluation (CEPARE), February 2026** — *An Analysis of Special Education Outplacement in Connecticut*; reports tuition costs of \$24,158–\$219,004 per student per year and transportation averaging ~\$25,000 per student per year: today.uconn.edu/.../an-analysis-of-special-education-outplacement-in-connecticut (<https://today.uconn.edu/2026/02/an-analysis-of-special-education-outplacement-in-connecticut/>)
- **CT Mirror, September 2025** — *CT special education funding got a \$70M bump. Is it enough?*; reports statewide totals of ~\$700M in tuition and ~\$268M in transportation for FY 2023–24 SPED placements, and quotes Bridgeport’s special-education director on \$200,000 as a low-end outplacement cost: ctmirror.org/2025/09/07/ct-special-education-funding-2025 (<https://ctmirror.org/2025/09/07/ct-special-education-funding-2025/>)

- **U.S. Department of Education, Office of Special Education Programs — IDEA Section 619 Annual Child Count** (federal data on identification rates by state and age): ectacenter.org/sec619/sec619data.asp (<https://ectacenter.org/sec619/sec619data.asp>)

FERPA and HIPAA reference materials (Update § 4):

- **U.S. Department of Education — Family Educational Rights and Privacy Act (FERPA) regulations**, 34 CFR §99.3, defining “personally identifiable information” to include indirect identifiers and “other information that, alone or in combination, is linked or linkable to a specific student that would allow a reasonable person in the school community ... to identify the student with reasonable certainty”: studentprivacy.ed.gov/glossary (<https://studentprivacy.ed.gov/glossary>) (Department of Education Privacy Technical Assistance Center glossary).
- **NCES Forum Guide to the Privacy of Student Information — Data Requests and FERPA**, on aggregate-data disclosure and small cell sizes: “*Other information that would make the student’s identity easily traceable may also exist in the small cell sizes in aggregated or statistical information from education records*”: nces.ed.gov/pubs2006/stu_privacy/datarequests.asp (https://nces.ed.gov/pubs2006/stu_privacy/datarequests.asp)
- **U.S. Department of Education — Frequently Asked Questions on Disclosure Avoidance**, on the obligation to use disclosure avoidance for aggregate tabulations that could reveal personally identifiable information: [studentprivacy.ed.gov/.../FAQs_disclosure_avoidance_o.pdf](https://studentprivacy.ed.gov/sites/default/files/resource_document/file/FAQs_disclosure_avoidance_o.pdf) (https://studentprivacy.ed.gov/sites/default/files/resource_document/file/FAQs_disclosure_avoidance_o.pdf)
- **HIPAA Privacy Rule — 45 CFR §164.504(f)** on group health plan disclosures to plan sponsors, including the rule that “summary health information” remains potentially identifiable to the plan sponsor “especially if the number of participants in the group health plan is small”: [brickergraydon.com/.../HIPAA-Privacy-Regulations-Uses-and-Disclosures-Organizational-Requirements-Requirements-for-Group-Health-Plans-164-504-f](https://www.brickergraydon.com/insights/resources/key/HIPAA-Privacy-Regulations-Uses-and-Disclosures-Organizational-Requirements-Requirements-for-Group-Health-Plans-164-504-f) (<https://www.brickergraydon.com/insights/resources/key/HIPAA-Privacy-Regulations-Uses-and-Disclosures-Organizational-Requirements-Requirements-for-Group-Health-Plans-164-504-f>) (full text of §164.504(f) with HHS commentary)

State Single Audit Act and EARS documentation:

- **CT General Statutes Sections 4-230 through 4-236** — State Single Audit Act establishing audit requirements
- **CT Office of Policy and Management — Audit Reporting Requirements:** [portal.ct.gov/.../Audit-Reporting-Requirements](https://portal.ct.gov/OPM/IGP-MUNFINS/Municipal-Financial-Services/Audit-Reporting-Requirements) (<https://portal.ct.gov/OPM/IGP-MUNFINS/Municipal-Financial-Services/Audit-Reporting-Requirements>)
- **OPM Municipal Finance Services contact:** William Plummer, bill.plummer@ct.gov, (860) 418-6367

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