# Pacific Preschool Cost Allocation Plan (PESD 223)

## Effective July 1, 2026

The Pacific Elementary School District runs a single commingled preschool classroom (Pacific Preschool) containing children in two programs: the California State Preschool Program (CSPP) and a tuition-based program for families who do not qualify for CSPP. Families in either program have the option to enroll their child for 3, 4, or 5 mornings per week. Children in both programs attend the same hours each day.

The district receives preschool-specific revenue from the following sources:

- Preschool tuition payments (fund 12, resource 9010)
- CSPP reimbursements (fund 12, resource 6105)
- Cost of Care Rate Plus payments (fund 12, resource 7810)
- Quality Rating and Improvement System (QRIS) block grant payments (fund 12, resource 9011)
- Early Intervention Preschool Grant payments (fund 1, resource 6547)
- Interest (fund 12, various resources)
- Donations and other local revenues
- Occasionally, other sources of state or federal revenue

To appropriately determine how to allocate costs and expenses to each program, the district uses the following cost allocation plan:

**Resource Codes:**
All revenue and expenses will be tracked separately for each restricted revenue source, using Fund 12 Resource 6105 (CSPP) or 7810 (Cost of Care Rate Plus) for CSPP-certified children, and Fund 12 Resource 9010 for tuition-based children.

**Single-Program Expenses:**
Expenses that are clearly associated with a specific program will be allocated to that program. Examples include, but are not limited to:

- Salaries, statutory costs, and benefits for a special circumstances instructional assistant associated with a student in the program
- The cost of targeted interventions for a student in the program
- The costs of administrative support specific to or required by one program, such as filing CSPP reports or helping families with CSPP paperwork

**Shared Preschool Expenses:**
Expenses that are common to both preschool programs, but not to the transitional kindergarten through sixth grade programs, will be split by the ratio of students enrolled in each program adjusted by the number of days per week of each child's schedule and the adjustment factors specified on the first page of the CSPP Enrollment, Attendance, and Fiscal Report. Children with 4-day-per-week and 3-day-per-week schedules will have their adjustment factors multiplied by 0.8 and 0.6, respectively.

For example, as of June 2026, the adjustment factor for a part-time 4-year-old is 0.6402, and the adjustment factor for a part-time child with exceptional needs is 1.5365. Therefore, for the purposes of determining this ratio, a 5-day part-time child with exceptional needs would count as 1.5365 and a 4-day part-time 4-year-old would count as 0.6402 (adjustment factor) * 0.8 (schedule) = 0.51216. These numbers will be calculated and summed for all preschool children, and for the children in each program separately. The ratio for each program will be calculated as the sum for the children in the program divided by the sum for all preschool children. The resulting ratio will be rounded to the nearest 1%.

This ratio will be updated no less than twice per year: once in August (based on enrollment records maintained by the Registrar for enrollment on or near August 15) and once in January (based on enrollment records maintained by the Registrar for enrollment on or near January 15), and may be updated more frequently, especially if significant changes to enrollment occur.

Examples of expenses this ratio would be applied to include, but are not limited to:

- The costs of teachers and classroom aides who serve both programs
- The costs of furniture or equipment utilized by both programs
- The costs of preschool-specific materials and supplies utilized by both programs
- The costs of advertising and recruiting students for Pacific Preschool as a whole

**General School Expenses:**

Expenses that are common to the entire school, including the preschool and the transitional kindergarten through sixth grade programs, will be split by the prior three-year average percentage of the students enrolled in a specific preschool program compared to the entire district enrollment on Calpads day of each school year. For example, if there are 15 CSPP children and 150 total students enrolled in the district as of the first Wednesday in October for each of the last three prior years, 10% of that expense would be allocated to resource 6105 or 7810. The resulting ratio will be rounded to the nearest 0.1%.

This ratio will be determined once in July of each fiscal year and will be applied for the entire school year. The ratio may be applied in different manners, depending on the nature of the expense. For example, salary and benefits costs may be split by the ratio each pay date all year. However, a recurring expense such as the copier lease may be billed to the relevant preschool program just once per year. For example, if the calculated ratio for the CSPP program is 6.9%, and the total estimated annual cost of a whole-school service is $1,000, then one monthly payment may have $69 charged to CSPP, and the remaining payments have nothing charged to CSPP.

Examples of such expenses include, but are not limited to:

- Salaries, statutory costs, and benefits for the Superintendent/Preschool Director
- Gross pay, statutory costs, and benefits for the Registrar and other office staff that serve whole-school functions
- The costs of the whole-school copier, copier paper, and other general supplies
- Any excess costs (beyond revenues) of the cafeteria/food program*
- Costs of janitorial services**
- Utilities**

- Facilities and grounds maintenance**

*All food/cafeteria revenue and expenses will be tracked in fund 13 and not reported as preschool revenue or expenses, unless fund 13 has expenses which exceed revenue. In this event, the ratio described in this section will be applied to any transfers of funds into fund 13 to cover the excess costs.

**Because preschool is a primarily outdoor program, and its indoor space is shared with other programs, the district determined that it makes more sense to allocate facilities-related expenses by enrollment than by square footage.

**Indirect Costs**
The district will not charge indirect costs to any component of the preschool program, or to any grant or reimbursement program funding the preschool program.

**QRIS**
QRIS funds are intended to support the improvement of the preschool program as a whole. Consequently, expenses charged to QRIS will not be divided between the CSPP and tuition-based programs.

**Early Intervention Preschool Grant**
Early Intervention Preschool Grant funds are intended to support the provision of early interventions for preschoolers designed to support their success in the least restrictive environment. They can be used for CSPP or non-CSPP children. When they are used for CSPP children, they are to be reported in the supplemental revenue and expenses section of the CSPP Enrollment, Attendance, and Fiscal Report.

**Plan Review and Approval**
The Preschool Cost Allocation Plan will be reviewed and approved by the Board of Directors annually, preferably no later than August of each school year, but possibly sooner.