



**ALIGNED**

# Annual Report

**2023**



*Cultivation is the art of nurturing possibilities, fostering collaboration, and reaping the harvest of progress, creating a thriving landscape for a better tomorrow.*

Reflecting on the past year, I find this idea more resonant than ever. Whether advocating for historic funding for early childhood education and witnessing those dollars flow into actual classrooms in Missouri or championing initiatives such as the state longitudinal data system in Kansas, never in our organization's history have I seen the fruits of the cultivation process unfold so distinctly from inception to fruition.

I credit our devoted team for fostering good ideas, building valuable relationships, and executing well-crafted plans that did contribute to our success in 2023. I also applaud our board and supporters for their ongoing investments of time, effort, and support that allow Aligned to thrive. Having a board and staff working from a shared vision has propelled us to the prosperous position we find ourselves in today.

As we look to 2024, I feel we have cultivated a variety of factors that will set us up for continued and lasting success:

### ***The right resources***

We have cultivated strategic partnerships that are invaluable resources to drive our policy initiatives and provide organizational sustainability.

### ***The right people***

Our team includes committed professionals with diverse skills and talents that come from practice, education, and training.

### ***The right community***

The alignment we've fostered between education and industry leaders is a testament to the importance of shared values and collaboration.

While we will always continue to cultivate, let's reflect on the variety of factors we've nurtured to set the stage for sustained success in the coming years. Whether it's evaluating 3rd-grade reading scores to see if those early childhood investments paid off or promoting the use of state longitudinal data systems to drive outcomes and set students up for success, Aligned's goal is to help all students we serve foster their own skills and talents that lead to growth.

As we stand on the threshold of a new year, let's reaffirm our commitment to nurturing ideas and relationships, and prepare for a year of growth, progress, and improvements in our organization and the broader education community.

With heartfelt gratitude for your unwavering support and dedication,

***Torree Pederson***  
***President/CEO***



## ***Seeds of progress: Nurturing change, cultivating success, and growing a brighter tomorrow***

During the early days of our organization, we focused on making deliberate small steps centered on conversations around the policy shifts that would lead to the most significant gains for our students. After touring Missouri and Kansas and talking one-on-one with business leaders, educators, and policymakers, it was clear that education funding was upside down. Simply put, we weren't spending money in the earliest years, where gains were the most impactful. In fact, our higher

education institutions were spending time and resources on remediating incoming first-year students on the courses they should have mastered in high school. This revelation led us to our mantra of "get it right the first time" and explains why we focused exclusively on early childhood education. More than a decade later, while we are actively cultivating other areas within the Pre-K-12 spectrum, this year, we saw the biggest yield yet around early childhood education investments.

## ***Preparation***

Each year we lay the foundation for growth by ensuring we are equipped with the needed resources, talent, and infrastructure to execute our advocacy plans which has led to increased support for our mission.

## ***Nurturing and Development***

We focus on building relationships with lawmakers, advocacy partners, and educators on the front lines to champion policies that will foster measurable change. In 2023, we learned how our legislative wins have led to astonishing gains for Pre-K students, a significant uptick in alternative certifications for educators, and new hiring opportunities for childcare providers.

## ***Monitoring and Adjustment***

We added a new aspect to our work, which includes monitoring the implementation of the policies we champion. When lawmakers approve a new piece of legislation, that represents just the beginning. Aligned also follows how stakeholders are using new laws to improve programs and serve students.

## ***Reflection and Learning***

We also stand ready to make recommendations for further changes based on what we learn through the process.

While the cycle repeats, the growth continues, and we can only expect greater outcomes in the future.

With that, none of our achievements would be possible without the unwavering support of our donors, partners, and members. We express our heartfelt gratitude to all those who have joined us in cultivating a brighter future.

Together, we're sowing the seeds of positive change and nurturing the growth of a better tomorrow. Thank you for being a part of our mission.

- We supported an \$82 million investment in early learning.
- We expanded our team and our boards to gain more reach and insight across both states.
- We monitored policies to ensure that they are implemented as intended.
- We reported on policy topics impacting our students to gain support and awareness.





### ***Teacher Recruitment and Retention***

Aligned advocated for differentiated pay legislation that gives school leaders an additional resource to address staffing shortages by allowing them to be responsive to supply and demand in the teacher labor market. The practice of compensating teachers by a “step and lane” salary schedule has existed since the early 20th century. It remains the most common method of determining compensation in public Pre-K–12 education. The schedule does not vary by grade level taught, content area, or professional experience outside of the classroom. This scenario is unlike other professions, such as medicine, law, engineering, and higher education, where different areas of specialization see varying salary levels. Allowing for differentiated pay models would help with recruitment and retention. We also supported improvements to the state’s teacher scholarship program.

### ***Early Care and Education***

This past year, we worked to have an additional \$82 million included in Missouri’s budget for FY24. This allocation included \$55.8 million for pre-K grants to districts and charter schools for 4-year-olds and \$26 million for pre-K grants to childcare facilities—both grant programs prioritize students from low-income families. Aligned also partnered with other child advocacy organizations to suggest regulatory reforms to allow more education pathways for lead teachers receiving state grant funds for pre-kindergarten programs.

### ***Scholarship Expansion***

Aligned supported the expansion of the Kansas Promise Scholarship to include the additional fields of study of information technology and security, mental and physical health care, advanced manufacturing and building trades, and early childhood education.

## *Alternative Poverty Metric*

Because of the strong relationship between poverty and academic outcomes, Missouri's foundation formula includes a weight that sends additional funds to districts and charter schools based on their population of students identified as being low income. A student's eligibility for free or reduced-price lunch (FRL) is the current proxy for poverty in the foundation formula. Still, it is not the best way to identify those students with the greatest need. Aligned advocated for using community poverty as the metric over FRL as it is more accurate, comprehensive, and allocates resources with greater precision.



## *Workforce Parthway Systems*

Aligned has worked with business, education, and government leaders to propose legislation for a system that utilizes data to inform Kansas students about the high-skill, high-wage jobs available to them. This system connects learning from Pre-K-12 through higher education and employment to show a pathway to success for all students looking for their future career opportunities.



# **Aligned's advocacy** **made Pre-K expansion possible**

What does an undrivable car have to do with education? Everything, if it keeps a family from taking their child to preschool.

Administrators at Kansas City's Operation Breakthrough, a nonprofit that provides education, health, and parenting services to low-income families, faced just that situation when a student was often absent because the parents could not afford to replace tires.

"Once we knew what the problem was," said CEO Mary Esselman, "we were able to get a new set of tires and attendance popped up."

## **The solution was more than just a win for the family**

It was also a victory for the KC Pre-K Cooperative and a testament to legislative heavy lifting accomplished in Jefferson City by Kansas City based Aligned, a nonpartisan coalition of business leaders that works to improve education in Missouri and Kansas.

The cooperative, which includes 26 early childhood and K-12 partners, opened the early childhood classrooms in 2019 with new state education dollars. The cooperative has now brought in approximately \$10 million to the community through that education funding, which has added 700 new early education seats.

The new funding made school districts eligible for enough funding to create additional early childhood education slots equal to 4% of their students receiving free- and reduced-price meals. The aid funds one year of services to 3- and 4-year-olds.

## **Demand for high-quality Pre-K seats remains high**

Operation Breakthrough serves several hundred more students between the ages of 6 weeks and 5 years old through Head Start, and it is looking to add classroom space so it can take in more kids through the cooperative.

The demand is there. According to the cooperative, only about a quarter of the 5,000 Pre-K-aged kids in Kansas City attend free Pre-K programs.

Operation Breakthrough data illustrates the benefit of the cooperative funds, showing that 89% percent of its 2022 cohort entered kindergarten ready to learn compared with the national average of less than 50% for children in poverty. Assessments indicated that only about 5% of Operation Breakthrough's 2022 class entered the program prepared for kindergarten.

"So that's what I love about cooperative classrooms," Esselman said. "We only get a year, but in that year, we can transform lives because we can send them to school ready."

## **Kindergarten readiness skyrockets for center's students**

Data from this school year showed that kids in the cooperative classrooms advanced in the six areas measured in fall and spring assessments. For instance, kindergarten readiness in the health and physical development category increased from 35% to 95%.

Getting kids ready for school means a world of difference for early instruction, Esselman said.

“Teachers can actually teach kindergarten skills instead of teaching all those developmental readiness skills that we really want kids to go to school with,” she said.

Meanwhile, Esselman said, by partnering with schools “the kids are already seeing themselves as part of the school community” the year before they start classes. School officials facilitate that relationship by hosting parent nights and taking pictures of the 4-year-olds who will be coming to their school.

### **Key allies and incremental wins**

A small, but significant, change in state law allowed providers like Operation Breakthrough to utilize funds from the 4% provision. Aligned and its partners convinced Missouri lawmakers to allow school districts to contract early childhood education services.

It took proponents three years to overcome some resistance within the K-12 community, but lawmakers approved the contracting language in 2019. The contracting provision was a game-changer because up until then, districts had struggled to draw down the money because they lacked space and qualified personnel.

One key ally in approving the change was state Sen. Gary Romine, a Farmington Republican, who served in the state Senate

from 2013 until 2020 when he resigned his seat upon his appointment to the Missouri State Tax Commission.

A former high school teacher, Romine, is a strong supporter of education. As the chair of the Senate Education Committee, he embraced the idea of upping support for early childhood education.

“Understanding the need to make sure that kids have as much exposure to what it takes to be good readers or listeners, whether they’re read to or looking at books, the Pre-K stuff just made a lot of sense,” Romine said.

He generally found his colleagues receptive to the idea. “It doesn’t take a whole lot of explaining as to why the earlier kids get exposed to formal instruction and learning that they can do better as they go forward in school,” he said.

Romine said Aligned Vice President Linda Rallo provided critical support in pushing the measure through by going into Senate offices to explain the value of the money.

“She had the personality and the skillset to talk with folks without creating a wall or barrier—just good communication, good education,” Romine said.

As a cheerleader for the program in Kansas City, Esselman would like the state to make more slots available to communities. At Operation Breakthrough, not only do the children advance developmentally, but families also have access to healthcare, food assistance — and even occasional help with car repairs to ensure kids make it to school.





*Aligned Board and Staff Touring Advent Health's B.E. Smith Early Learning Center*

*Left to right, front row: Tyler Nottberg, Aligned; Shannon Lockwood, Amy Milroy and Michael Knecht, Advent Health; Mark Wyse, Code Koalas; back row: Linda Rallo, Kate Banks, Torree Pederson and Tom Jones, Aligned.*

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## **Facts:**

- *Recruited eighteen new Advisory Board Members across Kansas and Missouri*
- *Averaged a 40% open rate on email communications*
- *Participated in/presented at 47 events*
- *Received 4,000 website views*
- *Produced 28 weekly/monthly Education Policy News Updates*
- *Testified on 18 policies across both states*
- *12,000% ROI*

## **Funding Partners**

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**Champion of Children Coalition in Missouri Governor Parson's Office**  
Left to right: Melissa Randol, Executive Director of the Missouri School Boards Association, Linda Rallo, Vice-President of Aligned Robyn Schelp, Director of Advocacy, Kids Win Missouri, Tyler Hobbs, Deputy Legislative Director, Office of the Governor, Kara Corches, Vice President of Governmental Affairs, Missouri Chamber of Commerce, Jamie Birch, Director of Policy, Office of the Governor, Kayla Hahn, Former Director of Policy, Office of the Governor, Alex Tuttle, Legislative Director, Office of the Governor, Emily Van Schenkhoef, Executive Director, Missouri Children's Trust Fund, Mike Harris, Former Director of Legislative Affairs, Department of Elementary and Secondary Education, Pam Thomas, Assistant Commissioner, Department of Elementary and Secondary Education, David Winton, President, Winton Policy Group, Adam Kazda, Vice President, Greater St. Louis, Inc.

# *Every. Student. Prepared.*

We are a non-profit, non-partisan coalition of businesses that believe we can, and should, achieve more for our students by engaging in policy, advocacy, and outreach to advance education reform.

## **Contact**

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Aligned is a registered 501(c)3 non-profit organization. All donations are tax deductible.

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