



Site-Based Expenditure Reporting and Evidence-Based Funding

Presented by:
Dale Burnidge, Director of Financial Services
Robyn Cornelissen, Financial Controller



Site-Based Expenditure Reporting

Every Student Succeeds Act (ESSA)

ESSA requires that SEAs report on their Report Card:

“The per-pupil expenditures of Federal, State, and local funds, including actual personnel expenditures and actual non-personnel expenditures of Federal, State, and local funds, disaggregated by source of funds, for each local educational agency and each school in the State for the preceding fiscal year.”



Every Student Succeeds Act (ESSA)

- Requires all states to begin site-based expenditure reporting (SBER)
- Starting with the 2018-2019 school year
- The opportunity to better coordinate our funding (EBF) and school support systems, treating schools and students holistically
- The opportunity to assess, affirm and advocate for improved equity within school districts
- To better understand the relationship between student outcomes and financial investments

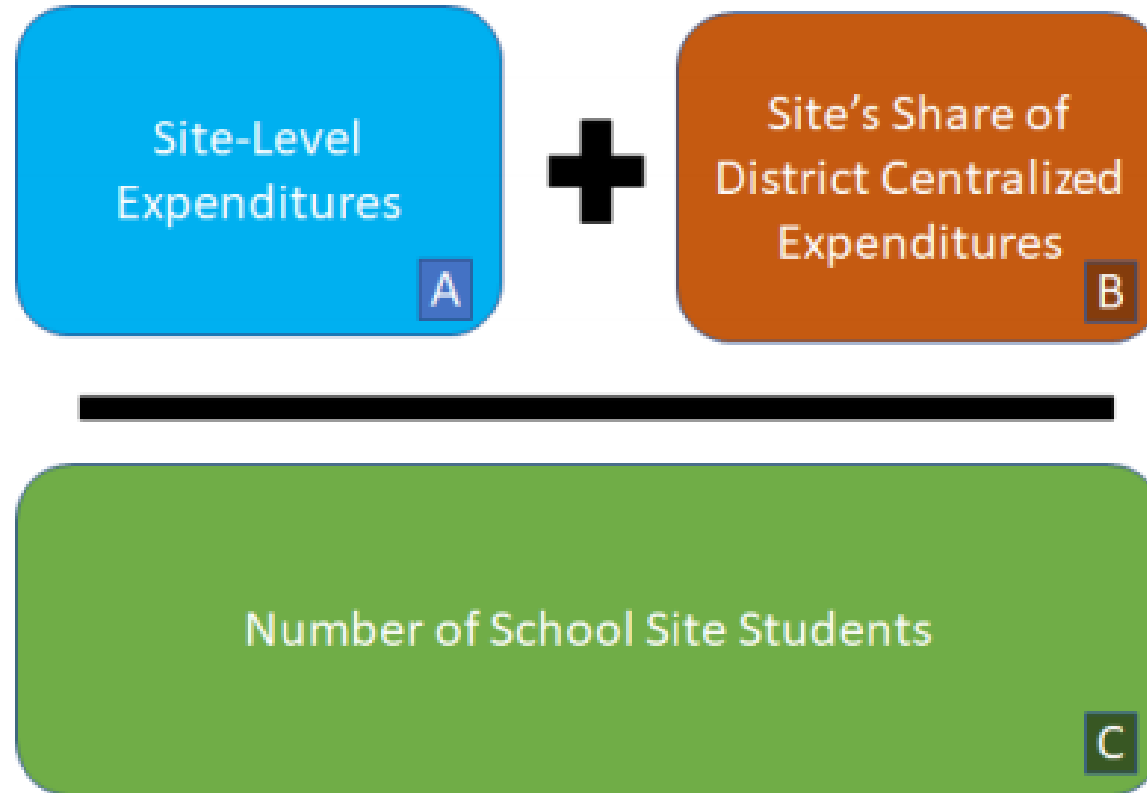


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What is the theory that greater transparency in funding at the school level leads to greater equity and excellence?



Basic Framework



Reporting Structure

		Site-Level Per-Pupil Expenditures			District Centralized Per-Pupil Expenditures			Total Per-Pupil Expenditures				
Sites	Student Count	Federal	State and Local	Subtotal	Federal	State and Local	Subtotal	Federal	State and Local	Total	Exclusions	Total Expenditures
PK Ctr	50	\$500	\$8,020	\$8,520	\$660	\$3,514	\$4,175	\$1,160	\$11,534	\$12,695		
ES1	300	\$344	\$5,148	\$5,493	\$529	\$2,781	\$3,310	\$874	\$7,929	\$8,803		
ES2	250	\$231	\$5,445	\$5,676	\$457	\$3,905	\$4,362	\$688	\$9,350	\$10,038		
MS1	250	\$320	\$5,356	\$5,676	\$361	\$3,499	\$3,861	\$681	\$8,855	\$9,536		
HS1	320	\$458	\$6,910	\$7,368	\$371	\$2,919	\$3,290	\$829	\$9,829	\$10,658		
LEA	1,170	\$353	\$5,860	\$6,213	\$440	\$3,244	\$3,684	\$793	\$9,104	\$9,897	\$2,330,361	\$13,910,071

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A / C

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(A+B) / C

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SBER Implementation

- Create a database we will use to compile and analyze the data
- Review salaries to assure employees are charged to the school when appropriate
- Discuss new requirement with major departments and schools and make adjustments where necessary
- Thoroughly and thoughtfully establish allocation methods
- Start reviewing the DRAFT data and prepare “the story” for each school





Allocations

- Acreage
- All
- Elementary
- ELL
- Gifted
- High School
- IEP
- Middle School
- Pre-K
- Private/Outplacement
- Transportation Routes
- Secondary
- Square Footage
- Title I

Exclusions

- Specific Funds: 30 / 60 / 70 / 90
- Specific Functions:
 - 1115 Charter School Tuition
 - 1300 Adult/Continuing Education Programs
 - 3000 Community Services
 - 4130, 4230, 4330 Payments to other governmental agencies for adult ed
 - 5000 Debt Services
- Specific Objects: 500 Capital Assets other than Fund 10
- Reimbursable expenditures – reimbursement from another LEA who is reporting the expenditure (i.e., transportation)



Report Card Data Requirements

- ISBE will open the SBER data template in IWAS on July 1, 2019 through August 15, 2019.
- Reporting to be completed using interim, unaudited, year-end financial data.
- Each school report card will have the per-pupil expenditure amount along with a narrative field to tell the school story.

Typical Drivers of School Spending Variations

Student Need	District Strategy	Unplanned
Special Education \$\$\$	School Level \$	Enrollment/ School Size \$\$\$
English Language Learners \$\$	School Type \$	Building Utilization \$
Economic Disadvantage \$\$	School opening/ closure – transition cost \$	Teacher Compensation \$
Other Student Needs \$		Enrollment Projections \$
		Ad-hoc exceptions \$

Communication Strategy

- Opportunity to improve transparency and equity
- Effectively communicate our SBER results to all stakeholders
- Create appropriate narratives for school report cards
- Develop next step actions if necessary
 - Administration
 - Financial Services
- Communicating with others:
 - Board
 - Schools
 - Parents/Community





Next Steps

- Ongoing data analysis
- Gather narratives for each school
- Create communication strategy
- Submit to ISBE by August 15
- Begin planning for FY20 school year



Evidence-Based Funding Overview

- Evidence-Based Funding consolidated and replaced five state grant programs:
 - General State Aid
 - Special Education Personnel
 - Special Education Funding for Children Requiring Services
 - Special Education Summer School
 - English Learner Education



Introduction

The Evidence-Based Funding (EBF) formula performs calculations in three general stages.

- **Stage 1:** Determining the cost of educating all students, according to the defined cost factors. The result is the **Adequacy Target** for each district.
- **Stage 2:** Measuring each district's local resources for comparison to the Adequacy Target.
- **Stage 3:** Distributing additional state funds to assist districts in meeting their Adequacy Targets.

Completing the first and second stages produces a ratio that determines how far away a district is from adequate funding in Stage Three.

$$\begin{array}{|c|} \hline \text{Base Funding} \\ \text{Minimum} \\ \text{(Hold Harmless)} \\ \hline \end{array} + \begin{array}{|c|} \hline \text{Tier Funding} \\ \text{(New Money)} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Evidence-Based Funding} \\ \text{(Total State} \\ \text{Contribution)} \\ \hline \end{array}$$

Overview of the Model

1. ADEQUACY TARGET

How much does providing high quality education cost?

2. PERCENT OF ADEQUACY

How well-funded is the district?

LOCAL CAPACITY
How much can the district contribute?

BASE FUNDING MINIMUM
How much does the state currently contribute?

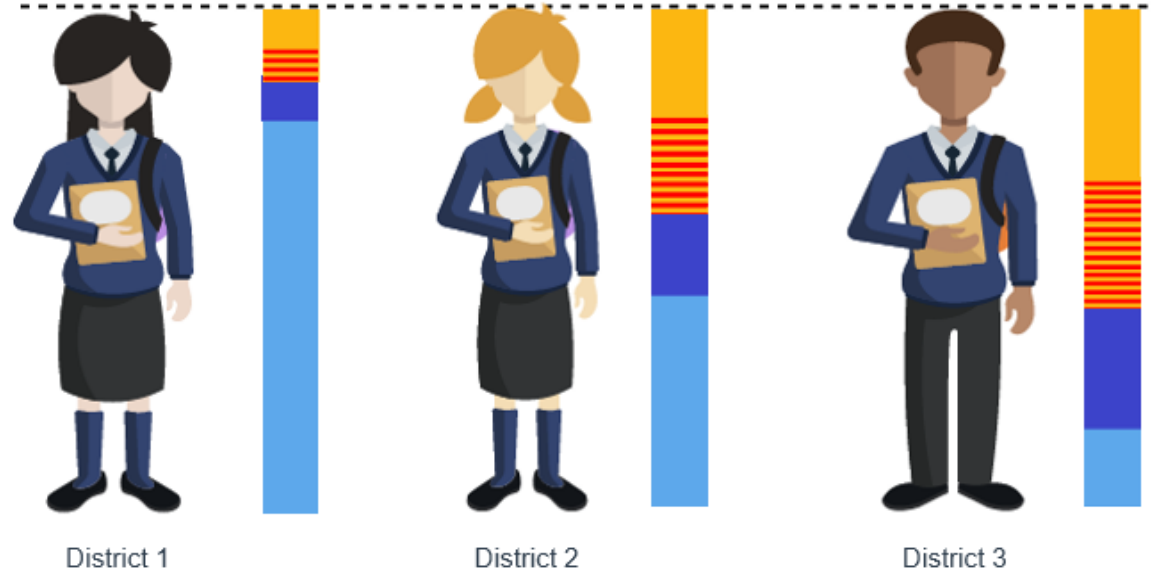
GAP TO ADEQUACY



3. DISTRIBUTION FORMULA

How is new money from the state distributed?

100% of Adequacy Target



STEP 1 Calculate Cost of 27 essential elements



Reading Interventionists



Student Activities



Full-day Kindergarten



Special Education Teachers & Aides



Smaller Class Size



Technology



Nurses & Guidance Counselors



Professional Development



Up-to-date materials

STEP 2 Apply essential elements to individual districts based on demographics



Enrollment



English Learners



Special Needs



Low-Income

STEP 3 Adjust salary-based elements for regional wage differences

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DISTRICT ADEQUACY TARGET



Evidence-Based Funding (EBF) for Illinois

- For FY19, \$300 million was added to the state budget for EBF
 - \$297 million was allocated to districts funded at less than 90% of adequacy
- For FY20, \$312 million will be added to the state budget for EBF



Evidence-Based Funding (EBF) at U-46

- For FY18:
 - Our percent of adequacy was 54.4%
 - Our EBF funding was \$158.4 million
- For FY19:
 - Our percent of adequacy was 56.3%
 - Our EBF funding was \$179.4 million
 - New investments included middle school counselors, additional administrative support for larger enrollment elementary and middle schools and instructional coaches for Title I schools



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Questions ?