TO: Illinois State Board of Education

FROM: Robert E. Schiller, Superintendent
David Wood, Director

Agenda Topic: Action Item - Finance, Audit and Agency Operations Status

Materials:
Appropriations and Spending by Program
Federal Applications and Awards
Financial Status Report (Contract & Grant Detail)
$1 M RFSP – None
Monthly Headcount Graph
Staff Detail
Personnel Transactions

Staff Contact(s): David Wood, Lynne Curry, Vivian Najim, and Chris Koch.

Purpose of Agenda Item
To provide the Board standard reports with key information on fiscal and administrative activities of the state agency.

Expected Outcome(s) of Agenda Item
The Board will receive and approve baseline data from a series of reports on fiscal and administrative activities which provide one basis for gauging agency progress over time.

Background Information
In June 2002, the State Board adopted bylaws outlining a new committee structure under which fiscal, audit and operations issues will be handled by the Fiscal and Audit Committee. Superintendent Schiller requested that the agency organize and standardize the financial and headcount data provided to the Board for their future policy work and decision-making.
Currently the following Reports are provided or are being developed.

1. Budget / Annual Report (Annually in January)
2. Comptroller SEA Report (Annually in February)
3. Appropriation and Expenditure (Monthly)
4. Financial Status Report - Contract/Grant Detail (Monthly)
5. Business Plans at the Director Level (Quarterly)
6. Headcount Reports (Monthly)
   - Personnel Transactions
   - Staff Detail by Division
   - Monthly Headcount Graph

The first two reports have been provided for several years. These provide an overview of the elementary and secondary education system, the Board Goals, and the programs operated by the agency.

The Monthly or Quarterly Fiscal and Headcount Reports were first provided to the Board in August 2002. These provide information regarding staffing and funding as well as details of contracts over $50 thousand and grants the agency is processing.

Agency Business Plans were first implemented in FY01 to help the Board and Management provide context to the larger education system and the Board Goals and to walk between these and the detailed funding information at the Division level. The FY03 Business Plans are not yet complete. Initially, they were postponed until the agency could complete Risk Assessment Training, Staff/Function Analysis, and Performance Measurement Training. Most of this is now complete but the system is being amended to establish specific Agency Goals and Measures aligned to the Board Goals at the Director level. Since that process is still ongoing, the Business Plan report, originally scheduled for the end of the first quarter of FY03 has been rescheduled.

The original schedule for these reports also included a Board Goal Report. This was first produced in 2001 and the first annual update was proposed for this November. However, upon further consideration and review, we believe the contents of such a report are already found in the Annual Report, the SEA report and the Superintendents Quarterly review of accomplishments. The Board may wish to consider a Board Goal Report for June to support its review of its accomplishments and progress.

**Superintendent’s Recommendation**
The Superintendent recommends that the Board accepts and approves these reports.

**Next Steps**
Continue to provide these reports pursuant to the schedule above.