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. Board Goals (Annually in November)
4. Appropriation and Expenditure (Monthly)
5. Financial Status Report - Contract/Grant Detail (Monthly)
6. Business Plans at the Director Level (Quarterly)
7. 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 Board Goal Report was first produced in 2001 and this November will be the first annual update. This provides information and specific measures for each of the four Board Goals.

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 Board Goals and walk between these and the detail funding information. They establish specific Agency Goals and Measures aligned to the Board Goals at the Director level. The Business Plan system is currently written at the Division level and needs to be modified to the Director level. FY03 Business Plans have been postponed until the Risk Assessment Training, Staff/Function Analysis, and Performance Measurement Training have been completed in August and September. We had hoped to be able to provide this report by the end of the first quarter of FY03 but work continues on the Business Plans.

**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.