The Fiscal Year 2013 budget, which runs from July 1, 2012, to June 30, 2013, includes $4.28 billion in General State Aid, which accounts for 66 percent of total state dollars. That is a decrease of $161.4 million from the previous fiscal year. The distribution of General State Aid (GSA) to Illinois common schools is determined by a statutorily defined funding formula. The formula provides for different methods of funding allocation, dependent primarily upon the equalized assessed valuation of property within a particular school district. The decrease in GSA for FY13 has resulted in an effective foundation level proration of $5,734, or 89 percent of the $6,119 actual foundation level set by statute. The proration for FY12 was 95 percent. The foundation level represents the amount that state officials believe is required to provide each child in Illinois a high quality public education.

Mandated Categoricals, which are comprised primarily of special education and transportation funding, account for 27 percent of total state dollars in education. The FY13 budget includes $1.755 billion in state funding for these line items, a decrease of 25.6 million from FY12. The remaining 8 percent of state funding, or $498.1 million, goes toward the Early Childhood Block Grant, bilingual education, career and technical education, and regional safe schools, among others.

In recent years, the federal government has provided an additional $3.5 billion to Illinois for various stimulus programs under the American Recovery and Reinvestment Act, but those programs are coming to an end. This includes $421 million that was provided to Illinois schools through the Education Jobs program. About $416 million of this had been used to fund over 44,000 positions. As 2012 came to an end, the Illinois State Board of Education held a series of public hearings to discuss the FY 14 budget, which could face additional cuts as in recent years. The ISBE budget has experienced an overall drop of $861 million from FY09 to FY13.

**Learning Outcomes**

The 2012 Report Card showed that 713 or 82 percent of Illinois districts, and 2,545 or 66 percent of schools, failed to make Adequate Yearly Progress (AYP) under No Child Left Behind. AYP benchmarks were frozen in 2012 as the state moves closer to a new accountability system that emphasizes student growth rather than performance at one point in time.

Students in third through eighth grades last March took the ISAT in reading and mathematics while fourth and seventh graders were also tested in science. Students in 11th grade last April took the PSAE, which tests students in math, reading and science. Only reading and mathematics results are used in calculating AYP.

The statewide composite score for students meeting and exceeding standards on the Illinois Standards Achievement Test (ISAT) given to elementary students stayed nearly flat, going from 82.0 in 2011 to 82.1 in 2012. The composite score for the Prairie State Achievement Exam (PSAE), given to 11th graders, increased from 50.5 in 2011 to 51.3 in 2012. New State rules, passed in 2011, better defined 11th graders who have been required since 2001 to take the PSAE, which includes the ACT. Those rules have led to an increase of more than 12,000 PSAE test takers in 2011 and 2012.

Illinois’ NCLB waiver remains under review with the U.S. Department of Education. The federal education agency has indicated that the only barrier to approval of the Illinois waiver application is the timeline for when districts must use student growth in their new local teacher evaluation system. The U.S. Department of Education is calling for all districts to implement new evaluations in 2014-15, but Illinois law calls for a progressive phase in, with some districts beginning to use the new evaluation system as early as this year and all districts using it by 2016-17.
In addition to overall student academic performance, the 2012 School Report Card provides additional information for students, schools and districts, as well as parents and community members, including the shifting of student demographics.

**Student Demographics**

The number of school districts has declined from 891 in 2003 to 866 in 2012. There are currently 378 elementary districts, 100 high school districts and 388 unit districts. Student enrollment in Illinois public schools in 2012 was 2,066,692, which is down more than 8,000 students from 2011.

Meanwhile, the percentage of low-income students has increased from 36.1 percent in 1999 to 49 percent in 2012. It was 48.1 percent in 2011. Pupils are considered low-income if they are from families receiving public aid, are living in institutions for neglected or delinquent children, are being supported in foster homes with public funds, or are eligible for free or reduced-price lunches.

Students who are Black, Hispanic, Asian, Native Hawaiian/Pacific Islander, Native American, or Two or More Races comprised 49 percent of student enrollment in 2012, an increase from 48.6 percent in 2011. Minority enrollment in Illinois public schools was 38 percent in 1999. The increase in percent of minority students is accounted for mainly by increases in the number of Hispanic students, which increased from 13.9 percent in 1999 to 23.6 percent of all students in 2012.

**Student Performance and Achievement**

On Aug. 22, 2012, ISBE announced that the graduating Class of 2012’s composite ACT score was the highest of nine states that tested 100 percent of 2012 graduates. Additionally, the state has shown continued improvement in the percentage of graduates who meet ACT’s College Readiness Benchmarks over the last five years. Illinois tested nearly 2,400 more students than the previous year while maintaining its composite score of 20.9. In addition, the percentage of students meeting all four College Readiness Benchmarks increased from 23 percent in 2011 to 25 percent in 2012.

Although the ACT is designed for students who plan to attend college, Illinois requires all 11th graders, unless they’re exempt, to take the ACT as part of the required state testing under the federal No Child Left Behind law. The eight other states with 100 percent of 2012 graduates taking the ACT are: Colorado, Kentucky, Louisiana, Michigan, Mississippi, North Dakota, Tennessee and Wyoming. At least three more states added universal ACT testing last year with scores to be reported for the Class of 2013. Since 2003, Illinois' composite score has been among the highest for the group of states that annually test all of their students.

In February 2012, ISBE announced that a record number of Illinois students took AP exams in 2011. According to the eighth annual AP Report to the Nation, nearly 30 percent of all high school seniors in the Class of 2011 took at least one AP exam during high school, which is up from just 15 percent in 2001. The number of Hispanic, Black and low-income students taking at least one AP exam have more than doubled since 2006.

Illinois ranked 15th in the nation for having the greatest percent of seniors posting a 3 or higher, which studies have shown as predictive of college success and college graduation. The percentage of seniors posting a successful score on these rigorous exams has increased by 7.5 percent since 2001, with minority and low-income students posting significant gains, too, all more than doubling the number of students scoring a three or higher from 2006 to 2011.