

# Preparing for the Evidence-Based Funding Spending Plan – FY 2024

The Evidence-Based Funding (EBF) Spending Plan will appear in the annual budget form (SD 50-36) beginning in fiscal year 2024. This article provides key details to help you prepare for the revised spending plan.

The Illinois Evidence-Based Funding for Student Success Act (ILSC 18-8.15), which was enacted in 2018, brought needed stability to state funding for all districts while directing new dollars to students in the most under-resourced districts. Importantly, the legislation included a requirement that all organizational units, defined as those that are eligible to receive tier funding, must submit an EBF Spending Plan as part of the annual budget process. (The broader term “organizational unit” will be used in place of “districts” in this text to cover the range of entities that are required to submit the EBF Spending Plan.) The format and scope of the plan are determined by the state superintendent and the Illinois State Board of Education (ISBE), but the Illinois School Code outlines three requirements. The plan must include the following:

- A description of how an organizational unit will achieve student growth and make progress toward state education goals.
- The intended use of state funding.
- Additional detail regarding the intended use of state funding attributable to special education costs and students who are English learners or low-income.

The EBF Spending Plan has evolved in the years since it was first implemented. What has not changed is the intent behind the plan: to encourage public dialogue about the allocation of state dollars and to better understand the impact of the EBF formula.

## ARTICLE

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### Establishing a New Value Proposition for the Spending Plan Requirement

Since 2018, organizational units have completed the EBF Spending Plan via an online form in the ISBE Web Application Security (IWAS) system, which is not accessible to the public. ISBE's 2020 - 2023 Strategic Plan charged staff to convene an advisory group and identify ways to maximize the plan's value to better support the equitable allocation of funds designated for specific student populations. Beginning in the fall of 2021, a broad group of stakeholders began to consider revisions to the EBF Spending Plan. The advisory group consists of representatives from organizational units and advocacy organizations across the state. Its members include both program and financial leaders within organizational units; they represent large and small organizational units that serve student populations spanning the diversity of Illinois as a whole. Advocacy stakeholders include groups that represent education professionals, regional interests and the various student groups identified in EBF statute.

The advisory group focused its efforts on three objectives — establishing a value proposition and principles to guide the work, identifying a place of integration for maximizing the value of the spending plan and aligning the content of the plan with the value proposition. Through the value proposition, the group aspired to create a plan that would better inform resource allocation, support the use of data-

- **MEMO** •
- The advisory group focused its efforts on three objectives:
1. Establishing a value proposition and principles to guide the work.
  2. Identifying a place of integration for maximizing the value of the spending plan.
  3. Aligning the content of the plan with the value proposition.

driven needs assessments, promote stakeholder engagement and provide meaningful data to assess the relationship between student outcomes and financial resources. [See chart on the next spread for value proposition and guiding principles]. ISBE has not published prior spending plan responses, so the group considered whether the EBF Spending Plan could be redesigned to provide transparency regarding the intended use of state funds and support productive local dialogue about resource allocation for student groups. After carefully considering several options, advisory group members determined that the EBF Spending Plan would best align with the value proposition through integration into the annual budget process. Therefore, beginning in FY 2024, the spending plan will appear as a new tab within the budget form. (Organizational units that do not submit a budget form to ISBE will be provided with a spending plan template.)

Integration into the budget accomplishes important goals related to elements of the value proposition. The budget already has public transparency requirements, which include a public hearing and publishing the adopted budget on websites. Additionally, the budget is the plan for all funding sources. Organizational units can consider the intended use of EBF in the context of planned spending from all sources.

Value Proposition --> The EBF Spending Plan will primarily serve to...

- Streamline resource allocation for identified student groups (ELs, SPED, low-income) by providing explicit connections between state and federal funding streams and ISBE-required plans to lessen the planning burden on districts.
- Support districts in effective engagement of data-driven needs assessments in planning support for student groups most in need.
- Promote fiscal and academic alignment by encouraging conversation between programmatic and financial leaders within a district.
- Support analysis of the relationship between student outcomes and financial resources for Organizational Units and communities.

Guiding Principles

- Comply with all statutory requirements.
- Engage with transparency to show district leaders, parents and the public the proposed uses of EBF dollars.
- Seek to reduce duplicative effort on the part of districts.
- Seek opportunities to embed equitable requirements in the plan that recognize and acknowledge district diversity.

Goal = Productive local dialogue about resource allocation.

Elements of the Revised Spending Plan

The redesigned spending plan largely retains the structure of the current plan — it will be in a new place, but it will still be familiar to education leaders. As with the current plan, the redesigned spending plan has three parts. Part 1 is where organizational units indicate strategies for achieving student growth and making progress toward state education goals. In Part 2, organizational units broadly indicate the intended use of EBF dollars. And Part 3 is where organizational units specify planned investments for special education costs and students who are English learners or low-income. Consistent with the current spending plan, many items allow for the selection of responses from a provided list. (Leaders may select “Other” and provide context when their answers are not on the list.)

There is general consistency with the current plan, but the redesigned plan differs in three ways. First, the questions focus on prioritization. Rather than selecting many strategies

for achieving student growth, for example, organizational units are asked to select the top three highest-priority strategies for the current academic year. Additionally, the plan integrates language from the state funding formula by asking organizational units to indicate the top three priority “cost factors” they will invest in using EBF dollars. Cost factors are investments — in staffing models and resources — that research has demonstrated are strongly correlated with increased achievement. Thirty-four cost factors within the state funding formula are used to estimate adequate resources based on each organizational unit’s unique population. (For more information about the cost factors, see Additional Resources at the end of this document.) Importantly, the cost factors are not meant to be exhaustive and they are not intended to direct spending. Local needs assessments should continue to drive spending decisions, but the cost factors can be helpful as a starting point for local discussion. A final

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important change in the revised plan is that organizational units must now identify the investments they are making specifically with tier funding. In this way, the spending plan becomes a valuable communication tool for showing how new resources are being used to support students.

Looking Ahead to FY 2024 Implementation

ISBE typically releases the annual state budget form in May. Taking the following steps will help you to prepare for the FY 2024 EBF Spending Plan:

3 Steps to Prepare!

- 1 Register for webinars and review guidance. As with any new or annual statewide report, ISBE will hold webinars to provide guidance for completing the spending plan. Be on the lookout for more information in the ISBE Weekly Message later this spring.
- 2 Brush up on EBF basics and access the revised template. As noted previously, the spending plan uses cost factors as the basis for framing intended investments with state dollars. Both ISBE and Illinois ASBO have great resources that support understanding of the terms embedded in the funding formula. Additionally, ISBE has published the revised spending plan template on its EBF Spending Plan webpage. For these and other materials, see Additional Resources below.
- 3 Engage department leaders and local stakeholders. Many federal grants have requirements for community engagement, the results of which are described by districts in the Consolidated District Plan (CDP). Current year EBF distributions are not known at the time the CDP is released (typically in March), but leaders can consider integrating discussion about the intended use of EBF dollars into the relevant stakeholder discussions for other grants, particularly as they relate to special education, English learners and low-income students.

Finally, remember that the EBF Spending Plan is a vehicle to tell a story about how you are connecting state dollars to student need. Outside of the statutory requirements for special education, English learners and low-income students, the School Code does not prescribe particular investments, nor does the EBF Spending Plan dictate a process for decision-making. Integration into the annual budget form provides a new opportunity to foster collaboration across departments and communities in decisions about state resources.

RESOURCES

- \* Revised Template and Research: <https://www.isbe.net/Pages/ebfspendingplan.aspx>
- \* Explanatory Documents: <https://www.isbe.net/Pages/EvidenceBasedFunding.aspx>
- \* EBF and ESSA Resources from IASBO: <https://www.iasbo.org/legislative/ebf-essa>