

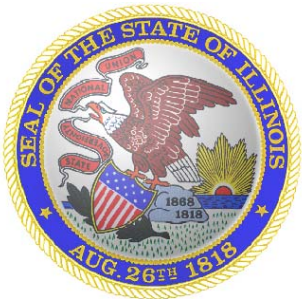
# **Illinois State Board of Education**

**Fiscal Year 2008 Budget**

***ISBE Proposal vs. Governor's Proposal***

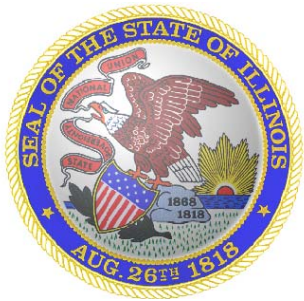
**House Elementary and Secondary  
Education Appropriation Committee**

**March 13, 2007**



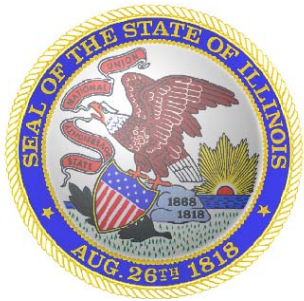
# FY08 Budget Request

| <i>\$ in Millions</i>   | <b>FY07</b>      | <b>FY08 ISBE Request</b> | <b>Change from FY07</b> | <b>FY08 Gov Request</b> | <b>Change from FY07</b> |
|-------------------------|------------------|--------------------------|-------------------------|-------------------------|-------------------------|
| General Funds           | \$6,502.8        | \$7,303.5                | \$800.7                 | \$7,997.0               | \$1,494.2               |
| Other State Funds       | \$44.5           | \$51.6                   | \$7.1                   | \$44.5                  | \$0.0                   |
| Federal Funds           | \$2,173.5        | \$2,167.1                | (\$6.4)                 | \$2,167.1               | (\$6.4)                 |
| <b>TOTAL</b>            | <b>\$8,720.8</b> | <b>\$9,522.2</b>         | <b>\$801.4</b>          | <b>\$10,208.6</b>       | <b>\$1,487.8</b>        |
| <i>Reappropriations</i> | \$28.2           | \$29.1                   |                         | \$30.7                  |                         |
| <b>GRAND TOTAL</b>      | <b>\$8,749.1</b> | <b>\$9,551.4</b>         |                         | <b>\$10,239.3</b>       |                         |



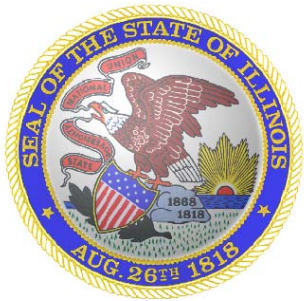
# General Funds Budget

| \$000's  | ISBE<br>Recommended<br>Changes | Governor<br>Recommended<br>Changes | Change from<br>ISBE<br>Recommendation |
|--|--------------------------------|------------------------------------|---------------------------------------|
| <b>General State Aid/Mandated Categoricals</b> | <b>637,864.9</b>               | <b>1,167,210.7</b>                 | <b>529,345.8</b>                      |
| General State Aid                              | 299,060.3                      | 808,434.5                          | 509,374.2                             |
| Mandated Categoricals                          | 132,504.6                      | 152,476.2                          | 19,971.6                              |
| Spec Ed - Personnel Reimbursement              | 206,300.0                      | 206,300.0                          | 0.0                                   |
| <b>Governor's Initiatives</b>                  | <b>0.0</b>                     | <b>265,242.5</b>                   | <b>265,242.5</b>                      |
| Full Day Kindergarten                          | 0.0                            | 10,000.0                           | 10,000.0                              |
| Mentoring and Parent Involvement               | 0.0                            | 40,000.0                           | 40,000.0                              |
| Other Key Initiatives                          | 0.0                            | 65,242.5                           | 65,242.5                              |
| Rural Education Initiatives                    | 0.0                            | 10,000.0                           | 10,000.0                              |
| Targeted Initiatives                           | 0.0                            | 100,000.0                          | 100,000.0                             |
| Teacher Quality Incentives                     | 0.0                            | 40,000.0                           | 40,000.0                              |
| <b>Other Requests</b>                          | <b>152,834.4</b>               | <b>61,754.8</b>                    | <b>(91,079.6)</b>                     |
| Adler Planetarium                              | 600.0                          | 0.0                                | (600.0)                               |
| Agriculture Education                          | 500.0                          | 0.0                                | (500.0)                               |
| Arts and Foreign Language                      | 3,000.0                        | 0.0                                | (3,000.0)                             |
| Autism   | 200.0                          | 0.0                                | (200.0)                               |
| Building with Books                            | 0.0                            | (500.0)                            | (500.0)                               |
| Bullying Prevention                            | 500.0                          | (1,000.0)                          | (1,500.0)                             |



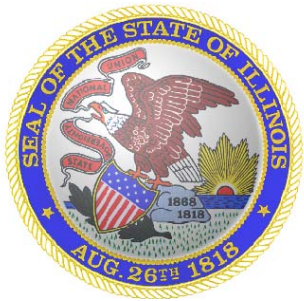
# General Funds Budget

| <b>\$000's</b>                                   | <b>ISBE<br/>Recommended<br/>Changes</b> | <b>Governor<br/>Recommended<br/>Changes</b> | <b>Change from<br/>ISBE<br/>Recommendation</b> |
|--|---|---|--|
| Charter School - Start Up Grants                 | 3,500.0                                 | 0.0   | (3,500.0)                                      |
| Charter School - Transition Aid                  | 1,035.0                                 | 0.0   | (1,035.0)                                      |
| Chicago Aerospace Education Initiative           | 0.0                                     | (920.0)                                     | (920.0)  |
| Children's Mental Health Partnership             | 3,000.0                                 | 0.0   | (3,000.0)                                      |
| Community & Residential Services Authority       | 16.8                                    | 0.0   | (16.8)   |
| Community Organization Programs                  | 0.0                                     | (3,260.0)                                   | (3,260.0)                                      |
| Continued Reading Improvement Block Grant (7-12) | 6,000.0                                 | 0.0   | (6,000.0)                                      |
| Democracy Schools Initiative                     | 100.0                                   | 0.0   | (100.0)  |
| Early Childhood Block Grant                      | 60,000.0                                | 60,000.0                                    | 0.0  |
| Early Childhood Block Grant (3% COLA)            | 9,386.8                                 | 9,386.8                                     | 0.0  |
| Early Intervening Service Training               | 3,890.0                                 | 0.0   | (3,890.0)                                      |
| Growth Model                                     | 3,000.0                                 | 0.0   | (3,000.0)                                      |
| Field Museum                                     | 500.0                                   | 0.0   | (500.0)  |
| Grow Your Own Teachers                           | 1,500.0                                 | 0.0   | (1,500.0)                                      |
| Healthy Kids/Healthy Minds                       | 0.0                                     | (3,000.0)                                   | (3,000.0)                                      |
| Illinois Early Childhood Asset Map               | 150.0                                   | 0.0   | (150.0)  |
| Illinois Economic Education                      | 35.0                                    | 0.0   | (35.0)   |
| Latino Education Alliance                        | 175.0                                   | 0.0   | (175.0)  |



# General Funds Budget

| <b>\$000's</b>  | <b>ISBE<br/>Recommended<br/>Changes</b> | <b>Governor<br/>Recommended<br/>Changes</b> | <b>Change from<br/>ISBE<br/>Recommendation</b> |
|---|---|---|--|
| Philip J. Rock Center and School                          | 174.0                                   | 0.0   | (174.0)  |
| Principal Mentoring                                       | 1,100.0                                 | 0.0   | (1,100.0)                                      |
| ROE Services  | 3,670.0                                 | 0.0   | (3,670.0)                                      |
| Security for Schools                                      | 0.0                                     | (5,000.0)                                   | (5,000.0)                                      |
| School Business Official Small District Training/Services | 380.0                                   | 0.0   | (380.0)  |
| School Transportation                                     | 0.0                                     | (1,200.0)                                   | (1,200.0)                                      |
| South Cook Intermediate Service Center                    | 0.0                                     | (300.0)                                     | (300.0)  |
| Standards Aligned Classroom                               | 1,400.0                                 | 0.0   | (1,400.0)                                      |
| Superintendent Mentoring & Training                       | 200.0                                   | 0.0   | (200.0)  |
| Support Our Schools                                       | 458.8                                   | 0.0   | (458.8)  |
| Teacher Mentoring Grants                                  | 2,000.0                                 | 0.0   | (2,000.0)                                      |
| Technology for Success                                    | 20,000.0                                | 0.0   | (20,000.0)                                     |
| Temporary Relocation Expense Fund Deposit                 | (900.0)                                 | (900.0)                                     | 0.0  |
| Truants' Alternative & Optional Education                 | 6,000.0                                 | 0.0   | (6,000.0)                                      |
| <b>Agency Operations</b>                                  | <b>10,047.9</b>                         | <b>(8.0)</b>                                | <b>(10,055.9)</b>                              |
| Personal Services and Related                             | 5,150.7                                 | 0.0   | (5,150.7)                                      |
| Other Operations  | 4,897.2                                 | (8.0)                                       | (4,905.2)                                      |
| <b>TOTAL GENERAL FUNDS BUDGET CHANGE</b>                  | <b>800,747.2</b>                        | <b>1,494,200.0</b>                          | <b>693,452.8</b>                               |



# General State Aid

| <u>Fiscal Year</u> | <u>Foundation Level</u> | <u>Change</u> |
|--------------------|-------------------------|---------------|
| FY00               | \$4,325                 | \$100         |
| FY01               | \$4,425                 | \$100         |
| FY02               | \$4,560                 | \$135         |
| FY03               | \$4,560                 | \$0           |
| FY04               | \$4,810                 | \$250         |
| FY05               | \$4,964                 | \$154         |
| FY06               | \$5,164                 | \$200         |
| FY07               | \$5,334                 | \$170         |
| FY08 ISBE          | \$5,689                 | \$355         |
| FY08 Governor      | \$6,020                 | \$686         |

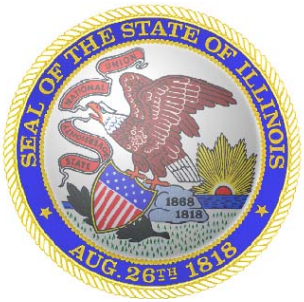


# General State Aid **UPDATE**

ISBE has updated figures on the cost to increase the foundation level in fiscal year 2008. The impact of this new data is shown below.

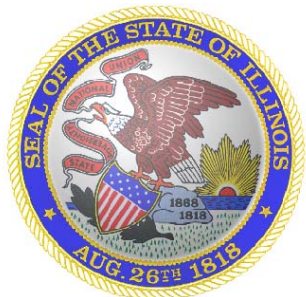
|                  | <u>ISBE Proposal</u> | <u>Governor's Proposal</u> |
|------------------|----------------------|----------------------------|
| Foundation Level | \$5,689              | \$6,020                    |
| Original Cost    | \$299.1 million      | \$808.4 million            |
| Revised Cost     | \$243.3 million      | \$749.2 million            |
| Change           | (\$55.8 million)     | (\$59.2 million)           |

The new data shows that the cost of the foundation level at both the ISBE and the Governor's proposed levels is less than originally estimated. This means that a higher foundation level can be achieved for the same amount of money as originally proposed.



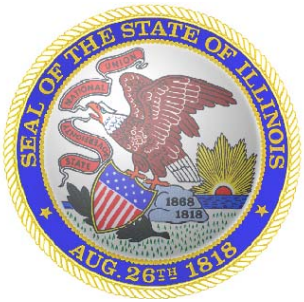
# Mandated Categoricals

| <i>\$ in Millions</i>      | <b>FY07</b>      | <b>FY08<br/>ISBE</b> | <b>Chg.<br/>from<br/>FY07</b> | <b>FY08<br/>Gov</b> | <b>Chg.<br/>from<br/>FY07</b> |
|----------------------------|------------------|----------------------|-------------------------------|---------------------|-------------------------------|
| Free Lunch/Breakfast       | \$21.0           | \$21.0               | \$0.0                         | \$21.0              | \$0.0                         |
| Regular Orphanage          | 13.1             | 11.5                 | (1.6)                         | 11.5                | (1.6)                         |
| Sp Ed – Extraordinary      | 268.9            | 310.3                | 41.4                          | 330.3               | 61.4                          |
| Sp Ed – Orphanage          | 79.4             | 79.4                 | 0.0                           | 79.4                | 0.0                           |
| Sp Ed – Personnel          | 368.5            | 577.7                | 209.2                         | 577.7               | 209.2                         |
| Sp Ed – Private Tuition    | 109.1            | 139.4                | 30.3                          | 139.4               | 30.3                          |
| Sp Ed – Summer School      | 8.7              | 10.0                 | 1.3                           | 10.0                | 1.3                           |
| Sp Ed – Transportation     | 326.6            | 353.4                | 26.8                          | 353.4               | 26.8                          |
| Regular/Voc Transportation | 286.1            | 317.5                | 31.4                          | 317.5               | 31.4                          |
| <b>TOTAL</b>               | <b>\$1,481.4</b> | <b>\$1,820.2</b>     | <b>\$338.8</b>                | <b>\$1,840.2</b>    | <b>\$358.8</b>                |



# Mandated Categoricals

| Budgeted Proration         | FY07         | FY08          |
|----------------------------|--------------|---------------|
| Free Lunch/Breakfast       | 100.0%       | 100.0%        |
| Regular Orphanage          | 100.0%       | 100.0%        |
| Sp Ed – Extraordinary      | 92.2%        | 100.0%        |
| Sp Ed – Orphanage          | 100.0%       | 100.0%        |
| Sp Ed – Personnel          | 100.0%       | 100.0%        |
| Sp Ed – Private Tuition    | 90.9%        | 100.0%        |
| Sp Ed – Summer School      | 96.6%        | 100.0%        |
| Sp Ed – Transportation     | 100.0%       | 100.0%        |
| Regular/Voc Transportation | 95.5%        | 100.0%        |
| <b>TOTAL</b>               | <b>97.2%</b> | <b>100.0%</b> |



# Special Education – Personnel

|                         | <b>Current Reimb.</b> | <b>ISBE Proposed Reimb.</b> | <b>\$ Change</b> | <b>% Change</b> |
|-------------------------|-----------------------|-----------------------------|------------------|-----------------|
| Certified Personnel     | \$8,000               | \$13,170                    | \$5,170          | 64.6%           |
| Non-Certified Personnel | \$2,800               | \$4,610                     | \$1,810          | 64.6%           |

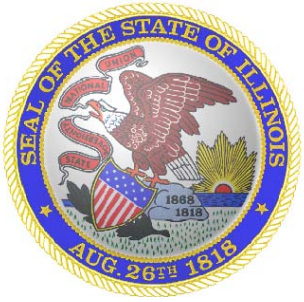
**The Governor adopted this proposal in his budget**



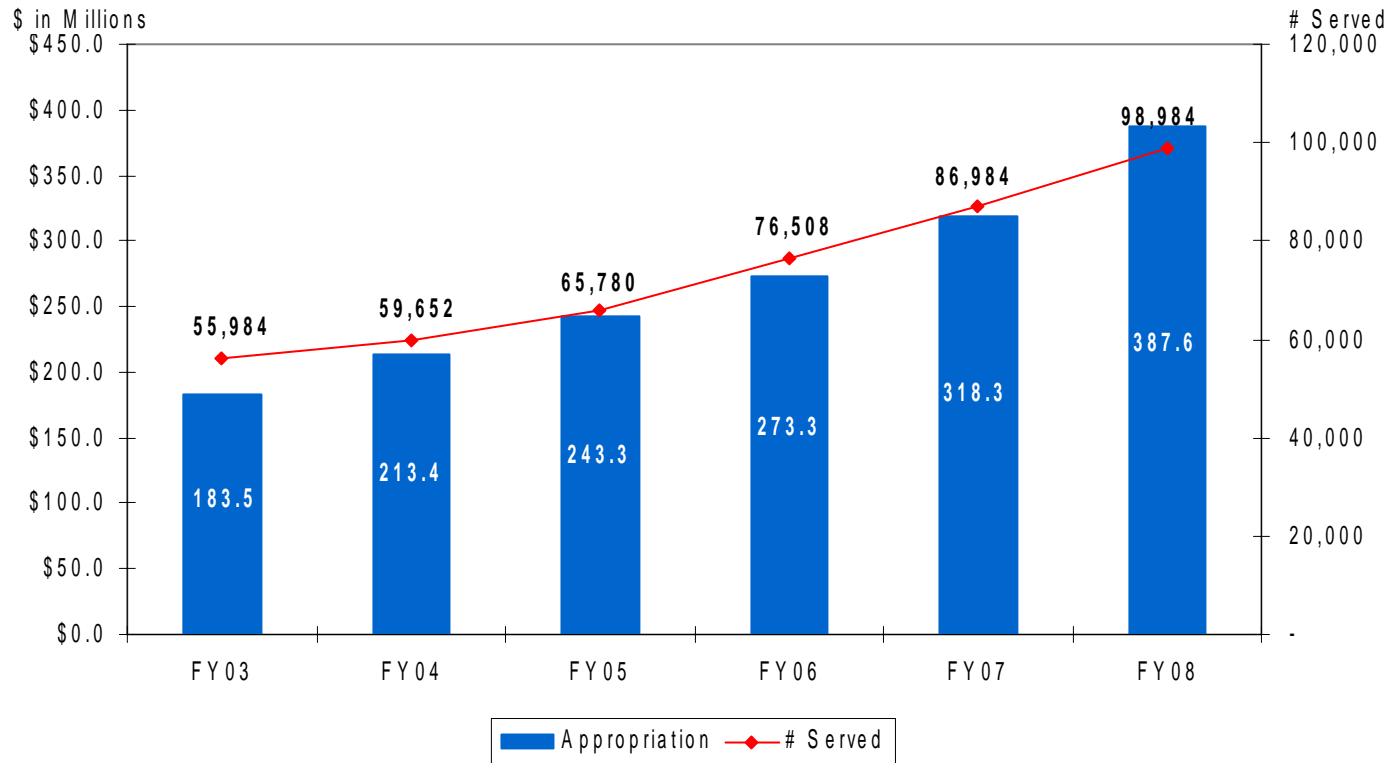
# Special Education – Personnel

|                         | <b>Avg. Salary</b> | <b>Current Reimb.</b> | <b>% Reimb.</b> | <b>ISBE Proposed Reimb.</b> | <b>% Reimb.</b> |
|-------------------------|--------------------|-----------------------|-----------------|-----------------------------|-----------------|
| Certified Personnel     | \$49,482           | \$8,000               | 16.2%           | \$13,170                    | 26.6%           |
| Non-Certified Personnel | \$15,914           | \$2,800               | 17.6%           | \$4,610                     | 29.0%           |

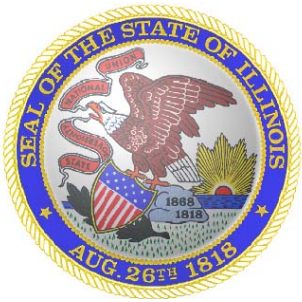
**The Governor adopted this proposal in his budget**



# Early Childhood Education

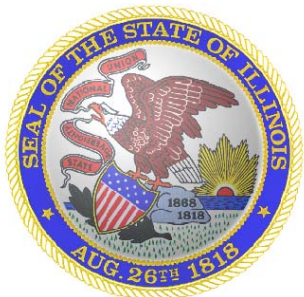


**The Governor adopted this proposal in his budget**



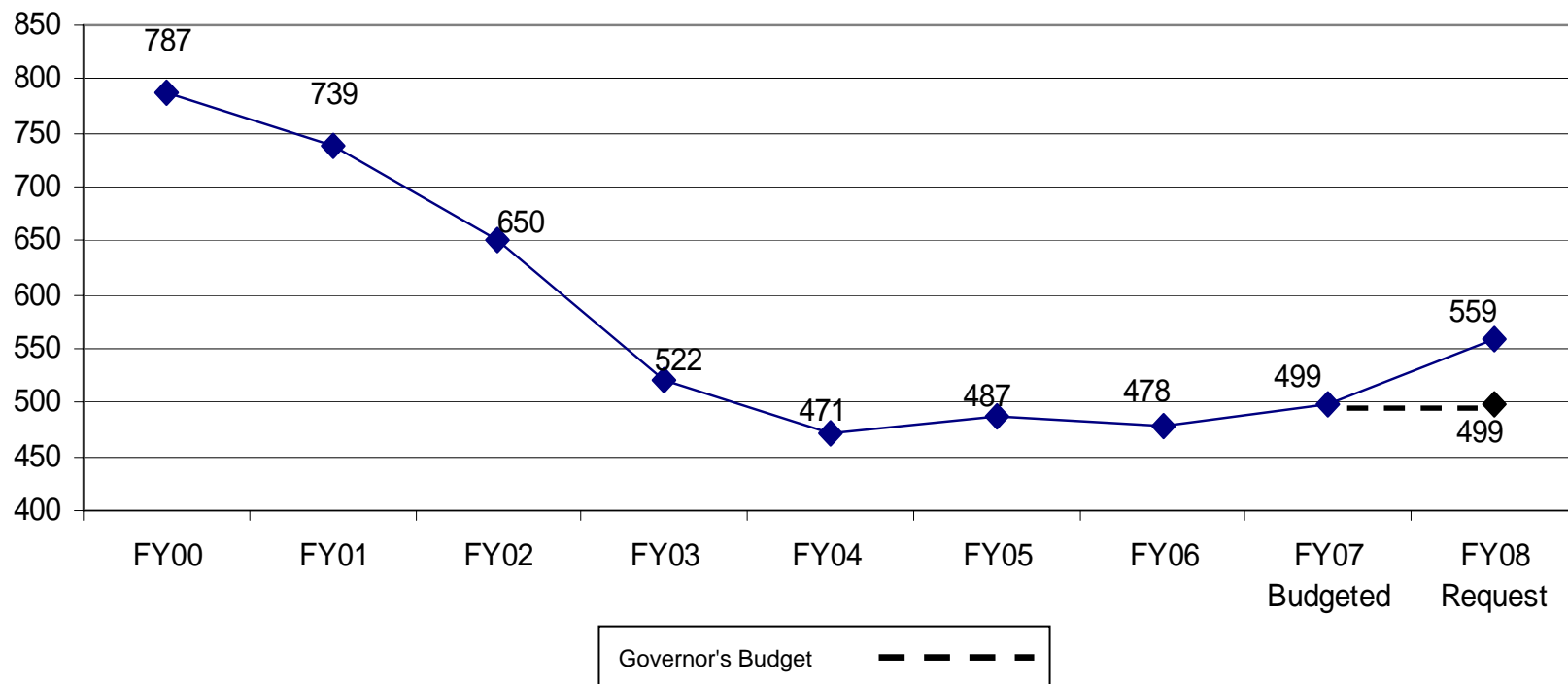
# Administration

- The Governor's budget proposes flat funding agency administrative lines at the fiscal year 2007 level.
- ISBE requested a \$10.0 million General Funds increase to support:
  - FY08 union contractual obligations - \$2.6 million
  - 60 new positions - \$2.6 million
  - Replacement of agency servers and the purchase of a generator for disaster recovery operations - \$1.2 million
  - Development of a data warehouse - \$3.5 million
  - Other operational increases due to rent, travel rates, etc. - \$0.1 million



# Administration

Headcount (as of 6/30)

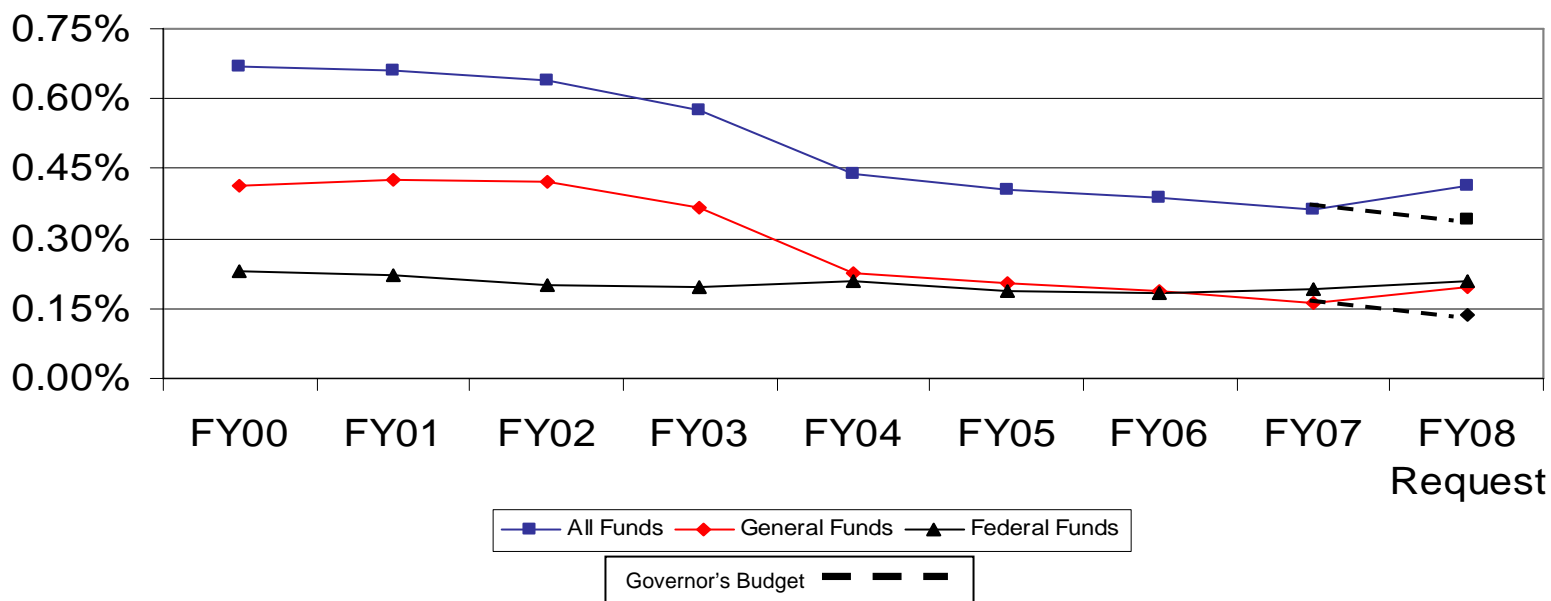


- Agency headcount has declined nearly 37% from fiscal year 2000 to fiscal year 2007.
- Even with the agency's request of 60 additional positions, agency headcount would still be down nearly 29% from fiscal year 2000.



# Administration

## Personal Services Expenditures as a Percentage of Total Expenditures



- In fiscal year 2007, it is anticipated that general funds expenditures for personnel (0.16%) will be less than federal funds expenditures for personnel (0.19%), even though federal funds only account for about 25% of the budget while general funds account for nearly 75% of the budget.
- The agency cannot continue to meet its mandated state and federal functions if expenditures on personnel relative to the total budget continues to decline.