

**EDUCATION FUNDING ADVISORY COMMITTEE**  
**August 19, 2013**  
**Room 212, State House**  
**Springfield, Illinois**

**CONVENE  
MEETING**

Senator Andy Manar, co-chair, called the meeting to order with a few brief opening remarks regarding what he would like to see the committee accomplish and the importance of this work. Senator Manar outlined the meeting agenda and the order of testimony. Senator Manar then yielded the floor over to Senator Dave Luechtefeld, co-chair, for his opening remarks.

Senator Luechtefeld thanked everyone for their support and gave a brief overview of what he would like the committee to accomplish, how he would like this to not be a political matter and gave a brief summary of the history of General State Aid, PTELL and Poverty Grants figures.

Senator Manar asked the clerk to call roll. A quorum was present.

**ROLL CALL**

**Members Present**

Senator Andy Manar, co –chair  
Senator Dave Luechtefeld, co-chair  
Senator Kimberly Lightford  
Senator Melinda Bush  
Senator Karen McConnaughay

**Members Absent**

Senator Michael Noland  
Senator Jason Barickman  
Senator Sue Rezin

**RECONVENED  
MEETING**

Senator Manar reconvened the meeting asking members for their opening remarks.

Senator Kimberly Lightford gave opening remarks regarding her goals for the committee and how education should not be a political matter.

Senator Melinda Bush gave opening remarks regarding how she would like there to be equality in education funding, how all students should have the same education and how excited she is to be involved on this committee.

Senator Karen McConnaughay gave opening remarks regarding how every student should get the best education possible, that this is a priority and how we need to make an investment in the children of Illinois.

Representative Linda Chapa LaVia gave opening remarks about how important this committee is and how glad she was to be asked to participate at this meeting.

**PRESENTATION  
BY MEMBERS OF  
THE ILLINOIS STATE  
BOARD OF  
EDUCATION**

Senator Manar introduced the representatives of the Illinois State Board of Education, Dr. David Fields, Board Member of the Illinois State Board of Education, Robert Wolfe, Chief Financial Officer for the Illinois State Board of Education and Jason Hall, Senior Policy Advisor for Budget and Financial Management.

Dr. David Fields, Board Member of the Illinois State Board of Education and Robert Wolfe, Chief Financial Officer of the Illinois State Board of Education introduced themselves to the committee.

Dr. Fields gave testimony on behalf of the Illinois State Board of Education to the committee regarding the types of improvement occurring on local and state levels which is driving student growth, but at the same time points out how school districts are struggling financially. Dr. Fields gave a brief summary of the recent history of GSA, Poverty Grant, PTELL and the proration process. Dr. Fields informed the committee that the Illinois State Board of Education has commissioned a white paper be prepared, which the Board hopes to have complete by the Committee's next meeting, which will provide background information on our education funding formula, compare Illinois to eight similar states and review the funding data and how it has changed over the past ten year. Dr. Fields then introduced Robert Wolfe, Chief Financial Officer for the Illinois State Board of Education.

Robert Wolfe, Chief Financial Officer for the Illinois State of Education addressed the committee going through the detailed power point presentation prepared by the Illinois State Board of Education. This presentation is available online for review.

Senator Manar opened the floor for questions from the committee. Senator Luechtefeld acknowledged that this is an extremely complicated formula and that most legislators probably do not fully understand the formula. Senator Luechtefeld asked detailed questions about the Poverty Grant. Jason Hall from the Illinois State Board of Education addressed Senator Luechtefeld's question of how a poverty student in one region gets less than a poverty student in another region. Discussion was had regarding the rational for how this is calculated and examples were given. Senator Luechtefeld asked for a better rational. Robert Wolfe stated that the Illinois State Board of Education will research this question and get back to the committee. Additional discussion were had on the details of the Poverty Grant and what changed in 2004 to change the Poverty Grant levels to what they are presently.

Senator Manar informed the committee that Dr. Koch, Superintendent of the State Board of Education has offered up his staff to address any questions the committee has with regard to the changes that occurred in 2004 to the Poverty Grant calculations and that there is staff present at the meeting taking notes to research additional questions.

Senator Manar yielded the floor to Senator Melinda Bush. Senator Bush referenced a study on the amount of funds necessary to get a child of poverty up to the standard of education and she hopes the committee will address this as well.

Senator Manar yielded the floor to Senator Lightford. Senator Lightford asked specific questions regarding the formula addressed in the power point presentation and who developed this formula. Discussion was had between the parties regarding detailed formula calculations and the rationale on how this was derived. Senator Lightford asked Jason Hall for a suggestion on the current situation of the formula. Jason Hall suggested that the greatest improvement we could make is to work towards the equalization of the Poverty Grant. Senator Lightford asked questions regarding PTEL, EAV and alternative EAV. Jason Hall responded in detail to Senator Lightford regarding the PTEL formula and how it is calculated. Dr. Fields then added comments regarding concentration of poor kids. Robert Wolfe also added comments trying to explain the Poverty Grant and the concentration of low income students. Senator Lightford asked that the Illinois State Board of Education to provide the committee with suggestions and expertise on making the system better.

Senator Manar yielded the floor to Senator Bush. Senator Bush asked questions regarding actual EAV to estimated EAV. Jason Hall addressed Senator Bush's questions.

Senator Manar yielded the floor to Senator McConnaughay. Senator McConnaughay asked questions regarding how the formula has evolved to what it is today. Jason Hall addressed Senator McConnaughay's questions. Further discussion between Senator McConnaughay and Jason Hall was had on why the Formula Grant was incorporated with the Poverty Grant along with how poverty is calculated and where those figures come from. The Illinois State Board of Education is to do research on what the debate was in changing the formula.

Senator Manar addressed the witnesses from the Illinois State Board of Education and asked when the white paper will be provided to the committee. Robert Wolfe indicated that this should be able to be presented to the committee at the next meeting along with what will be included in that report. Senator Manar asked where we get our information on EAV and poverty levels and if this is an accurate way of measurement. Jason Hall indicated that these are things we should study. Senator Manar wants the Committee to investigate if a student qualified for a poverty grant if that is the real reflection of the need and zero in on that the money goes to the kids that are truly in need. Dr. Fields hopes the white paper will give some guidance in this regard. Nicki Bazer, General Counsel for the State Board of Education reiterated that there are other income sources that districts have and districts also have different costs, including English language learners, special education costs, which should also be factored into this decision. Representative Chapa LaVia addresses that we need to look into the bigger picture and would like us to look at California's new funding formula.

Senator Manar yielded the floor to Senator Luechtefeld. Senator Luechtefeld stresses that everyone agrees that the present state aid formula needs to be

changed. Dr. Fields indicates this is a correct assumption. Senator Luechtefeld indicated that the Committee is looking for the Illinois State Board of Education for serious recommendation to the changing of the funding formula. Senator Luechtefeld asked questions about mandated categoricals and discussion was had on changing that funding formula as well.

Senator Manar thanked the State Board of Education and indicated that the Committee looks forward to working with them on these matters in the future.

Senator Manar yielded the floor to the Unions speaking in the public participation portion of the meeting. Senator Manar acknowledges that Alex Davis of WCIA seeks leave to videotape the hearing, no objections were made, and leave was granted.

## **PUBLIC PARTICIPATION**

Cinda Klickna, President, Illinois Education Association, outlined her organizations' position with regard to school funding, how students have very different educational experiences across the state due to unequalized school funding and what her organization would like to see accomplished by this Committee and the Illinois State Board of Education white paper.

Cynthia Riseman, Legislative Director, Illinois Federation of Teachers, outlined her organizations' desire for funding equity across the State of Illinois, offered their support to the Committee with research and asked that the Committee re-evaluate the timeline set out by the Committee to come up with a solution.

Stacy Gates-Davis and Kurt Hilgendorf, Chicago Teachers Union, outlined their organization's position on funding for schools and that poverty situation in Chicago Public Schools. They suggest we look to other states on how education is funded.

Senator Manar yielded the floor to questions from the Committee for this panel. Senator Luechtefeld asked for clarification from the panel on Illinois' ranking with regard to the amount of money spent per pupil. Kurt Hilgendorf responds with his research and discussion is had on our ranking.

Senator Manar yielded the floor for public participation by the Management Groups.

Diane Rutledge, Large Unit District Association, (LUDA) addressed the Committee with regard to her organizations' position with regard to equalized school funding and would ask the Committee not only to look at the funding formula, but look at the possibility for a long term predictable funding source that is researched based.

Ben Schwarm, School Management Alliance, addressed the Committee with regard to his organizations' position on school funding and the hope that there will be more school funding, not less and that the research is comprehensive to include all funding sources.

Senator Manar yielded the floor to questions from the Committee for this panel. Senator Luechtefeld summarizes that it is everyone's opinion that more money needs to be put into education funding. He also agrees that the unpredictability of funding is a hardship to districts and asks for suggestions. Diane Rutledge and Ben Schwarm addressed this with suggestions they are aware of. Senator Bush asked about clarification of regional funding and sharing of revenue. Diane Rutledge addressed this with a response. Senator Manar asked a question about flexibility in funding and asked for some examples of this. Diane Rutledge addressed this response and gives an example of separate line items that could be used by a district in a different way than the line item suggests.

Senator Manar yielded the floor for public participation by Advocacy Groups.

Robin Steans, Executive Director, Advance Illinois, expressed her organizations' concerns with regard to school funding and offered her organizations' support to the Committee, including suggestions on how to accomplish this change.

Jessica Handy, Government Affairs Director, Stand for Children Illinois, expressed her organizations' concerns with regard to school funding, offered her organizations' support to the Committee, asked that the Committee look at funding of teacher pensions to help fund GSA and asked for a review transparency at the school district level of spending.

Senator Manar yielded the floor to questions from the Committee for this panel. Senator Bush asked for recommendation on how to go about transparency at the local school district level to make sure districts were equitably funding the districts. Jessica Handy offered suggestions and Robin Steans also weighs in on that subject of school level transparency at the district level. Senator Manar posed a question regarding the figure provided by EFAB to educate a child and how reliable and accurate that figure is. Senator Manar asked for a recommendation on how to reduce the gap in the level of funding recommended by EFAB and actual funding. Robin Steans provided the Committee with two suggestions to address this underfunding of education. Senator Manar asked if either organization challenges the expert figure provided by EFAB for per student education. Jessica Handy and Robins Steans both addressed this question with their opinions and believe that the figure is close to accurate. Senator Manar wonders if this number is unattainable and therefore unimportant due to budget cuts and proration. Senator Manar expressed that the roll of this Committee is not to replace EFAB.

Senator Manar yielded the floor to public participation from School District 186 speakers.

Scott McFarland, Board Member (sub-district 3), expressed his opinion on how reduction in school funding has affect his district personally.

Shelley Tulpana, Parent, expressed her thoughts on how reduction in school funding in her district has affected herself and her children personally.

Jessica Polhemus, Parent, expressed her thoughts on how reduction in school funding in her district has affected herself and her children personally.

**CLOSING  
REMARKS**

Senator Manar thanked everyone for attending and stated that materials will be posted on an EFAC website by the Illinois State Board of Education, along with information on when the next meeting will be held.

**MEETING  
ADJOURNED**

Senator Manar adjourned the meeting at approximately 5:06 p.m.