

Illinois School Funding Discussion  
December 2013  
Springfield, Illinois

Funding Issues		
State Funding	<p>Policy Options:</p> <ul style="list-style-type: none"><li>• Maintain current funding levels and add resources as the state budget grows over time</li><li>• Increase funding without identifying additional revenue sources</li><li>• Increase funding and identify revenue sources</li><li>• Recommend that a study be undertaken to identify if additional state funding is needed</li></ul>	
Formula Issues		
Issue	Best Practices	ECS Recommendations
Including Transportation in the formula	<p>Funding transportation within the formula helps to insulate it from budget cuts.</p> <p>Ten states fund transportation through their primary funding formula.</p>	<p>The state should look into including transportation into the primary formula</p>
How long should districts be held-harmless from decreases in funding?	<p>No best practices</p>	<p>Hold harmless for 3 to 5 years. In addition, the hold harmless provisions should be phased down over time.</p>
Minimum State Payments	<p>States provide minimum payments to promote fairness in the funding system and to gain buy-in from all districts.</p> <p>7 states provide some form of minimum payments to districts.</p>	<p>If the state moves to a single funding formula - continue with the state’s current minimum funding payment. Adjust that payment each year by inflation.</p>
Additional weights for At-risk & ELL	<p>States provide weights ranging from:</p> <p>-At-risk: .20 to .50</p> <p>-ELL: .15 to .50</p>	<p>The state should provide at-risk students with an additional .25 and ELL students with a .20.</p>

ELL - Time Limits	Research has shown that students can be moved from the ELL program in 2 years.	The state should provide 2 years of funding for ELL students – but should allow students to stay in the program as long as needed.
At-Risk - Density Funding (Curvilinear formula)	Research has shown that as the density of at-risk students rises in a district so does the cost of educating each of those students.	Include an at-risk density provision in the states school funding formula.
Special Education - High-Cost	<p>5% of special ed. students could be defined as “high cost” Expenditures for a high-cost student can exceed thirteen times that of a general education student.</p> <p>Expenditures for high cost students can place pressure on school district’s budgets.</p>	The state should provide additional funding for special ed. students above \$25,000 per student
Special Education - Weights	<p>Most states provide additional weights based on disability categories (mild, moderate &amp; severe).</p> <p>States are moving to providing additional funding based on the services provided</p>	The state should use a system based on the services provided
PTELL	No best practices	The state should look into capping the cost of this program.
Regional Cost Differences	<p>Most states make use of RCD based either on employee salaries or the local cost of living</p> <p>Research suggests that states should make use of a system that based RCD on the cost of recruiting/retaining quality teachers (hedonic method)</p>	If the state is going to make use of a RCD it should look into using the hedonic method
Determining A District’s Relative Wealth	Some states use income in addition to property wealth as a measure of a districts ability to pay.	Recommend that the state continues to use a district’s property wealth as their only measure of its ability to pay
Equal Treatment of K-12, K-6/K-8 and High School Districts	Research has shown that there is no difference in cost for providing services for a K-12, K-6 or K-8 – or any other form of district	State funding should remain consistent regardless of how the district is structured.