

ILLINOIS STATE BOARD OF EDUCATION MEETING
February 14, 2018

TO: Illinois State Board of Education

FROM: Tony Smith, Ph.D., State Superintendent of Education
Robert Wolfe, Chief Financial Officer

Agenda Topic: Site-Based Expenditure Reporting – Guidance Release

Materials: Presentation: “Site-Based Expenditure Reporting”

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Purpose of Agenda Item

The purpose of this agenda item is to update the Board on the agency’s efforts to implement the site-based expenditure reporting provision of the Every Student Succeeds Act (ESSA).

Relationship to the State Board’s Strategic Plan and Implications for the Agency and School Districts

Site-based expenditure reporting offers districts and local communities a new view of their schools: what funds are put where for which purposes. Districts that take advantage of this new view will be positioned to make resource allocation decisions better aligned to their students’ needs, allowing them to make progress toward all of the Board’s goals.

Every child in each public school system in the State of Illinois deserves to attend a system wherein...

1. All kindergartners are assessed for readiness.
2. Ninety percent or more of third-grade students are reading at or above grade level.
3. Ninety percent or more of fifth-grade students meet or exceed expectations in mathematics.
4. Ninety percent or more of ninth-grade students are on track to graduate with their cohort.
5. Ninety percent or more of students graduate from high school ready for college and career.
6. All students are supported by highly prepared and effective teachers and school leaders.
7. Every school offers a safe and healthy learning environment for all students.

Background Information

ESSA includes a requirement that all State Education Agencies report per-pupil expenditures on their Report Cards beginning with data from the 2018-19 school year. Specifically, the law states, “[The Report Card must display] the per-pupil expenditures of Federal, State, and local funds, including actual personnel expenditures and actual non-personnel expenditures of Federal, State, and local funds, disaggregated by source of funds, for each local educational agency and each school in the State for the preceding fiscal year.”

ISBE convened an advisory group of 25 superintendents, school business officials, and representatives from various statewide organizations over the last five months to plan for the

implementation of this provision of the law. ISBE and Afton Partners LLC facilitated the group in designing a value proposition and guiding principles for implementation. The group reached its first major implementation milestone on January 31, 2018: guidance for all reporting entities to set the state's expectations for reporting and support districts as they prepare to report next year. Outreach to all districts and preparations for trainings are now underway.

Financial Background

ISBE has reported district financial data on the Report Card for years. The 2018-19 school year will be the first year that ISBE has collected site-level financial data from districts.

Analysis and Implications for Policy, Budget, Legislative Action, and Communications

Policy Implications: The new data resulting from site-based expenditure reporting will enhance state and local conversations regarding school and district finances as levers for student achievement and support.

Budget Implications: ISBE has dedicated funds and capacity through the Illinois Data FIRST grant to support implementation of this new reporting. Issued guidance attempts to minimize any implementation cost at the district level, although the individual contexts and accounting decisions of districts may result in additional upfront expenditures in exchange for more efficient compilation of the reporting.

Legislative Action: Implementation of this reporting does not require legislative action at this time.

Communication: ISBE is rolling out a series of webinars and trainings and enlisting supplementary advisory groups to communicate the new reporting requirement to all reporting entities and to support their implementation efforts.

Next Steps

This is an informational item. ISBE will continue moving forward with trainings to districts on both how to report and what to do with the resultant data. ISBE will simultaneously convene advisory subgroups to support the design of a data collection tool and eventual data visualizations.