



Illinois State Board of Education

100 North First Street • Springfield, Illinois 62777-0001
www.isbe.net

James T. Meeks
Chairman

Tony Smith, Ph.D.
State Superintendent of Education

January 30, 2018

Dear Colleague:

Last fall I wrote to you announcing site-based expenditure reporting as an upcoming requirement included within the Every Student Succeeds Act. Beginning with 2018-19 school year data, all school districts and other designated reporting entities will report per-pupil expenditure data at the district level *and* at the school level, disaggregated by source of funds (federal vs. state/local). This reporting can be powerful for districts and local communities: It offers an unprecedented opportunity for inquiry into resource allocation, intra-district equity, and the relationship between student outcomes and financial investments. At the same time, new reporting often creates new challenges for districts.

ISBE acknowledges that this requirement presents both challenges and opportunities. To address both, the agency convened an advisory group specifically dedicated to its implementation. This group of superintendents, school business officials, and other key representatives has been meeting for the last five months to establish guidelines designed to maximize the usefulness of the new data while minimizing the initial burden on school districts and making it clear that each district owns its own data and story. We are truly grateful for each group member's input and commitment to our collaborative process.

We are pleased to announce the first major product of the advisory group's work: a full guidance document detailing what school districts and other designated reporting entities must prepare in order to fulfill the site-based expenditure reporting requirement. This guidance answers the following key questions:

- Which entities must report?
- What does the reporting look like?
- What expenditures must be included or should be excluded?
- What student count should be used? Are there any exceptions?
- How do we handle special circumstances, such as students educated outside the district or in charter schools?
- What are alternatives and recommendations for handling centralized expenditures?

Please note that this expenditure reporting does not require site-based budgeting or alignment of their chart of expenditure accounts within the district's accounting system for the school year beginning July 2018. While the local district has the choice, individual districts may find that such budgeting or accounting makes the year-end reporting easier. The priority of ISBE and the

advisory group has been to provide all information before budgeting season so that interested districts are aware that site-based systems are a viable option.

We invite you to review the guidance document and to join us for an informational webinar at 1 p.m. this Friday, Feb. 2. Register at <http://isbe.site/reporting>. The webinar will also be recorded and posted at www.isbe.net/essa/ under the “Site-Based Expenditure Reporting” header alongside all other public materials and supports. Further trainings will be available as your work progresses, positioning ISBE side-by-side with districts in the transition to site-based expenditure reporting. For any questions or concerns not addressed by the guidance or the webinar, please contact Sara R. Shaw in the ISBE Division of Finance at (217) 782-0249 or sshaw@isbe.net. Alternatively, you may reach out to our advisory group members, a list of whom is provided on the second page of the guidance documents.

Thank you for your partnership in ensuring that all Illinois children have access to a quality education.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Tony Smith', is placed over a light gray rectangular background.

Tony Smith, Ph.D.

State Superintendent of Education