



# Illinois State Board of Education

## ISBE Site-Based Expenditure Reporting

*Reporting for State-Authorized  
Charter Schools*

November 2018

# Pulse Check...

2

What do you know about Site-Based Expenditure Reporting?

What are you hoping to get out of today's session with us?



# Today's Discussion on Reporting for Charter Schools Authorized by the Commission

3

- **Overview** of Site-Based Expenditure Reporting
- Specific requirements associated with **Commission-authorized charter schools** and implications
- **Next steps** and **resources** for implementation



# Site-Based Expenditure Reporting Overview



# ESSA Site-Based Expenditure Reporting must be implemented for SY2018-19

5

ESSA requires that SEAs report on their Report Card:

*“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.”*



# Site-Based Expenditure Reporting fits into statewide education goals and initiatives

6

- *ESSA State Plan: Whole child – whole school – whole community and IL-EMPOWER*
- *Evidence-Based Funding: new funds, mindsets of equity & adequacy, annual spending plans*
- *Illinois Data FIRST grant: includes site-based expenditure reporting and the educator dashboard Ed 360*
- *Fiscal and Academic Solvency*



# Key Components of the Advisory Group's Value Proposition

7

- **Resource allocation will be more readily accessible** *to schools and stakeholders*
- *Empowers LEAs and communities* **to assess and improve equity**
- *Enables LEAs and communities* to gain a better understanding of the **relationship between student outcomes and financial resources**
- *Enables LEAs, schools, and the state* **to identify evidence-based best practices and opportunities to foster innovation** between peers



# Advisory Group's Guiding Principles for Year 1 Implementation

8

“Guidance” rather than formal changes to accounting rules

Stay close to “minimum ESSA compliance”

Leverage existing reporting wherever possible

Couple the financial reporting with state report card data

Districts know their data best and can tell their own story

This initiative should and will evolve over years

Reporting Guidance adheres to these principles – including LEA flexibility in central cost allocation methodologies





# With the input of the Advisory Group, ISBE issued a Site-Based Expenditure Reporting guidance document in January 2018, available at [www.isbe.net/site-based](http://www.isbe.net/site-based)

9

This guidance provides general instructions on how to meet the reporting requirement and answers the following questions:

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



# Data table that will be collected from District LEAs

*Commission-authorized charters are their own LEA and will have one row for each Commission-authorized site (more on that later)*

Sites	Student Count	Site-Level Per-Pupil Expenditures			District Centralized Per-Pupil Expenditures			Total Per-Pupil Expenditures			Exclusions	Total Expenditures
		Federal	State and Local	Subtotal	Federal	State and Local	Subtotal	Federal	State and Local	Total		
PK Ctr	50	\$500	\$8,020	\$8,520	\$660	\$3,514	\$4,175	\$1,160	\$11,534	\$12,695		
ES1	300	\$344	\$5,148	\$5,493	\$529	\$2,781	\$3,310	\$874	\$7,929	\$8,803		
District Charter	250	\$634	\$7,563	\$8,197	\$127	\$986	\$1,113	\$761	\$8,549	\$9,310		
MS1	250	\$320	\$5,356	\$5,676	\$361	\$3,499	\$3,861	\$681	\$8,855	\$9,536		
HS1	320	\$458	\$6,910	\$7,368	\$371	\$2,919	\$3,290	\$829	\$9,829	\$10,658		
<b>Total</b>	1,170	\$439	\$6,313	\$6,752	\$370	\$2,620	\$2,990	\$809	\$8,933	\$9,742	\$2,330,361	\$13,728,071

C

A / C

B / C

(A+B) / C

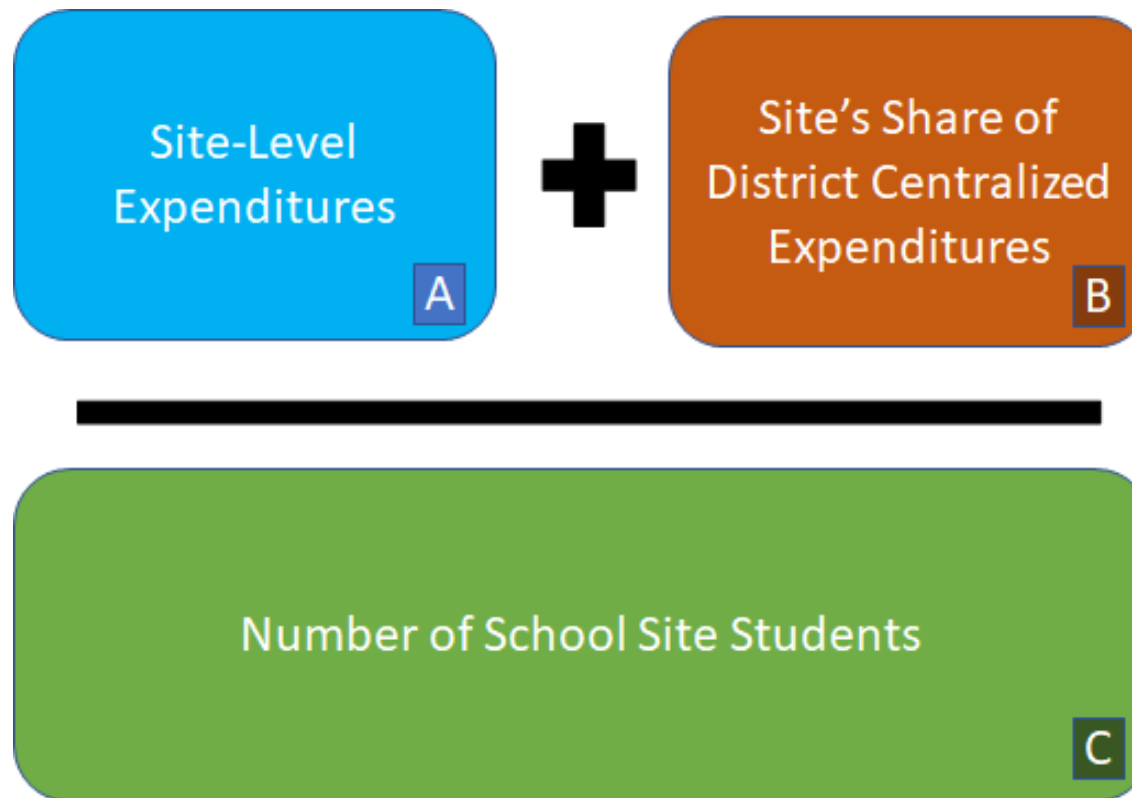
D

Based on input from the Advisory Group, this level of reporting detail will be the only mandated collection for Year 1, along with notation of allocation methodologies

# This is the calculation of total per-pupil expenditures for a given school site

11

Per-pupil expenditures reported for each school shall comprise:



# Reporting Timeline

12

Milestone	Dates
Guidance Released	January 29, 2018
IASA Webinar & IASBO Video & Webinars on Guidance	February 2018
Training on calculations and data usage	March 2018 & ongoing
Data collection process determined	March 2018 & ongoing
Data visualization determined	May 2018 & ongoing
FY19 begins, prepared for site-based expenditure reporting	July 1, 2018
Pilot district data collection in IWAS	Jan-Mar 2019
Statewide data collection tool training	Apr-June 2019
Site-based expenditure reporting due to ISBE	Summer / Fall 2019



# Commission-Authorized Charter School Reporting Requirements



# How should Commission-authorized charter schools be reported?

14

Commission-authorized charter schools report *as their own LEA*

Charter school operators that operate multiple sites must have *each charter school site* reported individually

Note that we are referring today to charters authorized by the Commission; district-authorized charters are part of their district LEA's reporting



# Commission-authorized charters are their own LEA and will have one row for each Commission-authorized site

Sites	Student Count	Site-Level Per-Pupil Expenditures			Site's Centralized Per-Pupil Expenditures			Total Per-Pupil Expenditures			Exclusions	Total Expenditures
		Federal	State and Local	Subtotal	Federal	State and Local	Subtotal	Federal	State and Local	Total		
Charter 1	300	\$344	\$5,148	<b>\$5,493</b>	\$216	\$1,925	<b>\$2,141</b>	\$560	\$7,073	<b>\$7,634</b>		
Charter 2	250	\$634	\$7,563	<b>\$8,197</b>	\$495	\$2,003	<b>\$2,498</b>	\$1,129	\$9,566	<b>\$10,695</b>		
<b>Total</b>	550	\$476	\$6,246	<b>\$6,722</b>	\$343	\$1,960	<b>\$2,303</b>	\$819	\$8,206	<b>\$9,025</b>	<b>\$1,024,946</b>	<b>\$5,988,820</b>

C

A / C

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(A+B) / C

D

Each site must have its own line as an individual school, not grouped into the whole network.

If you have one charter that is Commission-authorized, then you will just have one school site row directly submitted to ISBE.

# How should charter school expenditures be calculated?

16

Charters provide all site-level expenditures aligned with Guidance Document requirements

A multi-site charter network will have its own “centralized costs” to report in the centralized cost allocation column

Therefore, multi-site charter operators will have to allocate their own centralized costs to each of their sites

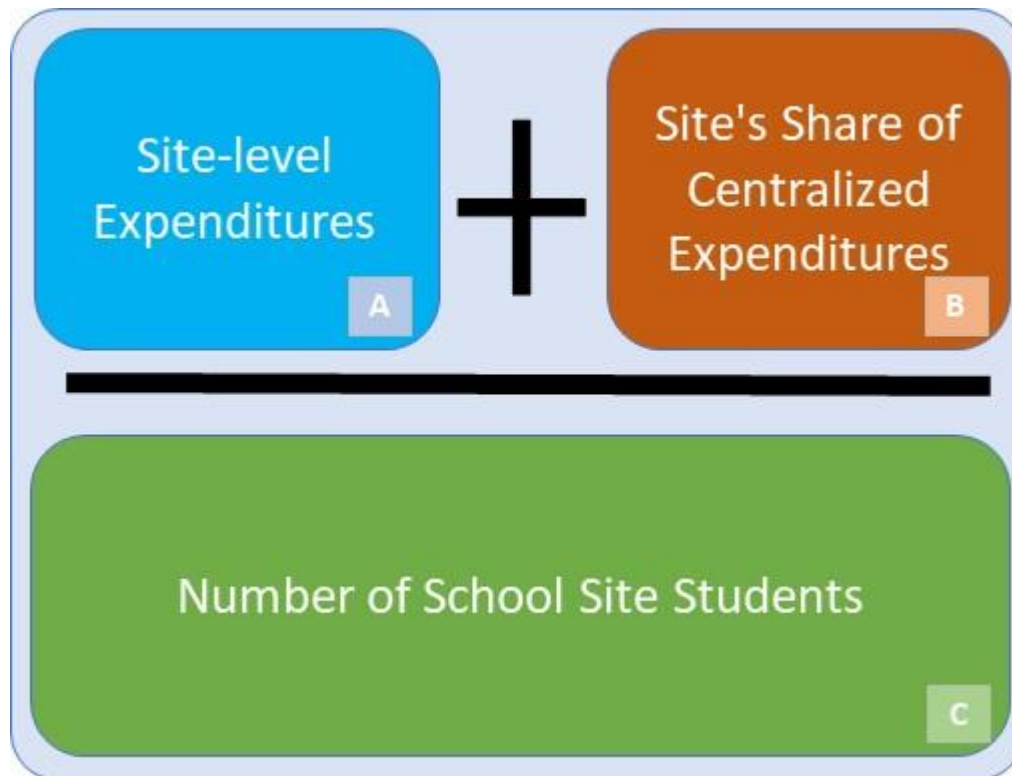
Commission authorizer administrative fee and any other unique items –  
*for discussion*





# How should charter school expenditures be calculated?

17



- A** Actual personnel and non-personnel expenditures assigned to the school
- B** Any costs incurred as a network or from overseeing and supporting the charter school that the charter considers a centralized expenditure
- C** Number of School Site Students: follows Reporting Guidance methodology

*Remember, A and B must be disaggregated by source of funding (federal vs. state/local)*



# Reporting Guidance lays out parameters for reporting

This guidance answers the following questions:

1. What entities must report? For what students?
2. What does the reporting look like?
3. What expenditures must be included / should be excluded?
4. What student count should be used? Are there any exceptions?
5. How do we handle special circumstances, such as students educated outside the district or charter schools?

The full reporting guidance document is available at  
<https://www.isbe.net/site-based>



# Why are some expenditures excluded from reporting?

19

The intent behind these exclusions is to reflect expenses that are:

Pre-K through 12

- Reflect only expenditures for Pre-K through 12<sup>th</sup> grade students being served or placed by the LEA

Ongoing

- Reflect expenditures that are largely ongoing, normal course resource allocations

Note that expenditures of philanthropic dollars are **included** and should be counted as state/local dollars.



# What expenditures should be excluded?

20

All LEA expenditures should be included in the numerator within either (A) site-level expenditures or (B) site's proportional share of centralized expenditures, except the following **exclusions from Expenditure Reporting (D)**:

1. Fund 30: Bond and Interest Fund (Debt Service Fund)
2. Fund 60: Site and Construction/Capital Improvements Fund
3. Fund 70: Working Cash Fund
4. Fund 90: Fire Prevention and Safety Fund
5. Function 1115: Tuition Payments to Charter Schools
6. Function 1300: Adult/Continuing Education Programs
7. Function 3000: Community Services
8. Functions 4130, 4230, and 4330: Payments to Other Governmental Agencies for Adult/Continuing Education Programs
9. Function 5000: Debt Services
10. Object 500: Capital Outlay except for those in Fund 10 (Education), which should be included
11. Legacy Pension Obligations
12. Reimbursable expenditures, where the reimbursement is from an LEA that is reporting the expense



# Pulse Check...

21

What challenges do you foresee in completing this reporting?

What opportunities might this reporting provide?

What support may be helpful, and from whom?

What other questions do you have?



# Where can LEAs go for more information?

22

<https://www.isbe.net/site-based>

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## Highlighted Resources

- Published [guidance](#) for implementation
- [Suggested implementation timeline](#) (also available online in PDF form for easy printing)
- [Video on “immediate recommended steps”](#) produced for school business officials; also largely applicable to business managers or similar roles at Commission-authorized charter schools

SUPPORT & ACCOUNTABILITY

## SITE-BASED EXPENDITURE REPORTING



The Every Students Succeeds Act contains a short but significant provision requiring LEAs to report not only district-level expenditure data but also, for the first time, school-level expenditure data. This reporting will begin with FY19 data and will be reported on the Illinois Report Card. LEAs are required to report actual personnel and non-personnel expenditures of both site-specific and district centralized expenditures. Expenditures will be shown at the site level and must be disaggregated by source of funds (federal vs. state/local).

- [Site-Based Expenditure Reporting Guidance](#)

### What's New?

- [P-20 Council Report, 09/04/18](#)
- [Estimating Expenditures for Effective Planning - Webinar for District Leaders 08/06/2018](#)
  - [Estimating Expenditures for Effective Planning - Webinar Slides, 08/06/2018](#)

## RESOURCES FOR DISTRICT LEADERS

[What is Site-Based Expenditure Reporting?](#)

[How do I implement Site-Based Expenditure Reporting?](#)



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