



# The Illinois Funding System

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Illinois School Code  
105 ILCS 5/18-8.05



# Statutory Requirements for EFAB

Illinois School Code: 105 ILCS 5/18-8.05

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- EFAB shall make recommendations ... for the foundation level ...and for the supplemental general state aid grant level ... for districts with high concentrations of children from poverty.
- The recommended foundation level shall be based on a methodology which incorporates the basic education expenditures of low-spending schools exhibiting high academic performance.

# General State Aid



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Foundation + Poverty

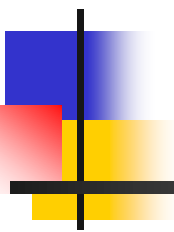
or

Alternate + Poverty

or

Flat Grant + Poverty

# Poverty Payments are Prorated When the Appropriation is Insufficient

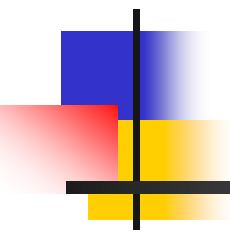
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- 105 ILCS 18-8.05(H) requires ISBE to “ensure that each school district receives the full amount due for general State aid and the remainder of the appropriation shall be used for supplemental general State aid [poverty] ...”
  - ISBE supports changing the statute to allow for prorating the entire GSA payment; formula & poverty<sub>4</sub>

# History of Poverty Grant Proration



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- FY 2004 GSA appropriation was short by \$7.6 M. – Only the increase in the Poverty Grant was prorated. (New language added by Public Act 093-0021)
- FY 2005 GSA was prorated by \$3.8 M. – Language was changed and the total Poverty Grant was prorated.
- FY 2006 – FY 2009 no proration was necessary
- FY 2010 Poverty Grant was prorated by \$18.9 M.



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Supplemental General State Aid  
POVERTY GRANT  
ISC 18-8.05 (H)

# EFAB Recommendations Affecting Poverty Grant



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- Initial report in January 2001 (FY02)
  - lower poverty threshold to 15% (GA did not implement)
  
- Comprehensive report in October 2002 (FY04)
  - Lower poverty threshold to single student and use curvilinear values (GA did implement)
  
  - new poverty count – use DHS count instead of Census data (GA did implement)
  
- Report of May 2005
  - Apply the Employment Cost Index (ECI) to the Poverty Grant Formula

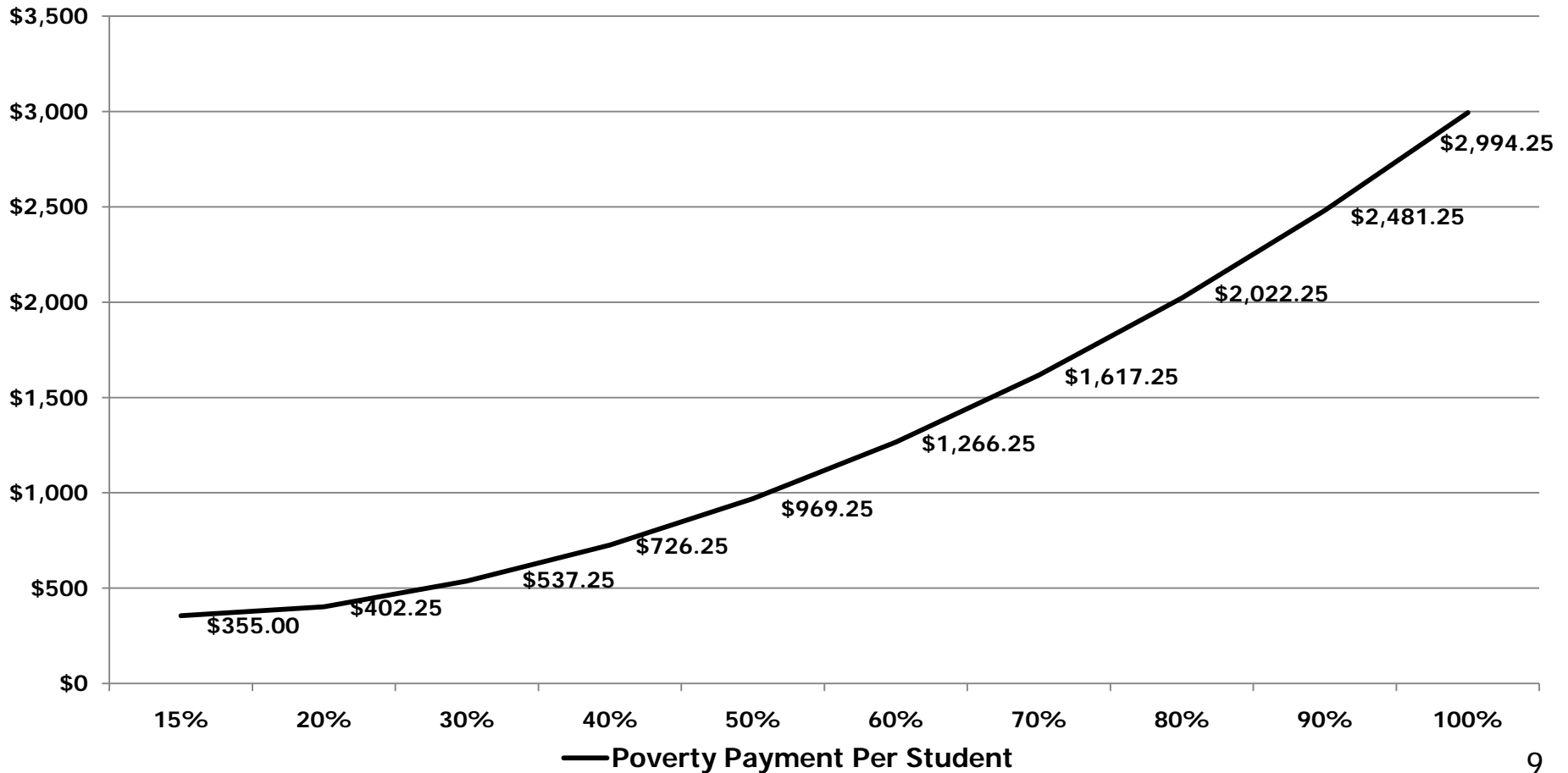


# Poverty Formula (2009-2010)

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- Low Income Concentration Level
  - 3 Year Average of DHS Count divided by ADA
- 0% to 15%:      \$ 355 x Low Income Count
- > 15% :  
(294.25 + 2700 x squared concentration)  
x Low Income Count

# Supplemental Poverty Payments Per Student Based on District Poverty Concentration Ratio





# Poverty Grant (2009-2010)

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<u>Category</u>	<u>#</u>	2008-09 <u>ADA</u>	Poverty <u>Count</u>	<u>Grant</u>
■ No Grant	75	5,730	0	0
■ Flat Grant	152	423,967	41,404	\$14,884,216
■ > 15%	716	1,471,776	753,233	\$1,104,367,622
■ Total	943	1,901,473	794,637	\$1,119,251,838



# History of Poverty Counts

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<b>Region</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
Chicago	229,721	220,212	230,210	243,057	252,561	262,110	285,712	296,166	308,941
Other Cook	65,309	65,555	78,616	92,707	105,227	109,925	133,448	151,152	169,134
Collar	47,729	52,229	63,828	73,321	84,372	97,662	127,787	147,355	173,465
Downstate	165,839	176,233	192,892	207,739	222,424	237,149	260,096	275,360	294,994
State Total	508,598	514,229	565,546	616,824	664,584	706,846	807,043	870,033	946,534