



Illinois State Board of Education

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

Gery J. Chico
Chairman

Christopher A. Koch, Ed.D.
State Superintendent of Education

Fact Sheet: Illinois Ranks Last in State Contribution to P-12 funding; EFAB “Foundation Level” Not Approved Since FY02 February 2013

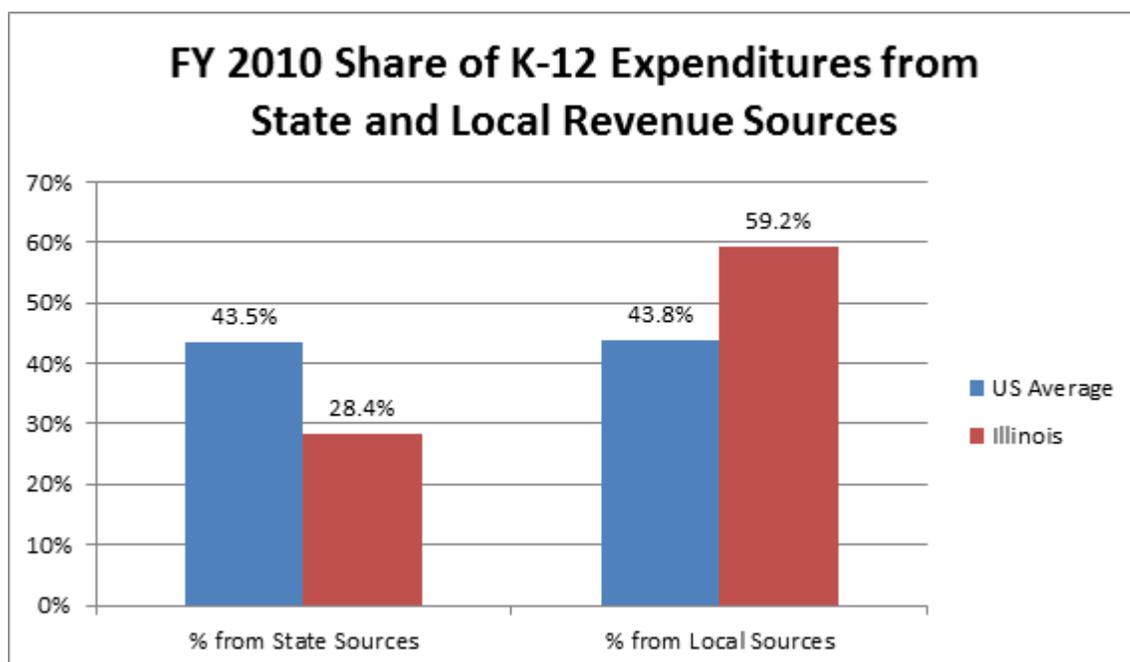
Division of Public Information, Illinois State Board of Education

Illinois Ranking for Contribution to P-12 Funding

Since FY09, Illinois’ General Fund allocation for P-12 education has been cut by more than \$861 million – or nearly 12 percent – even though public school enrollment levels have remained roughly constant at 2 million pupils. Between FY12 and FY13, average per-pupil spending in Illinois was cut by 4.7 percent, the third largest cut among the 50 states, according to the Center for Budget and Policy Priorities. (<http://www.cbpp.org/cms/index.cfm?fa=view&id=3825>; see figure 3 at link)

These funding cuts have occurred despite the fact that the state of Illinois contributes a smaller share to total P-12 public education funding than any other state. In 2010, the last year that U.S. Department of Education data is available, Illinois was ranked 50th in the nation, as the Illinois state budget provided for just 28.4 percent of education expenditures across the state while local tax revenues made up 59.2 percent. As the chart below illustrates, Illinois diverges significantly from the national average of 43.5 percent funding from state budgets and 43.8 percent from local sources.

(http://nces.ed.gov/pubs2013/expenditures/tables/table_01.asp):

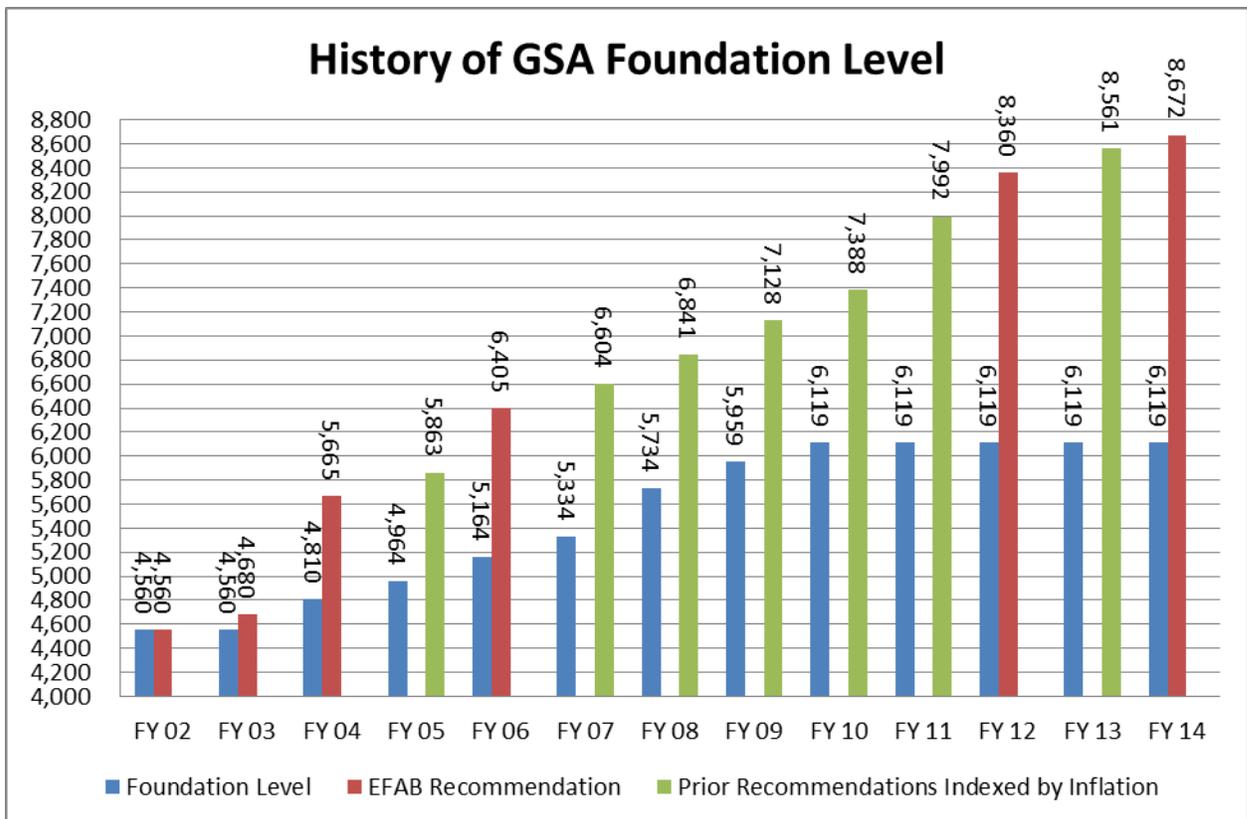


Education Funding Advisory Board Recommendations

The Illinois State Board of Education (ISBE) allocates state General Fund monies – about \$6.5 Billion in FY13 – to local school districts only after the General Assembly and Governor approve the K-12 portion of the state budget. The majority of those funds (about 66 percent) are funneled to local districts according to the General State Aid (GSA) formula. Central to this formula is the “Foundation Level,” which is intended to represent the minimum adequate funding for each K-12 pupil through a combination of state and local funds.

The Illinois Education Funding Advisory Board (EFAB), established in December 1997, is charged by law with making recommendations on the Foundation Level to the General Assembly. Members include representatives from education, business, and the general public, with terms limited to four years. The first EFAB recommendation, made in January 2001 for Fiscal Year 2002, was for a \$4,560 per-pupil Foundation Level, and the General Assembly adopted that amount in enacting ISBE’s FY 02 budget.

Yet since that year, the Foundation Level set in statute has regularly fallen short of the EFAB recommendation, as the graph below demonstrates:



Beyond this disparity, funding for GSA has fallen short in recent years – even despite the utilization of the reduced foundation level of \$6,119. In the past two years, ISBE has been forced to prorate payments to districts, since the total cost of claims, as calculated by the GSA formula, has exceeded the amount of funds appropriated by the State. In FY 13, payments to districts stood at just 89 percent of the amount owed to them by the GSA formula.

In January 2013, the EFAB submitted its most recent recommendation. Using a national funding model, the group report estimates that adequate funding would require raising the foundation level to \$8,672 per pupil, an increase of \$2,553 per pupil. This would cost the state an additional \$4.7 billion in total GSA funding. A copy of the EFAB report can be found at <http://www.isbe.net/EFAB/pdf/final-report-01-13.pdf>.

More Information about the education budget can be found at:

<http://www.isbe.net/budget/html/fy14-budget.htm> Additional fact sheets, provided by the ISBE Division of Public Information, will be released throughout the spring of 2013.