

HB4728



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB4728

Introduced 1/27/2022, by Rep. William Davis

SYNOPSIS AS INTRODUCED:

105 ILCS 5/18-8.15

Amends the evidence-based funding provisions of the School Code. Makes changes concerning how an organizational unit's adjusted equalized assessed valuation is calculated.

LRB102 23662 CMG 32844 b

A BILL FOR

1 AN ACT concerning education.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The School Code is amended by changing Section
5 18-8.15 as follows:

6 (105 ILCS 5/18-8.15)

7 Sec. 18-8.15. Evidence-Based Funding for student success
8 for the 2017-2018 and subsequent school years.

9 (a) General provisions.

10 (1) The purpose of this Section is to ensure that, by
11 June 30, 2027 and beyond, this State has a kindergarten
12 through grade 12 public education system with the capacity
13 to ensure the educational development of all persons to
14 the limits of their capacities in accordance with Section
15 1 of Article X of the Constitution of the State of
16 Illinois. To accomplish that objective, this Section
17 creates a method of funding public education that is
18 evidence-based; is sufficient to ensure every student
19 receives a meaningful opportunity to learn irrespective of
20 race, ethnicity, sexual orientation, gender, or
21 community-income level; and is sustainable and
22 predictable. When fully funded under this Section, every
23 school shall have the resources, based on what the

1 evidence indicates is needed, to:

2 (A) provide all students with a high quality
3 education that offers the academic, enrichment, social
4 and emotional support, technical, and career-focused
5 programs that will allow them to become competitive
6 workers, responsible parents, productive citizens of
7 this State, and active members of our national
8 democracy;

9 (B) ensure all students receive the education they
10 need to graduate from high school with the skills
11 required to pursue post-secondary education and
12 training for a rewarding career;

13 (C) reduce, with a goal of eliminating, the
14 achievement gap between at-risk and non-at-risk
15 students by raising the performance of at-risk
16 students and not by reducing standards; and

17 (D) ensure this State satisfies its obligation to
18 assume the primary responsibility to fund public
19 education and simultaneously relieve the
20 disproportionate burden placed on local property taxes
21 to fund schools.

22 (2) The Evidence-Based Funding formula under this
23 Section shall be applied to all Organizational Units in
24 this State. The Evidence-Based Funding formula outlined in
25 this Act is based on the formula outlined in Senate Bill 1
26 of the 100th General Assembly, as passed by both

1 legislative chambers. As further defined and described in
2 this Section, there are 4 major components of the
3 Evidence-Based Funding model:

4 (A) First, the model calculates a unique Adequacy
5 Target for each Organizational Unit in this State that
6 considers the costs to implement research-based
7 activities, the unit's student demographics, and
8 regional wage differences.

9 (B) Second, the model calculates each
10 Organizational Unit's Local Capacity, or the amount
11 each Organizational Unit is assumed to contribute
12 toward its Adequacy Target from local resources.

13 (C) Third, the model calculates how much funding
14 the State currently contributes to the Organizational
15 Unit and adds that to the unit's Local Capacity to
16 determine the unit's overall current adequacy of
17 funding.

18 (D) Finally, the model's distribution method
19 allocates new State funding to those Organizational
20 Units that are least well-funded, considering both
21 Local Capacity and State funding, in relation to their
22 Adequacy Target.

23 (3) An Organizational Unit receiving any funding under
24 this Section may apply those funds to any fund so received
25 for which that Organizational Unit is authorized to make
26 expenditures by law.

1 (4) As used in this Section, the following terms shall
2 have the meanings ascribed in this paragraph (4):

3 "Adequacy Target" is defined in paragraph (1) of
4 subsection (b) of this Section.

5 "Adjusted EAV" is defined in paragraph (4) of
6 subsection (d) of this Section.

7 "Adjusted Local Capacity Target" is defined in
8 paragraph (3) of subsection (c) of this Section.

9 "Adjusted Operating Tax Rate" means a tax rate for all
10 Organizational Units, for which the State Superintendent
11 shall calculate and subtract for the Operating Tax Rate a
12 transportation rate based on total expenses for
13 transportation services under this Code, as reported on
14 the most recent Annual Financial Report in Pupil
15 Transportation Services, function 2550 in both the
16 Education and Transportation funds and functions 4110 and
17 4120 in the Transportation fund, less any corresponding
18 fiscal year State of Illinois scheduled payments excluding
19 net adjustments for prior years for regular, vocational,
20 or special education transportation reimbursement pursuant
21 to Section 29-5 or subsection (b) of Section 14-13.01 of
22 this Code divided by the Adjusted EAV. If an
23 Organizational Unit's corresponding fiscal year State of
24 Illinois scheduled payments excluding net adjustments for
25 prior years for regular, vocational, or special education
26 transportation reimbursement pursuant to Section 29-5 or

1 subsection (b) of Section 14-13.01 of this Code exceed the
2 total transportation expenses, as defined in this
3 paragraph, no transportation rate shall be subtracted from
4 the Operating Tax Rate.

5 "Allocation Rate" is defined in paragraph (3) of
6 subsection (g) of this Section.

7 "Alternative School" means a public school that is
8 created and operated by a regional superintendent of
9 schools and approved by the State Board.

10 "Applicable Tax Rate" is defined in paragraph (1) of
11 subsection (d) of this Section.

12 "Assessment" means any of those benchmark, progress
13 monitoring, formative, diagnostic, and other assessments,
14 in addition to the State accountability assessment, that
15 assist teachers' needs in understanding the skills and
16 meeting the needs of the students they serve.

17 "Assistant principal" means a school administrator
18 duly endorsed to be employed as an assistant principal in
19 this State.

20 "At-risk student" means a student who is at risk of
21 not meeting the Illinois Learning Standards or not
22 graduating from elementary or high school and who
23 demonstrates a need for vocational support or social
24 services beyond that provided by the regular school
25 program. All students included in an Organizational Unit's
26 Low-Income Count, as well as all English learner and

1 disabled students attending the Organizational Unit, shall
2 be considered at-risk students under this Section.

3 "Average Student Enrollment" or "ASE" for fiscal year
4 2018 means, for an Organizational Unit, the greater of the
5 average number of students (grades K through 12) reported
6 to the State Board as enrolled in the Organizational Unit
7 on October 1 in the immediately preceding school year,
8 plus the pre-kindergarten students who receive special
9 education services of 2 or more hours a day as reported to
10 the State Board on December 1 in the immediately preceding
11 school year, or the average number of students (grades K
12 through 12) reported to the State Board as enrolled in the
13 Organizational Unit on October 1, plus the
14 pre-kindergarten students who receive special education
15 services of 2 or more hours a day as reported to the State
16 Board on December 1, for each of the immediately preceding
17 3 school years. For fiscal year 2019 and each subsequent
18 fiscal year, "Average Student Enrollment" or "ASE" means,
19 for an Organizational Unit, the greater of the average
20 number of students (grades K through 12) reported to the
21 State Board as enrolled in the Organizational Unit on
22 October 1 and March 1 in the immediately preceding school
23 year, plus the pre-kindergarten students who receive
24 special education services as reported to the State Board
25 on October 1 and March 1 in the immediately preceding
26 school year, or the average number of students (grades K

1 through 12) reported to the State Board as enrolled in the
2 Organizational Unit on October 1 and March 1, plus the
3 pre-kindergarten students who receive special education
4 services as reported to the State Board on October 1 and
5 March 1, for each of the immediately preceding 3 school
6 years. For the purposes of this definition, "enrolled in
7 the Organizational Unit" means the number of students
8 reported to the State Board who are enrolled in schools
9 within the Organizational Unit that the student attends or
10 would attend if not placed or transferred to another
11 school or program to receive needed services. For the
12 purposes of calculating "ASE", all students, grades K
13 through 12, excluding those attending kindergarten for a
14 half day and students attending an alternative education
15 program operated by a regional office of education or
16 intermediate service center, shall be counted as 1.0. All
17 students attending kindergarten for a half day shall be
18 counted as 0.5, unless in 2017 by June 15 or by March 1 in
19 subsequent years, the school district reports to the State
20 Board of Education the intent to implement full-day
21 kindergarten district-wide for all students, then all
22 students attending kindergarten shall be counted as 1.0.
23 Special education pre-kindergarten students shall be
24 counted as 0.5 each. If the State Board does not collect or
25 has not collected both an October 1 and March 1 enrollment
26 count by grade or a December 1 collection of special

1 education pre-kindergarten students as of August 31, 2017
2 (the effective date of Public Act 100-465), it shall
3 establish such collection for all future years. For any
4 year in which a count by grade level was collected only
5 once, that count shall be used as the single count
6 available for computing a 3-year average ASE. Funding for
7 programs operated by a regional office of education or an
8 intermediate service center must be calculated using the
9 Evidence-Based Funding formula under this Section for the
10 2019-2020 school year and each subsequent school year
11 until separate adequacy formulas are developed and adopted
12 for each type of program. ASE for a program operated by a
13 regional office of education or an intermediate service
14 center must be determined by the March 1 enrollment for
15 the program. For the 2019-2020 school year, the ASE used
16 in the calculation must be the first-year ASE and, in that
17 year only, the assignment of students served by a regional
18 office of education or intermediate service center shall
19 not result in a reduction of the March enrollment for any
20 school district. For the 2020-2021 school year, the ASE
21 must be the greater of the current-year ASE or the 2-year
22 average ASE. Beginning with the 2021-2022 school year, the
23 ASE must be the greater of the current-year ASE or the
24 3-year average ASE. School districts shall submit the data
25 for the ASE calculation to the State Board within 45 days
26 of the dates required in this Section for submission of

1 enrollment data in order for it to be included in the ASE
2 calculation. For fiscal year 2018 only, the ASE
3 calculation shall include only enrollment taken on October
4 1. In recognition of the impact of COVID-19, the
5 definition of "Average Student Enrollment" or "ASE" shall
6 be adjusted for calculations under this Section for fiscal
7 years 2022 through 2024. For fiscal years 2022 through
8 2024, the enrollment used in the calculation of ASE
9 representing the 2020-2021 school year shall be the
10 greater of the enrollment for the 2020-2021 school year or
11 the 2019-2020 school year.

12 "Base Funding Guarantee" is defined in paragraph (10)
13 of subsection (g) of this Section.

14 "Base Funding Minimum" is defined in subsection (e) of
15 this Section.

16 "Base Tax Year" means the property tax levy year used
17 to calculate the Budget Year allocation of primary State
18 aid.

19 "Base Tax Year's Extension" means the product of the
20 equalized assessed valuation utilized by the county clerk
21 in the Base Tax Year multiplied by the limiting rate as
22 calculated by the county clerk and defined in PTELL.

23 "Bilingual Education Allocation" means the amount of
24 an Organizational Unit's final Adequacy Target
25 attributable to bilingual education divided by the
26 Organizational Unit's final Adequacy Target, the product

1 of which shall be multiplied by the amount of new funding
2 received pursuant to this Section. An Organizational
3 Unit's final Adequacy Target attributable to bilingual
4 education shall include all additional investments in
5 English learner students' adequacy elements.

6 "Budget Year" means the school year for which primary
7 State aid is calculated and awarded under this Section.

8 "Central office" means individual administrators and
9 support service personnel charged with managing the
10 instructional programs, business and operations, and
11 security of the Organizational Unit.

12 "Comparable Wage Index" or "CWI" means a regional cost
13 differentiation metric that measures systemic, regional
14 variations in the salaries of college graduates who are
15 not educators. The CWI utilized for this Section shall,
16 for the first 3 years of Evidence-Based Funding
17 implementation, be the CWI initially developed by the
18 National Center for Education Statistics, as most recently
19 updated by Texas A & M University. In the fourth and
20 subsequent years of Evidence-Based Funding implementation,
21 the State Superintendent shall re-determine the CWI using
22 a similar methodology to that identified in the Texas A & M
23 University study, with adjustments made no less frequently
24 than once every 5 years.

25 "Computer technology and equipment" means computers
26 servers, notebooks, network equipment, copiers, printers,

1 instructional software, security software, curriculum
2 management courseware, and other similar materials and
3 equipment.

4 "Computer technology and equipment investment
5 allocation" means the final Adequacy Target amount of an
6 Organizational Unit assigned to Tier 1 or Tier 2 in the
7 prior school year attributable to the additional \$285.50
8 per student computer technology and equipment investment
9 grant divided by the Organizational Unit's final Adequacy
10 Target, the result of which shall be multiplied by the
11 amount of new funding received pursuant to this Section.
12 An Organizational Unit assigned to a Tier 1 or Tier 2 final
13 Adequacy Target attributable to the received computer
14 technology and equipment investment grant shall include
15 all additional investments in computer technology and
16 equipment adequacy elements.

17 "Core subject" means mathematics; science; reading,
18 English, writing, and language arts; history and social
19 studies; world languages; and subjects taught as Advanced
20 Placement in high schools.

21 "Core teacher" means a regular classroom teacher in
22 elementary schools and teachers of a core subject in
23 middle and high schools.

24 "Core Intervention teacher (tutor)" means a licensed
25 teacher providing one-on-one or small group tutoring to
26 students struggling to meet proficiency in core subjects.

1 "CPPRT" means corporate personal property replacement
2 tax funds paid to an Organizational Unit during the
3 calendar year one year before the calendar year in which a
4 school year begins, pursuant to "An Act in relation to the
5 abolition of ad valorem personal property tax and the
6 replacement of revenues lost thereby, and amending and
7 repealing certain Acts and parts of Acts in connection
8 therewith", certified August 14, 1979, as amended (Public
9 Act 81-1st S.S.-1).

10 "EAV" means equalized assessed valuation as defined in
11 paragraph (2) of subsection (d) of this Section and
12 calculated in accordance with paragraph (3) of subsection
13 (d) of this Section.

14 "ECI" means the Bureau of Labor Statistics' national
15 employment cost index for civilian workers in educational
16 services in elementary and secondary schools on a
17 cumulative basis for the 12-month calendar year preceding
18 the fiscal year of the Evidence-Based Funding calculation.

19 "EIS Data" means the employment information system
20 data maintained by the State Board on educators within
21 Organizational Units.

22 "Employee benefits" means health, dental, and vision
23 insurance offered to employees of an Organizational Unit,
24 the costs associated with the statutorily required payment
25 of the normal cost of the Organizational Unit's teacher
26 pensions, Social Security employer contributions, and

1 Illinois Municipal Retirement Fund employer contributions.

2 "English learner" or "EL" means a child included in
3 the definition of "English learners" under Section 14C-2
4 of this Code participating in a program of transitional
5 bilingual education or a transitional program of
6 instruction meeting the requirements and program
7 application procedures of Article 14C of this Code. For
8 the purposes of collecting the number of EL students
9 enrolled, the same collection and calculation methodology
10 as defined above for "ASE" shall apply to English
11 learners, with the exception that EL student enrollment
12 shall include students in grades pre-kindergarten through
13 12.

14 "Essential Elements" means those elements, resources,
15 and educational programs that have been identified through
16 academic research as necessary to improve student success,
17 improve academic performance, close achievement gaps, and
18 provide for other per student costs related to the
19 delivery and leadership of the Organizational Unit, as
20 well as the maintenance and operations of the unit, and
21 which are specified in paragraph (2) of subsection (b) of
22 this Section.

23 "Evidence-Based Funding" means State funding provided
24 to an Organizational Unit pursuant to this Section.

25 "Extended day" means academic and enrichment programs
26 provided to students outside the regular school day before

1 and after school or during non-instructional times during
2 the school day.

3 "Extension Limitation Ratio" means a numerical ratio
4 in which the numerator is the Base Tax Year's Extension
5 and the denominator is the Preceding Tax Year's Extension.

6 "Final Percent of Adequacy" is defined in paragraph
7 (4) of subsection (f) of this Section.

8 "Final Resources" is defined in paragraph (3) of
9 subsection (f) of this Section.

10 "Full-time equivalent" or "FTE" means the full-time
11 equivalency compensation for staffing the relevant
12 position at an Organizational Unit.

13 "Funding Gap" is defined in paragraph (1) of
14 subsection (g).

15 "Hybrid District" means a partial elementary unit
16 district created pursuant to Article 11E of this Code.

17 "Instructional assistant" means a core or special
18 education, non-licensed employee who assists a teacher in
19 the classroom and provides academic support to students.

20 "Instructional facilitator" means a qualified teacher
21 or licensed teacher leader who facilitates and coaches
22 continuous improvement in classroom instruction; provides
23 instructional support to teachers in the elements of
24 research-based instruction or demonstrates the alignment
25 of instruction with curriculum standards and assessment
26 tools; develops or coordinates instructional programs or

1 strategies; develops and implements training; chooses
2 standards-based instructional materials; provides
3 teachers with an understanding of current research; serves
4 as a mentor, site coach, curriculum specialist, or lead
5 teacher; or otherwise works with fellow teachers, in
6 collaboration, to use data to improve instructional
7 practice or develop model lessons.

8 "Instructional materials" means relevant
9 instructional materials for student instruction,
10 including, but not limited to, textbooks, consumable
11 workbooks, laboratory equipment, library books, and other
12 similar materials.

13 "Laboratory School" means a public school that is
14 created and operated by a public university and approved
15 by the State Board.

16 "Librarian" means a teacher with an endorsement as a
17 library information specialist or another individual whose
18 primary responsibility is overseeing library resources
19 within an Organizational Unit.

20 "Limiting rate for Hybrid Districts" means the
21 combined elementary school and high school limiting rates.

22 "Local Capacity" is defined in paragraph (1) of
23 subsection (c) of this Section.

24 "Local Capacity Percentage" is defined in subparagraph
25 (A) of paragraph (2) of subsection (c) of this Section.

26 "Local Capacity Ratio" is defined in subparagraph (B)

1 of paragraph (2) of subsection (c) of this Section.

2 "Local Capacity Target" is defined in paragraph (2) of
3 subsection (c) of this Section.

4 "Low-Income Count" means, for an Organizational Unit
5 in a fiscal year, the higher of the average number of
6 students for the prior school year or the immediately
7 preceding 3 school years who, as of July 1 of the
8 immediately preceding fiscal year (as determined by the
9 Department of Human Services), are eligible for at least
10 one of the following low-income programs: Medicaid, the
11 Children's Health Insurance Program, Temporary Assistance
12 for Needy Families (TANF), or the Supplemental Nutrition
13 Assistance Program, excluding pupils who are eligible for
14 services provided by the Department of Children and Family
15 Services. Until such time that grade level low-income
16 populations become available, grade level low-income
17 populations shall be determined by applying the low-income
18 percentage to total student enrollments by grade level.
19 The low-income percentage is determined by dividing the
20 Low-Income Count by the Average Student Enrollment. The
21 low-income percentage for programs operated by a regional
22 office of education or an intermediate service center must
23 be set to the weighted average of the low-income
24 percentages of all of the school districts in the service
25 region. The weighted low-income percentage is the result
26 of multiplying the low-income percentage of each school

1 district served by the regional office of education or
2 intermediate service center by each school district's
3 Average Student Enrollment, summarizing those products and
4 dividing the total by the total Average Student Enrollment
5 for the service region.

6 "Maintenance and operations" means custodial services,
7 facility and ground maintenance, facility operations,
8 facility security, routine facility repairs, and other
9 similar services and functions.

10 "Minimum Funding Level" is defined in paragraph (9) of
11 subsection (g) of this Section.

12 "New Property Tax Relief Pool Funds" means, for any
13 given fiscal year, all State funds appropriated under
14 Section 2-3.170 of this Code.

15 "New State Funds" means, for a given school year, all
16 State funds appropriated for Evidence-Based Funding in
17 excess of the amount needed to fund the Base Funding
18 Minimum for all Organizational Units in that school year.

19 "Net State Contribution Target" means, for a given
20 school year, the amount of State funds that would be
21 necessary to fully meet the Adequacy Target of an
22 Operational Unit minus the Preliminary Resources available
23 to each unit.

24 "Nurse" means an individual licensed as a certified
25 school nurse, in accordance with the rules established for
26 nursing services by the State Board, who is an employee of

1 and is available to provide health care-related services
2 for students of an Organizational Unit.

3 "Operating Tax Rate" means the rate utilized in the
4 previous year to extend property taxes for all purposes,
5 except Bond and Interest, Summer School, Rent, Capital
6 Improvement, and Vocational Education Building purposes.
7 For Hybrid Districts, the Operating Tax Rate shall be the
8 combined elementary and high school rates utilized in the
9 previous year to extend property taxes for all purposes,
10 except Bond and Interest, Summer School, Rent, Capital
11 Improvement, and Vocational Education Building purposes.

12 "Organizational Unit" means a Laboratory School or any
13 public school district that is recognized as such by the
14 State Board and that contains elementary schools typically
15 serving kindergarten through 5th grades, middle schools
16 typically serving 6th through 8th grades, high schools
17 typically serving 9th through 12th grades, a program
18 established under Section 2-3.66 or 2-3.41, or a program
19 operated by a regional office of education or an
20 intermediate service center under Article 13A or 13B. The
21 General Assembly acknowledges that the actual grade levels
22 served by a particular Organizational Unit may vary
23 slightly from what is typical.

24 "Organizational Unit CWI" is determined by calculating
25 the CWI in the region and original county in which an
26 Organizational Unit's primary administrative office is

1 located as set forth in this paragraph, provided that if
2 the Organizational Unit CWI as calculated in accordance
3 with this paragraph is less than 0.9, the Organizational
4 Unit CWI shall be increased to 0.9. Each county's current
5 CWI value shall be adjusted based on the CWI value of that
6 county's neighboring Illinois counties, to create a
7 "weighted adjusted index value". This shall be calculated
8 by summing the CWI values of all of a county's adjacent
9 Illinois counties and dividing by the number of adjacent
10 Illinois counties, then taking the weighted value of the
11 original county's CWI value and the adjacent Illinois
12 county average. To calculate this weighted value, if the
13 number of adjacent Illinois counties is greater than 2,
14 the original county's CWI value will be weighted at 0.25
15 and the adjacent Illinois county average will be weighted
16 at 0.75. If the number of adjacent Illinois counties is 2,
17 the original county's CWI value will be weighted at 0.33
18 and the adjacent Illinois county average will be weighted
19 at 0.66. The greater of the county's current CWI value and
20 its weighted adjusted index value shall be used as the
21 Organizational Unit CWI.

22 "Preceding Tax Year" means the property tax levy year
23 immediately preceding the Base Tax Year.

24 "Preceding Tax Year's Extension" means the product of
25 the equalized assessed valuation utilized by the county
26 clerk in the Preceding Tax Year multiplied by the

1 Operating Tax Rate.

2 "Preliminary Percent of Adequacy" is defined in
3 paragraph (2) of subsection (f) of this Section.

4 "Preliminary Resources" is defined in paragraph (2) of
5 subsection (f) of this Section.

6 "Principal" means a school administrator duly endorsed
7 to be employed as a principal in this State.

8 "Professional development" means training programs for
9 licensed staff in schools, including, but not limited to,
10 programs that assist in implementing new curriculum
11 programs, provide data focused or academic assessment data
12 training to help staff identify a student's weaknesses and
13 strengths, target interventions, improve instruction,
14 encompass instructional strategies for English learner,
15 gifted, or at-risk students, address inclusivity, cultural
16 sensitivity, or implicit bias, or otherwise provide
17 professional support for licensed staff.

18 "Prototypical" means 450 special education
19 pre-kindergarten and kindergarten through grade 5 students
20 for an elementary school, 450 grade 6 through 8 students
21 for a middle school, and 600 grade 9 through 12 students
22 for a high school.

23 "PTELL" means the Property Tax Extension Limitation
24 Law.

25 "PTELL EAV" is defined in paragraph (4) of subsection
26 (d) of this Section.

1 "Pupil support staff" means a nurse, psychologist,
2 social worker, family liaison personnel, or other staff
3 member who provides support to at-risk or struggling
4 students.

5 "Real Receipts" is defined in paragraph (1) of
6 subsection (d) of this Section.

7 "Regionalization Factor" means, for a particular
8 Organizational Unit, the figure derived by dividing the
9 Organizational Unit CWI by the Statewide Weighted CWI.

10 "School counselor" means a licensed school counselor
11 who provides guidance and counseling support for students
12 within an Organizational Unit.

13 "School site staff" means the primary school secretary
14 and any additional clerical personnel assigned to a
15 school.

16 "Special education" means special educational
17 facilities and services, as defined in Section 14-1.08 of
18 this Code.

19 "Special Education Allocation" means the amount of an
20 Organizational Unit's final Adequacy Target attributable
21 to special education divided by the Organizational Unit's
22 final Adequacy Target, the product of which shall be
23 multiplied by the amount of new funding received pursuant
24 to this Section. An Organizational Unit's final Adequacy
25 Target attributable to special education shall include all
26 special education investment adequacy elements.

1 "Specialist teacher" means a teacher who provides
2 instruction in subject areas not included in core
3 subjects, including, but not limited to, art, music,
4 physical education, health, driver education,
5 career-technical education, and such other subject areas
6 as may be mandated by State law or provided by an
7 Organizational Unit.

8 "Specially Funded Unit" means an Alternative School,
9 safe school, Department of Juvenile Justice school,
10 special education cooperative or entity recognized by the
11 State Board as a special education cooperative,
12 State-approved charter school, or alternative learning
13 opportunities program that received direct funding from
14 the State Board during the 2016-2017 school year through
15 any of the funding sources included within the calculation
16 of the Base Funding Minimum or Glenwood Academy.

17 "Supplemental Grant Funding" means supplemental
18 general State aid funding received by an Organizational
19 Unit during the 2016-2017 school year pursuant to
20 subsection (H) of Section 18-8.05 of this Code (now
21 repealed).

22 "State Adequacy Level" is the sum of the Adequacy
23 Targets of all Organizational Units.

24 "State Board" means the State Board of Education.

25 "State Superintendent" means the State Superintendent
26 of Education.

1 "Statewide Weighted CWI" means a figure determined by
2 multiplying each Organizational Unit CWI times the ASE for
3 that Organizational Unit creating a weighted value,
4 summing all Organizational Units' weighted values, and
5 dividing by the total ASE of all Organizational Units,
6 thereby creating an average weighted index.

7 "Student activities" means non-credit producing
8 after-school programs, including, but not limited to,
9 clubs, bands, sports, and other activities authorized by
10 the school board of the Organizational Unit.

11 "Substitute teacher" means an individual teacher or
12 teaching assistant who is employed by an Organizational
13 Unit and is temporarily serving the Organizational Unit on
14 a per diem or per period-assignment basis to replace
15 another staff member.

16 "Summer school" means academic and enrichment programs
17 provided to students during the summer months outside of
18 the regular school year.

19 "Supervisory aide" means a non-licensed staff member
20 who helps in supervising students of an Organizational
21 Unit, but does so outside of the classroom, in situations
22 such as, but not limited to, monitoring hallways and
23 playgrounds, supervising lunchrooms, or supervising
24 students when being transported in buses serving the
25 Organizational Unit.

26 "Target Ratio" is defined in paragraph (4) of

1 subsection (g).

2 "Tier 1", "Tier 2", "Tier 3", and "Tier 4" are defined
3 in paragraph (3) of subsection (g).

4 "Tier 1 Aggregate Funding", "Tier 2 Aggregate
5 Funding", "Tier 3 Aggregate Funding", and "Tier 4
6 Aggregate Funding" are defined in paragraph (1) of
7 subsection (g).

8 (b) Adequacy Target calculation.

9 (1) Each Organizational Unit's Adequacy Target is the
10 sum of the Organizational Unit's cost of providing
11 Essential Elements, as calculated in accordance with this
12 subsection (b), with the salary amounts in the Essential
13 Elements multiplied by a Regionalization Factor calculated
14 pursuant to paragraph (3) of this subsection (b).

15 (2) The Essential Elements are attributable on a pro
16 rata basis related to defined subgroups of the ASE of each
17 Organizational Unit as specified in this paragraph (2),
18 with investments and FTE positions pro rata funded based
19 on ASE counts in excess of or less than the thresholds set
20 forth in this paragraph (2). The method for calculating
21 attributable pro rata costs and the defined subgroups
22 thereto are as follows:

23 (A) Core class size investments. Each
24 Organizational Unit shall receive the funding required
25 to support that number of FTE core teacher positions
26 as is needed to keep the respective class sizes of the

1 Organizational Unit to the following maximum numbers:

2 (i) For grades kindergarten through 3, the
3 Organizational Unit shall receive funding required
4 to support one FTE core teacher position for every
5 15 Low-Income Count students in those grades and
6 one FTE core teacher position for every 20
7 non-Low-Income Count students in those grades.

8 (ii) For grades 4 through 12, the
9 Organizational Unit shall receive funding required
10 to support one FTE core teacher position for every
11 20 Low-Income Count students in those grades and
12 one FTE core teacher position for every 25
13 non-Low-Income Count students in those grades.

14 The number of non-Low-Income Count students in a
15 grade shall be determined by subtracting the
16 Low-Income students in that grade from the ASE of the
17 Organizational Unit for that grade.

18 (B) Specialist teacher investments. Each
19 Organizational Unit shall receive the funding needed
20 to cover that number of FTE specialist teacher
21 positions that correspond to the following
22 percentages:

23 (i) if the Organizational Unit operates an
24 elementary or middle school, then 20.00% of the
25 number of the Organizational Unit's core teachers,
26 as determined under subparagraph (A) of this

1 paragraph (2); and

2 (ii) if such Organizational Unit operates a
3 high school, then 33.33% of the number of the
4 Organizational Unit's core teachers.

5 (C) Instructional facilitator investments. Each
6 Organizational Unit shall receive the funding needed
7 to cover one FTE instructional facilitator position
8 for every 200 combined ASE of pre-kindergarten
9 children with disabilities and all kindergarten
10 through grade 12 students of the Organizational Unit.

11 (D) Core intervention teacher (tutor) investments.
12 Each Organizational Unit shall receive the funding
13 needed to cover one FTE teacher position for each
14 prototypical elementary, middle, and high school.

15 (E) Substitute teacher investments. Each
16 Organizational Unit shall receive the funding needed
17 to cover substitute teacher costs that is equal to
18 5.70% of the minimum pupil attendance days required
19 under Section 10-19 of this Code for all full-time
20 equivalent core, specialist, and intervention
21 teachers, school nurses, special education teachers
22 and instructional assistants, instructional
23 facilitators, and summer school and extended day
24 teacher positions, as determined under this paragraph
25 (2), at a salary rate of 33.33% of the average salary
26 for grade K through 12 teachers and 33.33% of the

1 average salary of each instructional assistant
2 position.

3 (F) Core school counselor investments. Each
4 Organizational Unit shall receive the funding needed
5 to cover one FTE school counselor for each 450
6 combined ASE of pre-kindergarten children with
7 disabilities and all kindergarten through grade 5
8 students, plus one FTE school counselor for each 250
9 grades 6 through 8 ASE middle school students, plus
10 one FTE school counselor for each 250 grades 9 through
11 12 ASE high school students.

12 (G) Nurse investments. Each Organizational Unit
13 shall receive the funding needed to cover one FTE
14 nurse for each 750 combined ASE of pre-kindergarten
15 children with disabilities and all kindergarten
16 through grade 12 students across all grade levels it
17 serves.

18 (H) Supervisory aide investments. Each
19 Organizational Unit shall receive the funding needed
20 to cover one FTE for each 225 combined ASE of
21 pre-kindergarten children with disabilities and all
22 kindergarten through grade 5 students, plus one FTE
23 for each 225 ASE middle school students, plus one FTE
24 for each 200 ASE high school students.

25 (I) Librarian investments. Each Organizational
26 Unit shall receive the funding needed to cover one FTE

1 librarian for each prototypical elementary school,
2 middle school, and high school and one FTE aide or
3 media technician for every 300 combined ASE of
4 pre-kindergarten children with disabilities and all
5 kindergarten through grade 12 students.

6 (J) Principal investments. Each Organizational
7 Unit shall receive the funding needed to cover one FTE
8 principal position for each prototypical elementary
9 school, plus one FTE principal position for each
10 prototypical middle school, plus one FTE principal
11 position for each prototypical high school.

12 (K) Assistant principal investments. Each
13 Organizational Unit shall receive the funding needed
14 to cover one FTE assistant principal position for each
15 prototypical elementary school, plus one FTE assistant
16 principal position for each prototypical middle
17 school, plus one FTE assistant principal position for
18 each prototypical high school.

19 (L) School site staff investments. Each
20 Organizational Unit shall receive the funding needed
21 for one FTE position for each 225 ASE of
22 pre-kindergarten children with disabilities and all
23 kindergarten through grade 5 students, plus one FTE
24 position for each 225 ASE middle school students, plus
25 one FTE position for each 200 ASE high school
26 students.

1 (M) Gifted investments. Each Organizational Unit
2 shall receive \$40 per kindergarten through grade 12
3 ASE.

4 (N) Professional development investments. Each
5 Organizational Unit shall receive \$125 per student of
6 the combined ASE of pre-kindergarten children with
7 disabilities and all kindergarten through grade 12
8 students for trainers and other professional
9 development-related expenses for supplies and
10 materials.

11 (O) Instructional material investments. Each
12 Organizational Unit shall receive \$190 per student of
13 the combined ASE of pre-kindergarten children with
14 disabilities and all kindergarten through grade 12
15 students to cover instructional material costs.

16 (P) Assessment investments. Each Organizational
17 Unit shall receive \$25 per student of the combined ASE
18 of pre-kindergarten children with disabilities and all
19 kindergarten through grade 12 students to cover
20 assessment costs.

21 (Q) Computer technology and equipment investments.
22 Each Organizational Unit shall receive \$285.50 per
23 student of the combined ASE of pre-kindergarten
24 children with disabilities and all kindergarten
25 through grade 12 students to cover computer technology
26 and equipment costs. For the 2018-2019 school year and

1 subsequent school years, Organizational Units assigned
2 to Tier 1 and Tier 2 in the prior school year shall
3 receive an additional \$285.50 per student of the
4 combined ASE of pre-kindergarten children with
5 disabilities and all kindergarten through grade 12
6 students to cover computer technology and equipment
7 costs in the Organizational Unit's Adequacy Target.
8 The State Board may establish additional requirements
9 for Organizational Unit expenditures of funds received
10 pursuant to this subparagraph (Q), including a
11 requirement that funds received pursuant to this
12 subparagraph (Q) may be used only for serving the
13 technology needs of the district. It is the intent of
14 Public Act 100-465 that all Tier 1 and Tier 2 districts
15 receive the addition to their Adequacy Target in the
16 following year, subject to compliance with the
17 requirements of the State Board.

18 (R) Student activities investments. Each
19 Organizational Unit shall receive the following
20 funding amounts to cover student activities: \$100 per
21 kindergarten through grade 5 ASE student in elementary
22 school, plus \$200 per ASE student in middle school,
23 plus \$675 per ASE student in high school.

24 (S) Maintenance and operations investments. Each
25 Organizational Unit shall receive \$1,038 per student
26 of the combined ASE of pre-kindergarten children with

1 disabilities and all kindergarten through grade 12
2 students for day-to-day maintenance and operations
3 expenditures, including salary, supplies, and
4 materials, as well as purchased services, but
5 excluding employee benefits. The proportion of salary
6 for the application of a Regionalization Factor and
7 the calculation of benefits is equal to \$352.92.

8 (T) Central office investments. Each
9 Organizational Unit shall receive \$742 per student of
10 the combined ASE of pre-kindergarten children with
11 disabilities and all kindergarten through grade 12
12 students to cover central office operations, including
13 administrators and classified personnel charged with
14 managing the instructional programs, business and
15 operations of the school district, and security
16 personnel. The proportion of salary for the
17 application of a Regionalization Factor and the
18 calculation of benefits is equal to \$368.48.

19 (U) Employee benefit investments. Each
20 Organizational Unit shall receive 30% of the total of
21 all salary-calculated elements of the Adequacy Target,
22 excluding substitute teachers and student activities
23 investments, to cover benefit costs. For central
24 office and maintenance and operations investments, the
25 benefit calculation shall be based upon the salary
26 proportion of each investment. If at any time the

1 responsibility for funding the employer normal cost of
2 teacher pensions is assigned to school districts, then
3 that amount certified by the Teachers' Retirement
4 System of the State of Illinois to be paid by the
5 Organizational Unit for the preceding school year
6 shall be added to the benefit investment. For any
7 fiscal year in which a school district organized under
8 Article 34 of this Code is responsible for paying the
9 employer normal cost of teacher pensions, then that
10 amount of its employer normal cost plus the amount for
11 retiree health insurance as certified by the Public
12 School Teachers' Pension and Retirement Fund of
13 Chicago to be paid by the school district for the
14 preceding school year that is statutorily required to
15 cover employer normal costs and the amount for retiree
16 health insurance shall be added to the 30% specified
17 in this subparagraph (U). The Teachers' Retirement
18 System of the State of Illinois and the Public School
19 Teachers' Pension and Retirement Fund of Chicago shall
20 submit such information as the State Superintendent
21 may require for the calculations set forth in this
22 subparagraph (U).

23 (V) Additional investments in low-income students.
24 In addition to and not in lieu of all other funding
25 under this paragraph (2), each Organizational Unit
26 shall receive funding based on the average teacher

1 salary for grades K through 12 to cover the costs of:

2 (i) one FTE intervention teacher (tutor)
3 position for every 125 Low-Income Count students;

4 (ii) one FTE pupil support staff position for
5 every 125 Low-Income Count students;

6 (iii) one FTE extended day teacher position
7 for every 120 Low-Income Count students; and

8 (iv) one FTE summer school teacher position
9 for every 120 Low-Income Count students.

10 (W) Additional investments in English learner
11 students. In addition to and not in lieu of all other
12 funding under this paragraph (2), each Organizational
13 Unit shall receive funding based on the average
14 teacher salary for grades K through 12 to cover the
15 costs of:

16 (i) one FTE intervention teacher (tutor)
17 position for every 125 English learner students;

18 (ii) one FTE pupil support staff position for
19 every 125 English learner students;

20 (iii) one FTE extended day teacher position
21 for every 120 English learner students;

22 (iv) one FTE summer school teacher position
23 for every 120 English learner students; and

24 (v) one FTE core teacher position for every
25 100 English learner students.

26 (X) Special education investments. Each

1 Organizational Unit shall receive funding based on the
2 average teacher salary for grades K through 12 to
3 cover special education as follows:

4 (i) one FTE teacher position for every 141
5 combined ASE of pre-kindergarten children with
6 disabilities and all kindergarten through grade 12
7 students;

8 (ii) one FTE instructional assistant for every
9 141 combined ASE of pre-kindergarten children with
10 disabilities and all kindergarten through grade 12
11 students; and

12 (iii) one FTE psychologist position for every
13 1,000 combined ASE of pre-kindergarten children
14 with disabilities and all kindergarten through
15 grade 12 students.

16 (3) For calculating the salaries included within the
17 Essential Elements, the State Superintendent shall
18 annually calculate average salaries to the nearest dollar
19 using the employment information system data maintained by
20 the State Board, limited to public schools only and
21 excluding special education and vocational cooperatives,
22 schools operated by the Department of Juvenile Justice,
23 and charter schools, for the following positions:

24 (A) Teacher for grades K through 8.

25 (B) Teacher for grades 9 through 12.

26 (C) Teacher for grades K through 12.

- 1 (D) School counselor for grades K through 8.
- 2 (E) School counselor for grades 9 through 12.
- 3 (F) School counselor for grades K through 12.
- 4 (G) Social worker.
- 5 (H) Psychologist.
- 6 (I) Librarian.
- 7 (J) Nurse.
- 8 (K) Principal.
- 9 (L) Assistant principal.

10 For the purposes of this paragraph (3), "teacher"
11 includes core teachers, specialist and elective teachers,
12 instructional facilitators, tutors, special education
13 teachers, pupil support staff teachers, English learner
14 teachers, extended day teachers, and summer school
15 teachers. Where specific grade data is not required for
16 the Essential Elements, the average salary for
17 corresponding positions shall apply. For substitute
18 teachers, the average teacher salary for grades K through
19 12 shall apply.

20 For calculating the salaries included within the
21 Essential Elements for positions not included within EIS
22 Data, the following salaries shall be used in the first
23 year of implementation of Evidence-Based Funding:

- 24 (i) school site staff, \$30,000; and
- 25 (ii) non-instructional assistant, instructional
26 assistant, library aide, library media tech, or

1 supervisory aide: \$25,000.

2 In the second and subsequent years of implementation
3 of Evidence-Based Funding, the amounts in items (i) and
4 (ii) of this paragraph (3) shall annually increase by the
5 ECI.

6 The salary amounts for the Essential Elements
7 determined pursuant to subparagraphs (A) through (L), (S)
8 and (T), and (V) through (X) of paragraph (2) of
9 subsection (b) of this Section shall be multiplied by a
10 Regionalization Factor.

11 (c) Local Capacity calculation.

12 (1) Each Organizational Unit's Local Capacity
13 represents an amount of funding it is assumed to
14 contribute toward its Adequacy Target for purposes of the
15 Evidence-Based Funding formula calculation. "Local
16 Capacity" means either (i) the Organizational Unit's Local
17 Capacity Target as calculated in accordance with paragraph
18 (2) of this subsection (c) if its Real Receipts are equal
19 to or less than its Local Capacity Target or (ii) the
20 Organizational Unit's Adjusted Local Capacity, as
21 calculated in accordance with paragraph (3) of this
22 subsection (c) if Real Receipts are more than its Local
23 Capacity Target.

24 (2) "Local Capacity Target" means, for an
25 Organizational Unit, that dollar amount that is obtained
26 by multiplying its Adequacy Target by its Local Capacity

1 Ratio.

2 (A) An Organizational Unit's Local Capacity
3 Percentage is the conversion of the Organizational
4 Unit's Local Capacity Ratio, as such ratio is
5 determined in accordance with subparagraph (B) of this
6 paragraph (2), into a cumulative distribution
7 resulting in a percentile ranking to determine each
8 Organizational Unit's relative position to all other
9 Organizational Units in this State. The calculation of
10 Local Capacity Percentage is described in subparagraph
11 (C) of this paragraph (2).

12 (B) An Organizational Unit's Local Capacity Ratio
13 in a given year is the percentage obtained by dividing
14 its Adjusted EAV or PTELL EAV, whichever is less, by
15 its Adequacy Target, with the resulting ratio further
16 adjusted as follows:

17 (i) for Organizational Units serving grades
18 kindergarten through 12 and Hybrid Districts, no
19 further adjustments shall be made;

20 (ii) for Organizational Units serving grades
21 kindergarten through 8, the ratio shall be
22 multiplied by 9/13;

23 (iii) for Organizational Units serving grades
24 9 through 12, the Local Capacity Ratio shall be
25 multiplied by 4/13; and

26 (iv) for an Organizational Unit with a

1 different grade configuration than those specified
2 in items (i) through (iii) of this subparagraph
3 (B), the State Superintendent shall determine a
4 comparable adjustment based on the grades served.

5 (C) The Local Capacity Percentage is equal to the
6 percentile ranking of the district. Local Capacity
7 Percentage converts each Organizational Unit's Local
8 Capacity Ratio to a cumulative distribution resulting
9 in a percentile ranking to determine each
10 Organizational Unit's relative position to all other
11 Organizational Units in this State. The Local Capacity
12 Percentage cumulative distribution resulting in a
13 percentile ranking for each Organizational Unit shall
14 be calculated using the standard normal distribution
15 of the score in relation to the weighted mean and
16 weighted standard deviation and Local Capacity Ratios
17 of all Organizational Units. If the value assigned to
18 any Organizational Unit is in excess of 90%, the value
19 shall be adjusted to 90%. For Laboratory Schools, the
20 Local Capacity Percentage shall be set at 10% in
21 recognition of the absence of EAV and resources from
22 the public university that are allocated to the
23 Laboratory School. For programs operated by a regional
24 office of education or an intermediate service center,
25 the Local Capacity Percentage must be set at 10% in
26 recognition of the absence of EAV and resources from

1 school districts that are allocated to the regional
2 office of education or intermediate service center.
3 The weighted mean for the Local Capacity Percentage
4 shall be determined by multiplying each Organizational
5 Unit's Local Capacity Ratio times the ASE for the unit
6 creating a weighted value, summing the weighted values
7 of all Organizational Units, and dividing by the total
8 ASE of all Organizational Units. The weighted standard
9 deviation shall be determined by taking the square
10 root of the weighted variance of all Organizational
11 Units' Local Capacity Ratio, where the variance is
12 calculated by squaring the difference between each
13 unit's Local Capacity Ratio and the weighted mean,
14 then multiplying the variance for each unit times the
15 ASE for the unit to create a weighted variance for each
16 unit, then summing all units' weighted variance and
17 dividing by the total ASE of all units.

18 (D) For any Organizational Unit, the
19 Organizational Unit's Adjusted Local Capacity Target
20 shall be reduced by either (i) the school board's
21 remaining contribution pursuant to paragraph (ii) of
22 subsection (b-4) of Section 16-158 of the Illinois
23 Pension Code in a given year or (ii) the board of
24 education's remaining contribution pursuant to
25 paragraph (iv) of subsection (b) of Section 17-129 of
26 the Illinois Pension Code absent the employer normal

1 cost portion of the required contribution and amount
2 allowed pursuant to subdivision (3) of Section
3 17-142.1 of the Illinois Pension Code in a given year.
4 In the preceding sentence, item (i) shall be certified
5 to the State Board of Education by the Teachers'
6 Retirement System of the State of Illinois and item
7 (ii) shall be certified to the State Board of
8 Education by the Public School Teachers' Pension and
9 Retirement Fund of the City of Chicago.

10 (3) If an Organizational Unit's Real Receipts are more
11 than its Local Capacity Target, then its Local Capacity
12 shall equal an Adjusted Local Capacity Target as
13 calculated in accordance with this paragraph (3). The
14 Adjusted Local Capacity Target is calculated as the sum of
15 the Organizational Unit's Local Capacity Target and its
16 Real Receipts Adjustment. The Real Receipts Adjustment
17 equals the Organizational Unit's Real Receipts less its
18 Local Capacity Target, with the resulting figure
19 multiplied by the Local Capacity Percentage.

20 As used in this paragraph (3), "Real Percent of
21 Adequacy" means the sum of an Organizational Unit's Real
22 Receipts, CPPRT, and Base Funding Minimum, with the
23 resulting figure divided by the Organizational Unit's
24 Adequacy Target.

25 (d) Calculation of Real Receipts, EAV, and Adjusted EAV
26 for purposes of the Local Capacity calculation.

1 (1) An Organizational Unit's Real Receipts are the
2 product of its Applicable Tax Rate and its Adjusted EAV.
3 An Organizational Unit's Applicable Tax Rate is its
4 Adjusted Operating Tax Rate for property within the
5 Organizational Unit.

6 (2) The State Superintendent shall calculate the
7 equalized assessed valuation, or EAV, of all taxable
8 property of each Organizational Unit as of September 30 of
9 the previous year in accordance with paragraph (3) of this
10 subsection (d). The State Superintendent shall then
11 determine the Adjusted EAV of each Organizational Unit in
12 accordance with paragraph (4) of this subsection (d),
13 which Adjusted EAV figure shall be used for the purposes
14 of calculating Local Capacity.

15 (3) To calculate Real Receipts and EAV, the Department
16 of Revenue shall supply to the State Superintendent the
17 value as equalized or assessed by the Department of
18 Revenue of all taxable property of every Organizational
19 Unit, together with (i) the applicable tax rate used in
20 extending taxes for the funds of the Organizational Unit
21 as of September 30 of the previous year and (ii) the
22 limiting rate for all Organizational Units subject to
23 property tax extension limitations as imposed under PTELL.

24 (A) The Department of Revenue shall add to the
25 equalized assessed value of all taxable property of
26 each Organizational Unit situated entirely or

1 partially within a county that is or was subject to the
2 provisions of Section 15-176 or 15-177 of the Property
3 Tax Code (i) an amount equal to the total amount by
4 which the homestead exemption allowed under Section
5 15-176 or 15-177 of the Property Tax Code for real
6 property situated in that Organizational Unit exceeds
7 the total amount that would have been allowed in that
8 Organizational Unit if the maximum reduction under
9 Section 15-176 was (I) \$4,500 in Cook County or \$3,500
10 in all other counties in tax year 2003 or (II) \$5,000
11 in all counties in tax year 2004 and thereafter and
12 (ii) an amount equal to the aggregate amount for the
13 taxable year of all additional exemptions under
14 Section 15-175 of the Property Tax Code for owners
15 with a household income of \$30,000 or less. The county
16 clerk of any county that is or was subject to the
17 provisions of Section 15-176 or 15-177 of the Property
18 Tax Code shall annually calculate and certify to the
19 Department of Revenue for each Organizational Unit all
20 homestead exemption amounts under Section 15-176 or
21 15-177 of the Property Tax Code and all amounts of
22 additional exemptions under Section 15-175 of the
23 Property Tax Code for owners with a household income
24 of \$30,000 or less. It is the intent of this
25 subparagraph (A) that if the general homestead
26 exemption for a parcel of property is determined under

1 Section 15-176 or 15-177 of the Property Tax Code
2 rather than Section 15-175, then the calculation of
3 EAV shall not be affected by the difference, if any,
4 between the amount of the general homestead exemption
5 allowed for that parcel of property under Section
6 15-176 or 15-177 of the Property Tax Code and the
7 amount that would have been allowed had the general
8 homestead exemption for that parcel of property been
9 determined under Section 15-175 of the Property Tax
10 Code. It is further the intent of this subparagraph
11 (A) that if additional exemptions are allowed under
12 Section 15-175 of the Property Tax Code for owners
13 with a household income of less than \$30,000, then the
14 calculation of EAV shall not be affected by the
15 difference, if any, because of those additional
16 exemptions.

17 (B) With respect to any part of an Organizational
18 Unit within a redevelopment project area in respect to
19 which a municipality has adopted tax increment
20 allocation financing pursuant to the Tax Increment
21 Allocation Redevelopment Act, Division 74.4 of Article
22 11 of the Illinois Municipal Code, or the Industrial
23 Jobs Recovery Law, Division 74.6 of Article 11 of the
24 Illinois Municipal Code, no part of the current EAV of
25 real property located in any such project area that is
26 attributable to an increase above the total initial

1 EAV of such property shall be used as part of the EAV
2 of the Organizational Unit, until such time as all
3 redevelopment project costs have been paid, as
4 provided in Section 11-74.4-8 of the Tax Increment
5 Allocation Redevelopment Act or in Section 11-74.6-35
6 of the Industrial Jobs Recovery Law. For the purpose
7 of the EAV of the Organizational Unit, the total
8 initial EAV or the current EAV, whichever is lower,
9 shall be used until such time as all redevelopment
10 project costs have been paid.

11 (B-5) The real property equalized assessed
12 valuation for a school district shall be adjusted by
13 subtracting from the real property value, as equalized
14 or assessed by the Department of Revenue, for the
15 district an amount computed by dividing the amount of
16 any abatement of taxes under Section 18-170 of the
17 Property Tax Code by 3.00% for a district maintaining
18 grades kindergarten through 12, by 2.30% for a
19 district maintaining grades kindergarten through 8, or
20 by 1.05% for a district maintaining grades 9 through
21 12 and adjusted by an amount computed by dividing the
22 amount of any abatement of taxes under subsection (a)
23 of Section 18-165 of the Property Tax Code by the same
24 percentage rates for district type as specified in
25 this subparagraph (B-5).

26 (C) For Organizational Units that are Hybrid

1 Districts, the State Superintendent shall use the
2 lesser of the adjusted equalized assessed valuation
3 for property within the partial elementary unit
4 district for elementary purposes, as defined in
5 Article 11E of this Code, or the adjusted equalized
6 assessed valuation for property within the partial
7 elementary unit district for high school purposes, as
8 defined in Article 11E of this Code.

9 (4) An Organizational Unit's Adjusted EAV shall be the
10 average of its EAV over the immediately preceding 3 years
11 or the lesser of its EAV in the immediately preceding year
12 or the average of its EAV over the immediately preceding 3
13 years if the EAV in the immediately preceding year has
14 declined by 10% or more when comparing the 2 most recent
15 years ~~compared to the 3-year average~~. In the event of
16 Organizational Unit reorganization, consolidation, or
17 annexation, the Organizational Unit's Adjusted EAV for the
18 first 3 years after such change shall be as follows: the
19 most current EAV shall be used in the first year, the
20 average of a 2-year EAV or its EAV in the immediately
21 preceding year if the EAV declines by 10% or more when
22 comparing the 2 most recent years ~~compared to the 2-year~~
23 ~~average~~ for the second year, and the lesser of a 3-year
24 average EAV or its EAV in the immediately preceding year
25 if the Adjusted EAV declines by 10% or more when comparing
26 the 2 most recent years ~~compared to the 3-year average~~ for

1 the third year. For any school district whose EAV in the
2 immediately preceding year is used in calculations, in the
3 following year, the Adjusted EAV shall be the average of
4 its EAV over the immediately preceding 2 years or the
5 immediately preceding year if that year represents a
6 decline of 10% or more when comparing the 2 most recent
7 years compared to the 2-year average.

8 "PTELL EAV" means a figure calculated by the State
9 Board for Organizational Units subject to PTELL as
10 described in this paragraph (4) for the purposes of
11 calculating an Organizational Unit's Local Capacity Ratio.
12 Except as otherwise provided in this paragraph (4), the
13 PTELL EAV of an Organizational Unit shall be equal to the
14 product of the equalized assessed valuation last used in
15 the calculation of general State aid under Section 18-8.05
16 of this Code (now repealed) or Evidence-Based Funding
17 under this Section and the Organizational Unit's Extension
18 Limitation Ratio. If an Organizational Unit has approved
19 or does approve an increase in its limiting rate, pursuant
20 to Section 18-190 of the Property Tax Code, affecting the
21 Base Tax Year, the PTELL EAV shall be equal to the product
22 of the equalized assessed valuation last used in the
23 calculation of general State aid under Section 18-8.05 of
24 this Code (now repealed) or Evidence-Based Funding under
25 this Section multiplied by an amount equal to one plus the
26 percentage increase, if any, in the Consumer Price Index

1 for All Urban Consumers for all items published by the
2 United States Department of Labor for the 12-month
3 calendar year preceding the Base Tax Year, plus the
4 equalized assessed valuation of new property, annexed
5 property, and recovered tax increment value and minus the
6 equalized assessed valuation of disconnected property.

7 As used in this paragraph (4), "new property" and
8 "recovered tax increment value" shall have the meanings
9 set forth in the Property Tax Extension Limitation Law.

10 (e) Base Funding Minimum calculation.

11 (1) For the 2017-2018 school year, the Base Funding
12 Minimum of an Organizational Unit or a Specially Funded
13 Unit shall be the amount of State funds distributed to the
14 Organizational Unit or Specially Funded Unit during the
15 2016-2017 school year prior to any adjustments and
16 specified appropriation amounts described in this
17 paragraph (1) from the following Sections, as calculated
18 by the State Superintendent: Section 18-8.05 of this Code
19 (now repealed); Section 5 of Article 224 of Public Act
20 99-524 (equity grants); Section 14-7.02b of this Code
21 (funding for children requiring special education
22 services); Section 14-13.01 of this Code (special
23 education facilities and staffing), except for
24 reimbursement of the cost of transportation pursuant to
25 Section 14-13.01; Section 14C-12 of this Code (English
26 learners); and Section 18-4.3 of this Code (summer

1 school), based on an appropriation level of \$13,121,600.
2 For a school district organized under Article 34 of this
3 Code, the Base Funding Minimum also includes (i) the funds
4 allocated to the school district pursuant to Section 1D-1
5 of this Code attributable to funding programs authorized
6 by the Sections of this Code listed in the preceding
7 sentence and (ii) the difference between (I) the funds
8 allocated to the school district pursuant to Section 1D-1
9 of this Code attributable to the funding programs
10 authorized by Section 14-7.02 (non-public special
11 education reimbursement), subsection (b) of Section
12 14-13.01 (special education transportation), Section 29-5
13 (transportation), Section 2-3.80 (agricultural
14 education), Section 2-3.66 (truants' alternative
15 education), Section 2-3.62 (educational service centers),
16 and Section 14-7.03 (special education - orphanage) of
17 this Code and Section 15 of the Childhood Hunger Relief
18 Act (free breakfast program) and (II) the school
19 district's actual expenditures for its non-public special
20 education, special education transportation,
21 transportation programs, agricultural education, truants'
22 alternative education, services that would otherwise be
23 performed by a regional office of education, special
24 education orphanage expenditures, and free breakfast, as
25 most recently calculated and reported pursuant to
26 subsection (f) of Section 1D-1 of this Code. The Base

1 Funding Minimum for Glenwood Academy shall be \$625,500.
2 For programs operated by a regional office of education or
3 an intermediate service center, the Base Funding Minimum
4 must be the total amount of State funds allocated to those
5 programs in the 2018-2019 school year and amounts provided
6 pursuant to Article 34 of Public Act 100-586 and Section
7 3-16 of this Code. All programs established after June 5,
8 2019 (the effective date of Public Act 101-10) and
9 administered by a regional office of education or an
10 intermediate service center must have an initial Base
11 Funding Minimum set to an amount equal to the first-year
12 ASE multiplied by the amount of per pupil funding received
13 in the previous school year by the lowest funded similar
14 existing program type. If the enrollment for a program
15 operated by a regional office of education or an
16 intermediate service center is zero, then it may not
17 receive Base Funding Minimum funds for that program in the
18 next fiscal year, and those funds must be distributed to
19 Organizational Units under subsection (g).

20 (2) For the 2018-2019 and subsequent school years, the
21 Base Funding Minimum of Organizational Units and Specially
22 Funded Units shall be the sum of (i) the amount of
23 Evidence-Based Funding for the prior school year, (ii) the
24 Base Funding Minimum for the prior school year, and (iii)
25 any amount received by a school district pursuant to
26 Section 7 of Article 97 of Public Act 100-21.

1 (3) Subject to approval by the General Assembly as
2 provided in this paragraph (3), an Organizational Unit
3 that meets all of the following criteria, as determined by
4 the State Board, shall have District Intervention Money
5 added to its Base Funding Minimum at the time the Base
6 Funding Minimum is calculated by the State Board:

7 (A) The Organizational Unit is operating under an
8 Independent Authority under Section 2-3.25f-5 of this
9 Code for a minimum of 4 school years or is subject to
10 the control of the State Board pursuant to a court
11 order for a minimum of 4 school years.

12 (B) The Organizational Unit was designated as a
13 Tier 1 or Tier 2 Organizational Unit in the previous
14 school year under paragraph (3) of subsection (g) of
15 this Section.

16 (C) The Organizational Unit demonstrates
17 sustainability through a 5-year financial and
18 strategic plan.

19 (D) The Organizational Unit has made sufficient
20 progress and achieved sufficient stability in the
21 areas of governance, academic growth, and finances.

22 As part of its determination under this paragraph (3),
23 the State Board may consider the Organizational Unit's
24 summative designation, any accreditations of the
25 Organizational Unit, or the Organizational Unit's
26 financial profile, as calculated by the State Board.

1 If the State Board determines that an Organizational
2 Unit has met the criteria set forth in this paragraph (3),
3 it must submit a report to the General Assembly, no later
4 than January 2 of the fiscal year in which the State Board
5 makes its determination, on the amount of District
6 Intervention Money to add to the Organizational Unit's
7 Base Funding Minimum. The General Assembly must review the
8 State Board's report and may approve or disapprove, by
9 joint resolution, the addition of District Intervention
10 Money. If the General Assembly fails to act on the report
11 within 40 calendar days from the receipt of the report,
12 the addition of District Intervention Money is deemed
13 approved. If the General Assembly approves the amount of
14 District Intervention Money to be added to the
15 Organizational Unit's Base Funding Minimum, the District
16 Intervention Money must be added to the Base Funding
17 Minimum annually thereafter.

18 For the first 4 years following the initial year that
19 the State Board determines that an Organizational Unit has
20 met the criteria set forth in this paragraph (3) and has
21 received funding under this Section, the Organizational
22 Unit must annually submit to the State Board, on or before
23 November 30, a progress report regarding its financial and
24 strategic plan under subparagraph (C) of this paragraph
25 (3). The plan shall include the financial data from the
26 past 4 annual financial reports or financial audits that

1 must be presented to the State Board by November 15 of each
2 year and the approved budget financial data for the
3 current year. The plan shall be developed according to the
4 guidelines presented to the Organizational Unit by the
5 State Board. The plan shall further include financial
6 projections for the next 3 fiscal years and include a
7 discussion and financial summary of the Organizational
8 Unit's facility needs. If the Organizational Unit does not
9 demonstrate sufficient progress toward its 5-year plan or
10 if it has failed to file an annual financial report, an
11 annual budget, a financial plan, a deficit reduction plan,
12 or other financial information as required by law, the
13 State Board may establish a Financial Oversight Panel
14 under Article 1H of this Code. However, if the
15 Organizational Unit already has a Financial Oversight
16 Panel, the State Board may extend the duration of the
17 Panel.

18 (f) Percent of Adequacy and Final Resources calculation.

19 (1) The Evidence-Based Funding formula establishes a
20 Percent of Adequacy for each Organizational Unit in order
21 to place such units into tiers for the purposes of the
22 funding distribution system described in subsection (g) of
23 this Section. Initially, an Organizational Unit's
24 Preliminary Resources and Preliminary Percent of Adequacy
25 are calculated pursuant to paragraph (2) of this
26 subsection (f). Then, an Organizational Unit's Final

1 Resources and Final Percent of Adequacy are calculated to
2 account for the Organizational Unit's poverty
3 concentration levels pursuant to paragraphs (3) and (4) of
4 this subsection (f).

5 (2) An Organizational Unit's Preliminary Resources are
6 equal to the sum of its Local Capacity Target, CPPRT, and
7 Base Funding Minimum. An Organizational Unit's Preliminary
8 Percent of Adequacy is the lesser of (i) its Preliminary
9 Resources divided by its Adequacy Target or (ii) 100%.

10 (3) Except for Specially Funded Units, an
11 Organizational Unit's Final Resources are equal to the sum
12 of its Local Capacity, CPPRT, and Adjusted Base Funding
13 Minimum. The Base Funding Minimum of each Specially Funded
14 Unit shall serve as its Final Resources, except that the
15 Base Funding Minimum for State-approved charter schools
16 shall not include any portion of general State aid
17 allocated in the prior year based on the per capita
18 tuition charge times the charter school enrollment.

19 (4) An Organizational Unit's Final Percent of Adequacy
20 is its Final Resources divided by its Adequacy Target. An
21 Organizational Unit's Adjusted Base Funding Minimum is
22 equal to its Base Funding Minimum less its Supplemental
23 Grant Funding, with the resulting figure added to the
24 product of its Supplemental Grant Funding and Preliminary
25 Percent of Adequacy.

26 (g) Evidence-Based Funding formula distribution system.

1 (1) In each school year under the Evidence-Based
2 Funding formula, each Organizational Unit receives funding
3 equal to the sum of its Base Funding Minimum and the unit's
4 allocation of New State Funds determined pursuant to this
5 subsection (g). To allocate New State Funds, the
6 Evidence-Based Funding formula distribution system first
7 places all Organizational Units into one of 4 tiers in
8 accordance with paragraph (3) of this subsection (g),
9 based on the Organizational Unit's Final Percent of
10 Adequacy. New State Funds are allocated to each of the 4
11 tiers as follows: Tier 1 Aggregate Funding equals 50% of
12 all New State Funds, Tier 2 Aggregate Funding equals 49%
13 of all New State Funds, Tier 3 Aggregate Funding equals
14 0.9% of all New State Funds, and Tier 4 Aggregate Funding
15 equals 0.1% of all New State Funds. Each Organizational
16 Unit within Tier 1 or Tier 2 receives an allocation of New
17 State Funds equal to its tier Funding Gap, as defined in
18 the following sentence, multiplied by the tier's
19 Allocation Rate determined pursuant to paragraph (4) of
20 this subsection (g). For Tier 1, an Organizational Unit's
21 Funding Gap equals the tier's Target Ratio, as specified
22 in paragraph (5) of this subsection (g), multiplied by the
23 Organizational Unit's Adequacy Target, with the resulting
24 amount reduced by the Organizational Unit's Final
25 Resources. For Tier 2, an Organizational Unit's Funding
26 Gap equals the tier's Target Ratio, as described in

1 paragraph (5) of this subsection (g), multiplied by the
2 Organizational Unit's Adequacy Target, with the resulting
3 amount reduced by the Organizational Unit's Final
4 Resources and its Tier 1 funding allocation. To determine
5 the Organizational Unit's Funding Gap, the resulting
6 amount is then multiplied by a factor equal to one minus
7 the Organizational Unit's Local Capacity Target
8 percentage. Each Organizational Unit within Tier 3 or Tier
9 4 receives an allocation of New State Funds equal to the
10 product of its Adequacy Target and the tier's Allocation
11 Rate, as specified in paragraph (4) of this subsection
12 (g).

13 (2) To ensure equitable distribution of dollars for
14 all Tier 2 Organizational Units, no Tier 2 Organizational
15 Unit shall receive fewer dollars per ASE than any Tier 3
16 Organizational Unit. Each Tier 2 and Tier 3 Organizational
17 Unit shall have its funding allocation divided by its ASE.
18 Any Tier 2 Organizational Unit with a funding allocation
19 per ASE below the greatest Tier 3 allocation per ASE shall
20 get a funding allocation equal to the greatest Tier 3
21 funding allocation per ASE multiplied by the
22 Organizational Unit's ASE. Each Tier 2 Organizational
23 Unit's Tier 2 funding allocation shall be multiplied by
24 the percentage calculated by dividing the original Tier 2
25 Aggregate Funding by the sum of all Tier 2 Organizational
26 Units' Tier 2 funding allocation after adjusting

1 districts' funding below Tier 3 levels.

2 (3) Organizational Units are placed into one of 4
3 tiers as follows:

4 (A) Tier 1 consists of all Organizational Units,
5 except for Specially Funded Units, with a Percent of
6 Adequacy less than the Tier 1 Target Ratio. The Tier 1
7 Target Ratio is the ratio level that allows for Tier 1
8 Aggregate Funding to be distributed, with the Tier 1
9 Allocation Rate determined pursuant to paragraph (4)
10 of this subsection (g).

11 (B) Tier 2 consists of all Tier 1 Units and all
12 other Organizational Units, except for Specially
13 Funded Units, with a Percent of Adequacy of less than
14 0.90.

15 (C) Tier 3 consists of all Organizational Units,
16 except for Specially Funded Units, with a Percent of
17 Adequacy of at least 0.90 and less than 1.0.

18 (D) Tier 4 consists of all Organizational Units
19 with a Percent of Adequacy of at least 1.0.

20 (4) The Allocation Rates for Tiers 1 through 4 are
21 determined as follows:

22 (A) The Tier 1 Allocation Rate is 30%.

23 (B) The Tier 2 Allocation Rate is the result of the
24 following equation: Tier 2 Aggregate Funding, divided
25 by the sum of the Funding Gaps for all Tier 2
26 Organizational Units, unless the result of such

1 equation is higher than 1.0. If the result of such
2 equation is higher than 1.0, then the Tier 2
3 Allocation Rate is 1.0.

4 (C) The Tier 3 Allocation Rate is the result of the
5 following equation: Tier 3 Aggregate Funding, divided
6 by the sum of the Adequacy Targets of all Tier 3
7 Organizational Units.

8 (D) The Tier 4 Allocation Rate is the result of the
9 following equation: Tier 4 Aggregate Funding, divided
10 by the sum of the Adequacy Targets of all Tier 4
11 Organizational Units.

12 (5) A tier's Target Ratio is determined as follows:

13 (A) The Tier 1 Target Ratio is the ratio level that
14 allows for Tier 1 Aggregate Funding to be distributed
15 with the Tier 1 Allocation Rate.

16 (B) The Tier 2 Target Ratio is 0.90.

17 (C) The Tier 3 Target Ratio is 1.0.

18 (6) If, at any point, the Tier 1 Target Ratio is
19 greater than 90%, then all Tier 1 funding shall be
20 allocated to Tier 2 and no Tier 1 Organizational Unit's
21 funding may be identified.

22 (7) In the event that all Tier 2 Organizational Units
23 receive funding at the Tier 2 Target Ratio level, any
24 remaining New State Funds shall be allocated to Tier 3 and
25 Tier 4 Organizational Units.

26 (8) If any Specially Funded Units, excluding Glenwood

1 Academy, recognized by the State Board do not qualify for
2 direct funding following the implementation of Public Act
3 100-465 from any of the funding sources included within
4 the definition of Base Funding Minimum, the unqualified
5 portion of the Base Funding Minimum shall be transferred
6 to one or more appropriate Organizational Units as
7 determined by the State Superintendent based on the prior
8 year ASE of the Organizational Units.

9 (8.5) If a school district withdraws from a special
10 education cooperative, the portion of the Base Funding
11 Minimum that is attributable to the school district may be
12 redistributed to the school district upon withdrawal. The
13 school district and the cooperative must include the
14 amount of the Base Funding Minimum that is to be
15 reapportioned in their withdrawal agreement and notify the
16 State Board of the change with a copy of the agreement upon
17 withdrawal.

18 (9) The Minimum Funding Level is intended to establish
19 a target for State funding that will keep pace with
20 inflation and continue to advance equity through the
21 Evidence-Based Funding formula. The target for State
22 funding of New Property Tax Relief Pool Funds is
23 \$50,000,000 for State fiscal year 2019 and subsequent
24 State fiscal years. The Minimum Funding Level is equal to
25 \$350,000,000. In addition to any New State Funds, no more
26 than \$50,000,000 New Property Tax Relief Pool Funds may be

1 counted toward the Minimum Funding Level. If the sum of
2 New State Funds and applicable New Property Tax Relief
3 Pool Funds are less than the Minimum Funding Level, than
4 funding for tiers shall be reduced in the following
5 manner:

6 (A) First, Tier 4 funding shall be reduced by an
7 amount equal to the difference between the Minimum
8 Funding Level and New State Funds until such time as
9 Tier 4 funding is exhausted.

10 (B) Next, Tier 3 funding shall be reduced by an
11 amount equal to the difference between the Minimum
12 Funding Level and New State Funds and the reduction in
13 Tier 4 funding until such time as Tier 3 funding is
14 exhausted.

15 (C) Next, Tier 2 funding shall be reduced by an
16 amount equal to the difference between the Minimum
17 Funding Level and New State Funds and the reduction in
18 Tier 4 and Tier 3.

19 (D) Finally, Tier 1 funding shall be reduced by an
20 amount equal to the difference between the Minimum
21 Funding level and New State Funds and the reduction in
22 Tier 2, 3, and 4 funding. In addition, the Allocation
23 Rate for Tier 1 shall be reduced to a percentage equal
24 to the Tier 1 Allocation Rate set by paragraph (4) of
25 this subsection (g), multiplied by the result of New
26 State Funds divided by the Minimum Funding Level.

1 (9.5) For State fiscal year 2019 and subsequent State
2 fiscal years, if New State Funds exceed \$300,000,000, then
3 any amount in excess of \$300,000,000 shall be dedicated
4 for purposes of Section 2-3.170 of this Code up to a
5 maximum of \$50,000,000.

6 (10) In the event of a decrease in the amount of the
7 appropriation for this Section in any fiscal year after
8 implementation of this Section, the Organizational Units
9 receiving Tier 1 and Tier 2 funding, as determined under
10 paragraph (3) of this subsection (g), shall be held
11 harmless by establishing a Base Funding Guarantee equal to
12 the per pupil kindergarten through grade 12 funding
13 received in accordance with this Section in the prior
14 fiscal year. Reductions shall be made to the Base Funding
15 Minimum of Organizational Units in Tier 3 and Tier 4 on a
16 per pupil basis equivalent to the total number of the ASE
17 in Tier 3-funded and Tier 4-funded Organizational Units
18 divided by the total reduction in State funding. The Base
19 Funding Minimum as reduced shall continue to be applied to
20 Tier 3 and Tier 4 Organizational Units and adjusted by the
21 relative formula when increases in appropriations for this
22 Section resume. In no event may State funding reductions
23 to Organizational Units in Tier 3 or Tier 4 exceed an
24 amount that would be less than the Base Funding Minimum
25 established in the first year of implementation of this
26 Section. If additional reductions are required, all school

1 districts shall receive a reduction by a per pupil amount
2 equal to the aggregate additional appropriation reduction
3 divided by the total ASE of all Organizational Units.

4 (11) The State Superintendent shall make minor
5 adjustments to the distribution formula set forth in this
6 subsection (g) to account for the rounding of percentages
7 to the nearest tenth of a percentage and dollar amounts to
8 the nearest whole dollar.

9 (h) State Superintendent administration of funding and
10 district submission requirements.

11 (1) The State Superintendent shall, in accordance with
12 appropriations made by the General Assembly, meet the
13 funding obligations created under this Section.

14 (2) The State Superintendent shall calculate the
15 Adequacy Target for each Organizational Unit and Net State
16 Contribution Target for each Organizational Unit under
17 this Section. No Evidence-Based Funding shall be
18 distributed within an Organizational Unit without the
19 approval of the unit's school board.

20 (3) Annually, the State Superintendent shall calculate
21 and report to each Organizational Unit the unit's
22 aggregate financial adequacy amount, which shall be the
23 sum of the Adequacy Target for each Organizational Unit.
24 The State Superintendent shall calculate and report
25 separately for each Organizational Unit the unit's total
26 State funds allocated for its students with disabilities.

1 The State Superintendent shall calculate and report
2 separately for each Organizational Unit the amount of
3 funding and applicable FTE calculated for each Essential
4 Element of the unit's Adequacy Target.

5 (4) Annually, the State Superintendent shall calculate
6 and report to each Organizational Unit the amount the unit
7 must expend on special education and bilingual education
8 and computer technology and equipment for Organizational
9 Units assigned to Tier 1 or Tier 2 that received an
10 additional \$285.50 per student computer technology and
11 equipment investment grant to their Adequacy Target
12 pursuant to the unit's Base Funding Minimum, Special
13 Education Allocation, Bilingual Education Allocation, and
14 computer technology and equipment investment allocation.

15 (5) Moneys distributed under this Section shall be
16 calculated on a school year basis, but paid on a fiscal
17 year basis, with payments beginning in August and
18 extending through June. Unless otherwise provided, the
19 moneys appropriated for each fiscal year shall be
20 distributed in 22 equal payments at least 2 times monthly
21 to each Organizational Unit. If moneys appropriated for
22 any fiscal year are distributed other than monthly, the
23 distribution shall be on the same basis for each
24 Organizational Unit.

25 (6) Any school district that fails, for any given
26 school year, to maintain school as required by law or to

1 maintain a recognized school is not eligible to receive
2 Evidence-Based Funding. In case of non-recognition of one
3 or more attendance centers in a school district otherwise
4 operating recognized schools, the claim of the district
5 shall be reduced in the proportion that the enrollment in
6 the attendance center or centers bears to the enrollment
7 of the school district. "Recognized school" means any
8 public school that meets the standards for recognition by
9 the State Board. A school district or attendance center
10 not having recognition status at the end of a school term
11 is entitled to receive State aid payments due upon a legal
12 claim that was filed while it was recognized.

13 (7) School district claims filed under this Section
14 are subject to Sections 18-9 and 18-12 of this Code,
15 except as otherwise provided in this Section.

16 (8) Each fiscal year, the State Superintendent shall
17 calculate for each Organizational Unit an amount of its
18 Base Funding Minimum and Evidence-Based Funding that shall
19 be deemed attributable to the provision of special
20 educational facilities and services, as defined in Section
21 14-1.08 of this Code, in a manner that ensures compliance
22 with maintenance of State financial support requirements
23 under the federal Individuals with Disabilities Education
24 Act. An Organizational Unit must use such funds only for
25 the provision of special educational facilities and
26 services, as defined in Section 14-1.08 of this Code, and

1 must comply with any expenditure verification procedures
2 adopted by the State Board.

3 (9) All Organizational Units in this State must submit
4 annual spending plans by the end of September of each year
5 to the State Board as part of the annual budget process,
6 which shall describe how each Organizational Unit will
7 utilize the Base Funding Minimum and Evidence-Based
8 Funding it receives from this State under this Section
9 with specific identification of the intended utilization
10 of Low-Income, English learner, and special education
11 resources. Additionally, the annual spending plans of each
12 Organizational Unit shall describe how the Organizational
13 Unit expects to achieve student growth and how the
14 Organizational Unit will achieve State education goals, as
15 defined by the State Board. The State Superintendent may,
16 from time to time, identify additional requisites for
17 Organizational Units to satisfy when compiling the annual
18 spending plans required under this subsection (h). The
19 format and scope of annual spending plans shall be
20 developed by the State Superintendent and the State Board
21 of Education. School districts that serve students under
22 Article 14C of this Code shall continue to submit
23 information as required under Section 14C-12 of this Code.

24 (10) No later than January 1, 2018, the State
25 Superintendent shall develop a 5-year strategic plan for
26 all Organizational Units to help in planning for adequacy

1 funding under this Section. The State Superintendent shall
2 submit the plan to the Governor and the General Assembly,
3 as provided in Section 3.1 of the General Assembly
4 Organization Act. The plan shall include recommendations
5 for:

6 (A) a framework for collaborative, professional,
7 innovative, and 21st century learning environments
8 using the Evidence-Based Funding model;

9 (B) ways to prepare and support this State's
10 educators for successful instructional careers;

11 (C) application and enhancement of the current
12 financial accountability measures, the approved State
13 plan to comply with the federal Every Student Succeeds
14 Act, and the Illinois Balanced Accountability Measures
15 in relation to student growth and elements of the
16 Evidence-Based Funding model; and

17 (D) implementation of an effective school adequacy
18 funding system based on projected and recommended
19 funding levels from the General Assembly.

20 (11) On an annual basis, the State Superintendent must
21 recalibrate all of the following per pupil elements of the
22 Adequacy Target and applied to the formulas, based on the
23 study of average expenses and as reported in the most
24 recent annual financial report:

25 (A) Gifted under subparagraph (M) of paragraph (2)
26 of subsection (b).

1 (B) Instructional materials under subparagraph (O)
2 of paragraph (2) of subsection (b).

3 (C) Assessment under subparagraph (P) of paragraph
4 (2) of subsection (b).

5 (D) Student activities under subparagraph (R) of
6 paragraph (2) of subsection (b).

7 (E) Maintenance and operations under subparagraph
8 (S) of paragraph (2) of subsection (b).

9 (F) Central office under subparagraph (T) of
10 paragraph (2) of subsection (b).

11 (i) Professional Review Panel.

12 (1) A Professional Review Panel is created to study
13 and review topics related to the implementation and effect
14 of Evidence-Based Funding, as assigned by a joint
15 resolution or Public Act of the General Assembly or a
16 motion passed by the State Board of Education. The Panel
17 must provide recommendations to and serve the Governor,
18 the General Assembly, and the State Board. The State
19 Superintendent or his or her designee must serve as a
20 voting member and chairperson of the Panel. The State
21 Superintendent must appoint a vice chairperson from the
22 membership of the Panel. The Panel must advance
23 recommendations based on a three-fifths majority vote of
24 Panel members present and voting. A minority opinion may
25 also accompany any recommendation of the Panel. The Panel
26 shall be appointed by the State Superintendent, except as

1 otherwise provided in paragraph (2) of this subsection (i)
2 and include the following members:

3 (A) Two appointees that represent district
4 superintendents, recommended by a statewide
5 organization that represents district superintendents.

6 (B) Two appointees that represent school boards,
7 recommended by a statewide organization that
8 represents school boards.

9 (C) Two appointees from districts that represent
10 school business officials, recommended by a statewide
11 organization that represents school business
12 officials.

13 (D) Two appointees that represent school
14 principals, recommended by a statewide organization
15 that represents school principals.

16 (E) Two appointees that represent teachers,
17 recommended by a statewide organization that
18 represents teachers.

19 (F) Two appointees that represent teachers,
20 recommended by another statewide organization that
21 represents teachers.

22 (G) Two appointees that represent regional
23 superintendents of schools, recommended by
24 organizations that represent regional superintendents.

25 (H) Two independent experts selected solely by the
26 State Superintendent.

1 (I) Two independent experts recommended by public
2 universities in this State.

3 (J) One member recommended by a statewide
4 organization that represents parents.

5 (K) Two representatives recommended by collective
6 impact organizations that represent major metropolitan
7 areas or geographic areas in Illinois.

8 (L) One member from a statewide organization
9 focused on research-based education policy to support
10 a school system that prepares all students for
11 college, a career, and democratic citizenship.

12 (M) One representative from a school district
13 organized under Article 34 of this Code.

14 The State Superintendent shall ensure that the
15 membership of the Panel includes representatives from
16 school districts and communities reflecting the
17 geographic, socio-economic, racial, and ethnic diversity
18 of this State. The State Superintendent shall additionally
19 ensure that the membership of the Panel includes
20 representatives with expertise in bilingual education and
21 special education. Staff from the State Board shall staff
22 the Panel.

23 (2) In addition to those Panel members appointed by
24 the State Superintendent, 4 members of the General
25 Assembly shall be appointed as follows: one member of the
26 House of Representatives appointed by the Speaker of the

1 House of Representatives, one member of the Senate
2 appointed by the President of the Senate, one member of
3 the House of Representatives appointed by the Minority
4 Leader of the House of Representatives, and one member of
5 the Senate appointed by the Minority Leader of the Senate.
6 There shall be one additional member appointed by the
7 Governor. All members appointed by legislative leaders or
8 the Governor shall be non-voting, ex officio members.

9 (3) The Panel must study topics at the direction of
10 the General Assembly or State Board of Education, as
11 provided under paragraph (1). The Panel may also study the
12 following topics at the direction of the chairperson:

13 (A) The format and scope of annual spending plans
14 referenced in paragraph (9) of subsection (h) of this
15 Section.

16 (B) The Comparable Wage Index under this Section.

17 (C) Maintenance and operations, including capital
18 maintenance and construction costs.

19 (D) "At-risk student" definition.

20 (E) Benefits.

21 (F) Technology.

22 (G) Local Capacity Target.

23 (H) Funding for Alternative Schools, Laboratory
24 Schools, safe schools, and alternative learning
25 opportunities programs.

26 (I) Funding for college and career acceleration

1 strategies.

2 (J) Special education investments.

3 (K) Early childhood investments, in collaboration
4 with the Illinois Early Learning Council.

5 (4) (Blank).

6 (5) Within 5 years after the implementation of this
7 Section, and every 5 years thereafter, the Panel shall
8 complete an evaluative study of the entire Evidence-Based
9 Funding model, including an assessment of whether or not
10 the formula is achieving State goals. The Panel shall
11 report to the State Board, the General Assembly, and the
12 Governor on the findings of the study.

13 (6) (Blank).

14 (7) To ensure that (i) the Adequacy Target calculation
15 under subsection (b) accurately reflects the needs of
16 students living in poverty or attending schools located in
17 areas of high poverty, (ii) racial equity within the
18 Evidence-Based Funding formula is explicitly explored and
19 advanced, and (iii) the funding goals of the formula
20 distribution system established under this Section are
21 sufficient to provide adequate funding for every student
22 and to fully fund every school in this State, the Panel
23 shall review the Essential Elements under paragraph (2) of
24 subsection (b). The Panel shall consider all of the
25 following in its review:

26 (A) The financial ability of school districts to

1 provide instruction in a foreign language to every
2 student and whether an additional Essential Element
3 should be added to the formula to ensure that every
4 student has access to instruction in a foreign
5 language.

6 (B) The adult-to-student ratio for each Essential
7 Element in which a ratio is identified. The Panel
8 shall consider whether the ratio accurately reflects
9 the staffing needed to support students living in
10 poverty or who have traumatic backgrounds.

11 (C) Changes to the Essential Elements that may be
12 required to better promote racial equity and eliminate
13 structural racism within schools.

14 (D) The impact of investing \$350,000,000 in
15 additional funds each year under this Section and an
16 estimate of when the school system will become fully
17 funded under this level of appropriation.

18 (E) Provide an overview of alternative funding
19 structures that would enable the State to become fully
20 funded at an earlier date.

21 (F) The potential to increase efficiency and to
22 find cost savings within the school system to expedite
23 the journey to a fully funded system.

24 (G) The appropriate levels for reenrolling and
25 graduating high-risk high school students who have
26 been previously out of school. These outcomes shall

1 include enrollment, attendance, skill gains, credit
2 gains, graduation or promotion to the next grade
3 level, and the transition to college, training, or
4 employment, with an emphasis on progressively
5 increasing the overall attendance.

6 (H) The evidence-based or research-based practices
7 that are shown to reduce the gaps and disparities
8 experienced by African American students in academic
9 achievement and educational performance, including
10 practices that have been shown to reduce disparities
11 ~~parities~~ in disciplinary rates, drop-out rates,
12 graduation rates, college matriculation rates, and
13 college completion rates.

14 On or before December 31, 2021, the Panel shall report
15 to the State Board, the General Assembly, and the Governor
16 on the findings of its review. This paragraph (7) is
17 inoperative on and after July 1, 2022.

18 (j) References. Beginning July 1, 2017, references in
19 other laws to general State aid funds or calculations under
20 Section 18-8.05 of this Code (now repealed) shall be deemed to
21 be references to evidence-based model formula funds or
22 calculations under this Section.

23 (Source: P.A. 101-10, eff. 6-5-19; 101-17, eff. 6-14-19;
24 101-643, eff. 6-18-20; 101-654, eff. 3-8-21; 102-33, eff.
25 6-25-21; 102-197, eff. 7-30-21; 102-558, eff. 8-20-21; revised
26 10-12-21.)