



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB5323

Introduced 1/31/2022, by Rep. Joyce Mason

SYNOPSIS AS INTRODUCED:

105 ILCS 5/2-3.192 new
105 ILCS 5/18-8.15

Amends the evidence-based funding provisions of the School Code. Includes in the definition of "Organizational Unit" a State-approved charter school that has greater than or equal to 15% fewer low-income students than the school district in which the charter school is located. Requires the State Board of Education to determine how each funding variable within the evidence-based funding formula needs to be adjusted to accommodate the changes made by the amendatory Act. Effective immediately.

LRB102 25493 CMG 34781 b

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 adding Section
5 2-3.192 and by changing Section 18-8.15 as follows:

6 (105 ILCS 5/2-3.192 new)

7 Sec. 2-3.192. Evidence-based funding formula adjustments.
8 The State Board of Education shall determine how each funding
9 variable within the evidence-based funding formula provided in
10 Section 18-8.15 needs to be adjusted to accommodate the
11 changes made to Section 18-8.15 by this amendatory Act of the
12 102nd General Assembly.

13 (105 ILCS 5/18-8.15)

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

16 (a) General provisions.

17 (1) The purpose of this Section is to ensure that, by
18 June 30, 2027 and beyond, this State has a kindergarten
19 through grade 12 public education system with the capacity
20 to ensure the educational development of all persons to
21 the limits of their capacities in accordance with Section
22 1 of Article X of the Constitution of the State of

1 Illinois. To accomplish that objective, this Section
2 creates a method of funding public education that is
3 evidence-based; is sufficient to ensure every student
4 receives a meaningful opportunity to learn irrespective of
5 race, ethnicity, sexual orientation, gender, or
6 community-income level; and is sustainable and
7 predictable. When fully funded under this Section, every
8 school shall have the resources, based on what the
9 evidence indicates is needed, to:

10 (A) provide all students with a high quality
11 education that offers the academic, enrichment, social
12 and emotional support, technical, and career-focused
13 programs that will allow them to become competitive
14 workers, responsible parents, productive citizens of
15 this State, and active members of our national
16 democracy;

17 (B) ensure all students receive the education they
18 need to graduate from high school with the skills
19 required to pursue post-secondary education and
20 training for a rewarding career;

21 (C) reduce, with a goal of eliminating, the
22 achievement gap between at-risk and non-at-risk
23 students by raising the performance of at-risk
24 students and not by reducing standards; and

25 (D) ensure this State satisfies its obligation to
26 assume the primary responsibility to fund public

1 education and simultaneously relieve the
2 disproportionate burden placed on local property taxes
3 to fund schools.

4 (2) The Evidence-Based Funding formula under this
5 Section shall be applied to all Organizational Units in
6 this State. The Evidence-Based Funding formula outlined in
7 this Act is based on the formula outlined in Senate Bill 1
8 of the 100th General Assembly, as passed by both
9 legislative chambers. As further defined and described in
10 this Section, there are 4 major components of the
11 Evidence-Based Funding model:

12 (A) First, the model calculates a unique Adequacy
13 Target for each Organizational Unit in this State that
14 considers the costs to implement research-based
15 activities, the unit's student demographics, and
16 regional wage differences.

17 (B) Second, the model calculates each
18 Organizational Unit's Local Capacity, or the amount
19 each Organizational Unit is assumed to contribute
20 toward its Adequacy Target from local resources.

21 (C) Third, the model calculates how much funding
22 the State currently contributes to the Organizational
23 Unit and adds that to the unit's Local Capacity to
24 determine the unit's overall current adequacy of
25 funding.

26 (D) Finally, the model's distribution method

1 allocates new State funding to those Organizational
2 Units that are least well-funded, considering both
3 Local Capacity and State funding, in relation to their
4 Adequacy Target.

5 (3) An Organizational Unit receiving any funding under
6 this Section may apply those funds to any fund so received
7 for which that Organizational Unit is authorized to make
8 expenditures by law.

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

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

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

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

17 "Adjusted Operating Tax Rate" means a tax rate for all
18 Organizational Units, for which the State Superintendent
19 shall calculate and subtract for the Operating Tax Rate a
20 transportation rate based on total expenses for
21 transportation services under this Code, as reported on
22 the most recent Annual Financial Report in Pupil
23 Transportation Services, function 2550 in both the
24 Education and Transportation funds and functions 4110 and
25 4120 in the Transportation fund, less any corresponding
26 fiscal year State of Illinois scheduled payments excluding

1 net adjustments for prior years for regular, vocational,
2 or special education transportation reimbursement pursuant
3 to Section 29-5 or subsection (b) of Section 14-13.01 of
4 this Code divided by the Adjusted EAV. If an
5 Organizational Unit's corresponding fiscal year State of
6 Illinois scheduled payments excluding net adjustments for
7 prior years for regular, vocational, or special education
8 transportation reimbursement pursuant to Section 29-5 or
9 subsection (b) of Section 14-13.01 of this Code exceed the
10 total transportation expenses, as defined in this
11 paragraph, no transportation rate shall be subtracted from
12 the Operating Tax Rate.

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

15 "Alternative School" means a public school that is
16 created and operated by a regional superintendent of
17 schools and approved by the State Board.

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

20 "Assessment" means any of those benchmark, progress
21 monitoring, formative, diagnostic, and other assessments,
22 in addition to the State accountability assessment, that
23 assist teachers' needs in understanding the skills and
24 meeting the needs of the students they serve.

25 "Assistant principal" means a school administrator
26 duly endorsed to be employed as an assistant principal in

1 this State.

2 "At-risk student" means a student who is at risk of
3 not meeting the Illinois Learning Standards or not
4 graduating from elementary or high school and who
5 demonstrates a need for vocational support or social
6 services beyond that provided by the regular school
7 program. All students included in an Organizational Unit's
8 Low-Income Count, as well as all English learner and
9 disabled students attending the Organizational Unit, shall
10 be considered at-risk students under this Section.

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

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

1 subsequent years, the school district reports to the State
2 Board of Education the intent to implement full-day
3 kindergarten district-wide for all students, then all
4 students attending kindergarten shall be counted as 1.0.
5 Special education pre-kindergarten students shall be
6 counted as 0.5 each. If the State Board does not collect or
7 has not collected both an October 1 and March 1 enrollment
8 count by grade or a December 1 collection of special
9 education pre-kindergarten students as of August 31, 2017
10 (the effective date of Public Act 100-465), it shall
11 establish such collection for all future years. For any
12 year in which a count by grade level was collected only
13 once, that count shall be used as the single count
14 available for computing a 3-year average ASE. Funding for
15 programs operated by a regional office of education or an
16 intermediate service center must be calculated using the
17 Evidence-Based Funding formula under this Section for the
18 2019-2020 school year and each subsequent school year
19 until separate adequacy formulas are developed and adopted
20 for each type of program. ASE for a program operated by a
21 regional office of education or an intermediate service
22 center must be determined by the March 1 enrollment for
23 the program. For the 2019-2020 school year, the ASE used
24 in the calculation must be the first-year ASE and, in that
25 year only, the assignment of students served by a regional
26 office of education or intermediate service center shall

1 not result in a reduction of the March enrollment for any
2 school district. For the 2020-2021 school year, the ASE
3 must be the greater of the current-year ASE or the 2-year
4 average ASE. Beginning with the 2021-2022 school year, the
5 ASE must be the greater of the current-year ASE or the
6 3-year average ASE. School districts shall submit the data
7 for the ASE calculation to the State Board within 45 days
8 of the dates required in this Section for submission of
9 enrollment data in order for it to be included in the ASE
10 calculation. For fiscal year 2018 only, the ASE
11 calculation shall include only enrollment taken on October
12 1. In recognition of the impact of COVID-19, the
13 definition of "Average Student Enrollment" or "ASE" shall
14 be adjusted for calculations under this Section for fiscal
15 years 2022 through 2024. For fiscal years 2022 through
16 2024, the enrollment used in the calculation of ASE
17 representing the 2020-2021 school year shall be the
18 greater of the enrollment for the 2020-2021 school year or
19 the 2019-2020 school year.

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

22 "Base Funding Minimum" is defined in subsection (e) of
23 this Section.

24 "Base Tax Year" means the property tax levy year used
25 to calculate the Budget Year allocation of primary State
26 aid.

1 "Base Tax Year's Extension" means the product of the
2 equalized assessed valuation utilized by the county clerk
3 in the Base Tax Year multiplied by the limiting rate as
4 calculated by the county clerk and defined in PTELL.

5 "Bilingual Education Allocation" means the amount of
6 an Organizational Unit's final Adequacy Target
7 attributable to bilingual education divided by the
8 Organizational Unit's final Adequacy Target, the product
9 of which shall be multiplied by the amount of new funding
10 received pursuant to this Section. An Organizational
11 Unit's final Adequacy Target attributable to bilingual
12 education shall include all additional investments in
13 English learner students' adequacy elements.

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

16 "Central office" means individual administrators and
17 support service personnel charged with managing the
18 instructional programs, business and operations, and
19 security of the Organizational Unit.

20 "Comparable Wage Index" or "CWI" means a regional cost
21 differentiation metric that measures systemic, regional
22 variations in the salaries of college graduates who are
23 not educators. The CWI utilized for this Section shall,
24 for the first 3 years of Evidence-Based Funding
25 implementation, be the CWI initially developed by the
26 National Center for Education Statistics, as most recently

1 updated by Texas A & M University. In the fourth and
2 subsequent years of Evidence-Based Funding implementation,
3 the State Superintendent shall re-determine the CWI using
4 a similar methodology to that identified in the Texas A & M
5 University study, with adjustments made no less frequently
6 than once every 5 years.

7 "Computer technology and equipment" means computers
8 servers, notebooks, network equipment, copiers, printers,
9 instructional software, security software, curriculum
10 management courseware, and other similar materials and
11 equipment.

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

25 "Core subject" means mathematics; science; reading,
26 English, writing, and language arts; history and social

1 studies; world languages; and subjects taught as Advanced
2 Placement in high schools.

3 "Core teacher" means a regular classroom teacher in
4 elementary schools and teachers of a core subject in
5 middle and high schools.

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

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

18 "EAV" means equalized assessed valuation as defined in
19 paragraph (2) of subsection (d) of this Section and
20 calculated in accordance with paragraph (3) of subsection
21 (d) of this Section.

22 "ECI" means the Bureau of Labor Statistics' national
23 employment cost index for civilian workers in educational
24 services in elementary and secondary schools on a
25 cumulative basis for the 12-month calendar year preceding
26 the fiscal year of the Evidence-Based Funding calculation.

1 "EIS Data" means the employment information system
2 data maintained by the State Board on educators within
3 Organizational Units.

4 "Employee benefits" means health, dental, and vision
5 insurance offered to employees of an Organizational Unit,
6 the costs associated with the statutorily required payment
7 of the normal cost of the Organizational Unit's teacher
8 pensions, Social Security employer contributions, and
9 Illinois Municipal Retirement Fund employer contributions.

10 "English learner" or "EL" means a child included in
11 the definition of "English learners" under Section 14C-2
12 of this Code participating in a program of transitional
13 bilingual education or a transitional program of
14 instruction meeting the requirements and program
15 application procedures of Article 14C of this Code. For
16 the purposes of collecting the number of EL students
17 enrolled, the same collection and calculation methodology
18 as defined above for "ASE" shall apply to English
19 learners, with the exception that EL student enrollment
20 shall include students in grades pre-kindergarten through
21 12.

22 "Essential Elements" means those elements, resources,
23 and educational programs that have been identified through
24 academic research as necessary to improve student success,
25 improve academic performance, close achievement gaps, and
26 provide for other per student costs related to the

1 delivery and leadership of the Organizational Unit, as
2 well as the maintenance and operations of the unit, and
3 which are specified in paragraph (2) of subsection (b) of
4 this Section.

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

7 "Extended day" means academic and enrichment programs
8 provided to students outside the regular school day before
9 and after school or during non-instructional times during
10 the school day.

11 "Extension Limitation Ratio" means a numerical ratio
12 in which the numerator is the Base Tax Year's Extension
13 and the denominator is the Preceding Tax Year's Extension.

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

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

18 "Full-time equivalent" or "FTE" means the full-time
19 equivalency compensation for staffing the relevant
20 position at an Organizational Unit.

21 "Funding Gap" is defined in paragraph (1) of
22 subsection (g).

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

25 "Instructional assistant" means a core or special
26 education, non-licensed employee who assists a teacher in

1 the classroom and provides academic support to students.

2 "Instructional facilitator" means a qualified teacher
3 or licensed teacher leader who facilitates and coaches
4 continuous improvement in classroom instruction; provides
5 instructional support to teachers in the elements of
6 research-based instruction or demonstrates the alignment
7 of instruction with curriculum standards and assessment
8 tools; develops or coordinates instructional programs or
9 strategies; develops and implements training; chooses
10 standards-based instructional materials; provides
11 teachers with an understanding of current research; serves
12 as a mentor, site coach, curriculum specialist, or lead
13 teacher; or otherwise works with fellow teachers, in
14 collaboration, to use data to improve instructional
15 practice or develop model lessons.

16 "Instructional materials" means relevant
17 instructional materials for student instruction,
18 including, but not limited to, textbooks, consumable
19 workbooks, laboratory equipment, library books, and other
20 similar materials.

21 "Laboratory School" means a public school that is
22 created and operated by a public university and approved
23 by the State Board.

24 "Librarian" means a teacher with an endorsement as a
25 library information specialist or another individual whose
26 primary responsibility is overseeing library resources

1 within an Organizational Unit.

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

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

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

8 "Local Capacity Ratio" is defined in subparagraph (B)
9 of paragraph (2) of subsection (c) of this Section.

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

12 "Low-Income Count" means, for an Organizational Unit
13 in a fiscal year, the higher of the average number of
14 students for the prior school year or the immediately
15 preceding 3 school years who, as of July 1 of the
16 immediately preceding fiscal year (as determined by the
17 Department of Human Services), are eligible for at least
18 one of the following low-income programs: Medicaid, the
19 Children's Health Insurance Program, Temporary Assistance
20 for Needy Families (TANF), or the Supplemental Nutrition
21 Assistance Program, excluding pupils who are eligible for
22 services provided by the Department of Children and Family
23 Services. Until such time that grade level low-income
24 populations become available, grade level low-income
25 populations shall be determined by applying the low-income
26 percentage to total student enrollments by grade level.

1 The low-income percentage is determined by dividing the
2 Low-Income Count by the Average Student Enrollment. The
3 low-income percentage for programs operated by a regional
4 office of education or an intermediate service center must
5 be set to the weighted average of the low-income
6 percentages of all of the school districts in the service
7 region. The weighted low-income percentage is the result
8 of multiplying the low-income percentage of each school
9 district served by the regional office of education or
10 intermediate service center by each school district's
11 Average Student Enrollment, summarizing those products and
12 dividing the total by the total Average Student Enrollment
13 for the service region.

14 "Maintenance and operations" means custodial services,
15 facility and ground maintenance, facility operations,
16 facility security, routine facility repairs, and other
17 similar services and functions.

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

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

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

1 "Net State Contribution Target" means, for a given
2 school year, the amount of State funds that would be
3 necessary to fully meet the Adequacy Target of an
4 Operational Unit minus the Preliminary Resources available
5 to each unit.

6 "Nurse" means an individual licensed as a certified
7 school nurse, in accordance with the rules established for
8 nursing services by the State Board, who is an employee of
9 and is available to provide health care-related services
10 for students of an Organizational Unit.

11 "Operating Tax Rate" means the rate utilized in the
12 previous year to extend property taxes for all purposes,
13 except Bond and Interest, Summer School, Rent, Capital
14 Improvement, and Vocational Education Building purposes.
15 For Hybrid Districts, the Operating Tax Rate shall be the
16 combined elementary and high school rates utilized in the
17 previous year to extend property taxes for all purposes,
18 except Bond and Interest, Summer School, Rent, Capital
19 Improvement, and Vocational Education Building purposes.

20 "Organizational Unit" means a Laboratory School or any
21 public school district that is recognized as such by the
22 State Board and that contains elementary schools typically
23 serving kindergarten through 5th grades, middle schools
24 typically serving 6th through 8th grades, or high schools
25 typically serving 9th through 12th grades, a program
26 established under Section 2-3.66 or 2-3.41, ~~or~~ a program

1 operated by a regional office of education or an
2 intermediate service center under Article 13A or 13B, or a
3 State-approved charter school that has greater than or
4 equal to 15% fewer low-income students than the school
5 district in which the charter school is located. The
6 General Assembly acknowledges that the actual grade levels
7 served by a particular Organizational Unit may vary
8 slightly from what is typical.

9 "Organizational Unit CWI" is determined by calculating
10 the CWI in the region and original county in which an
11 Organizational Unit's primary administrative office is
12 located as set forth in this paragraph, provided that if
13 the Organizational Unit CWI as calculated in accordance
14 with this paragraph is less than 0.9, the Organizational
15 Unit CWI shall be increased to 0.9. Each county's current
16 CWI value shall be adjusted based on the CWI value of that
17 county's neighboring Illinois counties, to create a
18 "weighted adjusted index value". This shall be calculated
19 by summing the CWI values of all of a county's adjacent
20 Illinois counties and dividing by the number of adjacent
21 Illinois counties, then taking the weighted value of the
22 original county's CWI value and the adjacent Illinois
23 county average. To calculate this weighted value, if the
24 number of adjacent Illinois counties is greater than 2,
25 the original county's CWI value will be weighted at 0.25
26 and the adjacent Illinois county average will be weighted

1 at 0.75. If the number of adjacent Illinois counties is 2,
2 the original county's CWI value will be weighted at 0.33
3 and the adjacent Illinois county average will be weighted
4 at 0.66. The greater of the county's current CWI value and
5 its weighted adjusted index value shall be used as the
6 Organizational Unit CWI.

7 "Preceding Tax Year" means the property tax levy year
8 immediately preceding the Base Tax Year.

9 "Preceding Tax Year's Extension" means the product of
10 the equalized assessed valuation utilized by the county
11 clerk in the Preceding Tax Year multiplied by the
12 Operating Tax Rate.

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

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

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

19 "Professional development" means training programs for
20 licensed staff in schools, including, but not limited to,
21 programs that assist in implementing new curriculum
22 programs, provide data focused or academic assessment data
23 training to help staff identify a student's weaknesses and
24 strengths, target interventions, improve instruction,
25 encompass instructional strategies for English learner,
26 gifted, or at-risk students, address inclusivity, cultural

1 sensitivity, or implicit bias, or otherwise provide
2 professional support for licensed staff.

3 "Prototypical" means 450 special education
4 pre-kindergarten and kindergarten through grade 5 students
5 for an elementary school, 450 grade 6 through 8 students
6 for a middle school, and 600 grade 9 through 12 students
7 for a high school.

8 "PTELL" means the Property Tax Extension Limitation
9 Law.

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

12 "Pupil support staff" means a nurse, psychologist,
13 social worker, family liaison personnel, or other staff
14 member who provides support to at-risk or struggling
15 students.

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

18 "Regionalization Factor" means, for a particular
19 Organizational Unit, the figure derived by dividing the
20 Organizational Unit CWI by the Statewide Weighted CWI.

21 "School counselor" means a licensed school counselor
22 who provides guidance and counseling support for students
23 within an Organizational Unit.

24 "School site staff" means the primary school secretary
25 and any additional clerical personnel assigned to a
26 school.

1 "Special education" means special educational
2 facilities and services, as defined in Section 14-1.08 of
3 this Code.

4 "Special Education Allocation" means the amount of an
5 Organizational Unit's final Adequacy Target attributable
6 to special education divided by the Organizational Unit's
7 final Adequacy Target, the product of which shall be
8 multiplied by the amount of new funding received pursuant
9 to this Section. An Organizational Unit's final Adequacy
10 Target attributable to special education shall include all
11 special education investment adequacy elements.

12 "Specialist teacher" means a teacher who provides
13 instruction in subject areas not included in core
14 subjects, including, but not limited to, art, music,
15 physical education, health, driver education,
16 career-technical education, and such other subject areas
17 as may be mandated by State law or provided by an
18 Organizational Unit.

19 "Specially Funded Unit" means an Alternative School,
20 safe school, Department of Juvenile Justice school,
21 special education cooperative or entity recognized by the
22 State Board as a special education cooperative,
23 State-approved charter school, or alternative learning
24 opportunities program that received direct funding from
25 the State Board during the 2016-2017 school year through
26 any of the funding sources included within the calculation

1 of the Base Funding Minimum or Glenwood Academy.

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

7 "State Adequacy Level" is the sum of the Adequacy
8 Targets of all Organizational Units.

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

10 "State Superintendent" means the State Superintendent
11 of Education.

12 "Statewide Weighted CWI" means a figure determined by
13 multiplying each Organizational Unit CWI times the ASE for
14 that Organizational Unit creating a weighted value,
15 summing all Organizational Units' weighted values, and
16 dividing by the total ASE of all Organizational Units,
17 thereby creating an average weighted index.

18 "Student activities" means non-credit producing
19 after-school programs, including, but not limited to,
20 clubs, bands, sports, and other activities authorized by
21 the school board of the Organizational Unit.

22 "Substitute teacher" means an individual teacher or
23 teaching assistant who is employed by an Organizational
24 Unit and is temporarily serving the Organizational Unit on
25 a per diem or per period-assignment basis to replace
26 another staff member.

1 "Summer school" means academic and enrichment programs
2 provided to students during the summer months outside of
3 the regular school year.

4 "Supervisory aide" means a non-licensed staff member
5 who helps in supervising students of an Organizational
6 Unit, but does so outside of the classroom, in situations
7 such as, but not limited to, monitoring hallways and
8 playgrounds, supervising lunchrooms, or supervising
9 students when being transported in buses serving the
10 Organizational Unit.

11 "Target Ratio" is defined in paragraph (4) of
12 subsection (g).

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

15 "Tier 1 Aggregate Funding", "Tier 2 Aggregate
16 Funding", "Tier 3 Aggregate Funding", and "Tier 4
17 Aggregate Funding" are defined in paragraph (1) of
18 subsection (g).

19 (b) Adequacy Target calculation.

20 (1) Each Organizational Unit's Adequacy Target is the
21 sum of the Organizational Unit's cost of providing
22 Essential Elements, as calculated in accordance with this
23 subsection (b), with the salary amounts in the Essential
24 Elements multiplied by a Regionalization Factor calculated
25 pursuant to paragraph (3) of this subsection (b).

26 (2) The Essential Elements are attributable on a pro

1 rata basis related to defined subgroups of the ASE of each
2 Organizational Unit as specified in this paragraph (2),
3 with investments and FTE positions pro rata funded based
4 on ASE counts in excess of or less than the thresholds set
5 forth in this paragraph (2). The method for calculating
6 attributable pro rata costs and the defined subgroups
7 thereto are as follows:

8 (A) Core class size investments. Each
9 Organizational Unit shall receive the funding required
10 to support that number of FTE core teacher positions
11 as is needed to keep the respective class sizes of the
12 Organizational Unit to the following maximum numbers:

13 (i) For grades kindergarten through 3, the
14 Organizational Unit shall receive funding required
15 to support one FTE core teacher position for every
16 15 Low-Income Count students in those grades and
17 one FTE core teacher position for every 20
18 non-Low-Income Count students in those grades.

19 (ii) For grades 4 through 12, the
20 Organizational Unit shall receive funding required
21 to support one FTE core teacher position for every
22 20 Low-Income Count students in those grades and
23 one FTE core teacher position for every 25
24 non-Low-Income Count students in those grades.

25 The number of non-Low-Income Count students in a
26 grade shall be determined by subtracting the

1 Low-Income students in that grade from the ASE of the
2 Organizational Unit for that grade.

3 (B) Specialist teacher investments. Each
4 Organizational Unit shall receive the funding needed
5 to cover that number of FTE specialist teacher
6 positions that correspond to the following
7 percentages:

8 (i) if the Organizational Unit operates an
9 elementary or middle school, then 20.00% of the
10 number of the Organizational Unit's core teachers,
11 as determined under subparagraph (A) of this
12 paragraph (2); and

13 (ii) if such Organizational Unit operates a
14 high school, then 33.33% of the number of the
15 Organizational Unit's core teachers.

16 (C) Instructional facilitator investments. Each
17 Organizational Unit shall receive the funding needed
18 to cover one FTE instructional facilitator position
19 for every 200 combined ASE of pre-kindergarten
20 children with disabilities and all kindergarten
21 through grade 12 students of the Organizational Unit.

22 (D) Core intervention teacher (tutor) investments.
23 Each Organizational Unit shall receive the funding
24 needed to cover one FTE teacher position for each
25 prototypical elementary, middle, and high school.

26 (E) Substitute teacher investments. Each

1 Organizational Unit shall receive the funding needed
2 to cover substitute teacher costs that is equal to
3 5.70% of the minimum pupil attendance days required
4 under Section 10-19 of this Code for all full-time
5 equivalent core, specialist, and intervention
6 teachers, school nurses, special education teachers
7 and instructional assistants, instructional
8 facilitators, and summer school and extended day
9 teacher positions, as determined under this paragraph
10 (2), at a salary rate of 33.33% of the average salary
11 for grade K through 12 teachers and 33.33% of the
12 average salary of each instructional assistant
13 position.

14 (F) Core school counselor investments. Each
15 Organizational Unit shall receive the funding needed
16 to cover one FTE school counselor for each 450
17 combined ASE of pre-kindergarten children with
18 disabilities and all kindergarten through grade 5
19 students, plus one FTE school counselor for each 250
20 grades 6 through 8 ASE middle school students, plus
21 one FTE school counselor for each 250 grades 9 through
22 12 ASE high school students.

23 (G) Nurse investments. Each Organizational Unit
24 shall receive the funding needed to cover one FTE
25 nurse for each 750 combined ASE of pre-kindergarten
26 children with disabilities and all kindergarten

1 through grade 12 students across all grade levels it
2 serves.

3 (H) Supervisory aide investments. Each
4 Organizational Unit shall receive the funding needed
5 to cover one FTE for each 225 combined ASE of
6 pre-kindergarten children with disabilities and all
7 kindergarten through grade 5 students, plus one FTE
8 for each 225 ASE middle school students, plus one FTE
9 for each 200 ASE high school students.

10 (I) Librarian investments. Each Organizational
11 Unit shall receive the funding needed to cover one FTE
12 librarian for each prototypical elementary school,
13 middle school, and high school and one FTE aide or
14 media technician for every 300 combined ASE of
15 pre-kindergarten children with disabilities and all
16 kindergarten through grade 12 students.

17 (J) Principal investments. Each Organizational
18 Unit shall receive the funding needed to cover one FTE
19 principal position for each prototypical elementary
20 school, plus one FTE principal position for each
21 prototypical middle school, plus one FTE principal
22 position for each prototypical high school.

23 (K) Assistant principal investments. Each
24 Organizational Unit shall receive the funding needed
25 to cover one FTE assistant principal position for each
26 prototypical elementary school, plus one FTE assistant

1 principal position for each prototypical middle
2 school, plus one FTE assistant principal position for
3 each prototypical high school.

4 (L) School site staff investments. Each
5 Organizational Unit shall receive the funding needed
6 for one FTE position for each 225 ASE of
7 pre-kindergarten children with disabilities and all
8 kindergarten through grade 5 students, plus one FTE
9 position for each 225 ASE middle school students, plus
10 one FTE position for each 200 ASE high school
11 students.

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

15 (N) Professional development investments. Each
16 Organizational Unit shall receive \$125 per student of
17 the combined ASE of pre-kindergarten children with
18 disabilities and all kindergarten through grade 12
19 students for trainers and other professional
20 development-related expenses for supplies and
21 materials.

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

1 (P) Assessment investments. Each Organizational
2 Unit shall receive \$25 per student of the combined ASE
3 of pre-kindergarten children with disabilities and all
4 kindergarten through grade 12 students to cover
5 assessment costs.

6 (Q) Computer technology and equipment investments.
7 Each Organizational Unit shall receive \$285.50 per
8 student of the combined ASE of pre-kindergarten
9 children with disabilities and all kindergarten
10 through grade 12 students to cover computer technology
11 and equipment costs. For the 2018-2019 school year and
12 subsequent school years, Organizational Units assigned
13 to Tier 1 and Tier 2 in the prior school year shall
14 receive an additional \$285.50 per student of the
15 combined ASE of pre-kindergarten children with
16 disabilities and all kindergarten through grade 12
17 students to cover computer technology and equipment
18 costs in the Organizational Unit's Adequacy Target.
19 The State Board may establish additional requirements
20 for Organizational Unit expenditures of funds received
21 pursuant to this subparagraph (Q), including a
22 requirement that funds received pursuant to this
23 subparagraph (Q) may be used only for serving the
24 technology needs of the district. It is the intent of
25 Public Act 100-465 that all Tier 1 and Tier 2 districts
26 receive the addition to their Adequacy Target in the

1 following year, subject to compliance with the
2 requirements of the State Board.

3 (R) Student activities investments. Each
4 Organizational Unit shall receive the following
5 funding amounts to cover student activities: \$100 per
6 kindergarten through grade 5 ASE student in elementary
7 school, plus \$200 per ASE student in middle school,
8 plus \$675 per ASE student in high school.

9 (S) Maintenance and operations investments. Each
10 Organizational Unit shall receive \$1,038 per student
11 of the combined ASE of pre-kindergarten children with
12 disabilities and all kindergarten through grade 12
13 students for day-to-day maintenance and operations
14 expenditures, including salary, supplies, and
15 materials, as well as purchased services, but
16 excluding employee benefits. The proportion of salary
17 for the application of a Regionalization Factor and
18 the calculation of benefits is equal to \$352.92.

19 (T) Central office investments. Each
20 Organizational Unit shall receive \$742 per student of
21 the combined ASE of pre-kindergarten children with
22 disabilities and all kindergarten through grade 12
23 students to cover central office operations, including
24 administrators and classified personnel charged with
25 managing the instructional programs, business and
26 operations of the school district, and security

1 personnel. The proportion of salary for the
2 application of a Regionalization Factor and the
3 calculation of benefits is equal to \$368.48.

4 (U) Employee benefit investments. Each
5 Organizational Unit shall receive 30% of the total of
6 all salary-calculated elements of the Adequacy Target,
7 excluding substitute teachers and student activities
8 investments, to cover benefit costs. For central
9 office and maintenance and operations investments, the
10 benefit calculation shall be based upon the salary
11 proportion of each investment. If at any time the
12 responsibility for funding the employer normal cost of
13 teacher pensions is assigned to school districts, then
14 that amount certified by the Teachers' Retirement
15 System of the State of Illinois to be paid by the
16 Organizational Unit for the preceding school year
17 shall be added to the benefit investment. For any
18 fiscal year in which a school district organized under
19 Article 34 of this Code is responsible for paying the
20 employer normal cost of teacher pensions, then that
21 amount of its employer normal cost plus the amount for
22 retiree health insurance as certified by the Public
23 School Teachers' Pension and Retirement Fund of
24 Chicago to be paid by the school district for the
25 preceding school year that is statutorily required to
26 cover employer normal costs and the amount for retiree

1 health insurance shall be added to the 30% specified
2 in this subparagraph (U). The Teachers' Retirement
3 System of the State of Illinois and the Public School
4 Teachers' Pension and Retirement Fund of Chicago shall
5 submit such information as the State Superintendent
6 may require for the calculations set forth in this
7 subparagraph (U).

8 (V) Additional investments in low-income students.
9 In addition to and not in lieu of all other funding
10 under this paragraph (2), each Organizational Unit
11 shall receive funding based on the average teacher
12 salary for grades K through 12 to cover the costs of:

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

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

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

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

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

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

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

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

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

9 (v) one FTE core teacher position for every
10 100 English learner students.

11 (X) Special education investments. Each
12 Organizational Unit shall receive funding based on the
13 average teacher salary for grades K through 12 to
14 cover special education as follows:

15 (i) one FTE teacher position for every 141
16 combined ASE of pre-kindergarten children with
17 disabilities and all kindergarten through grade 12
18 students;

19 (ii) one FTE instructional assistant for every
20 141 combined ASE of pre-kindergarten children with
21 disabilities and all kindergarten through grade 12
22 students; and

23 (iii) one FTE psychologist position for every
24 1,000 combined ASE of pre-kindergarten children
25 with disabilities and all kindergarten through
26 grade 12 students.

1 (3) For calculating the salaries included within the
2 Essential Elements, the State Superintendent shall
3 annually calculate average salaries to the nearest dollar
4 using the employment information system data maintained by
5 the State Board, limited to public schools only and
6 excluding special education and vocational cooperatives,
7 schools operated by the Department of Juvenile Justice,
8 and charter schools, for the following positions:

9 (A) Teacher for grades K through 8.

10 (B) Teacher for grades 9 through 12.

11 (C) Teacher for grades K through 12.

12 (D) School counselor for grades K through 8.

13 (E) School counselor for grades 9 through 12.

14 (F) School counselor for grades K through 12.

15 (G) Social worker.

16 (H) Psychologist.

17 (I) Librarian.

18 (J) Nurse.

19 (K) Principal.

20 (L) Assistant principal.

21 For the purposes of this paragraph (3), "teacher"
22 includes core teachers, specialist and elective teachers,
23 instructional facilitators, tutors, special education
24 teachers, pupil support staff teachers, English learner
25 teachers, extended day teachers, and summer school
26 teachers. Where specific grade data is not required for

1 the Essential Elements, the average salary for
2 corresponding positions shall apply. For substitute
3 teachers, the average teacher salary for grades K through
4 12 shall apply.

5 For calculating the salaries included within the
6 Essential Elements for positions not included within EIS
7 Data, the following salaries shall be used in the first
8 year of implementation of Evidence-Based Funding:

9 (i) school site staff, \$30,000; and

10 (ii) non-instructional assistant, instructional
11 assistant, library aide, library media tech, or
12 supervisory aide: \$25,000.

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

17 The salary amounts for the Essential Elements
18 determined pursuant to subparagraphs (A) through (L), (S)
19 and (T), and (V) through (X) of paragraph (2) of
20 subsection (b) of this Section shall be multiplied by a
21 Regionalization Factor.

22 (c) Local Capacity calculation.

23 (1) Each Organizational Unit's Local Capacity
24 represents an amount of funding it is assumed to
25 contribute toward its Adequacy Target for purposes of the
26 Evidence-Based Funding formula calculation. "Local

1 Capacity" means either (i) the Organizational Unit's Local
2 Capacity Target as calculated in accordance with paragraph
3 (2) of this subsection (c) if its Real Receipts are equal
4 to or less than its Local Capacity Target or (ii) the
5 Organizational Unit's Adjusted Local Capacity, as
6 calculated in accordance with paragraph (3) of this
7 subsection (c) if Real Receipts are more than its Local
8 Capacity Target.

9 (2) "Local Capacity Target" means, for an
10 Organizational Unit, that dollar amount that is obtained
11 by multiplying its Adequacy Target by its Local Capacity
12 Ratio.

13 (A) An Organizational Unit's Local Capacity
14 Percentage is the conversion of the Organizational
15 Unit's Local Capacity Ratio, as such ratio is
16 determined in accordance with subparagraph (B) of this
17 paragraph (2), into a cumulative distribution
18 resulting in a percentile ranking to determine each
19 Organizational Unit's relative position to all other
20 Organizational Units in this State. The calculation of
21 Local Capacity Percentage is described in subparagraph
22 (C) of this paragraph (2).

23 (B) An Organizational Unit's Local Capacity Ratio
24 in a given year is the percentage obtained by dividing
25 its Adjusted EAV or PTELL EAV, whichever is less, by
26 its Adequacy Target, with the resulting ratio further

1 adjusted as follows:

2 (i) for Organizational Units serving grades
3 kindergarten through 12 and Hybrid Districts, no
4 further adjustments shall be made;

5 (ii) for Organizational Units serving grades
6 kindergarten through 8, the ratio shall be
7 multiplied by 9/13;

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

11 (iv) for an Organizational Unit with a
12 different grade configuration than those specified
13 in items (i) through (iii) of this subparagraph
14 (B), the State Superintendent shall determine a
15 comparable adjustment based on the grades served.

16 (C) The Local Capacity Percentage is equal to the
17 percentile ranking of the district. Local Capacity
18 Percentage converts each Organizational Unit's Local
19 Capacity Ratio to a cumulative distribution resulting
20 in a percentile ranking to determine each
21 Organizational Unit's relative position to all other
22 Organizational Units in this State. The Local Capacity
23 Percentage cumulative distribution resulting in a
24 percentile ranking for each Organizational Unit shall
25 be calculated using the standard normal distribution
26 of the score in relation to the weighted mean and

1 weighted standard deviation and Local Capacity Ratios
2 of all Organizational Units. If the value assigned to
3 any Organizational Unit is in excess of 90%, the value
4 shall be adjusted to 90%. For Laboratory Schools, the
5 Local Capacity Percentage shall be set at 10% in
6 recognition of the absence of EAV and resources from
7 the public university that are allocated to the
8 Laboratory School. For programs operated by a regional
9 office of education or an intermediate service center,
10 the Local Capacity Percentage must be set at 10% in
11 recognition of the absence of EAV and resources from
12 school districts that are allocated to the regional
13 office of education or intermediate service center.
14 The weighted mean for the Local Capacity Percentage
15 shall be determined by multiplying each Organizational
16 Unit's Local Capacity Ratio times the ASE for the unit
17 creating a weighted value, summing the weighted values
18 of all Organizational Units, and dividing by the total
19 ASE of all Organizational Units. The weighted standard
20 deviation shall be determined by taking the square
21 root of the weighted variance of all Organizational
22 Units' Local Capacity Ratio, where the variance is
23 calculated by squaring the difference between each
24 unit's Local Capacity Ratio and the weighted mean,
25 then multiplying the variance for each unit times the
26 ASE for the unit to create a weighted variance for each

1 unit, then summing all units' weighted variance and
2 dividing by the total ASE of all units.

3 (D) For any Organizational Unit, the
4 Organizational Unit's Adjusted Local Capacity Target
5 shall be reduced by either (i) the school board's
6 remaining contribution pursuant to paragraph (ii) of
7 subsection (b-4) of Section 16-158 of the Illinois
8 Pension Code in a given year or (ii) the board of
9 education's remaining contribution pursuant to
10 paragraph (iv) of subsection (b) of Section 17-129 of
11 the Illinois Pension Code absent the employer normal
12 cost portion of the required contribution and amount
13 allowed pursuant to subdivision (3) of Section
14 17-142.1 of the Illinois Pension Code in a given year.
15 In the preceding sentence, item (i) shall be certified
16 to the State Board of Education by the Teachers'
17 Retirement System of the State of Illinois and item
18 (ii) shall be certified to the State Board of
19 Education by the Public School Teachers' Pension and
20 Retirement Fund of the City of Chicago.

21 (3) If an Organizational Unit's Real Receipts are more
22 than its Local Capacity Target, then its Local Capacity
23 shall equal an Adjusted Local Capacity Target as
24 calculated in accordance with this paragraph (3). The
25 Adjusted Local Capacity Target is calculated as the sum of
26 the Organizational Unit's Local Capacity Target and its

1 Real Receipts Adjustment. The Real Receipts Adjustment
2 equals the Organizational Unit's Real Receipts less its
3 Local Capacity Target, with the resulting figure
4 multiplied by the Local Capacity Percentage.

5 As used in this paragraph (3), "Real Percent of
6 Adequacy" means the sum of an Organizational Unit's Real
7 Receipts, CPPRT, and Base Funding Minimum, with the
8 resulting figure divided by the Organizational Unit's
9 Adequacy Target.

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

12 (1) An Organizational Unit's Real Receipts are the
13 product of its Applicable Tax Rate and its Adjusted EAV.
14 An Organizational Unit's Applicable Tax Rate is its
15 Adjusted Operating Tax Rate for property within the
16 Organizational Unit.

17 (2) The State Superintendent shall calculate the
18 equalized assessed valuation, or EAV, of all taxable
19 property of each Organizational Unit as of September 30 of
20 the previous year in accordance with paragraph (3) of this
21 subsection (d). The State Superintendent shall then
22 determine the Adjusted EAV of each Organizational Unit in
23 accordance with paragraph (4) of this subsection (d),
24 which Adjusted EAV figure shall be used for the purposes
25 of calculating Local Capacity.

26 (3) To calculate Real Receipts and EAV, the Department

1 of Revenue shall supply to the State Superintendent the
2 value as equalized or assessed by the Department of
3 Revenue of all taxable property of every Organizational
4 Unit, together with (i) the applicable tax rate used in
5 extending taxes for the funds of the Organizational Unit
6 as of September 30 of the previous year and (ii) the
7 limiting rate for all Organizational Units subject to
8 property tax extension limitations as imposed under PTELL.

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

1 clerk of any county that is or was subject to the
2 provisions of Section 15-176 or 15-177 of the Property
3 Tax Code shall annually calculate and certify to the
4 Department of Revenue for each Organizational Unit all
5 homestead exemption amounts under Section 15-176 or
6 15-177 of the Property Tax Code and all amounts of
7 additional exemptions under Section 15-175 of the
8 Property Tax Code for owners with a household income
9 of \$30,000 or less. It is the intent of this
10 subparagraph (A) that if the general homestead
11 exemption for a parcel of property is determined under
12 Section 15-176 or 15-177 of the Property Tax Code
13 rather than Section 15-175, then the calculation of
14 EAV shall not be affected by the difference, if any,
15 between the amount of the general homestead exemption
16 allowed for that parcel of property under Section
17 15-176 or 15-177 of the Property Tax Code and the
18 amount that would have been allowed had the general
19 homestead exemption for that parcel of property been
20 determined under Section 15-175 of the Property Tax
21 Code. It is further the intent of this subparagraph
22 (A) that if additional exemptions are allowed under
23 Section 15-175 of the Property Tax Code for owners
24 with a household income of less than \$30,000, then the
25 calculation of EAV shall not be affected by the
26 difference, if any, because of those additional

1 exemptions.

2 (B) With respect to any part of an Organizational
3 Unit within a redevelopment project area in respect to
4 which a municipality has adopted tax increment
5 allocation financing pursuant to the Tax Increment
6 Allocation Redevelopment Act, Division 74.4 of Article
7 11 of the Illinois Municipal Code, or the Industrial
8 Jobs Recovery Law, Division 74.6 of Article 11 of the
9 Illinois Municipal Code, no part of the current EAV of
10 real property located in any such project area that is
11 attributable to an increase above the total initial
12 EAV of such property shall be used as part of the EAV
13 of the Organizational Unit, until such time as all
14 redevelopment project costs have been paid, as
15 provided in Section 11-74.4-8 of the Tax Increment
16 Allocation Redevelopment Act or in Section 11-74.6-35
17 of the Industrial Jobs Recovery Law. For the purpose
18 of the EAV of the Organizational Unit, the total
19 initial EAV or the current EAV, whichever is lower,
20 shall be used until such time as all redevelopment
21 project costs have been paid.

22 (B-5) The real property equalized assessed
23 valuation for a school district shall be adjusted by
24 subtracting from the real property value, as equalized
25 or assessed by the Department of Revenue, for the
26 district an amount computed by dividing the amount of

1 any abatement of taxes under Section 18-170 of the
2 Property Tax Code by 3.00% for a district maintaining
3 grades kindergarten through 12, by 2.30% for a
4 district maintaining grades kindergarten through 8, or
5 by 1.05% for a district maintaining grades 9 through
6 12 and adjusted by an amount computed by dividing the
7 amount of any abatement of taxes under subsection (a)
8 of Section 18-165 of the Property Tax Code by the same
9 percentage rates for district type as specified in
10 this subparagraph (B-5).

11 (C) For Organizational Units that are Hybrid
12 Districts, the State Superintendent shall use the
13 lesser of the adjusted equalized assessed valuation
14 for property within the partial elementary unit
15 district for elementary purposes, as defined in
16 Article 11E of this Code, or the adjusted equalized
17 assessed valuation for property within the partial
18 elementary unit district for high school purposes, as
19 defined in Article 11E of this Code.

20 (4) An Organizational Unit's Adjusted EAV shall be the
21 average of its EAV over the immediately preceding 3 years
22 or its EAV in the immediately preceding year if the EAV in
23 the immediately preceding year has declined by 10% or more
24 compared to the 3-year average. In the event of
25 Organizational Unit reorganization, consolidation, or
26 annexation, the Organizational Unit's Adjusted EAV for the

1 first 3 years after such change shall be as follows: the
2 most current EAV shall be used in the first year, the
3 average of a 2-year EAV or its EAV in the immediately
4 preceding year if the EAV declines by 10% or more compared
5 to the 2-year average for the second year, and a 3-year
6 average EAV or its EAV in the immediately preceding year
7 if the Adjusted EAV declines by 10% or more compared to the
8 3-year average for the third year. For any school district
9 whose EAV in the immediately preceding year is used in
10 calculations, in the following year, the Adjusted EAV
11 shall be the average of its EAV over the immediately
12 preceding 2 years or the immediately preceding year if
13 that year represents a decline of 10% or more compared to
14 the 2-year average.

15 "PTELL EAV" means a figure calculated by the State
16 Board for Organizational Units subject to PTELL as
17 described in this paragraph (4) for the purposes of
18 calculating an Organizational Unit's Local Capacity Ratio.
19 Except as otherwise provided in this paragraph (4), the
20 PTELL EAV of an Organizational Unit shall be equal to the
21 product of the equalized assessed valuation last used in
22 the calculation of general State aid under Section 18-8.05
23 of this Code (now repealed) or Evidence-Based Funding
24 under this Section and the Organizational Unit's Extension
25 Limitation Ratio. If an Organizational Unit has approved
26 or does approve an increase in its limiting rate, pursuant

1 to Section 18-190 of the Property Tax Code, affecting the
2 Base Tax Year, the PTELL EAV shall be equal to the product
3 of the equalized assessed valuation last used in the
4 calculation of general State aid under Section 18-8.05 of
5 this Code (now repealed) or Evidence-Based Funding under
6 this Section multiplied by an amount equal to one plus the
7 percentage increase, if any, in the Consumer Price Index
8 for All Urban Consumers for all items published by the
9 United States Department of Labor for the 12-month
10 calendar year preceding the Base Tax Year, plus the
11 equalized assessed valuation of new property, annexed
12 property, and recovered tax increment value and minus the
13 equalized assessed valuation of disconnected property.

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

17 (e) Base Funding Minimum calculation.

18 (1) For the 2017-2018 school year, the Base Funding
19 Minimum of an Organizational Unit or a Specially Funded
20 Unit shall be the amount of State funds distributed to the
21 Organizational Unit or Specially Funded Unit during the
22 2016-2017 school year prior to any adjustments and
23 specified appropriation amounts described in this
24 paragraph (1) from the following Sections, as calculated
25 by the State Superintendent: Section 18-8.05 of this Code
26 (now repealed); Section 5 of Article 224 of Public Act

1 99-524 (equity grants); Section 14-7.02b of this Code
2 (funding for children requiring special education
3 services); Section 14-13.01 of this Code (special
4 education facilities and staffing), except for
5 reimbursement of the cost of transportation pursuant to
6 Section 14-13.01; Section 14C-12 of this Code (English
7 learners); and Section 18-4.3 of this Code (summer
8 school), based on an appropriation level of \$13,121,600.
9 For a school district organized under Article 34 of this
10 Code, the Base Funding Minimum also includes (i) the funds
11 allocated to the school district pursuant to Section 1D-1
12 of this Code attributable to funding programs authorized
13 by the Sections of this Code listed in the preceding
14 sentence and (ii) the difference between (I) the funds
15 allocated to the school district pursuant to Section 1D-1
16 of this Code attributable to the funding programs
17 authorized by Section 14-7.02 (non-public special
18 education reimbursement), subsection (b) of Section
19 14-13.01 (special education transportation), Section 29-5
20 (transportation), Section 2-3.80 (agricultural
21 education), Section 2-3.66 (truants' alternative
22 education), Section 2-3.62 (educational service centers),
23 and Section 14-7.03 (special education - orphanage) of
24 this Code and Section 15 of the Childhood Hunger Relief
25 Act (free breakfast program) and (II) the school
26 district's actual expenditures for its non-public special

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

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

8 (3) Subject to approval by the General Assembly as
9 provided in this paragraph (3), an Organizational Unit
10 that meets all of the following criteria, as determined by
11 the State Board, shall have District Intervention Money
12 added to its Base Funding Minimum at the time the Base
13 Funding Minimum is calculated by the State Board:

14 (A) The Organizational Unit is operating under an
15 Independent Authority under Section 2-3.25f-5 of this
16 Code for a minimum of 4 school years or is subject to
17 the control of the State Board pursuant to a court
18 order for a minimum of 4 school years.

19 (B) The Organizational Unit was designated as a
20 Tier 1 or Tier 2 Organizational Unit in the previous
21 school year under paragraph (3) of subsection (g) of
22 this Section.

23 (C) The Organizational Unit demonstrates
24 sustainability through a 5-year financial and
25 strategic plan.

26 (D) The Organizational Unit has made sufficient

1 progress and achieved sufficient stability in the
2 areas of governance, academic growth, and finances.

3 As part of its determination under this paragraph (3),
4 the State Board may consider the Organizational Unit's
5 summative designation, any accreditations of the
6 Organizational Unit, or the Organizational Unit's
7 financial profile, as calculated by the State Board.

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

25 For the first 4 years following the initial year that
26 the State Board determines that an Organizational Unit has

1 met the criteria set forth in this paragraph (3) and has
2 received funding under this Section, the Organizational
3 Unit must annually submit to the State Board, on or before
4 November 30, a progress report regarding its financial and
5 strategic plan under subparagraph (C) of this paragraph
6 (3). The plan shall include the financial data from the
7 past 4 annual financial reports or financial audits that
8 must be presented to the State Board by November 15 of each
9 year and the approved budget financial data for the
10 current year. The plan shall be developed according to the
11 guidelines presented to the Organizational Unit by the
12 State Board. The plan shall further include financial
13 projections for the next 3 fiscal years and include a
14 discussion and financial summary of the Organizational
15 Unit's facility needs. If the Organizational Unit does not
16 demonstrate sufficient progress toward its 5-year plan or
17 if it has failed to file an annual financial report, an
18 annual budget, a financial plan, a deficit reduction plan,
19 or other financial information as required by law, the
20 State Board may establish a Financial Oversight Panel
21 under Article 1H of this Code. However, if the
22 Organizational Unit already has a Financial Oversight
23 Panel, the State Board may extend the duration of the
24 Panel.

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

26 (1) The Evidence-Based Funding formula establishes a

1 Percent of Adequacy for each Organizational Unit in order
2 to place such units into tiers for the purposes of the
3 funding distribution system described in subsection (g) of
4 this Section. Initially, an Organizational Unit's
5 Preliminary Resources and Preliminary Percent of Adequacy
6 are calculated pursuant to paragraph (2) of this
7 subsection (f). Then, an Organizational Unit's Final
8 Resources and Final Percent of Adequacy are calculated to
9 account for the Organizational Unit's poverty
10 concentration levels pursuant to paragraphs (3) and (4) of
11 this subsection (f).

12 (2) An Organizational Unit's Preliminary Resources are
13 equal to the sum of its Local Capacity Target, CPPRT, and
14 Base Funding Minimum. An Organizational Unit's Preliminary
15 Percent of Adequacy is the lesser of (i) its Preliminary
16 Resources divided by its Adequacy Target or (ii) 100%.

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

26 (4) An Organizational Unit's Final Percent of Adequacy

1 is its Final Resources divided by its Adequacy Target. An
2 Organizational Unit's Adjusted Base Funding Minimum is
3 equal to its Base Funding Minimum less its Supplemental
4 Grant Funding, with the resulting figure added to the
5 product of its Supplemental Grant Funding and Preliminary
6 Percent of Adequacy.

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

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

1 this subsection (g). For Tier 1, an Organizational Unit's
2 Funding Gap equals the tier's Target Ratio, as specified
3 in paragraph (5) of this subsection (g), multiplied by the
4 Organizational Unit's Adequacy Target, with the resulting
5 amount reduced by the Organizational Unit's Final
6 Resources. For Tier 2, an Organizational Unit's Funding
7 Gap equals the tier's Target Ratio, as described in
8 paragraph (5) of this subsection (g), multiplied by the
9 Organizational Unit's Adequacy Target, with the resulting
10 amount reduced by the Organizational Unit's Final
11 Resources and its Tier 1 funding allocation. To determine
12 the Organizational Unit's Funding Gap, the resulting
13 amount is then multiplied by a factor equal to one minus
14 the Organizational Unit's Local Capacity Target
15 percentage. Each Organizational Unit within Tier 3 or Tier
16 4 receives an allocation of New State Funds equal to the
17 product of its Adequacy Target and the tier's Allocation
18 Rate, as specified in paragraph (4) of this subsection
19 (g).

20 (2) To ensure equitable distribution of dollars for
21 all Tier 2 Organizational Units, no Tier 2 Organizational
22 Unit shall receive fewer dollars per ASE than any Tier 3
23 Organizational Unit. Each Tier 2 and Tier 3 Organizational
24 Unit shall have its funding allocation divided by its ASE.
25 Any Tier 2 Organizational Unit with a funding allocation
26 per ASE below the greatest Tier 3 allocation per ASE shall

1 get a funding allocation equal to the greatest Tier 3
2 funding allocation per ASE multiplied by the
3 Organizational Unit's ASE. Each Tier 2 Organizational
4 Unit's Tier 2 funding allocation shall be multiplied by
5 the percentage calculated by dividing the original Tier 2
6 Aggregate Funding by the sum of all Tier 2 Organizational
7 Units' Tier 2 funding allocation after adjusting
8 districts' funding below Tier 3 levels.

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

11 (A) Tier 1 consists of all Organizational Units,
12 except for Specially Funded Units, with a Percent of
13 Adequacy less than the Tier 1 Target Ratio. The Tier 1
14 Target Ratio is the ratio level that allows for Tier 1
15 Aggregate Funding to be distributed, with the Tier 1
16 Allocation Rate determined pursuant to paragraph (4)
17 of this subsection (g).

18 (B) Tier 2 consists of all Tier 1 Units and all
19 other Organizational Units, except for Specially
20 Funded Units, with a Percent of Adequacy of less than
21 0.90.

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

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

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

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

4 (B) The Tier 2 Allocation Rate is the result of the
5 following equation: Tier 2 Aggregate Funding, divided
6 by the sum of the Funding Gaps for all Tier 2
7 Organizational Units, unless the result of such
8 equation is higher than 1.0. If the result of such
9 equation is higher than 1.0, then the Tier 2
10 Allocation Rate is 1.0.

11 (C) The Tier 3 Allocation Rate is the result of the
12 following equation: Tier 3 Aggregate Funding, divided
13 by the sum of the Adequacy Targets of all Tier 3
14 Organizational Units.

15 (D) The Tier 4 Allocation Rate is the result of the
16 following equation: Tier 4 Aggregate Funding, divided
17 by the sum of the Adequacy Targets of all Tier 4
18 Organizational Units.

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

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

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

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

25 (6) If, at any point, the Tier 1 Target Ratio is
26 greater than 90%, then all Tier 1 funding shall be

1 allocated to Tier 2 and no Tier 1 Organizational Unit's
2 funding may be identified.

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

7 (8) If any Specially Funded Units, excluding Glenwood
8 Academy, recognized by the State Board do not qualify for
9 direct funding following the implementation of Public Act
10 100-465 from any of the funding sources included within
11 the definition of Base Funding Minimum, the unqualified
12 portion of the Base Funding Minimum shall be transferred
13 to one or more appropriate Organizational Units as
14 determined by the State Superintendent based on the prior
15 year ASE of the Organizational Units.

16 (8.5) If a school district withdraws from a special
17 education cooperative, the portion of the Base Funding
18 Minimum that is attributable to the school district may be
19 redistributed to the school district upon withdrawal. The
20 school district and the cooperative must include the
21 amount of the Base Funding Minimum that is to be
22 reapportioned in their withdrawal agreement and notify the
23 State Board of the change with a copy of the agreement upon
24 withdrawal.

25 (9) The Minimum Funding Level is intended to establish
26 a target for State funding that will keep pace with

1 inflation and continue to advance equity through the
2 Evidence-Based Funding formula. The target for State
3 funding of New Property Tax Relief Pool Funds is
4 \$50,000,000 for State fiscal year 2019 and subsequent
5 State fiscal years. The Minimum Funding Level is equal to
6 \$350,000,000. In addition to any New State Funds, no more
7 than \$50,000,000 New Property Tax Relief Pool Funds may be
8 counted toward the Minimum Funding Level. If the sum of
9 New State Funds and applicable New Property Tax Relief
10 Pool Funds are less than the Minimum Funding Level, than
11 funding for tiers shall be reduced in the following
12 manner:

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

17 (B) Next, Tier 3 funding shall be reduced by an
18 amount equal to the difference between the Minimum
19 Funding Level and New State Funds and the reduction in
20 Tier 4 funding until such time as Tier 3 funding is
21 exhausted.

22 (C) Next, Tier 2 funding shall be reduced by an
23 amount equal to the difference between the Minimum
24 Funding Level and New State Funds and the reduction in
25 Tier 4 and Tier 3.

26 (D) Finally, Tier 1 funding shall be reduced by an

1 amount equal to the difference between the Minimum
2 Funding level and New State Funds and the reduction in
3 Tier 2, 3, and 4 funding. In addition, the Allocation
4 Rate for Tier 1 shall be reduced to a percentage equal
5 to the Tier 1 Allocation Rate set by paragraph (4) of
6 this subsection (g), multiplied by the result of New
7 State Funds divided by the Minimum Funding Level.

8 (9.5) For State fiscal year 2019 and subsequent State
9 fiscal years, if New State Funds exceed \$300,000,000, then
10 any amount in excess of \$300,000,000 shall be dedicated
11 for purposes of Section 2-3.170 of this Code up to a
12 maximum of \$50,000,000.

13 (10) In the event of a decrease in the amount of the
14 appropriation for this Section in any fiscal year after
15 implementation of this Section, the Organizational Units
16 receiving Tier 1 and Tier 2 funding, as determined under
17 paragraph (3) of this subsection (g), shall be held
18 harmless by establishing a Base Funding Guarantee equal to
19 the per pupil kindergarten through grade 12 funding
20 received in accordance with this Section in the prior
21 fiscal year. Reductions shall be made to the Base Funding
22 Minimum of Organizational Units in Tier 3 and Tier 4 on a
23 per pupil basis equivalent to the total number of the ASE
24 in Tier 3-funded and Tier 4-funded Organizational Units
25 divided by the total reduction in State funding. The Base
26 Funding Minimum as reduced shall continue to be applied to

1 Tier 3 and Tier 4 Organizational Units and adjusted by the
2 relative formula when increases in appropriations for this
3 Section resume. In no event may State funding reductions
4 to Organizational Units in Tier 3 or Tier 4 exceed an
5 amount that would be less than the Base Funding Minimum
6 established in the first year of implementation of this
7 Section. If additional reductions are required, all school
8 districts shall receive a reduction by a per pupil amount
9 equal to the aggregate additional appropriation reduction
10 divided by the total ASE of all Organizational Units.

11 (11) The State Superintendent shall make minor
12 adjustments to the distribution formula set forth in this
13 subsection (g) to account for the rounding of percentages
14 to the nearest tenth of a percentage and dollar amounts to
15 the nearest whole dollar.

16 (h) State Superintendent administration of funding and
17 district submission requirements.

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

21 (2) The State Superintendent shall calculate the
22 Adequacy Target for each Organizational Unit and Net State
23 Contribution Target for each Organizational Unit under
24 this Section. No Evidence-Based Funding shall be
25 distributed within an Organizational Unit without the
26 approval of the unit's school board.

1 (3) Annually, the State Superintendent shall calculate
2 and report to each Organizational Unit the unit's
3 aggregate financial adequacy amount, which shall be the
4 sum of the Adequacy Target for each Organizational Unit.
5 The State Superintendent shall calculate and report
6 separately for each Organizational Unit the unit's total
7 State funds allocated for its students with disabilities.
8 The State Superintendent shall calculate and report
9 separately for each Organizational Unit the amount of
10 funding and applicable FTE calculated for each Essential
11 Element of the unit's Adequacy Target.

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

22 (5) Moneys distributed under this Section shall be
23 calculated on a school year basis, but paid on a fiscal
24 year basis, with payments beginning in August and
25 extending through June. Unless otherwise provided, the
26 moneys appropriated for each fiscal year shall be

1 distributed in 22 equal payments at least 2 times monthly
2 to each Organizational Unit. If moneys appropriated for
3 any fiscal year are distributed other than monthly, the
4 distribution shall be on the same basis for each
5 Organizational Unit.

6 (6) Any school district that fails, for any given
7 school year, to maintain school as required by law or to
8 maintain a recognized school is not eligible to receive
9 Evidence-Based Funding. In case of non-recognition of one
10 or more attendance centers in a school district otherwise
11 operating recognized schools, the claim of the district
12 shall be reduced in the proportion that the enrollment in
13 the attendance center or centers bears to the enrollment
14 of the school district. "Recognized school" means any
15 public school that meets the standards for recognition by
16 the State Board. A school district or attendance center
17 not having recognition status at the end of a school term
18 is entitled to receive State aid payments due upon a legal
19 claim that was filed while it was recognized.

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

23 (8) Each fiscal year, the State Superintendent shall
24 calculate for each Organizational Unit an amount of its
25 Base Funding Minimum and Evidence-Based Funding that shall
26 be deemed attributable to the provision of special

1 educational facilities and services, as defined in Section
2 14-1.08 of this Code, in a manner that ensures compliance
3 with maintenance of State financial support requirements
4 under the federal Individuals with Disabilities Education
5 Act. An Organizational Unit must use such funds only for
6 the provision of special educational facilities and
7 services, as defined in Section 14-1.08 of this Code, and
8 must comply with any expenditure verification procedures
9 adopted by the State Board.

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

1 developed by the State Superintendent and the State Board
2 of Education. School districts that serve students under
3 Article 14C of this Code shall continue to submit
4 information as required under Section 14C-12 of this Code.

5 (10) No later than January 1, 2018, the State
6 Superintendent shall develop a 5-year strategic plan for
7 all Organizational Units to help in planning for adequacy
8 funding under this Section. The State Superintendent shall
9 submit the plan to the Governor and the General Assembly,
10 as provided in Section 3.1 of the General Assembly
11 Organization Act. The plan shall include recommendations
12 for:

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

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

18 (C) application and enhancement of the current
19 financial accountability measures, the approved State
20 plan to comply with the federal Every Student Succeeds
21 Act, and the Illinois Balanced Accountability Measures
22 in relation to student growth and elements of the
23 Evidence-Based Funding model; and

24 (D) implementation of an effective school adequacy
25 funding system based on projected and recommended
26 funding levels from the General Assembly.

1 (11) On an annual basis, the State Superintendent must
2 recalibrate all of the following per pupil elements of the
3 Adequacy Target and applied to the formulas, based on the
4 study of average expenses and as reported in the most
5 recent annual financial report:

6 (A) Gifted under subparagraph (M) of paragraph (2)
7 of subsection (b).

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

10 (C) Assessment under subparagraph (P) of paragraph
11 (2) of subsection (b).

12 (D) Student activities under subparagraph (R) of
13 paragraph (2) of subsection (b).

14 (E) Maintenance and operations under subparagraph
15 (S) of paragraph (2) of subsection (b).

16 (F) Central office under subparagraph (T) of
17 paragraph (2) of subsection (b).

18 (i) Professional Review Panel.

19 (1) A Professional Review Panel is created to study
20 and review topics related to the implementation and effect
21 of Evidence-Based Funding, as assigned by a joint
22 resolution or Public Act of the General Assembly or a
23 motion passed by the State Board of Education. The Panel
24 must provide recommendations to and serve the Governor,
25 the General Assembly, and the State Board. The State
26 Superintendent or his or her designee must serve as a

1 voting member and chairperson of the Panel. The State
2 Superintendent must appoint a vice chairperson from the
3 membership of the Panel. The Panel must advance
4 recommendations based on a three-fifths majority vote of
5 Panel members present and voting. A minority opinion may
6 also accompany any recommendation of the Panel. The Panel
7 shall be appointed by the State Superintendent, except as
8 otherwise provided in paragraph (2) of this subsection (i)
9 and include the following members:

10 (A) Two appointees that represent district
11 superintendents, recommended by a statewide
12 organization that represents district superintendents.

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

16 (C) Two appointees from districts that represent
17 school business officials, recommended by a statewide
18 organization that represents school business
19 officials.

20 (D) Two appointees that represent school
21 principals, recommended by a statewide organization
22 that represents school principals.

23 (E) Two appointees that represent teachers,
24 recommended by a statewide organization that
25 represents teachers.

26 (F) Two appointees that represent teachers,

1 recommended by another statewide organization that
2 represents teachers.

3 (G) Two appointees that represent regional
4 superintendents of schools, recommended by
5 organizations that represent regional superintendents.

6 (H) Two independent experts selected solely by the
7 State Superintendent.

8 (I) Two independent experts recommended by public
9 universities in this State.

10 (J) One member recommended by a statewide
11 organization that represents parents.

12 (K) Two representatives recommended by collective
13 impact organizations that represent major metropolitan
14 areas or geographic areas in Illinois.

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

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

21 The State Superintendent shall ensure that the
22 membership of the Panel includes representatives from
23 school districts and communities reflecting the
24 geographic, socio-economic, racial, and ethnic diversity
25 of this State. The State Superintendent shall additionally
26 ensure that the membership of the Panel includes

1 representatives with expertise in bilingual education and
2 special education. Staff from the State Board shall staff
3 the Panel.

4 (2) In addition to those Panel members appointed by
5 the State Superintendent, 4 members of the General
6 Assembly shall be appointed as follows: one member of the
7 House of Representatives appointed by the Speaker of the
8 House of Representatives, one member of the Senate
9 appointed by the President of the Senate, one member of
10 the House of Representatives appointed by the Minority
11 Leader of the House of Representatives, and one member of
12 the Senate appointed by the Minority Leader of the Senate.
13 There shall be one additional member appointed by the
14 Governor. All members appointed by legislative leaders or
15 the Governor shall be non-voting, ex officio members.

16 (3) The Panel must study topics at the direction of
17 the General Assembly or State Board of Education, as
18 provided under paragraph (1). The Panel may also study the
19 following topics at the direction of the chairperson:

20 (A) The format and scope of annual spending plans
21 referenced in paragraph (9) of subsection (h) of this
22 Section.

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

24 (C) Maintenance and operations, including capital
25 maintenance and construction costs.

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

1 (E) Benefits.

2 (F) Technology.

3 (G) Local Capacity Target.

4 (H) Funding for Alternative Schools, Laboratory
5 Schools, safe schools, and alternative learning
6 opportunities programs.

7 (I) Funding for college and career acceleration
8 strategies.

9 (J) Special education investments.

10 (K) Early childhood investments, in collaboration
11 with the Illinois Early Learning Council.

12 (4) (Blank).

13 (5) Within 5 years after the implementation of this
14 Section, and every 5 years thereafter, the Panel shall
15 complete an evaluative study of the entire Evidence-Based
16 Funding model, including an assessment of whether or not
17 the formula is achieving State goals. The Panel shall
18 report to the State Board, the General Assembly, and the
19 Governor on the findings of the study.

20 (6) (Blank).

21 (7) To ensure that (i) the Adequacy Target calculation
22 under subsection (b) accurately reflects the needs of
23 students living in poverty or attending schools located in
24 areas of high poverty, (ii) racial equity within the
25 Evidence-Based Funding formula is explicitly explored and
26 advanced, and (iii) the funding goals of the formula

1 distribution system established under this Section are
2 sufficient to provide adequate funding for every student
3 and to fully fund every school in this State, the Panel
4 shall review the Essential Elements under paragraph (2) of
5 subsection (b). The Panel shall consider all of the
6 following in its review:

7 (A) The financial ability of school districts to
8 provide instruction in a foreign language to every
9 student and whether an additional Essential Element
10 should be added to the formula to ensure that every
11 student has access to instruction in a foreign
12 language.

13 (B) The adult-to-student ratio for each Essential
14 Element in which a ratio is identified. The Panel
15 shall consider whether the ratio accurately reflects
16 the staffing needed to support students living in
17 poverty or who have traumatic backgrounds.

18 (C) Changes to the Essential Elements that may be
19 required to better promote racial equity and eliminate
20 structural racism within schools.

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

25 (E) Provide an overview of alternative funding
26 structures that would enable the State to become fully

1 funded at an earlier date.

2 (F) The potential to increase efficiency and to
3 find cost savings within the school system to expedite
4 the journey to a fully funded system.

5 (G) The appropriate levels for reenrolling and
6 graduating high-risk high school students who have
7 been previously out of school. These outcomes shall
8 include enrollment, attendance, skill gains, credit
9 gains, graduation or promotion to the next grade
10 level, and the transition to college, training, or
11 employment, with an emphasis on progressively
12 increasing the overall attendance.

13 (H) The evidence-based or research-based practices
14 that are shown to reduce the gaps and disparities
15 experienced by African American students in academic
16 achievement and educational performance, including
17 practices that have been shown to reduce disparities
18 ~~parities~~ in disciplinary rates, drop-out rates,
19 graduation rates, college matriculation rates, and
20 college completion rates.

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

25 (j) References. Beginning July 1, 2017, references in
26 other laws to general State aid funds or calculations under

1 Section 18-8.05 of this Code (now repealed) shall be deemed to
2 be references to evidence-based model formula funds or
3 calculations under this Section.

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

8 Section 99. Effective date. This Act takes effect upon
9 becoming law.