

# Site-Based Expenditure Reporting

Presentation to the U-46 Board of Education

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December 7, 2020

# Background

- Site-Based Expenditure Reporting required by new Federal ESSA
- Baseline year of data is FY19. That was also the first year we began investing new Evidence-Based Funding. As a result we:
  - Returned 8 middle school counselors
  - Provided 5 additional assistant principals for larger elementary schools (and subsequently more)
  - Provided more instructional coaches for schools
  - Invested in 1:1 technology grades 9-12 (13,000 devices)
  - Focused on lowering class sizes K-2 where possible (normally staffed at 28:1)
  - Among other investments
- U-46 remains funded at 59% of our Adequacy Target

# Know what you are looking at when comparing districts:

## *Site's Proportional Share of District's Centralized Expenditures (B)*

The proportional share of a district's centralized expenditures (B) in the numerator should represent an allocation of centralized expenditures as a proxy for dollars spent for district centralized services serving each school. The allocation method utilized by Reporting Entities to assign centralized expenditures to their schools shall be determined by the Reporting Entities themselves for reporting year 2018-19. For example, a district may choose to allocate transportation costs to its schools on a per-pupil basis or, alternatively, it may choose to calculate a cost per route and allocate costs to schools based on the routes utilized by each school. As another example, a district with centrally managed special education services (speech-language pathologists, psychologists, etc.) may choose to allocate those service costs to schools on a per-Individualized Education Program (IEP) student basis. It may equally choose to allocate the cost per related service minute at each school, or it may choose to allocate the cost by tracking the time each employee or contractor spends at each school. As part of this reporting, ISBE may ask that Reporting Entities identify the methodology employed for centralized expenditure allocations. The Appendix of this document provides suggestions for Reporting Entities seeking assistance or suggestions on allocation methodologies.

ISBE recognizes that the distinction between centralized expenditures and site-level expenditures may seem arbitrary for single-site LEAs. For single-site LEAs seeking clarity on when expenditures should be considered centralized vs. site-level, ISBE recommends that they consider under what auspices an expenditure is incurred. If an LEA incurs an expenditure *because* it is acting in the capacity of an LEA, then the expenditure could be considered a centralized expenditure.

# Know what you are looking at when comparing districts:

In U-46, we worked to distill centralized expenditures down to the student level wherever possible.

- Transportation: We look at students using the services and the routes to allocate the expenses
- Plant Operations: We use the square footage of the buildings
- Business Services: Based on the number of students at each site.
- Financial Services: Based on the number of students at each site.
- Human Resources: Based on the number of students at each site.
- Food Services: Based on the number of students at each site.
- Information Services: Based on the number of students at each site.

Our only exclusions from the site-based per-pupil calculation:

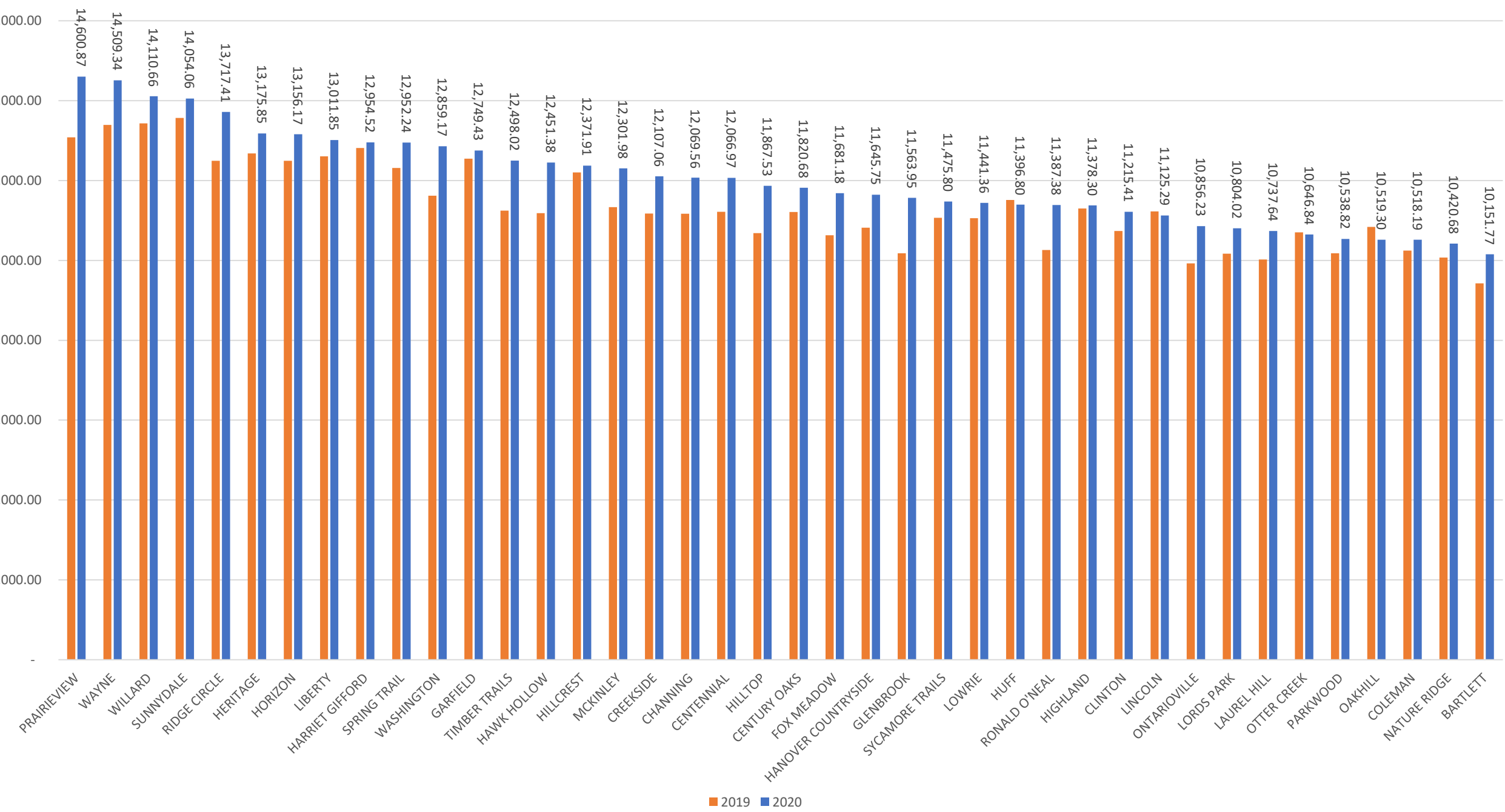
- Investment in buildings/major repairs
- Capital Equipment – Items over \$50,000
- Transportation Equipment – mainly buses
- Debt service payments

# FY20 Per-Pupil Averages

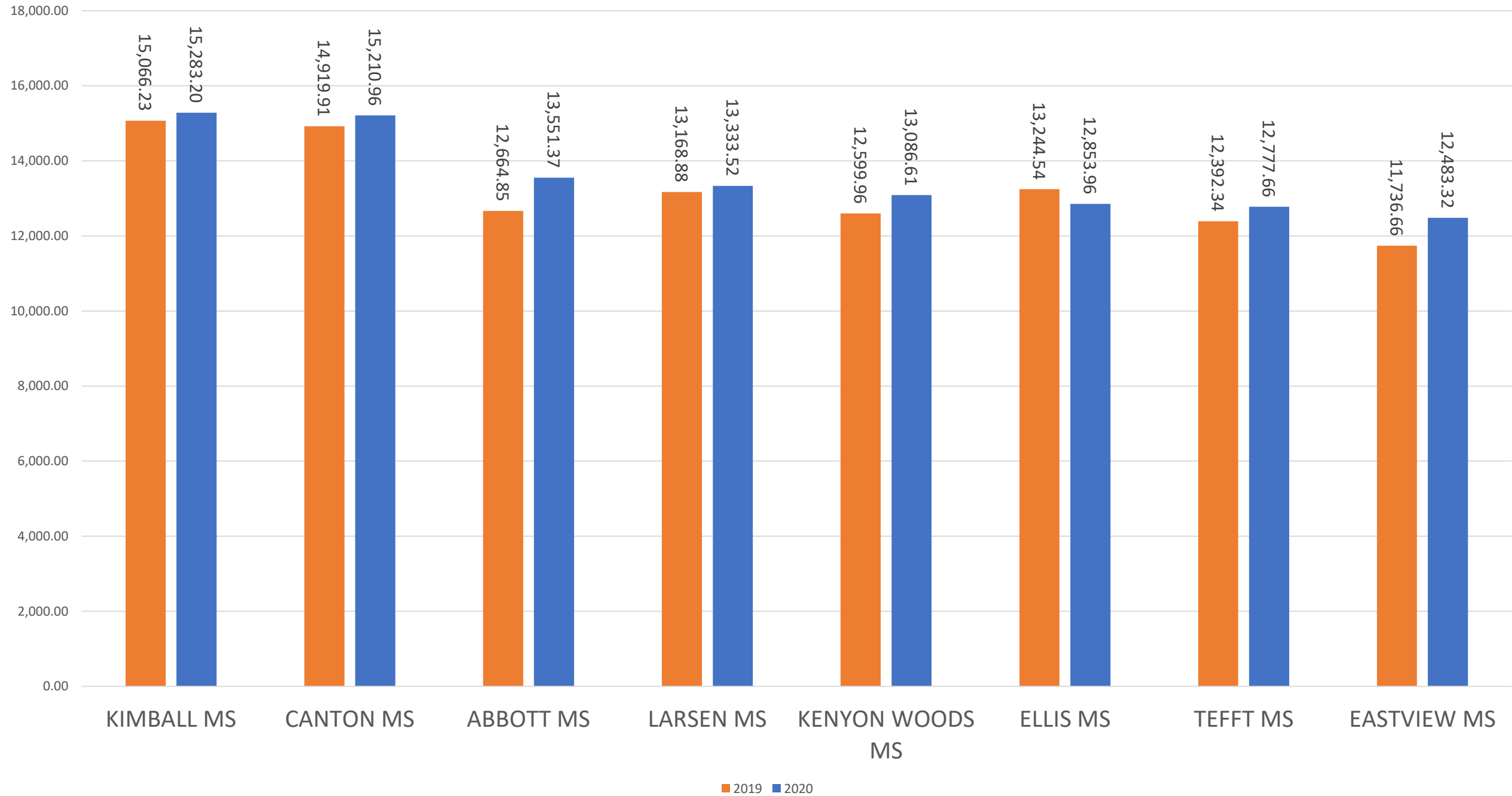
- \$12,022.78 – Elementary
- \$13,572.58 – Middle
- \$13,175.65 – High
- \$28,068.93 – Pre-K
- \$25,384.28 – Alternative Education
- \$43,242.09 – Private placement (rates determined by Illinois State Board of Education)

Overall Per Pupil

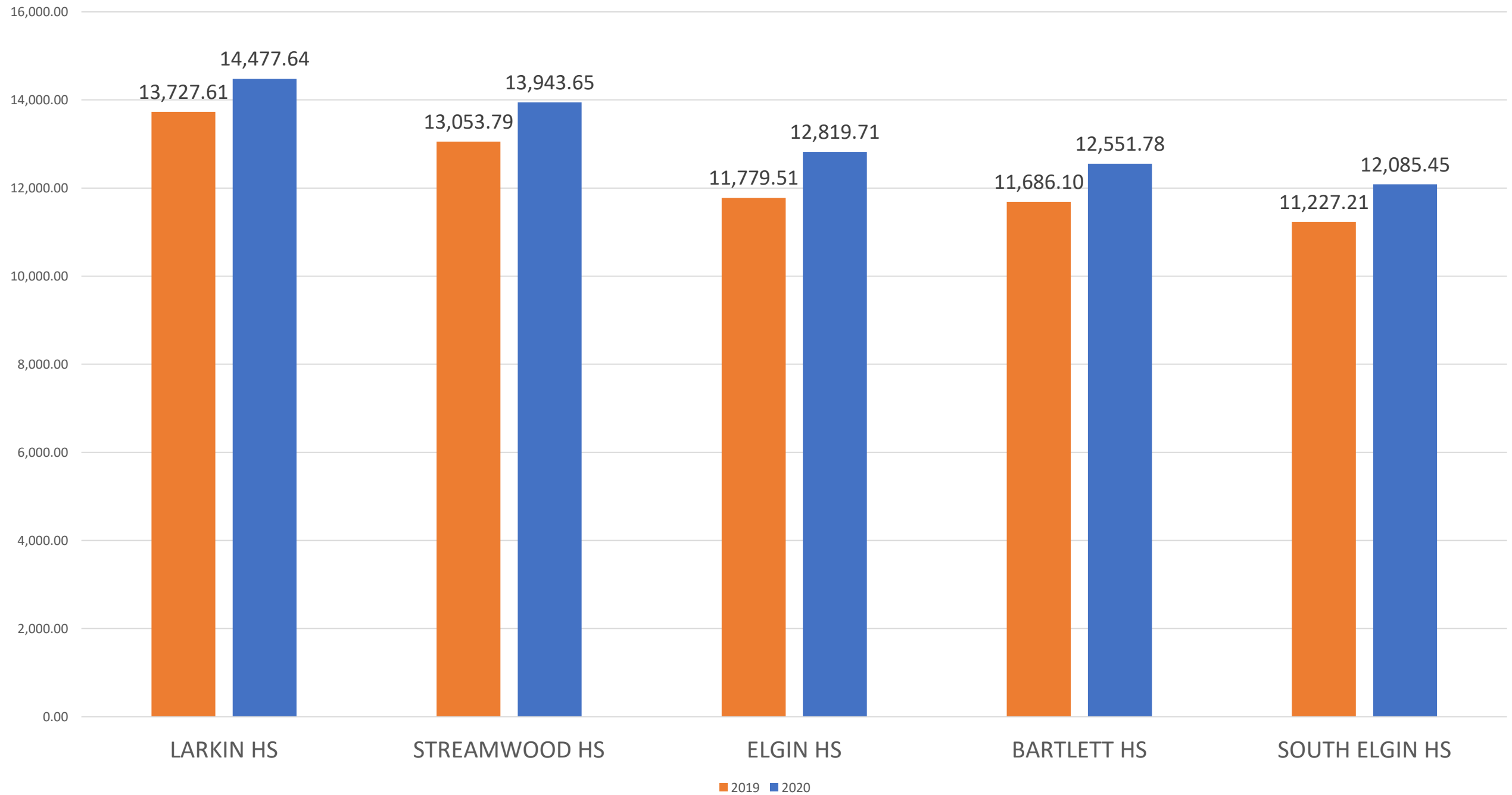
# Elementary Schools Change FY19 to FY20



Middle School Changes FY19 to FY20



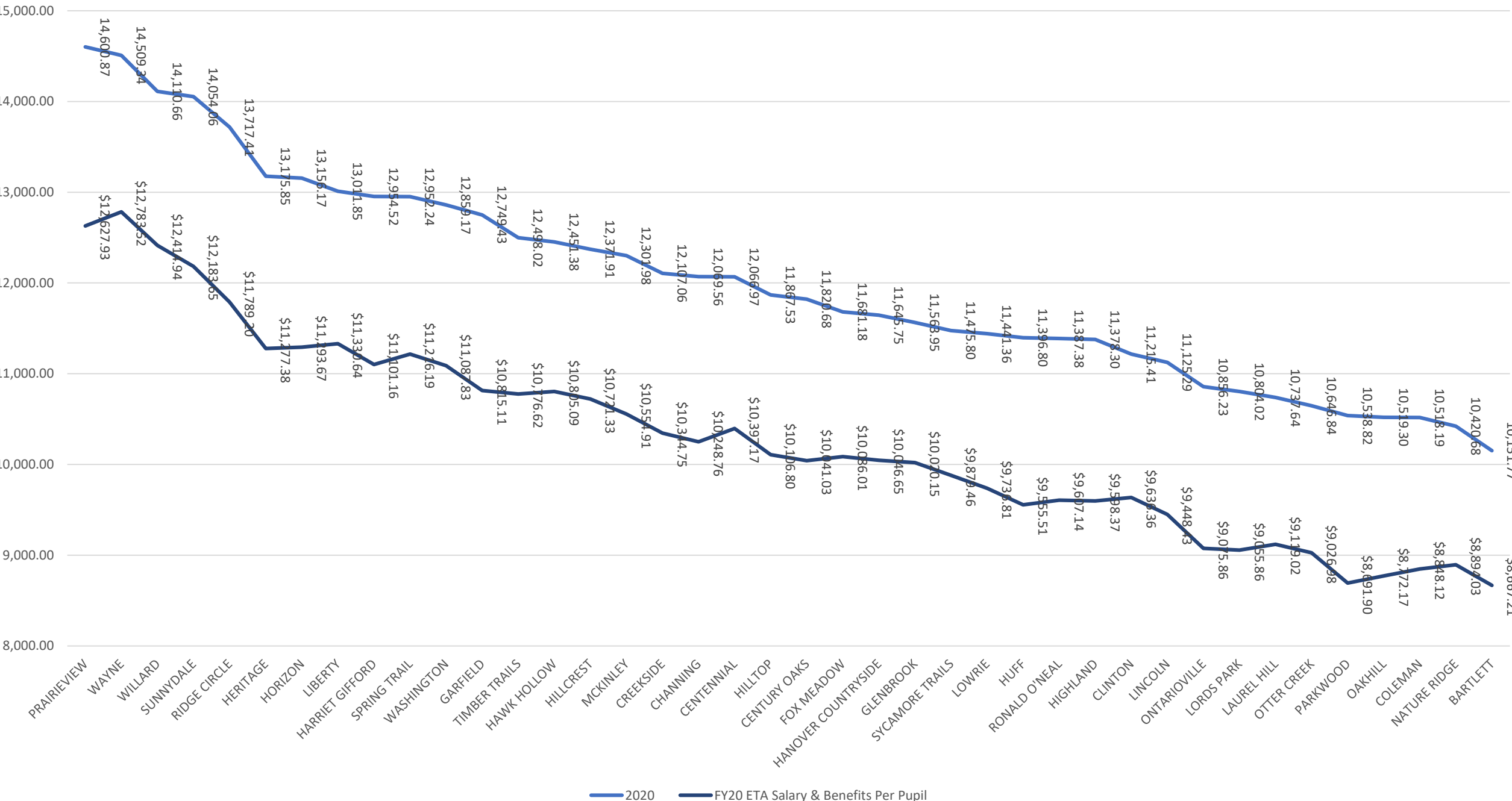
High School Changes FY19 to FY20



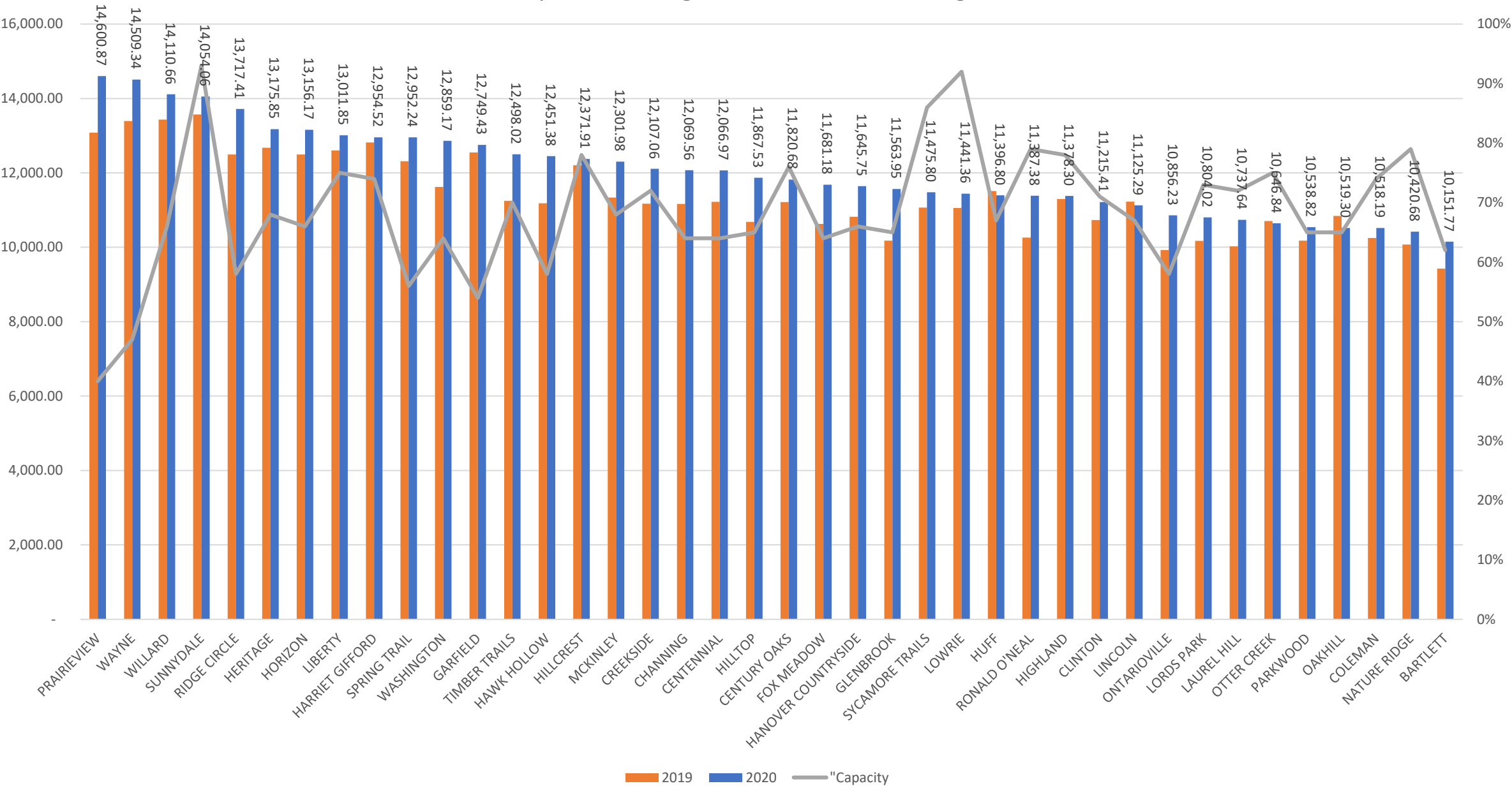
# What are primary drivers?

- Teacher salary and benefits (note change in salary structure between FY19 and FY20 which could account for some variances at sites). The main driver of this was the retro pay in FY19 for the new teacher salary structure, moving everyone to the new schedule and increasing the starting pay to \$50,000 including TRS. Hence, the real change occurred in FY18 but was paid in FY19.
- Percent capacity – Higher student enrollment changes the denominator across building expenses, custodian, principal, secretaries, and facility costs)
- Special programs – Specialized programs (special education and gifted) require additional transportation, and self-contained classrooms have intensive staffing needs.

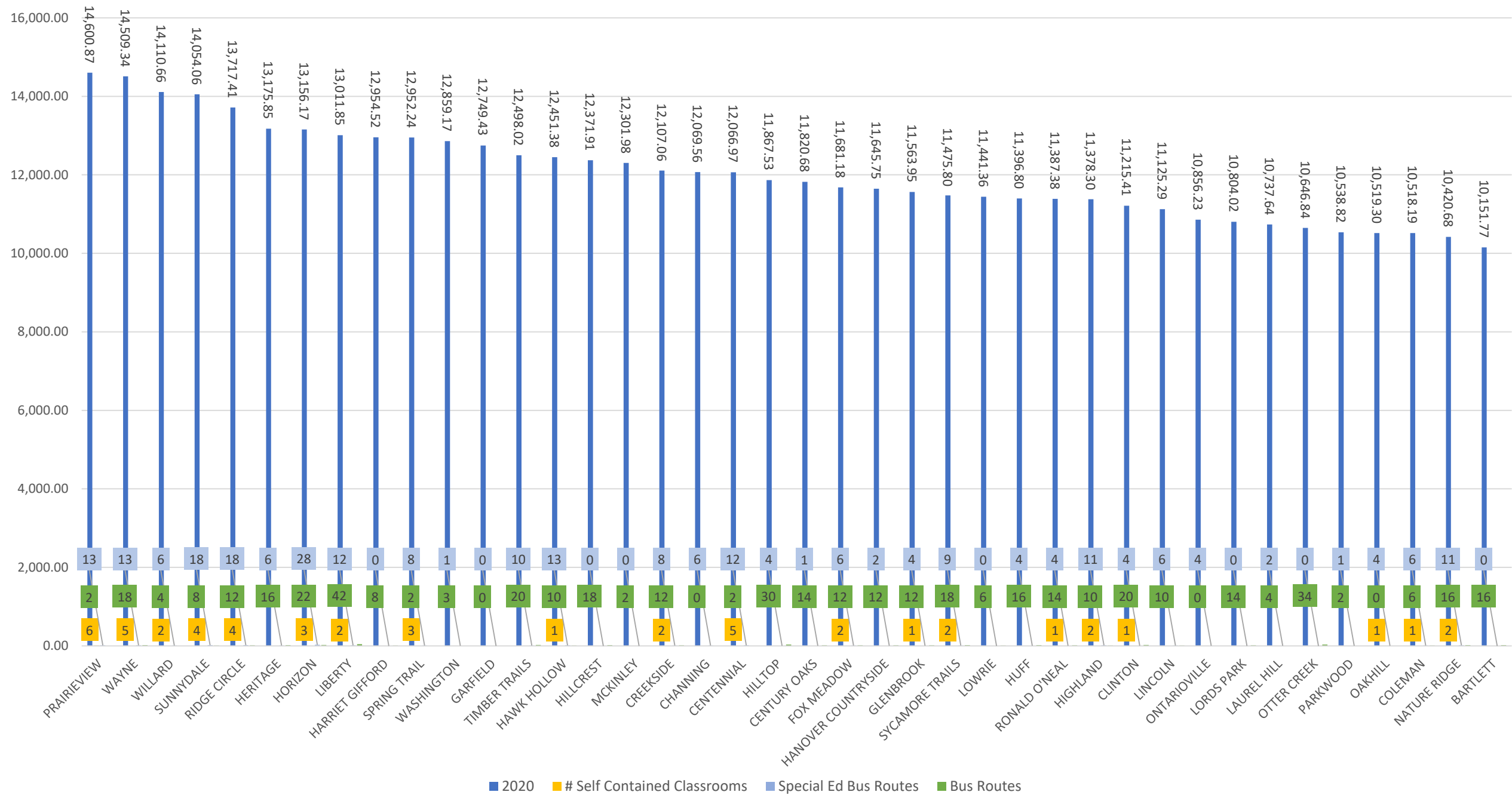
# FY20 Per Pupil with ETA Salary/Benefits Per Pupil



Elementary Schools Change FY19 to FY20 with Building Utilization



FY20 Per Pupil with # Self-Contained Classrooms and Bus Routes



# Specialized Programs – FY20

- Dream Academy - \$22,311
- Central Schools Program - \$37,423
- Illinois Park - \$29,323
- Independence - \$30,136

# Understanding the Numbers

# Example #1 – Highest Elementary

- Prairieview Elementary
  - Highest per-pupil - \$14,601 in FY20
  - Increased by 11.6% between FY19 and FY20
  - Second highest salary and benefit cost among elementary schools
  - Increased from 4 to 6 self-contained classrooms (small class size/specialized staff)
  - All building costs (principal, secretaries, custodian, maintenance, electricity) divided enrollment of 331 students (building at 40% capacity)
  - Building square foot/student = 215.7 (highest for elementary schools)

# Example #2 – 2<sup>nd</sup> Highest Elementary

- Wayne Elementary
  - Second per-pupil - \$14,509 in FY20
  - Increased by 8.3% between FY19 and FY20
  - Highest salary and benefits cost of any elementary
  - 5 self-contained classrooms (small class size/specialized staff) which for FY20 required 3 additional special education bus routes
  - All building costs (principal, secretaries, custodian, maintenance, electricity) divided enrollment of 350 students (building at 47% capacity)
  - Building square foot/student = 162.7 (3<sup>rd</sup> highest for elementary schools)

# Example #3 - Lowest-Cost Per Pupil – Bartlett Elementary

- 489 students with 62% building utilization
- Lowest per pupil in FY 20 - \$10,151.77 and FY 19 - \$9,426.15
- Ranked 40<sup>th</sup> among elementary schools for salary and benefits
- 16 bus routes which is just above the average of 12 routes per elementary school
- Square feet per student is 123.9 which is just above the average of 122.2.
- No self-contained special education rooms

# Comparison of Highest, Average, and Lowest Cost per Pupil

Rank	School	Enrollment	Utilization	FY 20 per pupil	Ave. ETA Salaries	IEP %	ELL %
1	Prairieview	332	40%	\$ 14,600.87	\$ 85,381.00	24%	17%
19	Centennial	477	64%	\$ 12,067.00	\$ 79,187.00	18%	22%
40	Bartlett	489	62%	\$ 10,152.00	\$ 84,652.00	13%	33%

What the above reflects is that one of the main drivers of our higher cost per pupil schools is the how we use our sites. If we are not efficiently using our capacity it is going to drive up our costs of operation.

# Next Steps

- Facilities master plan
- Potential reductions in FY21 funding from Illinois
- Further state reductions in FY22 from Illinois
- We must be mindful of equity as we contemplate reductions, not increases

# Additional Resources

- Consider reviewing the updated ISBE Guidance for FY20 and FY 21.

<https://www.isbe.net/Documents/SBER-Guidance-FY20-FY21.pdf>