



Information Item: Status of State Funding

TO: School Board

FROM: Dr. Susan Pingitore, Chief Financial Officer/CSBO

April 28, 2015

Overview

The Winnetka Public Schools receive most of its State funding through General State Aid (GSA), and reimbursements for mandated programs tied to Special Education Services (commonly called the MCATs). Those include Special Education Personnel, Special Education Transportation, and a grant entitled Funding for Children in Need of Special Education Services.

This fiscal year the District had expected to receive:

General State Aid	\$341,312
Special Education Personnel Reimbursement	\$429,388
Children in Need of Special Education Services	\$201,880
Special Education Transportation	\$65,971
Total	\$1,038,551

Instead of receiving the expected amount, the State is pro-rating General State Aid by 2.15% and the mandated categorical (MCATs) by 2.18%. This will result in a loss of just over \$22,500 if the State makes all of the payments scheduled for this fiscal year. The pro-ration was needed to plug the \$1.6 billion loss of revenue in the State budget that began on January 1 when the State income tax was rolled back.

Senate Bill 1, another bill presently being debated, would have a much more significant impact on the District if it were to be adopted. Senate Bill 1 consolidates state funding for GSA, Special Education, Bilingual Education, and both Regular and Special Education Transportation into a single funding formula largely based on local ability to pay including local property wealth. The per pupil amount allocation (PPA) distributed to schools would be weighted based on the needs of the students and local wealth.

The Illinois State Board of Education has prepared two financial impact models based on funding school districts receive in FY2014. Both of these models assume there will be new money put into education for adequacy. For The Winnetka Public Schools, the model notes the following potential impact:

Potential Impact of Senate Bill 1*

Total FY14 Actual Disbursements	Proposed Base Per Student Allocation (PSA)	Difference
Assumes \$500 Million in New Funding Added to State Education Budget		
\$1,078,451	\$296,549	\$(781,902)
Assumes \$92 Million in New Funding Added to State Education Budget		
\$1,078,451	\$285,883	\$(792,568)

*Source: Illinois State Board of Education - March 2015

Ed-Red, the District’s policy advocacy organization, held a legislation meeting on Friday, April 17, attended by numerous school business officials. Discussion centered on Senate Bill 1 and the Governor’s FY2016 budget that begins on July 1.

One of the many concerns is that the FY2016 budget assumes there will be \$2.2 billion in savings on state pensions. Many believe this is unrealistic since the Illinois Supreme Court has not yet ruled on the pension reform bills adopted more than a year ago. A ruling on the court case is expected by May 31. There is also concern about bills being introduced very late in the session and that the Rauner Administration has not yet introduced bills related to the reform agenda, as the legislative session ends on May 30.

[Click here](#) to view a summary of the education-related bills in this legislative session.