Description of the Formula

General State Aid is the primary state grant, providing unrestricted grants-in-aid to Illinois School districts in an equitable manner. The grant has two components; a foundation level formula and a poverty grant formula. Beginning in FY 1999 Illinois implemented major revisions to their GSA formula.

We have 3 formulas: Foundation, Alternate Method and Flat Grant. In FY 11 the foundation level is $6,119. Districts that have available local resources per pupil equal to less than 93% of the foundation level are Foundation districts and receive the difference between the foundation level and their available local resources per pupil.

Districts that have 93% but less than 175% of the foundation level in available local resources per pupil are Alternate Method districts and they receive 7%-5% of the foundation level, according to their available local resources per pupil.

Flat Grant districts have 175% or more of the foundation level in available local resources per pupil and they receive $218 per pupil.

District-Based Components

Density for Small Schools
Does not apply

Grade Level Differences
No Grade Level weighting – eliminated with implementation of the new formula in FY 1999.

Declining Enrollment or Growth
Greater of best three months Average Daily Attendance (ADA) from 2009-10 school year or the prior 3 years average of the best 3 months of ADAs (2007-08, 2008-09, 2009-10).

Capital Outlay and/or Debt Service
Funds are annually appropriated for capital construction projects. However, due to a lack of available revenues to support these appropriations, funds are regularly re-appropriated until such time as revenues become available.

**Transportation**
For regular pupils, the state provides a minimum of $16 per pupil or actual eligible costs less a qualifying amount. For vocational and special education, 80% of allowable costs from the prior year are reimbursed to the extent that appropriated funds are available.

**Student-Based Components**

**Special Education**
There are six state grants for funding special education. These are as follows:
1) Funding for Children Requiring Special Education Services – 85% of funding based on district ADA and 15% based on low-income counts reported in General State Aid
2) Special Education – Personnel Reimbursement – Grants are calculated at $9,000 per full-time professional certified worker and $3,500 per full-time non-certified worker.
3) Special Education – Private Tuition – Prior year costs are reimbursed based on the difference between $4,500 and a district’s per capita tuition costs per pupil in excess of $4,500 plus a second per capita tuition charge.
4) Special Education – Summer School – Provides grants based on multiple formulas to assure educational services through the summer.
5) Special Education – Transportation – Described above under Transportation.
6) Special Education – Orphanage – Reimburses districts for the cost of special education services to children residing in state-owned facilities and with foster families. Any costs not covered by the current year appropriation must be covered by future years’ appropriations.

**Compensatory Education**
Grants for low-income students have been a part of the GSA formula since FY 1999. Grants are based on a district’s concentration ratio of low-income students. This ratio is the three-year average of students in the district who received services through Medicaid or Food Stamps divided by the Average Daily Attendance of the most recent school year. In FY 2011, the district concentration ratio (DCR) is calculated as the average number of students receiving Medicaid or Food Stamps in FYs 2007, 2008 and 2009 divided by the 2009-10 ADA.

Districts with a DCR ≤ 15% receive a flat grant of $355 per pupil.

Districts with a DCR > 15% receive per pupil grants based on the following curvilinear formula:

\[2,700 \times (\text{DCR})^2 + 294.25\] \times 3 \text{ year average}

**Pupil Weights for Compensatory Education**
Does not apply

**English Language Learner / Bilingual Education**
The Bilingual Education grant program reimburses current year costs for programs that provide five or more class periods of bilingual / English as a Second Language instruction per week.
Grants are determined by the size of the student population, amount and intensity of instruction and the availability of appropriated funds.

**Gifted and Talented Education**
Does not apply

**Other**
Does not apply

**Revenue and Expenditure Information**

**State Mandates Restricting Revenue or Expenditure Increases**
Truth-in-taxation law requires a district to notify their voters when the current levy exceeds the prior year extension by 5% or more.

Property Tax Extension Limitation Law (PTELL) applies to districts in select counties and limits the annual growth in extensions. Tax extensions in PTELL districts are allowed to grow by the lesser of 5% or the Consumer Price Index (CPI).

Statute implemented for suburban Chicago counties in 1991 (Lake, McHenry, Kane, DuPage, Will) and for Cook County in 1994. All other counties were allowed to place the question of whether to apply PTELL on the ballot of local elections.

**Property Assessment Rations Used / Legal Standards for Property Assessment**
Thirty-three and three-tenths percent of market value is used to derive property values. Counties with 200,000 or more population may elect to establish property classification and differential tax rates that average 33.3% of market value in the aggregate. County level assessed valuations are equalized across counties by the use of a multiplier factor imposed by state government. Farmland property is taxed on the basis of productivity.

**Measure of Local Ability to Support Schools**
School district available local resources consist of revenues from property taxes and the Corporate Personal Property Replacement Tax. Equalized Assessed Values (EAVs) are multiplied by an assumed tax rate, regardless of actual tax rate. These rates are as follows:
3.00 Per $100 for unit districts
2.30 Per $100 for elementary districts
1.05 Per $100 for high school districts

Districts subject to PTELL may receive an adjustment to their property values. For such districts, Illinois uses the lesser of their actual EAV or the EAV used in the prior year’s GSA calculations multiplied by an inflator that calculates the maximum increase possible in their tax levy. For FY 11, the PTELL adjustment inflator is calculated as follows:

\[
\frac{(2008\ EAV\ \times\ 2008\ Limiting\ Rate)}{(2007\ EAV\ \times\ 2007\ Operating\ Tax\ Rate)}
\]
School District Budget and Tax Rate Procedures / Sources of Local Revenue
For current expenses for education, maximum local levy without voter approval is 9.2 mills for K-8 and 9-12 districts and 18.4 mills for K-12 districts. Maximum local levy with referendum is 35 mills for K-8 and 9-12 districts and 40 mills for K-12 districts. Separate tax rate limitations apply for building operations and maintenance, capital improvements, transportation and summer school. Local revenues are provided by the real property tax, corporate personal property replacement tax, and other non-tax sources.

State Support for Non-Public Schools
Participation is authorized and funded for the state school lunch and breakfast programs.