

Illinois Education Roundtable 2009 Policy Briefs

Foundation Level Funding (Adequacy)

The Education Funding Advisory Board (EFAB) be convened on an annual basis and that adequate resources be allocated in a long-term funding solution to fully support an EFAB recommended Foundation Level by 2010.

Statement of the Problem:

The Illinois Constitution affirms “The State has the primary responsibility for financing the system of public education”. The state does not provide an adequate foundation level funding source.

The Education Funding Advisory Board (EFAB) was legislatively convened in 1997. Its mission is to biennially recommend a minimum per-pupil foundation level based on a methodology which incorporates the basic education expenditures of low-spending schools exhibiting high academic performance. EFAB defined “adequate” to mean the actual cost of an academic curriculum of sufficient quality to permit an efficiently operated school district to obtain the result of having two-thirds of its students pass the Illinois standardized tests. EFAB contracted with Augenblick & Myers for a replicable methodology to produce an adequate funding level. Their foundation level

recommendations produced by the adequacy model have never been implemented.

Preferred Solution:

- The current recommendation for FY2009 from the EFAB model would provide a foundation level of \$7,388/student (based on ECI). The current FY2009 foundation level funding from the state is \$5,959...a difference of \$1,429/student for just this year. That difference equates to approximately \$2.15 billion a year.

Resources Required:

- \$2.15 billion per year confirms Illinois needs school funding reform. In order for reform to be maintained over time, reform should include, but not be limited to the following:
 - Reinstitute EFAB in accordance with current statutes;
 - Increase the income tax rate;
 - Expand the sales tax base.

Additional Implications, Resources and Issues:

- The white paper of September 2008, “Money Matters: How the Illinois School Funding System Creates Significant Educational Inequities that Impact Most Students in the State” from the Center for Tax and Budget Accountability, clearly shows the huge funding gaps of the state help sustain the huge achievement gaps in the state. As the cry for more academic accountability increases so must the realization that to reach that goal requires sufficient funds.
- An adequate foundation level is only one piece of the funding reform puzzle. It is imperative that Illinois look at the structural deficit that is comprised of other growing needs of the state with a stagnant or diminishing revenue stream. Pensions, health care issues, construction, etc. are an integral part of a funding reform package: adequate school funding reform cannot stand alone.
- Growing towards a 21st century world Illinois needs to address adequacy in education funding and seek funding reform now. Data shows that revenue reform can help provide an adequate education for all kids in Illinois.

Illinois Education Roundtable Member Organizations:

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