

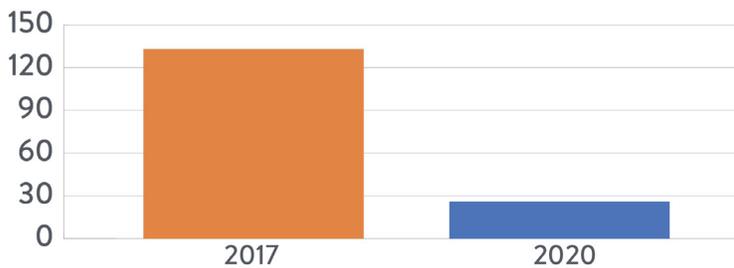
EVIDENCE-BASED FUNDING WORKS!

There's been real progress since Evidence-Based Funding started in the fall of 2017: stronger learning conditions, more funding directly into classrooms, and modernized curriculum, plus savings to property taxpayers and greater equity. Evidence-Based Funding includes an adequacy-based calculation model, coupled with an equity-based distribution formula. The distribution formula directs new State investment most heavily toward districts that are furthest from adequate funding.

EVIDENCE-BASED FUNDING CLOSES EQUITY GAPS

In the first year of Evidence-Based Funding, 133 school districts were funded below 60% of adequacy. In FY20, 26 districts were funded below 60%. The new formula is getting new dollars where they need to be. The worst-funded district in FY18 had 47% of the funding it needed. In FY20, that district had 53% of what it needed. The Evidence-Based Funding formula distributes funding with a heavy focus on raising the lowest-funded districts.

Number of Districts Below 60% Funded



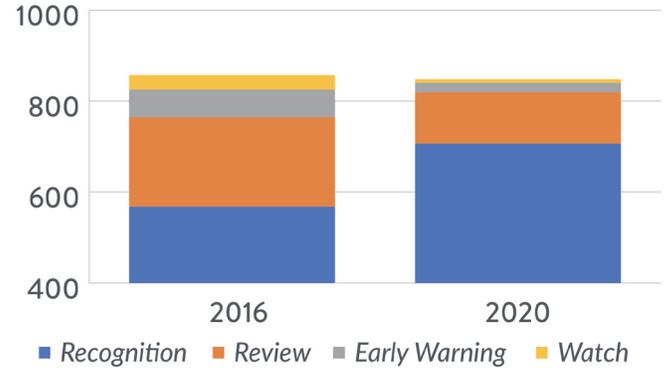
EVIDENCE-BASED FUNDING CREATES STABILITY

As long as the General Assembly funds the "Base Funding Minimum" no district loses any State funds it received the previous year, creating unprecedented stability for districts. Before Evidence-Based Funding, districts often got less formula funding than they did the year before. Now, the "Base Funding Minimum" resets every year to ensure each district gets no less than it did the prior year.

The stability of Evidence-Based Funding has enabled districts to get out of year-to-year crisis budgeting and move on to restore programs, hire staff whose positions had been cut, update curriculum and materials, and implement long-term strategic plans. ISBE reviews school districts' finances annually and identifies them into one of four categories based on their fiscal stability: Financial Recognition, Review,

Early Warning, and Watch. In FY16, 568 districts had earned Financial Recognition. In FY20, the number increased to 706. In FY16, 32 were on Financial Watch. Today, just 8 districts fall into Financial Watch Status.

District Financial Recognition Status

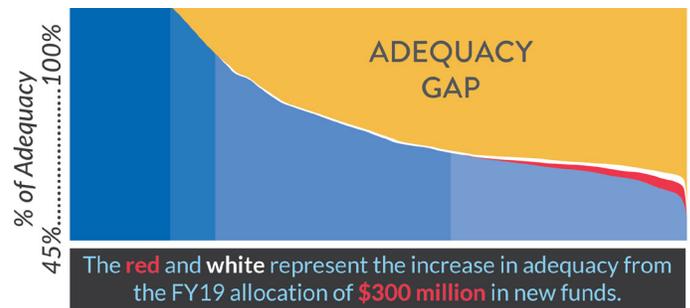


EVIDENCE-BASED FUNDING NEEDS CONTINUED INVESTMENT

The \$1+ billion investment of State funds since its passage is making a tremendous difference for students, **but the formula is still \$7.1 billion short of full funding.**

The chart below shows how new funding is allocated. The first half of these funds goes to the least-adequately funded districts (in red below). The second 49% goes to all districts funded below 90% of adequacy.

Gap-Closing Progress from One Year Investment



The "Minimum Funding Level" establishes by law a goal of investing an additional \$350 million each year in the formula. The first \$300 million is distributed to school districts and the next \$50 million funds Property Tax Relief Grants. The cost of funding the model increases with inflation, but the \$350 million Minimum Funding Level stays the same and will have less ability to close the gap to adequacy each year as the cost of inflation increases.

KEEP THE PROGRESS GOING.

See the stories now at EvidenceBasedFundingWorks.org