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Grounding Research in Reality: Fiscal Equity and K-12 Funding in Illinois

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Executive Summary

There exists an increasing need to critically examine the magnified voices in this age of information to make sound fiscal policy decisions. Two studies published in 2008 and a lawsuit brought against Illinois asserting that the state's funding scheme "…disparately impacts racial and ethnic minority students who attend school districts with a high concentration of minority students… by distributing an unequal level of funding…" provided the context for just such an examination.

Both studies employed the adjustment of aggregated values via weighting in their analysis, as such the results obtained from the equity analyses of these studies, as earnest as they were, did not accurately reflect the actual appropriations to school districts. Additionally, the General State Aid funding formula outlined in state statute in 1999, and enacted for the 2004-2005 school year, included an adjustment for district poverty that was overlooked in the two studies. Therefore, their weighting for poverty was in addition to the poverty adjustment made by the state funding formula. This study was conceptualized to describe the influence of value-weighting on the results of both studies.

The purpose of this study was to replicate both The Education Trust's The Funding Gap *and D. Verstegen and L. Driscoll's* The Illinois Dilemma *studies published in 2008 utilizing the actual allocations to districts resulting from the fiscal policy mechanism (funding formula) in Illinois for the 2004-2005 school year to understand the influence of adjusted values on determinants of fiscal equity as applied in each of the earlier studies.*

The Funding Gap

As it related to district poverty:

- The Education Trust found the highest poverty district quartile received $2,202.66 per pupil less than the lowest poverty district quartile.
- The results of the IERC study found a less severe "gap" of $569.08 per pupil.

As it related to minority districts:

- The Education Trust found the highest minority district quartile received $1,816.07 per pupil less than the lowest minority district quartile.
- In contrast, the results of the IERC study found high minority districts in Illinois ***received $154.54 more per pupil*** than low minority districts, when determined by quartile averages.

The Illinois Dilemma

- The results of the IERC study showed that actual, unadjusted values revealed ***a more fiscally inequitable*** system than reported by Verstegen and Driscoll as determined by calculations traditional to school finance. For example, where Verstegen and Driscoll reported a range per pupil of $16,620 for all districts, the IERC study found a range of $28,578.88 per pupil.
- Illinois' multiple district configurations influenced the analysis. Illinois has three basic types of school districts—elementary, high school and unit (K-12)—of which elementary districts—representing 26.5% of the state's pupil count—contributed the greatest influence on the inequitable findings. Furthermore, the IERC study found ten elementary districts—representing 0.29% of all pupils in Illinois—had considerable influence on fiscal equity, as evidenced by the range per pupil for all district types dropping to $9,468.09 from $28,578.88 when they were excluded from the analysis.

Recommendations

- Researchers must acknowledge the efforts states employ to address additional funding for populations of interest.
- Policymakers must insist on both unadjusted and adjusted figures.
- An Illinois specific, comprehensive report is needed which includes an analysis of both General State Aid and categorical aid.

The research brief, *Grounding Research in Reality: Fiscal Equity and K-12 Funding in Illinois, A Research Brief*, is located at http://ierc.siue.edu

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Introduction

It ain't so much the things we don't know that get us in trouble.
It's the things we know ain't so.[1]

State education agencies have struggled to strike a harmonious balance between the concept of educational opportunity and educational success.[2] Part of the difficulty arises from the fact that opportunity is a prerequisite for success, whereas success is not necessarily a condition of opportunity. It is within this context that state education agencies operate and make decisions to tighten the relationship between these concepts. Illinois was not immune from the internal pressures to tighten the correlation, and like most states, has received a fair amount of critique from researchers and advocacy groups alike.

Addressing concern regarding policy outcomes via the vehicle of free speech is a cornerstone of our democratic society. It is also the case, however, that the voice of the oppressed must find a way to magnify the whispers of justice, freedom, and equality[3] within the clamor of a growing populace. The identification and presentation of problematic policy outcomes has successfully propelled advancements often overlooked in America's educational system.[4] Still, there exists an increasing need to critically examine the magnified voices in this age of information to make sound fiscal policy decisions. Two studies published in 2008 and a lawsuit[5] brought against Illinois asserting that the state's funding scheme "…disparately impacts racial and ethnic minority students who attend school districts with a high concentration of minority students… by distributing an unequal level of funding…"[6] provided the context for just such an examination.

There exists an increasing need to critically examine the magnified voices in this age of information to make sound fiscal policy decisions.

[1] The source of this quote was unknown, but variations have been credited to multiple people including Artemus Ward and Mark Twain. For a thorough discussion see Ralph Keyes, *The Quote Verifier: Who Said What, Where, and When* (New York: St. Martin's Griffin, 2006).

[2] See William H. Clune, "The Shift from Equity to Adequacy in School Finance," *Educational Policy*, 8(4), (1994): 376-394.

[3] For a discussion on the role of social action in oppressed groups, see Myra B. Ramos, trans., *Pedagogy of the Oppressed* (New York: The Continuum International Publishing Group Inc., 2003). To understand the importance of problems in policy research, see Ann Majchrzak, *Methods for Policy Research*, Applied Social Research Methods Series, Vol. 3, (London: Sage Publications, 1984).

[4] For a discussion of the accomplishments of America's progress in compulsory education, see Diane Ravitch, "Forgetting the Questions: The Problem of Educational Reform" *American Scholar*, 50(3) (1981): 329-340.

[5] *Urban League v. Illinois*, complaint 08CH30490 filed August 20, 2008 in the Circuit Court of Cook County, Illinois, County Department, Chancery Division. Obtained August 29, 2008 from http://www.schoolfunding.info/news/litigation/ILComplaint.pdf

[6] Ibid., 1-2.

The Illinois Funding Formula

Local property wealth in Illinois constituted a large percentage of the total education funding budget. The ideology of the state was also grounded in the notion of local autonomy and support, as observed by the 881 different school districts operating in the state.[7] The ideological belief in local control positioned the local property tax as the foundation for building a funding formula.

The General State Aid funding formula, as we define it here, is inclusive of the four parts that make up a district's General State Aid entitlement.

The General State Aid funding formula, as we define it here, is inclusive of the four parts that make up a district's General State Aid entitlement.[8] Namely, a formula for distributing state aid by district type and based on a district's fiscal resources, a poverty grant, field audits, and a hold harmless provision. This definition is important as a recent report by the Center for Tax and Budget Accountability stated "[t]he foundation level [objective of the formula] also does not include any adjustment for poverty."[9] As such, their analysis only examined the first of four parts of the funding formula. In reading the document they cited for this statement one finds the statement "[t]he State Aid Formula has a mechanism to provide additional funding for the impact of poverty in the district."[10] As a result, it may be that the findings of that study present accurate findings for only one part of the formula, not the total district entitlement as outlined in state statute.

The first step in the General State Aid funding formula process in Illinois in 2004-2005 was determining the percentage of the foundation amount, $4,964 in 2004-2005,[11] that a district provided through local resources (tax revenue). Figure 1 depicted the 2004-2005 distribution of the ratio of local fiscal resources available by district to the foundation amount and the resultant cut-points determining the type of formula through which a district received state support. Those districts which provided less than 93% of the foundation amount were allocated state funds based upon a foundation formula. Districts whose local resources were between 93% and 175% of the foundation amount were allocated state funds via an alternative formula. And those districts whose local resources were more than 175% of the

[7] Regional Offices of Education (ROE) and two lab schools were removed from the analysis as they did not receive local property tax, thereby reducing the district count from 953 to 881.

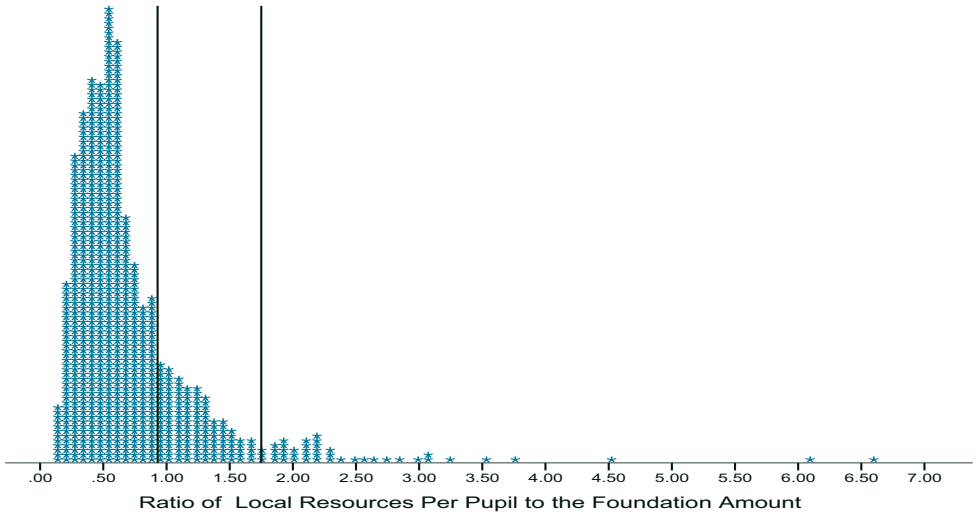
[8] The funding formula was outlined in state statute. See 105 ILCS 5 sec. 18-8.05 (1999). An abbreviated description was available as part of the document Education Funding Advisory Board, *Illinois Education Funding Recommendations: A Report Submitted to the Illinois General Assembly*, (Springfield, IL: Author 2005), http:// www.isbe.state.il.us/EFAB/pdf/final_report_4-05.pdf

[9] Center for Tax and Budget Accountability, *Money Matters: How the Illinois School Funding System Creates Significant Educational Inequities that Impact Most Students in the State* (Chicago, IL: Author 2008), 5.

[10] Illinois State Board of Education, General State Aid—An FY 2008 Overview (Springfield, IL: Author n.d.), 1. Retrieved October 2, 2008 from http://www.isbe.net/funding/pdf/gsa_overview.pdf

[11] Starting with the 2001-2002 school year, this amount was set by the General Assembly at amount equal to or greater than $4,425. 105 ILCS 5 sec. 18-8.05 (1999).

Figure 1. Distribution of the Ratio of Local Resources Per Pupil to the Foundation Amount, With Applied Formula Type Cut-points, FY2005



foundation amount received a flat grant per pupil of $218. As it pertained to the application of formulas, 700 districts received state support from the more generous foundation formula, 138 districts received state aid via the alternative formula and 43 districts received a flat grant of $218 per pupil.

The formula claim amount a district received was altered by the addition of Supplemental General State Aid and Supplementary Grants in Aid. The Supplemental General State Aid provided districts additional funds determined by the number of low-income households within the district. This "poverty grant" calculation incorporated a three-year average low-income count with data provided by the Department of Human Services. Districts were awarded funds based upon four different levels of poverty concentration.[12] Supplementary Grants in Aid were provided as a hold harmless provision, giving districts additional funds if their net state aid amount was less than the amount it received in 1997-1998. Field audits were also used to adjust the amount a district was to receive as part of its General State Aid Entitlement.[13]

Districts were awarded funds based upon four different levels of poverty concentration.

[12] For a thorough explanation see section (H) of 105 ILCS 5 sec. 18-8.05 (1999). For the 2004-2005 year, the poverty grant component of the funding formula had changed. Instead of a tiered system of calculations, the same calculations were applied to all districts. It may also be the case that the use of poverty counts from the Illinois Department of Human Services actually provided more money to districts as they would have accounted for those individuals living in poverty who attend private schools, were homeschooled or otherwise did not attend public education institutions.

[13] District-by-district reports for the years 2001 to 2009, which outlined the variables utilized in the calculations and adjustment amounts, were available from the Illinois State Board of Education website http://webprod1.isbe.net/gsainquiry/asp/SelDst05.asp

Equity in Illinois

Examinations of fiscal equity in Illinois public education were recently published in two prominent sources within the fiscal policy dialogue. The first is an annual publication of *The Education Trust* entitled "The Funding Gap" published in January of 2008.[14] The second, a peer-reviewed publication in the highly reputable *Journal of Education Finance* in the spring of 2008 entitled "Educational Opportunity: The Illinois Dilemma."[15]

The Funding Gap

The Funding Gap was published by The Education Trust, an organization which "…advances its mission along several fronts, from *raising its voice* in national and state policy debates to helping teachers improve instruction in their classrooms (emphasis added)."[16] Their mission is nobly focused on closing achievement gaps.[17] *The Funding Gap* report was predicated on the belief that "…English-language learners, low-income and minority students do not get the extra school supports they need to catch up to their more advanced peers."[18]

Equity, as operationalized in this report, addressed the range, or "gap," in aid per pupil between the average of the highest quartile and the lowest quartile of selected groups utilizing data from the 2004-05 school year.

The report focused on fiscal equity as one way English-language learners, low-income and minority students were disadvantaged. Specifically, the report addressed the distribution of state and local funding. Equity, as operationalized in their report, addressed the range, or "gap," in aid per pupil between the average of the highest quartile and the lowest quartile of selected groups utilizing data from the 2004-2005 school year.

The method for determining the quartiles included a five step process.[19] First, state and local revenues were adjusted by the Comparable Wage Index to "…allow for meaningful comparisons of districts within each state."[20] The second step included the weighting of student headcounts to adjust for individuals with disabilities, a weight of 1.9 or 90% more than a non-disabled person, and for those in poverty, a weight of 1.4 was applied. The adjusted headcount was then calculated by adding

[14] Carmen G. Arroyo, *The Funding Gap* (Washington, DC: The Education Trust, 2008a). Herein referred to as *The Funding Gap*.

[15] Deborah A. Verstegen and Lisa G. Driscoll, "Educational Opportunity: The Illinois Dilemma," *Journal of Education Finance,* 33(4), (2008): 331-351.

[16] The Education Trust, "What is the Education Trust," Electronic Document Retrieved August 14, 2008 from http://www2.edtrust.org/edtrust/about+the+ed+trust

[17] Ibid. The researchers encourage the reader to examine and review the mission of The Education Trust to ensure an accurate understanding of the work they undertake.

[18] Carmen G. Arroyo, *The Funding Gap* (Washington, DC: The Education Trust, 2008a), 1.

[19] For a complete description of the methodology utilized, see Carmen G. Arroyo, *The Funding Gap: Technical Appendix* (Washington, DC: The Education Trust, 2008b).

[20] Carmen G. Arroyo, *The Funding Gap: Technical Appendix* (Washington, DC: The Education Trust, 2008b), 3.

the total number of students to the number of students with an individual education plan times 0.90 and the number of students living in poverty times 0.40. The third step included taking the adjusted revenue from step one and dividing it by the adjusted student headcount in step two for each district to reach the adjusted revenue per student. The fourth step ranked all districts in a state in descending order by the percentage of low-income students in a district, then drew lines of distinction at the 25th, 50th, and 75th percent levels to create the quartiles.[21] The same procedure was applied to minority students for the analysis of this group. A description of English-language learner (ELL) districts was not provided, only a note saying, "[t]he analysis of funding gaps between high- and low-ELL districts for the 2004-2005 school year included estimates for states where the ELL student population exceeds 10 percent of the states' total student population."[22] The last step calculated the mean adjusted revenue per pupil per quartile for the group of interest. The mean difference between the highest and lowest district quartiles of the group of interest was the magnitude of the "gap." In the report, Illinois was highlighted as one of sixteen states that showed the trend of an increasing range ("gap") between the years 1999 and 2005.

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The Illinois Dilemma

Verstegen and Driscoll provided a comprehensive and thoughtful analysis of school finance in Illinois in their manuscript entitled, "Educational Opportunity: The Illinois Dilemma."[23] The manuscript outlined methods for calculating fiscal equity and adequacy, reviewed recent litigation to school finance in Illinois, and provided considerations for state policymakers. Their research applied a methodology standard to investigations of school finance via the calculation of horizontal equity, an analysis philosophy that treats all things equally, and wealth neutrality, an analysis philosophy that holds wealth should not be correlated to factors of interest. They utilized finance and average daily attendance data provided by the Illinois State Board of Education from the 2004-2005 school year in an attempt "…to determine interdistrict equity across the state of Illinois."[24]

Vertical equity, an adjustment to allow for analysis of disparate factors as equals, was incorporated into their analysis by weighting special education students at an additional 90% of the cost for a "regular" student, a weight of 1.9. Low-income

[21] An acknowledged problem with this method was that some districts, like New York City, contained more than 25% of the population and therefore it was possible that the quartiles were unevenly distributed with respect to the number of students represented, see Carmen G. Arroyo, *The Funding Gap: Technical Appendix* (Washington, DC: The Education Trust, 2008b), 4.

[22] Carmen G. Arroyo, *The Funding Gap: Technical Appendix* (Washington, DC: The Education Trust, 2008b), 1. Illinois was not included in the analysis of English Language Learners.

[23] Deborah A. Verstegen and Lisa G. Driscoll, "Educational Opportunity: The Illinois Dilemma," *Journal of Education Finance,* 33(4), (2008): 331-351. Herein referred to as *The Illinois Dilemma*.

[24] *ibid, p.334.*

students and English-language learners were both weighted with an additional 50%, or 1.50 per each identified student. The methods for how these groups were identified was not provided, except for the notation in a table indicating poverty was derived utilizing free and reduced lunch.[25] Additionally, a statement expressed, "[a]ll measures took the size of the school district into account…" without further explanation.[26]

The results of their analysis were presented for three district types: elementary, high school, and unit.[27] The ranges between the highest and lowest districts were $16,604, $12,903, and $10,885 respectively. When outliers above the 95th percentile and below the 5th percentile of the distribution were removed (known as the restricted range), the magnitude of the ranges dropped to $5,817, $7,874, and $7,436 respectively. The mean was consistently higher than the median, indicating a more influential fiscal dispersion by those districts above the median than those below the median. The measures of wealth neutrality indicate a strong correlation to local wealth at 0.77, 0.76, and 0.67 for the three district types respectively. Proportions of the variance (r^2) accounted for by local wealth resulting from regression equations were reported for each of the three districts; the results indicated a moderately strong relationship between per pupil revenues and local property wealth.

Similarities and Differences

These two studies were similar in several ways, while also diverging in others. Both studies present evidence worthy of consideration regarding the fiscal equity of school funding in Illinois.

Similarities

The fact that both studies utilized 2004-2005 data in their analysis conveniently provided for accurate inter-study comparisons.

The fact that both studies utilized 2004-2005 data in their analysis conveniently provided for accurate inter-study comparisons. It was also observed that both studies adjusted enrollment numbers by weighting student populations of interest. In fact, both studies utilized almost the same weights: 1.9 for special education in both studies; as it related to poverty, a weight of 1.4 was employed in *The Funding Gap* compared to a weight of 1.5 in *The Illinois Dilemma*; and as it related to English-language learners, *The Funding Gap* did not report a weight, whereas *The Illinois Dilemma* weighted at 1.5.

[25] *ibid, p.337.*

[26] *ibid, p.334.*

[27] Results were summarized here. The reader is encouraged to read the original manuscript. Unit districts were comprised of grades K to 12.

Differences

Data were from the same year, but different sources. *The Funding Gap* relied on the United States Census Bureau and National Center for Education Statistics, whereas *The Illinois Dilemma* relied on data from the Illinois State Board of Education. Methodological differences beyond weighting were observed as *The Funding Gap* developed its own methodology for analysis, whereas *The Illinois Dilemma* relied upon standard measures of fiscal equity supported in the school finance literature. Lastly, while the unit of analysis—the district—was the same, the level of specificity varied as *The Funding Gap* reported district quartile averages aggregated for all district types and *The Illinois Dilemma* examination focused on three district types individually and in aggregate.

In conclusion, the reviewed studies attempted to address the application of fiscal equity[28] in Illinois by applying their own conceptions of appropriate funding levels via the insertion of wage or student weights into their analysis. The reality was that the weights utilized in the studies were not included in the allocation of general state aid to schools for the 2004-2005 school year. As such, the results obtained from the equity analyses of these studies, as earnest as they were, did not accurately reflect the actual appropriations to school districts. Additionally, the General State Aid funding formula outlined in state statute in 1999,[29] and enacted in the 2004-2005 school year, included an adjustment for district poverty starting in 2001 that was overlooked in the two studies. Therefore, their weighting for poverty was *in addition to* the poverty adjustment made by the state funding formula. This

Their weighting for poverty was in addition to the poverty adjustment made by the state funding formula.

[28] It was important to note that both studies included a discussion of adequacy. *The Funding Gap's* discussion was brief and suggested that the groups did not "get the extra school supports they need to catch up to their more advanced peers" (p.1). Whether the provision of extra supports was an issue to be addressed in the general state aid formula may be questioned on the grounds that extra services were most appropriately funded by categorical funding, as it was money targeted for a specific purpose. The benefit, however, of including extra support via the practice of weighting students allows for funds to be protected by the formula and not subject to political and economic pressures on the legislature when determining appropriations. On the other hand, the inclusion of weights for populations in a general state aid formula does not assure the use of funds as they were intended due to the unrestricted nature of these funds. The Illinois Dilemma provided a more thorough discussion of adequacy and made comparisons of their equity calculations to an adequacy report commissioned for the Education Funding Advisory Board in 2001. See Augenblick & Meyers, Inc., *A Procedure for Calculating a Base Cost Figure and an Adjustment for At-Risk Pupils That Could Be Used in the Illinois School Finance System* (Springfield, IL: Education Funding Advisory Board, 2001), http://www.isbe.net/EFAB/archive/PDFs/fullreport.pdf. In practice, the determination of what level was adequate was the responsibility of the Education Funding Advisory Board (EFAB), which was created by the state statute (PL90-0548) that outlined the state's funding formula, to develop the foundation level for the formula. A report by EFAB, and cited in *The Illinois Dilemma,* did advocate for an increase in the foundation level. The rationale espoused in the report, however, was based upon utilizing an inflation factor other than the Consumer Price Index, not the Augenblick & Meyers, Inc. report employing one method of determining adequacy. See Education Funding Advisory Board, *Illinois Education Funding Recommendations: A Report Submitted to the Illinois General Assembly* (Springfield, IL: Author, 2005), http:// www.isbe.state.il.us/EFAB/pdf/final_report_4-05.pdf

[29] Public Law 90-0548 (1999).

comparative study was conceptualized to describe the influence of weighting on the results of both studies. The purpose of this study was to replicate both *The Funding Gap* and *The Illinois Dilemma* studies utilizing the actual allocations to districts resulting from the fiscal policy mechanism (funding formula) in Illinois for the 2004-2005 school year to understand the influence of adjusted values on determinants of fiscal equity as applied in each of the earlier studies.

Methodology

The nature of the question guiding this study required two different methodologies and analysis. The unit of analysis was the district for the investigations.

In order to replicate[30] *The Funding Gap*, the Illinois Education Research Council (IERC) obtained data from the United States Census Bureau[31] and the National Center for Education Statistics.[32] The same steps undertaken by The Education Trust were conducted, except that neither the allocation amount nor the pupil count was adjusted. Fiscal, poverty and pupil count data utilized in the funding formula were obtained from the Illinois State Board of Education Office of Funding & Disbursements.[33] The initial data file was missing the poverty grant amount received by each district; this information was later sent with two amounts per district: calculated poverty grant and a reduced poverty grant. Due to state budget conditions, the poverty grant amount was prorated by approximately 0.8% to make up for the budget shortfall.[34] The actual, reduced allocation amount was utilized in this study. This same data set was utilized to replicate the analysis of fiscal dispersion applied by Verstegen and Driscoll for comparison purposes between the two studies.

The calculations of bivariate statistics to determine the magnitude of wealth neutrality was achieved by creating two indices, as conceived and implemented in *The Illinois Dilemma*. The revenue index, serving as the dependent variable, was the result of dividing each district's total state and local revenue per pupil by the district type average. The wealth index, the independent variable, was determined by calculating each district's equalized assessed value per pupil, then dividing it by the

[30] See Appendix A.

[31] 2004-2005 data obtained from online database, *Small Area Income and Poverty Estimates, Model-based Estimates for States, Counties, & School Districts* (Washington, DC: US Census Bureau, Data Integration Division, Small Area Estimates Branch, n.d.), http://www.census.gov/hhes/www/saipe/district.html

[32] 2004-2005 data obtained from online database, Common Core of Data, Public Elementary/Secondary School Universe Survey Data (Washington, DC: National Center for Education Statistics, 2007), http://nces.ed.gov/ccd/pubschuniv.asp

[33] Personal Communication, August 18, 2008. See Appendix A.

[34] Personal Communication, August 18, 2008.

district type average equalized assessed value per pupil. Data for these calculations varied between studies in that the IERC study utilized the equalized assessed valuations for the 2002 year incorporated into the Illinois funding formula for 2004-2005, whereas Verstegen and Driscoll utilized equalized assessed valuations for the 2003 year.[35]

Results

The purpose of this study was to examine how the "double-weighting" of poverty observed in two studies and the application of other weights to actual district appropriations in the 2004-2005 school year influenced analysis of a funding "gap" and fiscal equity. The results of two sets of analysis were presented for discussion.

The Funding Gap

Results of the analysis show that there were significant changes to the "gap" when weighting measures were not applied (Table 1). In matching the district data from Illinois State Board of Education and the National Center for Education Statistics, a number of districts did not match, reducing the total number of districts for this calculation from 881 to 872 for the poverty analysis[36] and from 881 to 867 for the minority analysis.[37]

The Funding Gap reported[38] a negative poverty "gap" of $2,202.66, indicating that districts with the least poverty received the most resources, on a per pupil average. The results of the unadjusted analysis also observed a negative, albeit less severe, "gap" of $569.08 in total state and local aid per pupil (TSLAPP) between the

[35] A reason for the use of 2003 data by Verstegen and Driscoll as compared to the 2002 equalized assessed valuations utilized by the Illinois State Board of Education was not provided. See table 3 in Deborah A. Verstegen and Lisa G. Driscoll, "Educational Opportunity: The Illinois Dilemma," *Journal of Education Finance,* 33(4): 331-351.

[36] The following districts were present in the ISBE data, but absent in the United States Census dataset utilized to determine poverty percentages: Crescent City Community Consolidated, Industry Community Unit, Logan Community Consolidated, Mount Carroll Community Unit, Roseville Community Unit, Savanna Community Unit, Southern Community Unit, Thomson Community Unit, and Tinley Park Community. It should also be noted that three districts were present in the United States Census Bureau data set, but not in the ISBE data obtained for this study, they were: Community Consolidated 146, West Carroll Community Unit, and West Central Community Unit.

[37] The following districts were present in the ISBE data, but absent in the United States Census dataset utilized to determine minority percentages: Antioch Community High School, Camp Point Community Unit, Chester High School, Des Plains Community Consolidated, Grayslake Community Consolidated, Hinsdale Community Consolidated, Huntley Consolidated, Lasalle Elementary, Lee Center Community Unit, Libertyville Community High School, New Hope Community Consolidated, Oak Grove, Skokie Fairview, and Villa Park.

[38] During the analysis of the data it was determined that the reported "gap" for the 2004-2005 school year by The Education Trust in its January 2008 report was actually data reflective of the 2005-2006

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The results of the IERC analysis indicated that high minority districts in Illinois had more dollars per pupil than low minority districts, when examined by quartile averages.

highest and lowest poverty districts. The largest "gap" in this study was observed between the lowest and second lowest quartiles of poverty concentration at an amount of $605.61—a "gap" that was not measured by The Education Trust.

Table 1. Results of Poverty "Gap" Analysis Per Pupil for *The Funding Gap* and the IERC Study, *2004-2005*

Poverty Quartiles	*The Funding Gap*	IERC Study
Highest	$6,554.25	$5,803.12
Mid-High	not reported	$5,786.19
Mid-Low	not reported	$5,766.60
Lowest	$8,756.91	$6,372.21
Aid "Gap" per Pupil	- $2,202.66	- $569.08
Number of Districts	not reported	872
Pupil Count	not reported	1,900,603.58
Quartile Cut Points (Pupils)	not reported	475,150.89

As it pertained to the minority "gap," large differences were also observed. Where *The Funding Gap* reported a negative "gap" of $1,816.07 per pupil, the unadjusted IERC analysis observed a positive "gap" of $154.54 (Table 2). In other words, the results of the IERC analysis indicated that high minority districts in Illinois had more dollars per pupil than low minority districts, when examined by quartile averages. The largest "gap" found in this study was between the lowest and second lowest minority quartiles, with an observed value of $452.73. This indicated the quartile inclusive of the second lowest percent of minority students had larger state and local fiscal resources than the districts with the lowest concentration of minority students—a measure The Education Trust does not examine.

Table 2. Results of Minority "Gap" Per Pupil Analysis for *The Funding Gap* and the IERC Study, *2004-2005*

Poverty Quartiles	*The Funding Gap*	IERC Study
Highest	$6,517.97	$5,826.50
Mid-High	not reported	$5,684.87
Mid-Low	not reported	$6,124.68
Lowest	$8,334.04	$5,671.95
Aid "Gap" per Pupil	-$1,816.07	$154.54
Number of Districts	not reported	867
Pupil Count	not reported	1,873,453.08
Quartile Cut Points	not reported	486,363.26

In comparing the results obtained by The Education Trust to those with the IERC study, smaller differences were observed with the unadjusted numbers reflecting a smaller "gap" and greater equity of total state and local aid allocated to district quartiles in the 2004-2005 school year.

In comparing the results obtained by The Education Trust to those with the IERC study, smaller differences were observed with the unadjusted numbers reflecting a smaller "gap."

The Illinois Dilemma

Results of the analyses indicated differences between the original study conducted by Verstegen and Driscoll and the IERC replication study utilizing unadjusted variables. It was observed that in each of the three district types—elementary, high school, and unit (K-12)—differences in the results were specific to the type of district studied and that some district types were more inequitable than others. Equity calculations resulting from the combination of all three districts were also presented for inter-study comparison.

Elementary Districts

In comparing the IERC study to *The Illinois Dilemma,* the results for elementary school districts were observed to be less equitable across all equity measures (Table 3), save the federal range ratio. The influence of weighting on the population of interest resulted in differences in pupil count as expected, where the adjusted pupil count was 135% that of unadjusted enrollment. Of the 379 elementary districts in this replication study 253 districts (279,813 pupils) received state aid via the foundation formula, 92 districts (187,411 pupils) via the alternative formula, and 34 districts (38,126 pupils) received a flat grant of $218 per pupil.

Analysis for this study indicated a range that was more than $11,000 greater than that reported by Verstegen and Driscoll and a restricted range approximately $1,800 per pupil less. The federal range ratio, a value depicting the relationship of the value at the 5th percentile to the restricted range, was more equitable than previously reported by Verstegen and Driscoll. The difference between the median and the mean were greater in the IERC study, suggesting the influence of values of greater magnitude above the median than below. This finding made sense as the influence of values below the median was offset by the foundation mechanism, which compacted the lower half of the distribution by ensuring all values would not fall below a certain amount.

(continued from page 13)

school year. Correspondence with the author of *The Funding Gap* confirmed this revelation (Personal communication, August 28, 2008). The publication error was in the process of being addressed at the time of preparation of this manuscript. The author did, however, graciously provide unpublished data relevant to Illinois for the 2004-2005 school year (Personal Communication, September 4 and 5, 2008). The unpublished data, not that printed in the January 2008 report, was incorporated into this manuscript for analysis.

Table 3. Comparison of Fiscal Equity Calculation Outcomes between *The Illinois Dilemma* and the IERC Study, FY2005

	Elementary District		High School District		Unit District		All Districts Combined	
	The Illinois Dilemma[a]	IERC Study	*The Illinois Dilemma*[a]	IERC Study	*The Illinois Dilemma*[a]	IERC Study	*The Illinois Dilemma*[a]	IERC Study
Range	$16,604	$28,067.36	$12,903	$7,627.99	$10,885	$6,568.09	$16,620	$28,578.88
Restricted Range	$5,817	$3,965	$7,874	$4,702	$7,436	$4,057	$5,927	$3,965
Federal Range Ratio	1.36	0.80	1.28	0.94	1.66	0.82	n/a	0.80
Mean	$6,825	$6,302	$9,817	$5,682	$5,335	$5,325	$6,184	$5,787.31
Median	$6,468	$5,285	$9,412	$5,079	$4,779	$5,100	$5,692	$5,151.69
Coefficient of Variation (%)	27.69%	46.47%	26.82%	23.80%	19.67%	12.87%	22.39%	35.93%
Gini Index	0.1521	0.5081	0.1502	0.4905	0.0980	0.4353	0.1168	0.4830
Verstegen Index	1.2856	1.4045	1.2648	1.6285	1.2725	1.8180	1.2748	1.5744
McLoone Index	0.8247	0.4774	0.8212	0.4843	0.9599	0.4915	0.9120	0.4882
Pupil Count	683,201	505,350	306,458	228,589	1,827,950	1,171,584	2,817,609	1,905,521
Total Number of Districts	378	379	100	103	397	399	875	881

[a] Data obtained from tables 3 and 5 in Deborah A. Verstegen and Lisa G. Driscoll, "Educational Opportunity: The Illinois Dilemma," *Journal of Education Finance,* 33(4): 331-351.

The equity indices applied in the analysis of the data suggested a distribution that was less equitable when pupil counts were not adjusted in all three indices. It was observed that the Gini coefficient was larger, and thereby the proportion of revenue did not match equally with the proportion of students. Results of the Verstegen Index suggested that the top half of the distribution was farther from the median than previously reported and that the distribution below the median was farther from the median as well (McLoone Index).

As was the case in *The Illinois Dilemma*, analysis of the data for this study indicated a district's wealth was related to per pupil aid, only with a stronger magnitude. Where Verstegen and Driscoll observed a correlation of 0.7781, this study found a correlation of 0.9272. Furthermore, the proportion of variance in revenue associated to the wealth of a district increased by approximately 26%, to 85.97% (Table 4).

Table 4. Illinois Bivariate Measures of Fiscal Dispersion by District Type, FY2005

	Elementary District		High School District		Unit District		All Districts Combined	
	The Illinois Dilemma[a]	IERC Study	*The Illinois Dilemma*[a]	IERC Study	*The Illinois Dilemma*[a]	IERC Study	*The Illinois Dilemma*[a]	IERC Study
Correlation (r)	0.7781	0.9272	0.7631	0.8485	0.6734	0.5792	0.7846	0.7432
Regression (r^2)	0.6054	0.8597	0.5823	0.7200	0.4535	0.3354	0.6156	0.5524
Slope	0.0126	0.4989	0.0108	0.03526	0.022	0.1422	—	0.2728

Notes: As it pertained to wealth, This Study utilized equalized assessed values for 2002 in accurate reflection of the rates applied via the funding mechanism. The Illinois Dilemma study utilized equalized values from 2003.

[a] Data obtained from tables 3 and 5 in Deborah A. Verstegen and Lisa G. Driscoll, "Educational Opportunity: The Illinois Dilemma," *Journal of Education Finance,* 33(4): 331-351.

High School Districts

Results of the analysis utilizing actual, unadjusted data suggest that the high school districts in Illinois were mixed in relationship to the results reported in *The Illinois Dilemma*. As it related to the population for this district type, the adjusted pupil count was 135% that of unadjusted enrollment and a difference of three districts. Seventy-three districts (118,874 pupils) received state aid via the foundation formula, 26 districts (99,699 pupils) via the alternative formula, and four districts (11,016 pupils) received a flat grant of $218 per pupil.

The measures most commonly associated with fiscal policy, the range statistics, indicated differences of a lesser magnitude between the district with the highest total state and local aid per pupil and the district with the lowest. When the top and bottom 5% of the distribution was removed, the resultant restricted range was nearly 50% of the amount reported by Verstegen and Driscoll (Table 3).

Three indicators of equity did reveal a less equitable distribution. The Gini coefficient, which measured the relationship between the proportions of students to the proportion of aid, was observed to be less equitable. The difficulty in interpreting this measure accurately was that the unit of analysis is the district, of which each has a different number of students, so true proportions of dollars-to-students were not possible. Nonetheless, equal proportions of aid were not distributed equally to equal proportions of students. The Verstegen Index indicated the influence of values above the median were greater in the analysis for this study, much as the McLoone Index indicated there was a lesser distribution of state and local aid per pupil to districts below the median when compared to *The Illinois Dilemma*.

Equal proportions of aid were not distributed equally to equal proportions of students.

As was observed in the elementary districts, the calculations of wealth neutrality—as depicted by correlation and regression values—were of a greater magnitude in this study as compared to *The Illinois Dilemma*. However, the differences observed in high school districts were not as strong as was the case for elementary districts (Table 4).

Unit School Districts

Of the three district types, unit school districts were the largest provider of education with an unadjusted pupil count of 1,171,584; a number representing 64% of the adjusted pupil count utilized by Verstegen and Driscoll. Due to the fact that this district type served more students than the two previous district types added together, the distribution of total state and local aid per pupil constituted a cohort of great influence. There were 399 unit districts in 2004-2005, with 374 districts (1,096,485 pupils) receiving state aid via the foundation formula, 20 districts (62,926 pupils) receiving state aid from the alternative formula, and five districts (12,172 pupils) receiving a flat grant of $218 per pupil.

Results of the analysis as it pertained to the ranges indicated inter-study differences. The range in the unadjusted, IERC study was 60% of the amount reported in *The Illinois Dilemma,* and the restricted range was 55% of the amount previously reported.

As it pertained to predictive strength, the proportion of variance observed in elementary and high school districts was more than two times stronger than for unit districts.

A trend reversal was observed for unit districts as it related to the relationship between local wealth and total state and local aid per pupil. The results of the analysis of this study indicated a weaker relationship than reported by Verstegen and Driscoll (Table 4). Additionally, as compared to the other district type calculation results for this study, unit districts had a weaker correlation of 0.5792 as compared to 0.9272 and 0.8482 for elementary and high school districts respectively. As it pertained to predictive strength, the proportion of variance (r^2) observed in elementary and high school districts was more than two times stronger than for unit districts.

All Districts Combined

The results of the analysis when all three district types were combined are also presented in Tables 3 and 4. Many of the same results as previously described were observed, so they will not be addressed here to great extent. What was of note, however, was the apparent influence that each district type had on various statistics: elementary districts increased the size of the range, whereas high school and unit districts were observed to closely mirror the combined district results in all measures but the coefficient of variance. The result of the analysis for the combined districts showed the effects of outliers on aggregated data.

The distribution of total state and local aid per pupil in elementary school districts varied the greatest. In unit districts, which served the greatest number of students, the most equitable distribution of state and local aid per pupil was observed.

In conclusion, results of the analysis for this inter-study comparison indicated that the distribution of total state and local aid per pupil in elementary school districts was the greatest, and in unit districts, which served the greatest number of students, the most equitable distribution of state and local aid per pupil was observed. It was also clear in the analysis of the data that equity calculations, such as the Verstegen, McLoone and Gini indices, for the unadjusted results revealed less equitable outcomes. Observations of wealth neutrality varied by district type, with a tendency towards a stronger relationship between local wealth and per pupil aid than reported elsewhere.

Discussion

Inter-study comparisons between *The Funding Gap* and the IERC study and *The Illinois Dilemma* and the IERC study for the 2004-2005 school year revealed stark differences in the results obtained. What caused the differences in outcomes of the analysis and what does it mean for the study of fiscal equity in school finance?

Why the Differences

All attempts were made to replicate the calculations once having the data, but there were steps taken by both studies examined in this manuscript that should be addressed. Specifically, the sources of data and the treatment of the data before analysis were discussed.

The Data Sources

The two studies utilized different data sources for different reasons (Table 5). *The Funding Gap* was interested in national comparisons, therefore relying upon two national data sources: the United States Census Bureau and the United States Department of Education's National Center for Education Statistics. Nationally reported district data by the United States Census Bureau was inclusive of state and local aid sources not distributed by the funding formula however. For example, in examining the list of fiscal resources (variables) listed for a district, one finds in this data source the addition of categorical funds for special education, vocational programs, and transportation. During the analysis, the observation that Illinois districts received funds for special education in 2004-2005[39] highlighted the presence of a double-adjustment for a population of interest in addition to double-adjustments noted earlier for poverty, as *The Funding Gap* adjusted pupil counts for special populations. Interestingly, one would also find a line item entitled formula amount. *The Funding Gap* used total revenue amounts from state and local sources, thereby including all revenue sources in the analysis.

During the analysis, the observation that Illinois districts received funds for special education in 2004-2005[40] highlighted the presence of a double-adjustment for a population of interest in addition to double-adjustments noted earlier for poverty, as The Funding Gap adjusted pupil counts for special populations.

In examining the data sources cited in *The Illinois Dilemma,* there were four categories of revenue available for analysis: local property taxes, other local funding, general state aid, and other state funding. From the presented manuscript it was not possible to tell which of these four data points were used in the analysis. The authors did state they removed transportation funding, but that revenue item was

[39] United States Census Bureau, "*Table 3. Revenue From State Sources for Public Elementary-Secondary School Systems by State: 2004-05,*" 2005 Public Elementary-Secondary Education Finance Data (Washington, DC: Author, n.d.) http://www.census.gov/govs/www/school05.html

Table 5. Data Source Comparison Across Studies

	The Funding Gap	*The Illinois Dilemma*	IERC Study
Pupil Count	Fall Membership : V33	ISBE: ADA	ISBE (formula variables)
Special Education	NCES, Common Core Data (SPECED05)	ISBE	n/a
English Language Learners	NCES, Common Core Data (ELL05)	ISBE	n/a
Minority	NCES, Common Core Data (AM05, HISP05, BLACK05, TOTETH05)	n/a	n/a
Poverty	US Census (CPOP517, CPOP517P)	ISBE	n/a
Aid Adjustment	NCES (CWI_district_files, CWI_state_files)	Unknown	n/a
State Support	US Census (TSTREV)	ISBE	ISBE
Formula Amount	✓	Unknown	ISBE (formula variables)
Compensatory Programs	✓	Unknown	n/a
Special Education	✓	Unknown	n/a
Vocational Programs	✓	Unknown	n/a
Transportation Programs	✓	n/a	n/a
Other Non-Specified Aid	✓	Unknown	n/a
State Payments on Behalf of LEA	✓	Unknown	n/a
Local Support	US Census (TLOCREV)	ISBE	ISBE (formula variables)
Property Taxes	✓	Unknown	
Other Taxes	✓	Unknown	n/a
Parent Government Contribution	✓	Unknown	n/a
Nonschool Local Government	✓	Unknown	n/a
School Lunch Charges	✓	Unknown	n/a
Tuition and Transportation Charges	✓	Unknown	n/a
Other Charges	✓	Unknown	n/a
Other Local Revenue	✓	Unknown	n/a
Equalized Assessed Value (Data Year)	n/a	ISBE (2003)	ISBE (2002)

Note: Variable Names in Parenthesis
Data Sources: The Funding Gap: 2004-2005 data obtained from online database, *Small Area Income and Poverty Estimates, Model-based Estimates for States, Counties, & School Districts* (Washington, DC: US Census Bureau, Data Integration Division, Small Area Estimates Branch, n.d.), http://www.census.gov/hhes/www/saipe/district.html. 2004-2005 data obtained from online database, Common Core of Data, Public Elementary/Secondary School Universe Survey Data (Washington, DC: National Center for Education Statistics, 2007), http://nces.ed.gov/ccd/pubschuniv.asp. *The Illinois Dilemma:* Financial Data and ADA, 2004-2005Financial Statistics, Center for School Finance, Illinois State Board of Education. Special Populations, Transportation and Enrollment. Illinois State Board of Education website (n.d.). Retrieved September 8, 2008, from http://www.isbe.state.il.us/research/htmls/report_card.htm. IERC Study: Data Files, GSA0405Variables and FY05 Poverty Gross Prorated, retrieved from the Illinois State Board of Education, August 18, 2008.

included as part of other state funding.[40] As such, concrete judgments as to the nature of the data utilized by Verstegen and Driscoll were not possible.

The reason data sources were of critical importance was a practical issue. Equity arguments were made in both studies on the basis of an equal distribution of state and local aid. To say that funding was inequitable because one district received more for transportation or school lunch charges than another was questionable given the diverse geographical nature of Illinois, with dense urban districts in the northeast part of the state and more transportation-dependent districts in the rural south, east and western sections of the state. It may therefore be suggested that equity analysis should focus on the equitable distribution of unrestricted general funds resulting from application of the funding formula, not those funds restricted for certain programs. Data which applied to the general fund of all school districts via the allocation of state and local aid by the state's funding formula provided rationale grounds for analysis of equity. For nationally distributed policy research, it may rightfully be argued that consumers of the research need to be aware of the nuances of the data, especially as it pertains to *The Funding Gap* report, which reports national data for easy inter-state comparisons. A true picture and a deeper understanding of disparities require attention to the practical details of funding allocations from all sources—be they local, state or federal.

To say that funding was inequitable because one district received more for transportation or school lunch charges than another was questionable given the diverse geographical nature of Illinois, with dense urban districts in the northeast part of the state and more transportation-dependent districts in the rural south, east and western sections of the state.

Treatment of the Data

The decision to adjust data depend on the value of the researcher as to whether adjusted or unadjusted values were of greater validity.[41] In the development of policy research, it may be argued that presenting both the adjusted and unadjusted amounts would provided the clearest portrayal of fiscal equity and dispersion factors, for adjusting values had effects on the analysis.

For example, in this study, student count weights increased the number of students in districts by counting certain individuals as more than one individual. A Native American living in poverty would be weighted for minority and poverty, thereby resulting in one person being counted as more than two. The result of this was a decrease in dollars per student due to a larger denominator (students) in the equation. It was important to note that the influence of this phenomena was dependent on the number of students in weighted groups in a specific district. Additionally, adjustments of the revenue sources would either inflate or deflate

In this study, student count weights increased the number of students in districts by counting certain individuals as more than one individual.

[40] Division of Data Analysis and Progress Reporting, *2006 Report Card Definitions and Sources of Data* (Springfield, IL: Illinois State Board of Education, n.d.), http://www.isbe.state.il.us/research/pdfs/rc06_def.pdf

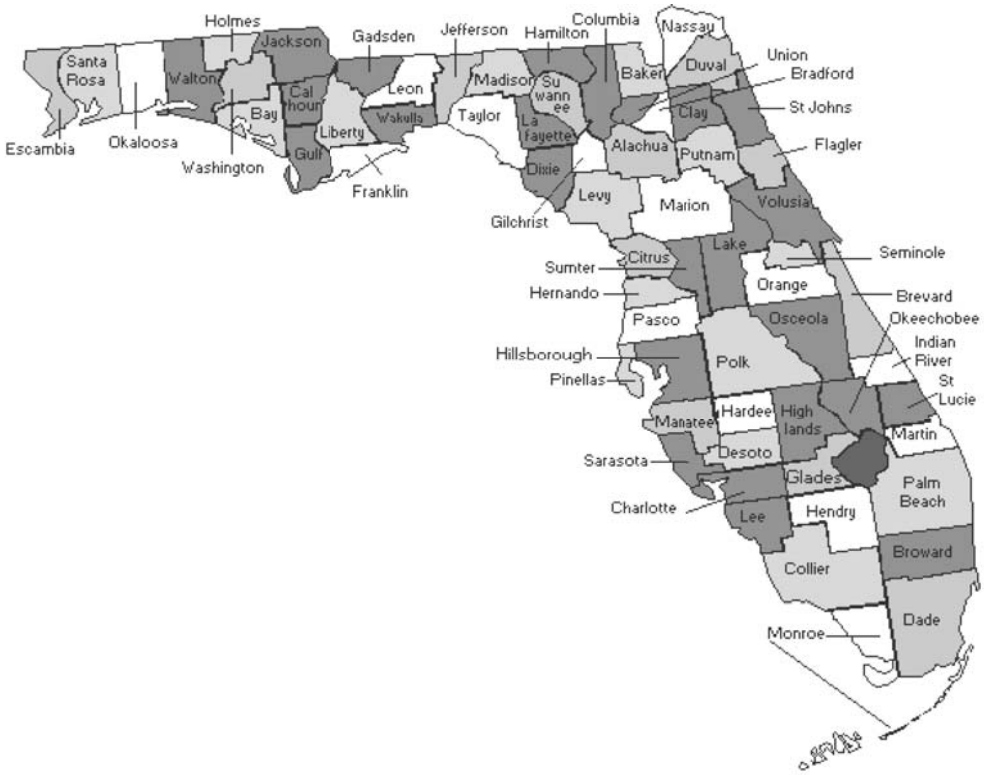
[41] Robert Berne and Leanna Stiefel, *The Measurement of Equity in School Finance: Conceptual, Methodological and Empirical Dimensions* (Baltimore, MD: The Johns Hopkins University Press, 1984).

the aid per pupil for a district depending on whether the adjustment decreased or increased the actual amount provided to the district. Nonetheless, the act of adjusting does distort the data and does not produce an accurate distribution of state and local aid.

State Structure

A contributing factor to the observed disparities in funding may be attributed to the structures of schooling in the State of Illinois. The three district structure (elementary, high school, and unit), which resulted in 881 districts, provided data points with sufficient detail to reveal inequities possibly masked by aggregation in other states. By contrast, in Florida each county is a school district (Figure 2). Thus, a district like Palm Beach County has aggregated data inclusive of the affluent towns of Palm Beach and Boca Raton and the less affluent towns of Pahokee and Belle Glade. It may be plausible to argue that if each of these smaller towns in Florida were their own school district, similar fiscal inequities would be found. This is not to suggest that Illinois restructure necessarily: but it is only to point out inter-state differences in structures and how they may influence comparative calculations of fiscal equity.

Figure 2. Map of Florida School Districts



Source: Florida Department of Education, Education Information & Accountability Services. "Map of Florida School Districts" (Tallahassee, FL: Author, n.d.). Retrieved September 22, 2008 from http://www.fldoe.org/eias/flmove/eias.asp

What Does It All Mean

It is of utmost importance to state first that inequities do exist in the total state and local aid per pupil. The allocation of supplemental state funds has not offset local property tax wealth applicable to school districts.

Both studies reviewed in this manuscript provided different grounds for further discussion of the equitable distribution of fiscal resources. *The Funding Gap* focused on distinct segments of the educational system, whereas *The Illinois Dilemma* examined the funding structures in total.

The Funding Gap

In comparing the adjusted numbers to the actual numbers, one finds distinct differences. The Education Trust's figures portrayed a fiscal allocation pattern significantly less equitable than those results of the IERC study. A problem of concern regarding *The Funding Gap* methodology was the application of non-general fund revenue to the analysis and the inclusion of weights for special populations, where adjustments were already made via the funding formula.[42] Until the methodology is revisited, consumers of their analysis should be skeptical as the results of the research a) do not accurately depict both the actual allocation patterns of states and b) overlook the adjustments states were making in addressing the needs of special populations through components within state funding formulas.

The Illinois Dilemma

The allocation of state and local aid via the mechanism developed to address fiscal equity did not eliminate inequities in local wealth contributions to local education agencies. It was observed, in the IERC's unadjusted study results, that the inequities were even more severe than previously reported in most cases. Elementary districts were of specific interest because they were the least equitable of the three district types. Therefore, a more thorough analysis was undertaken.

The allocation of state and local aid via the mechanism developed to address fiscal equity did not eliminate inequities in local wealth contributions to local education agencies.

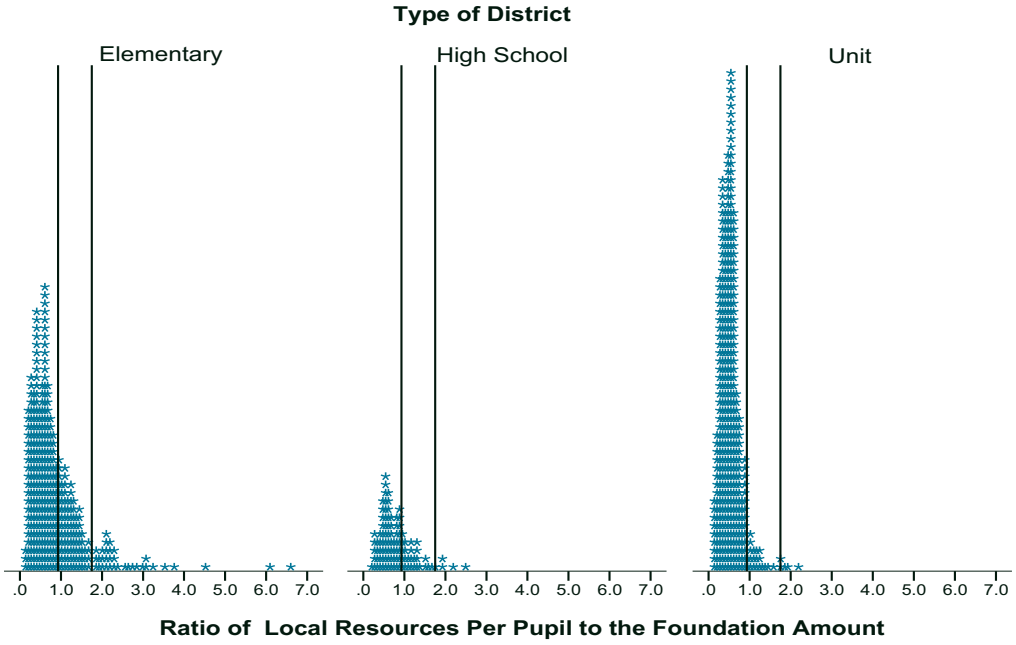
[42] While conducting the analysis for this manuscript two items emerged regarding the funding formula that should be noted. First, due to hold harmless and field audits, the general state aid entitlement amount award was, in some cases, altered. As a result, we found six districts which received less than the foundation amount of $4,964 per pupil. They were the districts of Scott-Morgan ($4,403.78), Divernon ($4,875.11), Lockport ($4,915.29), Tripoint ($4,925.77), Huntley ($4,936.19), and Pleasant Hill ($4,938.50). All six school districts lost funds in the adjustments category of the funding formula as the result of a field audit by the Illinois State Board of Education.

Second, the calculations of poverty reported in the entitlement forms available online and in the data file received by the researchers had erroneous District Low Income Concentration amounts, which were utilized in the determination of poverty grant amounts. For example, the six districts noted above all had a calculated DLIC lower than the applied amount. A check of this amount in the ten elementary districts with the highest wealth indicated three districts also had miscalculations, with the applied amount being the larger calculation.

A starting point to understanding why the elementary districts were the most inequitable may be observed in the distribution of local wealth, the primary driver in determining the amount of state aid the funding formula supplied.

Figure 3 presents a distribution of the ratio of local resources to the foundation amount as calculated to determine the amount of state aid awarded. The two vertical lines represent the cut-points at which a new formula was applied, with those districts with values to the left of the first line receiving foundation formula aid, those between the two lines receiving state aid via the alternative formula, and those district values to the right of the second line receiving a flat grant of $218 per pupil.

Figure 3. Distribution of the Ratio of Local Resources Per Pupil to the Foundation Amount, with Formula Type Cut Points, by District Type, FY2005



The skewed nature of this distribution contributed to the inequitable results of the analyses.

In looking at the figure, it becomes apparent that the distribution was "tighter" in high school and unit district, with few districts beyond the second cut-point. Contrarily, the elementary district distribution was skewed with a greater number of districts beyond the second cut-point indicating greater local wealth. The skewed nature of this distribution contributed to the inequitable results of the analyses.

However, if one were to "tighten" the distribution by eliminating the influence of the ten elementary districts with the largest amount of local resources, the substantial changes would be observed. All ten districts would be found in the northeast part of the state, comprising just 5,518 total students or 0.29% of all students in the state. The average total state and local aid per pupil in these ten districts was $19,969.09; with 7% of the population in poverty as compared to a state average

of 12% and 8.8% of minority status as compared to a state average of 15.47% (Table 6).[43] Removing these ten districts from the fiscal equity analysis conducted to replicate *The Illinois Dilemma*, results in a more equitable result as evidenced by a range that is one-third the original amount of the IERC study and one-half the amount cited in *The Illinois Dilemma* (Table 7). Wealth neutrality was observed to decrease in elementary districts; still the relationship was stronger than reported by Verstegen and Driscoll. Comparatively, wealth neutrality weakened to a level less than Verstegen and Driscoll when examining all districts combined (Table 8). This finding provided further evidence of the influence of ten elementary districts on calculations of fiscal equity. In reality, these districts cannot be ignored, but the analysis does show the influence of a very small number of elementary districts on an analysis of state fiscal equity.

Table 6. The Ten Elementary Districts with the Highest Total State and Local Aid Per Pupil, FY2005

District Name	County	Average Daily Attendance[a]	Ratio of Local Resources to Foundation Amount[a]	TSLAPP[b]	District Poverty[c] Percent	District Minority[d] Percent
Rondout	Lake	119.40	6.59	$32,982.65	6%	19%
Butler	Dupage	499.12	6.09	$30,484.38	3%	5%
Salt Creek	Dupage	566.64	4.52	$22,689.94	5%	17%
Bannockburn	Lake	205.09	3.76	$18,918.46	11%	3%
Lake Forest	Lake	2039.93	3.53	$17,765.37	2%	2%
Seneca Community Consolidated	Lasalle	572.5	3.24	$16,411.03	9%	4%
Niles Elementary	Cook	545.0	3.08	$15,531.52	9%	12%
Dimmick Community Consolidated	Lasalle	109.54	3.06	$15,454.81	7%	4%
Rosemont Elementary	Cook	265.26	2.99	$15,096.02	14%	18%
Sunset Ridge	Cook	541.3	2.84	$14,356.76	5%	4%
Sum		5517.78				
Average		551.78	3.97	$19,969.09	7.1%	8.8%

[a] Data from Illinois State Board of Education data file.
[b] Authors' calculation from data file obtained from the Illinois State Board of Education.
[c] Authors' calculation from the United States Census Bureau data, retrieved August 21, 2008 from http://www.census.gov/hhes/www.saipe/district.html
[d] Authors' calculation from data file obtained from the National Center for Education Statistics, Common Core Data. Retrieved August 21, 2008 from http://nces.ed.gov/ccd/pubschuniv.asp

[43] Poverty and minority amounts were calculated utilizing the data sources and treatment outlined by *The Funding Gap*.

Table 7. Comparison of the Dispersion of Fiscal Equity With and Without the 10 Wealthiest Elementary Districts, FY2005

	Elementary District			All Districts Combined		
		IERC Study			IERC Study	
	The Illinois Dilemma[a]	With 10 Wealthiest	*Without 10 Districts*	*The Illinois Dilemma*[a]	With 10 Wealthiest	*Without 10 Districts*
Range	$16,604	$28,067	$8,957	$16,620	$28,579	$9,468
Restricted Range	$5,817	$3,965	$5,107	$5,927	$3,965	$3,240
Federal Range Ratio	1.36	0.80	1.03	n/a	0.80	0.65
Mean	$6,825	$6,302	$5,273.46	$6,184	$5,787.31	$5,145.05
Median	$6,468	$5,285	$5,931.94	$5,692	$5,151.69	$5,624.49
Coefficient of Variation (%)	27.69%	46.47%	26.69%	22.39%	35.39%	22.29%
Gini Index	0.1521	0.5081	0.5007	0.1168	0.4830	0.4801
Verstegen Index	1.2856	1.4045	1.5818	1.2748	1.5744	1.67
McLoone Index	0.8247	0.4774	0.4927	0.9120	0.4882	0.4945
Pupil Count	683,201	505,350	499,886	2,817,609	1,905,521	1,900,058
Total Number of Districts	378	379	369	875	881	871

[a] Data obtained from tables 2 and 4 in Deborah A. Verstegen and Lisa G. Driscoll, "Educational Opportunity: The Illinois Dilemma," *Journal of Education Finance,* 33(4), (2008): 331-351.

Table 8. Illinois Bivariate Measures of Fiscal Dispersion With and Without the 10 Wealthiest Elementary Districts, FY2005

	Elementary District			All Districts Combined		
		IERC Study			IERC Study	
	The Illinois Dilemma[a]	With 10 Wealthiest	*Without 10 Districts*	*The Illinois Dilemma*[a]	With 10 Wealthiest	*Without 10 Districts*
Correlation (r)	0.7781	0.9272	0.8375	0.7846	0.7432	0.6469
Regression (r^2)	0.6054	0.8597	0.7013	0.6156	0.5524	0.4185
Slope	0.0126	0.4989	0.3595	n/a	0.2728	0.1659

Notes: As it pertained to wealth, This Study utilized equalized assessed values for 2002 in accurate reflection of the rates applied via the funding mechanism. The Illinois Dilemma study utilized equalized values from 2003.

[a] Data obtained from tables 3 and 5 in Deborah A. Verstegen and Lisa G. Driscoll, "Educational Opportunity: The Illinois Dilemma," *Journal of Education Finance*, 33(4): 331-351.

Recommendations

In order to make advancements in education policy, research based in reality and the specific context being addressed, the following recommendations are suggested.

Researchers must acknowledge the efforts states employ to address additional funding for populations of interest. Sources of data and its treatment by the researchers invalidated the efforts of Illinois to address populations of interest. The practice of adjusting aggregate funds for a population of interest, after they had already been adjusted for by the state, exhibited a disregard for the efforts made by state agencies. As such, attempts should be made to acknowledge the efforts state agencies employ to incorporate additional funding for populations of interest.

Policymakers must insist on both unadjusted and adjusted figures. What the results of this study do indicate is that research from academia, research and advocacy organizations do not always reflect the actual value amounts reflective of the districts they examine. As evidenced in this report, future research would serve public policy in a more accurate manner by including the results of unweighted and unadjusted data in conjunction with alternative approaches deemed appropriate by the researchers, given that any adjustments are rationally supported within the report itself.

A state specific, comprehensive report is needed. To fully understand the equity of a state's funding policy, only those funds subject to allocation via the funding policy mechanism applicable to the general fund of all districts should be accounted for in the analysis. The inclusion of state and local programmatic aid and/or the weighting schemes that produced the results examined in this manuscript do not address the reality of the mechanism itself. Programmatic aid in the form of categorical aid from state, local and federal sources should be treated separately in future analyses. Further studies are needed to determine the equity of the distribution of these funds as they were not considered in the replicated analyses. Such studies, combined with the results obtained here, would constitute a comprehensive analysis and provide for deeper understanding of the fiscal support for school districts in the State of Illinois.

Methodological Appendices

Appendix A: Data Log

August 13-14, 2008

- **READ** Funding Gap and Illinois Dilemma.
- **WRITE** Introduction to paper and review of technical aspects of Funding Gap and Illinois Dilemma.

August 15, 2008

- Funding formula utilized in 2004-2005 allocation **LOCATED** via search of Illinois State Board of Education (ISBE) website.

August 18, 2008.

- State General Student Aid Data LOCATED on ISBE website. Formula calculation sheets found for each district under the title "General State Aid Entitlement for __(year)—" going back to 2001. CONTACTED Funding & Disbursements head Jim Mathes with question asking for raw data so I did not have to enter it manually and to ensure accuracy.

  (Chris) Hi Jim,

  I am a researcher at the Illinois Education Research Council and working on a project that utilizes the General State Aid inquiry data from 2004-05. I find these reports to be outstanding. Is there by any chance a document where the data on these sheets is combined in aggregate so I do not have to re-enter it one district at a time? I wish to save time and reduce any chance for error.

  Any help would be greatly appreciated.

  (Jim Mathes) I've forwarded your email to a few individuals that may be able to provide you the data in a more usable fashion.

- Variables utilized in the General Student Aid calculation were **SENT** in a data file in Excel format. File named GSAVAR05.xls

  (Toni Waggoner) Attached is a spreadsheet that I create each year. If you need additional data items please let me know.

  Email correspondence with Toni Waggoner at ISBE:

  (Chris) I know the calculation rate is coded by district type. I assume this is column "D." If I am correct may I have the codes because there are more than three categories. If not , please advise.

  (Toni) The ROE programs and Lab Schools do not have local resources and therefore do not have a calc rate. These are types 4 and 5. Type 0 is elem and the calc rate is 2.30, "1' is high school and the rate is 1.05 and units are "2" and they are 3.00.

  (Chris) 2. I know the EAV utilized in the formula varies, was the EAV listed in column "K" the one applied in the allocation?

  (Toni) Yes that is the EAV used in the FY05 calculation.

  (Chris) 3. As it relates to formula type, is column "V" the codes. If I am correct, may I have the codes to ensure accuracy. If not, please advise.

  (Toni) "A" is foundation formula, "B" is alternate method and "C" is flat grant. "L" is for lab

schools but they fall into the foundation formula.

(Chris) 4. Lastly, do you have poverty grant data?

(Toni) I can get you the poverty grant amount. It was prorated that year so do you want the actual calculation or what they were paid?

- Poverty Amounts SENT August 18, 2008. File named FY05 Poverty Gross Prorated.xls.

(Chris) Thank you again. May I please have both poverty amounts? What was the adjustment rate and was it uniform in its application?

(Toni) Attached is a spreadsheet with both amounts. You will see that the ROE Programs and Labs do not receive poverty. The poverty grant was prorated down across all districts at a little more than .8%.

- Data Files were opened as SPSS files (FundingGap_08.sav and FundingGap_08_Poverty.sav) and **MERGED**. The file was saved as FundingGap_08.sav.

Before **MERGE**, formula calculations outlined in the funding formula were calculated utilizing the acquired variables.

BestADA = Greater of ADA3yr or ADA_04

DLIC = (DHS_01 + DHS_02 + DHS_03)/3

DLIConcentration = DLIC/BestADA

ALR = (EAV_applied_02 * CalcRate) + CPPRT

LRPP = ALR/BestADA

LRPercentage = LRPP / 4964 – foundation amount.

Note: The poverty file had 954 cases, whereas the variable file had 953 cases. Upon merging the case with district ID number 2400000000095 was found to be the unmatched case. This district number was not identified via the ISBE website, and it did not have a value for poverty associated with it. As such the case was **REMOVED**. Population now = 953.

- The resulting file was **SAVED** as FundingGap_08_FULL.sav.
- FundingGap_08_FULL.sav was **SORTED** by district type.
- Districts 4 and 5 were **REMOVED** as they were ROE and lab schools and did not receive local support. Population now = 881. File **SAVED** as FundingGap_08_3districts.sav.

August 19, 2008

- CLARIFIED the data relationship between GSA net and poverty grant.

Email to Toni Waggoner August 19, 2008:

(Chris) Just for clarification as I start to analyze the data, the first worksheet you sent me with the GSA variables did not have the poverty data included. As such, the Net GSA did not include the poverty grant amount. To determine the Net GSA that was allocated to school districts I need to add the prorated poverty amounts.

Thank you for your time, I am double-checking to maintain accuracy.

(Toni) The first spreadsheet did not have poverty broken out but it was contained in the gross and net GSA figures

(Chris) Was the poverty amount included the calculated or prorated amount?

(Toni) In the original spreadsheet the GROSS and NET GSA amounts contain the calculated poverty amount not the prorated amount.

(Chris) Thank you. I will adjust accordingly.

I appreciate your help as I work to maintain accuracy in my research.

- **ADJUSTED** GSA Net to reflect prorated poverty amount, not calculated poverty amount. As such, GSANetRedux = (GSA_Net - PovertyGross) + PovertyActual
- **CALCULATED**:

  AllocatedGSA = Harmless + GSANetRedux

  DGSAPP = AllocatedGSA / BestADA

  TSLR = ALR + Allocated GSA = Total State and Local Resources

  TSLRPP = LRPP + DGSAPP = Total State and Local Resources Per Pupil

  SAVED file.

- **NOTICED** the following in looking at data:

  6 districts received below the Foundation Amount ($4,964)

District	TSLRPP
SCOTT-MORGAN C U SCH	$4,403.78

Possible Sources of Error
Reported District Low Income Concentration (.2079) was not correct (.1851)
Across the Board Poverty Reduction (- $284.95)

DIVERNON C U SCHOOL $4,875.11

Possible Sources of Error
Reported District Low Income Concentration (.1531) was not correct (.1498)
Across the Board Poverty Reduction (- $94.05)
Addition of Hold Harmless (+ $ 6,199.56)

LOCKPORT SCHOOL DIST $4,915.29

Possible Sources of Error
Reported District Low Income Concentration (.1106) was not correct (.1007)
Across the Board Poverty Reduction (- $127.28)

TRI POINT C U SCH DI $4,925.77

Possible Sources of Error
Reported District Low Income Concentration (.2202) was not correct (.2115)
Across the Board Poverty Reduction (- $410.99)

HUNTLEY CONS SCHOOL $4,936.19

PLEASANT HILL C U SC $4,938.50

It is also noted all 6 school districts lost funds in the adjustments category as the result of a Field Audit by ISBE.

August 20,2008

- **CALCULATE**

  COMPUTE GSAGrossRedux=(GSA_Gross - PovertyGross) + PovertyActual.

  COMPUTE GSAGrossPP=GSAGrossRedux / BestADA.

  COMPUTE REsourcesGross=ALRGSAGrossRedux + GSAGrossRedux.

  COMPUTE REsourcesGross=ALR + GSAGrossRedux.

  COMPUTE ResourcesGrossPP=LRPP + GSAGrossPP.

  SORT CASES BY ResourcesGrossPP(A).

- **CALCULATE** descriptive statistics. It was observed that all institutions received at least the Foundation amount. The **DECISION** was made to utilize the Gross amount, as adjustments were external to the formula.
- The data was **SAVED**.
- In order to perform equity calculations, the SPSS files were **SAVED** as Excel files: FundingGap08Net.xls and FundingGap08Gross.xls.
- The findings were not **OBSERVED** to be different when utilizing FundingGap08Net.xls data. The analysis moved forward utilizing FundingGap08Net.xls data.
- Fiscal Equity calculations completed in Excel file FundingGap08Net.xls. Outcomes transferred to manuscript for discussion/interpretation.

August 25, 2008

- **MATCHED** district poverty data from Census (http://www.census.gov/cgi-bin/saipe/saipe.cgi) data file. In doing so, the following was observed:

  a. **17 Community Consolidated Districts did not have district number identifiers in their name, so I had to utilize the internet to match "Community Consolidated School/Unit/High School Districts" between the FundingGap_08.sav file and the aforementioned Census data.**

  b. **2 "Township high School districts" had to be identified as in a. above.**

  c. **NOT MATCHED.**

     i. **Present in Census, not ISBE**

        1. **Community Consolidated School District 146**
        2. **West Carroll Community Unit School district 314**
        3. **West Central community Unit School District 235**

     ii. **Present in ISBE, not Census**

        1. **Cresent City C C School District**
        2. **Industry C U School District**

3. **Logan Community Consolidated School District**
4. **Mount Carroll Community Unit**
5. **Roseville C U School District**
6. **Savanna Comm Unit**
7. **Southern C U School**
8. **Thomson Comm Unity District**
9. **Tinley Park Comm School District**

d. For this analysis, N = 872

- **CALCULATE** the "Percent of Low Income Students" (FundingGap, 2008b, p.4)

a. PercentLowIncome = DistrictAged5_17Poverty/DistrictAged5_17

b. SORT in descending order by the PercentLowIncome

c. Divide into quartiles by first, obtaining total BestADA (1,905,521.80), adjust by removing BestADA for unmatched districts (4,918.22), then find quartiles (475,150.895).

d. SAVE as FundingGap_08_3districts_ETPoverty.xls

- Find Quartiles in file FundingGap_08_3districts_ETPoverty.xls

a. Results of Analysis

Poverty quartiles	Quartile Pupil Count	Mean TSLRPP
Highest	474,302.94	$5,803.12
	472,603.74	$5,786.19
	474,333.18	$5,766.60
Lowest	479,363.71	$6,372.21
RANGE		$569.08
Number of Districts		872
BestADA Sum	1,900,603.58	
Quartiles	475150.89	

b. The results of the analysis indicated a range of $569.08 total state and local revenue per pupil between the highest and lowest poverty districts. The largest range was between the lowest and second lowest poverty quartiles at $605.61.

August 26, 2008

- **DOWNLOAD** minority data ZIP file from the NCES (http://nces.ed.gov/ccd/pubschuniv.asp) for states A-I.

a. **EXTRACT** information from Zip file.

b. **OPEN** in SPSS.

c. **FIX** widths of data according to codebook.

d. **RUN** syntax.

e. **SAVE** file as Minority_EdTrust_04.sav.

f. **REMOVE** data for states other than Illinois.

g. N=4533 schools

h. **SAVE** as Minority_EdTrust.sav.

August 27, 2008

- **ERROR** Minority_EdTrust.sav file lost.
  a. Find in **BACKUP** file
  b. **RENAME** FundingGap_08_Minority.sav
- **UTILIZE** codebook to identify minority variables.
- **CALCULATE**
  a. MinorityPercent = (AM04 + HISP04 + BLACK04)/TOTETH04
  b. NOTE:
    i. The Funding Gap report cites variables ending in "04" such as "AM05." However, my codebook has them as AM04."
  c. **EMAIL** sent to author Carmen Arroyo at EdTrust.org:

(Chris) Hi Carmen,

I have a question after reviewing the Minority data obtained from the Common Core Data in the most recent Funding Gap report dated January 2008.

Specifically I have found the following:

In the technical appendix for the report, on page 2, you cite the source for school enrollment data as: *NCES, Common Core of Data, Public Elementary/Secondary School Universe Survey Data for the school years 1998-1999 and 2004-2005.* http://nces.ed.gov/ccd/pubschuniv.asp.

In visiting that website and pulling up the 2004-2005 data I have come to find that the codes you used in explaining the variables do not match the codes for the 2004-2005 school year.

For example, the second bullet in your technical appendix states: "American Indian/Alaskan Native students (AM99 and AM05)."

When I visit the site, for the same group for the 2004-2005 year I obtained the codes "AM04," not your "AM05."

The reference of my codebook, and resulting data for analysis, is:

Sable, J, Thomas, J.M. and Sietsema, J. (2007, July). *Documentation to the NCES Common Core of Data Public Elementary/Secondary School Universe Survey: School Year 2004-05.* [Revised File Version 1b]. Washington, DS: U.S. Department of Education, Institute of Education Sciences. A document found on the aforementioned website listed in your citation.

I would appreciate any information as to why the data code you cite is disconnected from the data code I found

- Initial analysis **REVEALED** that some school districts from the Common Core Data set utilized in EdTrust report had multiple schools that did not report attendance. In the data set, a "-2" was placed where an enrollment number should be, resulting in district percentages that were greater than 1.
- As such, the data points without enrollment data were **REMOVED**.

District	School Name
ADAMS/PIKE ROE	OMBUDSMAN PROGRAM
ADAMS/PIKE ROE	OMBUDSMANCAREER/LIFE SKILLS PRG
ADAMS/PIKE ROE	PACE - EAST SCHOOL
ALEXIS C U SCH DIST 400	ALEXIS JR HIGH SCHOOL
ALEXIS C U SCH DIST 400	ALEXIS HIGH SCHOOL
ALEXIS C U SCH DIST 400	ALEXIS ELEM SCHOOL
BOONE/WINNEBAGO ROE	REGIONAL ALTERNATIVE SCHOOL
BUNKER HILL C U SCHOOL DIST 8	MEISSNER ELEM SCHOOL
BURBANK SCHOOL DISTRICT 111	HARRY E FRY ELEM SCHOOL
BUREAU VALLEY CUSD 340	ROE BUREAU CTY ALT SCH
BUREAU VALLEY CUSD 340	BEHAVIOR DISORDER PROGRAM COOP
CAPITAL AREA CAREER CENTER	CAPITAL AREA CAREER CTR
CAPITAL AREA CAREER CENTER	CAPITAL AREA SCH OF NURSING
CARBONDALE ELEM SCH DIST 95	LAKELAND SCHOOL
CARY C C SCHOOL DIST 26	OAK KNOLL ELEM SCHOOL
CENTRAL SCHOOL DISTRICT 51	COLUMBIA ELEM SCHOOL
CHENOA C U SCHOOL DISTRICT 9	CHENOA ELEM SCHOOL
CHENOA C U SCHOOL DISTRICT 9	CHENOA HIGH SCHOOL
CITY OF CHICAGO SCHOOL DIST 299	ZENOS COLMAN ELEM SCHOOL
CITY OF CHICAGO SCHOOL DIST 299	DONOGHUE ELEM SCHOOL
CITY OF CHICAGO SCHOOL DIST 299	WOODSON NORTH ELEM SCHOOL
CITY OF CHICAGO SCHOOL DIST 299	FLOWER CAREER ACADEMY HIGH SCHOOL
CITY OF CHICAGO SCHOOL DIST 299	RECOVERING THE GIFTED CHILD ELEM
CITY OF CHICAGO SCHOOL DIST 299	RODRIGUEZ ACADEMIC PREPARATION CT
CITY OF CHICAGO SCHOOL DIST 299	HARVEY ACADEMIC PREPARATION CTR
CITY OF CHICAGO SCHOOL DIST 299	SENGSTACKE ACADEMIC PREPARATION C
CITY OF CHICAGO SCHOOL DIST 299	HAYES ACADEMIC PREPARATION CTR
CITY OF CHICAGO SCHOOL DIST 299	HERNANDEZ ACADEMIC PREPARATION CT
CITY OF CHICAGO SCHOOL DIST 299	PROCTOR ACADEMIC PREPARATION CTR
CITY OF CHICAGO SCHOOL DIST 299	PARTEE ACADEMIC PREPARATION CTR
CITY OF CHICAGO SCHOOL DIST 299	PASSAGES CHARTER SCHOOL
CITY OF CHICAGO SCHOOL DIST 299	MUNOZ MARIN PRIMARY CENTER
CITY OF CHICAGO SCHOOL DIST 299	KIPP ASCEND ACADEMY CHARTER SCH
CITY OF CHICAGO SCHOOL DIST 299	M RAMIREZ COMPUTER CHARTER SCH
CITY OF CHICAGO SCHOOL DIST 299	ARTS OF LIVING ALTERNATIVE HS
CITY OF CHICAGO SCHOOL DIST 299	TESLA ALT HIGH SCH FOR PREG GIRLS
CONS HIGH SCHOOL DISTRICT 230	WILLOW GROVE HIGH SCHOOL
DECATUR SCHOOL DISTRICT 61	MOUND MIDDLE SCHOOL
DECATUR SCHOOL DISTRICT 61	SUNNYSIDE SCHOOL
DOLTON SCHOOL DISTRICT 149	BIRTH - KINDRGRTN CTR SETON ACAD
EAST DUPAGE SPEC EDUC DIST EDSED	VILLA GROVE SCHOOL
EISENHOWER COOPERATIVE	WORTHRIDGE SCHOOL
EISENHOWER COOPERATIVE	DEVELOPMENTAL LEARNING PGM DLP
EL PASO C U DISTRICT 375	CENTENNIAL GRADE SCHOOL
EL PASO C U DISTRICT 375	EL PASO HIGH SCHOOL
EL PASO C U DISTRICT 375	JEFFERSON PARK ELEM SCHOOL
FARMINGTON CENTRAL C U S D 265	CHAPMAN MIDDLE SCHOOL
FARMINGTON CENTRAL C U S D 265	YATES CITY ELEMENTARY SCHOOL
FARMINGTON CENTRAL C U S D 265	HARRIS ELEMENTARY SCHOOL
FARMINGTON CENTRAL C U S D 265	HANNA CITY GRADE SCHOOL
FARMINGTON CENTRAL C U S D 265	LOGAN ELEM SCHOOL
FORRESTVILLE VALLEY C U S D 221	LEAF RIVER GRADE SCHOOL
GALESBURG C U SCHOOL DIST 205	KNOX COUNTY ACADEMY
GERMANTOWN HILLS SCHOOL DIST 69	GERMANTOWN HILLS MIDDLE SCHOOL

District	School Name
GILLESPIE COMM UNIT SCH DIST 7	SPECIAL EDUCATION BUILDING
GREENVIEW C U SCH DIST 200	GREENVIEW JR HIGH SCHOOL
GRIDLEY C U SCH DIST 10	GRIDLEY JR HIGH SCHOOL
GRIDLEY C U SCH DIST 10	GRIDLEY HIGH SCHOOL
GRIDLEY C U SCH DIST 10	GRIDLEY ELEM SCHOOL
GRUNDY/KENDALL ROE	PREMIER ACADEMY - JOLIET
HAMILTON CO C U SCHOOL DIST 10	BEAVER CREEK ELEM SCHOOL
HAZEL CREST SCHOOL DIST 152-5	LINCOLN SCHOOL
HAZEL CREST SCHOOL DIST 152-5	WARREN PALM SCHOOL
HOMER COMM CONS SCH DIST 33C	LUTHER J SCHILLING SCHOOL NORTH
HOOVER-SCHRUM MEMORIAL SD 157	HOOVER WEST ELEM SCHOOL
ILLIOPOLIS C U SCHOOL DIST 12	ILLIOPOLIS HIGH SCHOOL
ILLIOPOLIS C U SCHOOL DIST 12	ILLIOPOLIS ELEM
INTERMEDIATE SERVICE CENTER 4	R I S E - LANSING
INTERMEDIATE SERVICE CENTER 4	R I S E - OAK LAWN
JACKSONVILLE SCHOOL DIST 117	JEFFERSON SCHOOL
JASPER COUNTY COMM UNIT DIST 1	STE MARIE ELEMENTARY
JOLIET PUBLIC SCH DIST 86	ELIZA KELLY ELEM SCHOOL
JOLIET PUBLIC SCH DIST 86	WASHINGTON ACADEMY PROGRAM
JOLIET PUBLIC SCH DIST 86	KENNEDY EARLY EDUCATION CTR
LEE CENTER C U SCHOOL DIST 271	FRANKLIN CENTER JR SR HIGH SCHOOL
LEE CENTER C U SCHOOL DIST 271	FRANKLIN CENTER ELEM SCHOOL
LITCHFIELD C U SCHOOL DIST 12	SIHLER ELEM SCHOOL
LIVINGSTON C C SCHOOL DIST 4	A R GRAIFF ELEM SCHOOL
LIVINGSTON C C SCHOOL DIST 4	LIVINGSTON HIGH SCHOOL
MACON-PIATT SPEC EDUC JNT AGR	SUNNYSIDE SCHOOL
MACON/PIATT ROE	ADULT TEEN GED ACADEMY
MACON/PIATT ROE	ST MARYS ADOLESCENT ED PROGRAM
MCHENRY CO COOP FOR EMPLOY EDUC	MCHENRY CO COOP FOR EMPLOY
MCLEAN COUNTY UNIT DIST NO 5	EUGENE FIELD ELEM SCHOOL
MERRIAM COMM CONS SCHOOL DIST 19	MERRIAM ELEMENTARY SCHOOL
MT ZION COMM UNIT SCH DIST 3	SALEM ELEM SCHOOL
MURPHYSBORO C U SCH DIST 186	MCELVAIN ELEM SCHOOL
NEW HOLLAND-MIDDLETOWN E DIST 88	NEW HOLLAND-MIDDLETOWN ELEM SCHL
NIANTIC-HARRISTOWN C U S D 6	NIANTIC-HARRISTOWN JR HIGH SCH
NIANTIC-HARRISTOWN C U S D 6	NIANTIC-HARRISTOWN HIGH SCHOOL
NIANTIC-HARRISTOWN C U S D 6	HARRISTOWN ELEM SCHOOL
NORTHWEST SUBURBAN ED TO CAREERS	NW SUBURBAN EDUC TO CAREERS
OHIO & WABASH VALLEY REG VOC SYS	OHIO & WABASH VALLEY RVS
OLYMPIA C U SCHOOL DIST 16	HOPEDALE ELEM SCHOOL
OLYMPIA C U SCHOOL DIST 16	STANFORD GRADE SCHOOL
OLYMPIA C U SCHOOL DIST 16	MCLEAN/WAYNESVILLE ELEM SCHOOL
OREGON C U SCHOOL DIST-220	DAVID L RAHN ELEMENTARY
PALATINE C C SCHOOL DIST 15	NEWCOMERS CENTER
PARIS-UNION SCHOOL DIST 95	BEHAVIOR ACADEMIC CENTER
PEORIA SCHOOL DISTRICT 150	DIAGNOSTIC LEARNING CENTER
PEORIA SCHOOL DISTRICT 150	ZELLER MENTAL HEALTH CENTER
PUFFER HEFTY SCHOOL DIST 69	HENRY PUFFER SCHOOL
R O W V A COMM UNIT SCH DIST 208	RIO ELEM SCHOOL
R O W V A COMM UNIT SCH DIST 208	VICTORIA ELEM SCHOOL
RIDGEVIEW COMM UNIT SCH DIST 19	ARROWSMITH ELEMENTARY SCH
ROCKFORD SCHOOL DIST 205	ROCK RIVER ELEM SCHOOL
SCHOOL DISTRICT 46	ILLINOIS PARK ELEM SCHOOL
VENICE COMM UNIT SCHOOL DIST 3	VENICE HIGH SCHOOL
W HARVEY-DIXMOOR PUB SCH DIST147	GARFIELD ELEM SCHOOL
WARREN C U SCH DIST 222	WARREN JR/SR HIGH SCHOOL
WARREN C U SCH DIST 222	WARREN ELEM SCHOOL
WILLIAMSVILLE C U SCHOOL DIST 15	WILLIAMSVILLE MIDDLE SCHOOL
WINFIELD SCHOOL DISTRICT 34	WINFIELD MIDDLE SCHOOL
ADAMS/PIKE ROE	CHADDOCK CARES PROGRAM

District	School Name
ALXNDR/JOHN/MASC/PULSKI/UNION ROE	BARNES HALL - ANNA
ALXNDR/JOHN/MASC/PULSKI/UNION ROE	WEST VIENNA LEARNING CENTER
ALXNDR/JOHN/MASC/PULSKI/UNION ROE	ROE SAFE SCHOOL - CAIRO
ALXNDR/JOHN/MASC/PULSKI/UNION ROE	ROE SAFE SCHOOL - METROPOLIS
ALXNDR/JOHN/MASC/PULSKI/UNION ROE	DEWEY HALL - ANNA
ATHENS COMM UNIT SCH DIST 213	CANTRALL INTERMEDIATE SCHOOL
AURORA WEST UNIT SCHOOL DIST 129	HERGCT MIDDLE SCHOOL
BERWYN SOUTH SCHOOL DISTRICT 100	FREEDOM MIDDLE SCHOOL
BLOOMINGTON AREA VOC CTR	BLOOMINGTON AREA VOC CTR
BUREAU/HENRY/STARK ROE	BUREAU CNTY COOP ALT SCH
BUREAU/HENRY/STARK ROE	ROCK RIVER COOP ALT SCH
CAPITAL AREA CAREER CENTER	CAPITAL AREA CAREER CTR
CAPITAL AREA CAREER CENTER	CAPITAL AREA SCH OF NURSING
CAREER & TECH EDUC CONSORTIUM	CAREER & TECH EDUC CONS
CAREER EDUC ASSOC OF N CENTRAL IL	CEANCI 150 TRAINING PROGRAM
CAREER PREPARATION NETWORK	CAREER PREPARATION NETWORK
CARROLL/JO DAVIESS/STEPHENSON ROE	FREEPORT ALTERNATIVE HIGH SCH
CENTRAL IL VOC ED COOP	CIVEC REGIONAL PROGRAM
BECK AREA CAREER CENTER	BECK AREA CAREER CENTER
CHAMPAIGN/FORD ROE	R E A D Y MIDDLE SCHOOL
CITY OF CHICAGO SCHOOL DIST 299	ACE TECH CHARTER HIGH SCHOOL
CITY OF CHICAGO SCHOOL DIST 299	BYRD ELEM COMMUNITY ACADEMY
CITY OF CHICAGO SCHOOL DIST 299	CLARK, M MIDDLE SCHOOL
CITY OF CHICAGO SCHOOL DIST 299	CPS VIRTUAL NCLB HIGH SCHOOL
CITY OF CHICAGO SCHOOL DIST 299	DOOLITTLE EAST MIDDLE SCHOOL
CITY OF CHICAGO SCHOOL DIST 299	DOOLITTLE WEST PRIMARY SCHOOL
CITY OF CHICAGO SCHOOL DIST 299	DOUGLAS ELEM COMMUNITY ACADEMY
CITY OF CHICAGO SCHOOL DIST 299	EARLY CHILDHOOD DEMONSTRATION CTR
CITY OF CHICAGO SCHOOL DIST 299	HARTIGAN ELEM COMMUNITY ARTS SPEC
CITY OF CHICAGO SCHOOL DIST 299	JULIAN ACHIEVEMENT ACADEMY HS
CITY OF CHICAGO SCHOOL DIST 299	ORR CAMPUS PRE KINDERGARTEN
CITY OF CHICAGO SCHOOL DIST 299	RAYMOND ELEM SCHOOL
CITY OF CHICAGO SCHOOL DIST 299	RICKOVER NAVAL MILITARY HIGH SCHL
CITY OF CHICAGO SCHOOL DIST 299	SPALDING ELEM SCHOOL
CITY OF CHICAGO SCHOOL DIST 299	SPALDING HIGH SCHOOL
CITY OF CHICAGO SCHOOL DIST 299	SUDER ELEM SCHOOL
CITY OF CHICAGO SCHOOL DIST 299	THE CHOIR ACADEMY
CITY OF CHICAGO SCHOOL DIST 299	THOMAS JEFFERSON ELEM SCHOOL
CITY OF CHICAGO SCHOOL DIST 299	TRUTH ELEM SCHOOL
CITY OF CHICAGO SCHOOL DIST 299	WRIGHT ELEM SCHOOL
CLAY/CWFORD/JSPER/LWRNCE/RHLAND	SAFE SCHOOL PROGRAM ROE 12
CLAY/CWFORD/JSPER/LWRNCE/RHLAND	SAFE SCHOOL ROE 12 CLAY COUNTY
CLAY/CWFORD/JSPER/LWRNCE/RHLAND	SAFE SCHOOL ROE 12 JASPER COUNTY
CLAY/CWFORD/JSPER/LWRNCE/RHLAND	SAFE SCHOOL ROE12 CRAWFORD CNTY
CLAY/CWFORD/JSPER/LWRNCE/RHLAND	SAFE SCHOOL ROE12 LAWRENCE CNTY
CLAY/CWFORD/JSPER/LWRNCE/RHLAND	SAFE SCHOOL ROE12 RICHLAND CO
CLAY/CWFORD/JSPER/LWRNCE/RHLAND	TRUANT ALTERNATIVE OPTIONAL ED
CLINTON/MARION/WASHINGTON ROE	CLNTON/MRN/WSHNGTN TRUANT ALT SCH
CLK CLS CMBN DGLAS EDGR MLTR SHLB	CHARLESTON BRIDGES
COLLINSVILLE AREA CAREER CTR	COLLINSVILLE AREA CAREER CTR
CONSOLIDATED SCHOOL DIST 158	BERNICE HEINEMAN MIDDLE SCHOOL
CONSOLIDATED SCHOOL DIST 158	HENRY MARLOWE MIDDLE SCHOOL
CONSOLIDATED SCHOOL DIST 158	MACKEBEN ELEMENTARY SCHOOL
CONSOLIDATED SCHOOL DIST 158	MARION CONLEY ELEMENTARY SCHOOL
CRESCENT IROQUOIS CUSD 249	CRESCENT CITY GRADE SCHOOL
CRESCENT IROQUOIS CUSD 249	CRESCENT-IROQUOIS HIGH SCHOOL
DECATUR AREA TECHNICAL ACADEMY	DECATUR AREA TECHNICAL ACADEMY
DECATUR SCHOOL DISTRICT 61	HOPE ACADEMY
EAST ST LOUIS SCHOOL DIST 189	ALTERNATIVE MIDDLE SCHOOL
EAST ST LOUIS SCHOOL DIST 189	VERNICE G NEELY SCHOOL

District	School Name
EAST ST LOUIS SCHOOL DIST 189	WILSON ELEM SCHOOL
EASTERN IL EFE SYSTEM	EASTERN IL EFE/DUAL CREDIT
EASTERN ILL AREA OF SPEC EDUC	H E L P MARTINSVILLE
EDUC FOR EMPLOYMENT SYS 330	EDUC FOR EMPLOYMENT SYS 330
EDWD/GLTN/HDIN/POP/SLNE/WBH/WN/WH	LEARNING ALT BRANCH MILL SHOALS
EISENHOWER COOPERATIVE	DEVELOPMENTAL LEARNING PGM DLP
EISENHOWER COOPERATIVE	WORTHRIDGE SCHOOL
EXC CHILDREN HAVE OPPORTUNITIES	PACE ELEMENTARY PROGRAM
FIVE COUNTY REG VOC CENTER	FIVE CO VOC CENTER-GOREVILLE
FIVE COUNTY REG VOC CENTER	FIVE CO VOC CENTER-TAMMS
FIVE COUNTY REG VOC SYSTEM	FIVE CO VOC SYS-ADULT EDUC
FIVE COUNTY REG VOC SYSTEM	FIVE CO VOC SYS-ANNA CAMPUS
FIVE COUNTY REG VOC SYSTEM	FIVE CO VOC SYS-COBDEN CAMPUS
FIVE COUNTY REG VOC SYSTEM	FIVE CO VOC SYS-JOPPA CAMPUS
FIVE COUNTY REG VOC SYSTEM	FIVE CO VOC SYS-MASSAC CO CAMPUS
FIVE COUNTY REG VOC SYSTEM	FIVE CO VOC SYS-VIENNA CAMPUS
FOX VALLEY CAREER CENTER	FOX VALLEY CAREER CENTER
FULTON AREA CAREER SYSTEM	FACS/SRC/LAMONTS
GALESBURG AREA VOC CTR	GALESBURG AREA VOC CTR
GRUNDY AREA VOCATIONAL CENTER	GRUNDY AREA VOCATIONAL CENTER
GRUNDY/KENDALL ROE	OSWEGO H S ROE SAFE SCH
GRUNDY/KENDALL ROE	PLANO H S PACE SAFE SCH
GRUNDY/KENDALL ROE	PREMIER ACADEMY
GRUNDY/KENDALL ROE	PREMIER ACADEMY HIGH SCHOOL
GRUNDY/KENDALL ROE	PREMIER ACADEMY MORRIS
HEARTLAND REGION	HEARTLAND REGION EFE/DUAL CREDIT
HENDERSON/MERCER/WARREN ROE	P A S S ADULT EDUCATION
INDIAN VALLEY AREA VOC CTR	INDIAN VALLEY AREA VOC CTR
INTERMEDIATE SERVICE CENTER 2	LATE SCH AT RIVERSIDE-BROOKFIELD
INTERMEDIATE SERVICE CENTER 2	TALENTS PROGRAM EAST
INTERMEDIATE SERVICE CENTER 2	TALENTS PROGRAM WEST
INTERMEDIATE SERVICE CENTER 2	WEST 40 REG SAFE SCH MIDDLE PRG
INTERMEDIATE SERVICE CENTER 3	RICHARD MILBURN HIGH SCHOOL
IROQUOIS AREA REG DEL SYSTEM	IROQUOIS AREA RDS
IROQUOIS SPECIAL EDUCATION	FIRST CHRISTIAN CHURCH
IROQUOIS SPECIAL EDUCATION	WEST LAWN SCHOOL
IROQUOIS/KANKAKEE ROE	SALT SCHOOL
J B JOHNSON CAREER DEVELOPMENT	J B JOHNSON CAREER DEVELOPMENT
JO DAVIESS-CARROLL AREA VOC CTR	JO DAVIESS-CARROL AREA VOC CTR
KANELAND C U SCHOOL DIST 302	KANELAND MCDOLE ELEM SCHOOL
KANKAKEE AREA CAREER CENTER	KANKAKEE AREA CAREER CENTER
KEC AREA VOC CENTER	KEC AREA VOC CENTER
KISHWAUKEE EDUC CONSORTIUM	KECOL
KNOX-WARREN SPEC EDUC DISTRICT	PHOENIX PROGRAM
LAKE CO TECH CAMPUS	LAKE CO AREA VOC CTR
LAMOINE VALLEY EDUC SYSTEM	LAMOINE VALLEY AREA ED SYSTEM
LASALLE-PERU AREA CAREER CTR	LASALLE-PERU AREA CAREER CTR
LEE/OGLE ROE	NACHUSA CAMPUS SCHOOL
LINCOLNLAND TECHNICAL ED CTR	LINCOLNLAND TECHNICAL ED CTR
LIVINGSTON AREA VOC CTR	LIVINGSTON AREA VOC CTR
LIVINGSTON CO SPEC SERVICES UNIT	LIVINGSTON CO CROSSROADS ACADEMY
LIVINGSTON CO SPEC SERVICES UNIT	LIVINGSTON COUNTY ACADEMY
MARION/CLINTON/WASH CO RDS	MAR/CLIN/WASH CO RDS
MATTOON C U SCHOOL DIST 2	HAWTHORNE ELEM SCH/ARMSTRONG
MILLBURN C C SCHOOL DIST 24	MILLBURN WEST
MONMOUTH-ROSEVILLE CUSD 238	CENTRAL EARLY CHILDHOOD CENTER
MONMOUTH-ROSEVILLE CUSD 238	HARDING PRIMARY SCHOOL
MONMOUTH-ROSEVILLE CUSD 238	LINCOLN INTERMEDIATE SCHOOL
MONMOUTH-ROSEVILLE CUSD 238	MONMOUTH-ROSEVILLE ELEM SCH
MONMOUTH-ROSEVILLE CUSD 238	MONMOUTH-ROSEVILLE HIGH SCH

District	School Name
MONMOUTH-ROSEVILLE CUSD 238	MONMOUTH-ROSEVILLE JR HIGH SCH
MONMOUTH-ROSEVILLE CUSD 238	WILLITS PRIMARY SCHOOL
MT VERNON AREA VOC CENTER	MT VERNON AREA VOC CENTER
NORTHWEST SUBURBAN ED TO CAREERS	NW SUBURBAN ETC REGIONAL PGMS
OGLE CO EDUCATION COOPERATIVE	CHANA EDUC CENTER/ROCK RIVER
OKAW AREA VOCATIONAL CENTE	OKAW AREA VOCATIONAL CENTER
OSWEGO COMM UNIT SCHOOL DIST 308	CHURCHILL ELEM SCHOOL
OSWEGO COMM UNIT SCHOOL DIST 308	PRAIRIE POINT ELEM SCHOOL
OSWEGO COMM UNIT SCHOOL DIST 308	WOLFS CROSSING ELEM SCHOOL
PAXTON-BUCKLEY-LODA CU DIST 10	PBL EASTLAWN
PEORIA EDUC REG FOR EMPL TRAING	PERFECT
PEORIA SCHOOL DISTRICT 150	GLEN OAK CHRISTIAN C/O DLC
PLAINFIELD SCHOOL DIST 202	CHARLES REED ELEMENTARY SCH
PLAINFIELD SCHOOL DIST 202	LIBERTY ELEMENTARY SCHOOL
PLAINFIELD SCHOOL DIST 202	PLAINFIELD NORTH HIGH SCHOOL
PUTNAM CO C U SCHOOL DIST 535	PUTNAM CO ELEM SCH-HOPKINS BLDG
QUINCY AREA VOC CTR	QUINCY AREA VOC CTR
REND LAKE AREA REG DEL SYSTEM	SESR HAMILTON/JEFFERSON CTY
ROCK ISLAND ROE	ROCK ISLAND CO REG SAFE SCHOOL
ROCKFORD SCHOOL DIST 205	DENNIS EARLY CHILDHOOD
SCHOOL DISTRICT U-46	SOUTH ELGIN HIGH SCHOOL
SCHOOL DISTRICT U-46	WOODLAND HEIGHTS ELEM SCHOOL
SELMAVILLE C C SCH DIST 10	SELMAVILLE ELEM SCHOOL
SHILOH VILLAGE SCHOOL DIST 85	SHILOH MIDDLE SCHOOL
SPRINGFIELD SCHOOL DISTRICT 186	CORDELIA DAMMANN EARLY LEARNING
SPRINGFIELD SCHOOL DISTRICT 186	LAWRENCE EDUCATION CENTER
TAZEWELL CO AREA EFE RDS	TAZEWELL CTY 320 TRAINING PRG
TECHNOLOGY CENTER OF DUPAGE	TECHNOLOGY CENTER OF DUPAGE
THORNTON FRACTIONAL T H S D 215	CENTER FOR SCIENCE & TECHNOLOGY
TOWNSHIP H S DIST 211	DISTRICT 211 ACADEMY NORTH
TOWNSHIP HIGH SCHOOL DIST 214	NIPPER CAREER EDUCATION CTR
TRI-COUNTY SP ED JNT AGREEMENT	TRI-COUNTY LOGAN
TRI-COUNTY SP ED JNT AGREEMENT	TRI-COUNTY SOUTH
TRI-COUNTY SP ED JNT AGREEMENT	TRI-COUNTY WARD
TWIN RIVERS CAREER & TECH ED SYS	CRAWFORD MEMORIAL HOSPITAL
TWIN RIVERS CAREER & TECH ED SYS	LTC/TWIN RIVERS EFE 500
UNITED TWP AREA CAREER CTR	UNITED TWP AREA CAREER CTR
VALLEY VIEW CUSD #365U	SKOFF ELEMENTARY
VENICE COMM UNIT SCHOOL DIST 3	LINCOLN CHARTER SCHOOL
VERMILION VOC ED DELIVER SYSTEM	WEDS REGIONAL PROGRAM
VERMILLION ROE	MIDDLEFORK SCHOOL
VERMILLION ROE	MIDDLEFORK SCHOOL RSSP
VOTEC	VOTEC
WEST CARROLL CUSD 314	WEST CARROLL HIGH SCHOOL
WEST CARROLL CUSD 314	WEST CARROLL INTERMEDIATE SCH
WEST CARROLL CUSD 314	WEST CARROLL MIDDLE SCHOOL
WEST CARROLL CUSD 314	WEST CARROLL PRIMARY
WEST CENTRAL C U S D 235	WEST CENTRAL EARLY CHILDHOOD
WEST CENTRAL C U S D 235	WEST CENTRAL ELEMENTARY SCHOOL
WEST CENTRAL C U S D 235	WEST CENTRAL HIGH SCHOOL
WEST CENTRAL C U S D 235	WEST CENTRAL JUNIOR HIGH
WHITESIDE AREA CAREER	WHITESIDE AREA CAREER CTR
WILCO AREA CAREER CENTER	WILCO AREA CAREER CENTER
WILL ROE	WILL COUNTY SAFE SCHOOL

- **MATCH** school districts in FundingGap_08_Minority.sav to those in FundingGap_08_3districts_ETPoverty.xls

  a. Present in ISBE, not in NCES

ANTIOCH COMM HIGH SC
CAMP POINT C U SCHOO
CHESTER N H SCHOOL D
DES PLAINES C C SCH
GRAYSLAKE C C SCHOOL
HINSDALE C C SCHOOL
HUNTLEY CONS SCHOOL
LASALLE ELEM SCHOOL
LEE CENTER C U SCHOO
LIBERTYVILLE COMM H
NEW HOPE C C SCHOOL
OAK GROVE SCHOOL DIS
SKOKIE FAIRVIEW SCHO
VILLA PARK SCHOOL DI

For this analysis **N= 867**

August 28, 2008

Results of Minority analysis

Minority quartiles	Quartile Pupil Count	Mean TSLRPP
Lowest	470,300.57	$5,671.95
	472,182.97	$6,124.68
	469,373.26	$5,684.87
Highest	479,018.00	$5,826.50
RANGE		$154.54
Number of Districts		867
BestADA Sum	1,873,453.08	
Quartiles	468363.2692	

- **RECEIVED** email from Carmen Arroyo at EdTrust

(Carmen) Christopher –

Thank you for your interest in the Education Trust's Funding Gap report. You are probably having problems getting the right variables from the data set because after publication, we noticed a typo in reference to the data year. The published analyses are based on the CCD 2005-2006 data set. If you download the CCD file for 2005-2006, there you will find variables that end in 05.

I will contact our publications division and ask them to correct the years in the report and technical appendix.

Please feel free to call or email if you have any further questions.

Carmen Arroyo

(Chris) Hi Carmen,

Thank you for getting back to me. So to clarify, you used 2005-2006 Common Core Data for analysis of the 2004-2005 school year?

Or is the analysis for the entire report of the 2005-2006 school year?

Two more questions:

There is not a Funding Gap report for 2007 on your website, would it be correct to say there was not a report for this year?

If so, have the technical aspects of the study changed between the 2006 and 2008 reports?

I really appreciate all of your help.

> ***(Carmen) The entire report is based on 2005-2006 school year data from both Census and CCD. It is confusing because the CCD is always a year behind. That's probably why the error happened.***
>
> ***The report we published in January was supposed to be our 2007 Funding Gap Report. But it was late due to the fact that the Department of Ed was late in releasing the 2005-2006 data.***
>
> ***We will be putting out another Funding Gap report this winter that will use the department's 2006-2007 school data. The Department is not releasing those data publicly until sometime in October.***
>
> ***The methodology for the Winter 2008 Report will be the same as the one in the January 2008 Report.***
>
> ***As a former academic, I always complained about the slowness of the publishing process. But now that I work with lots of government databases, I've come to realize that there are even slower processes out there!***
>
> ***Please stay in touch and let me know how else we can help. I will be sure to put you on our publication list so that you get a copy of the next Funding report as soon as it is released.***
>
> ***Carmen***

(Chris) Okay. Thank you. But shouldn't your 2007 report (the January 2008 report according to your email) have been on the 2004-2005 school year since the 2006 report was on the 2003-2004 school year? What happened to an analysis of the 2004-2005 school year is essentially my question.

> ***(Carmen) Christopher –***
>
> ***You are correct. No analysis of the 2004-2005 data was published, although we did do the analysis internally. Last year was my first year here and I wanted to get the reports back on track so that we were always reporting the most recently available data.***
>
> ***If you want the data set we constructed for the 2004-2005 data, I am more than happy to provide it to you. In the past we have provided the datasets to researchers interested in doing some of the analysis, as long as we are provided with an appropriate citation.***
>
> ***Carmen***

(Chris) Carmen,

If you could send the data/report that would be great and I would be more than happy to cite it in my work. As it relates to citation, in the past the work was either multi-authored, or author information was not provided. Would you prefer I cite you as the author or The Education Trust?

Thank you again for all of your time over the past day or so.

August 29, 2008

- **WRITE UP** what I have found so far.
- **READ** about new lawsuit filed against ISBE regarding funding disparities.

September 3, 2008

- **WRITE UP** what I have so far.
- **EMAIL** Carmen with follow up regarding 2004-2005 data

(Chris) Hi Carmen,

I hope you had a nice holiday weekend. I just wanted to follow up regarding the 2004-2005 Funding Gap data. I don't need the whole data set in reality, just the Gap as it applied to poverty and minority groups in Illinois. Thank you so much.

> ***(Carmen) Hi Christopher!***
>
> ***I'm out of the office today but I can get you those numbers tomorrow when I'm back in the office. The data set was too large for me to send via email. I meant to zip it and try sending it again, but I got distracted by some other task.***
>
> ***Please feel free to bug me tomorrow if you don't hear from me by 3:00PM.***
>
> ***Thanks Carmen***

September 4, 2008

- **WRITE UP** results, fill-in citation blanks in the document, and check Chicago Manual of Style for questions.
- **CALCULATE** bivariate statistics for fiscal dispersion. Excel file FundingGap08_Net.xls.
  a. **NOTE:** Verstegen and Driscoll utilized 2003 EAV not 2002 EAV as the funding formula utilized. Make note in paper.
- **REWRITE** tables to include a column for Combined Districts to match with Verstegen and Driscoll's Statewide statistics.
- **EMAIL** Carmen about data follow-up

(Chris) Data reminder

> ***(Carmen) Funny! I just looked at my computer clock and said to myself: "oh oh….gotta send those numbers to IL!"***
>
> ***Here are the numbers for 2004-2005***
>
> ***Per-student spending in high-poverty 6554.25***
>
> ***Per-student spending in low-poverty 8756.91***

(Chris) You are probably gone by now, but when you have the opportunity if you have minority district highs and lows too I would appreciate it.

September 5, 2008

- **EMAIL** received from Carmen Arroyo:

> ***(Carmen) Christopher –***

Here are the IL minority numbers for 2004-2005.

Per-student spending in high-minority 6571.97

Per-student spending in low-minority 8334.04

Carmen

- **WRITE UP** wealth neutrality and Funding Gap parts of manuscript.

September 8, 2008

- **WRITE UP** revisions to September 5, 2008 draft.
- **LOCATE** data utilized by The Illinois Dilemma to clarify questions as to specificity of data source.

September 9, 2008

- **CONDUCT** analysis of elementary districts without the ten highest TSLAPP.
- **WRITE UP** revisions, new findings pertaining to analysis w/o top ten elementary districts.
- **SEND** draft to Honeyman for comments.

September 12, 2008

- **RECEIVED** comments from Honeyman verbally. Made notes on draft of paper.

September 17, 2008

- **WRITE UP** revisions
- **OUTLINE** research brief

September 19, 2008

- **WRITE UP** revisions made after reading for clarity.
- **WRITE UP** research brief draft

September 22, 2008

- **RUN** calculations for w/o ten elementary districts – Gini Coefficients and bivariate statistics.
- **WRITE UP** revisions on draft. Include map of Florida School Districts.
- **REVISE** research brief
- **SUBMIT** to Kathleen Brown for review.

September 23, 2008

- **REVISE** in accordance with comments from Kathleen Brown – substantive and editorial revisions.

September 24, 2008

- **REVISE** brief as per conversation with Kathleen Brown – substantive and editorial revisions.

September 25, 2008

REVISE brief (after mock-up) and paper – editorial revisions. **ADD** glossary.

September 26, 2008

- **ADD** glossary continued.

September 29 to October 7

- **REVISE** and **SET** for printing

October 8, 2008

- **SEND** for comment

October 27, 2008

- **APPEND** response letters to manuscript.

October 28, 2008

- **SEND** for Printing

Appendix B: Variables obtained from ISBE for this study

Variable Name	Variable Label
ID Unit	ID
DistrictName	District Name
CountyName	County Name
DistrictType	Type of District
EAV_01	Orig 2001EAV
EAV_OTR_0	2001 Operating Tax Rate
EAV_02	Orig 2002 EAV
LR_02	Extension Limitation Rate 2002
EAV_applied_01	EAV used in 2001
Adj_EAV_02	Adjusted EAV 2002
EAV_applied_02	EAV applied in 2002
ADA_02	Best 3 Months Average Daily Attendance 2002
ADA_03	Best 3 Months Average Daily Attendance 2003
ADA_04	Best 3 Months Average Daily Attendance 2004
CPPRT	Corporate Personal Property Replacement Tax
CalcRate	Calculation Rate
DHS_01	DHS Low Income Count 2001
DHS_02	DHS Low Income Count 2002
DHS_03	DHS Low Income Count 2003
GSA_Gross	General Student Aid Gross 2005
GSA_Adjuste	General Student Aid Adjustments
GSA_Net	General Student Aid Net 2005
Harmless	Hold Harmless Adjustment
SenateDistrict	Senate District
RepresentativeDistrict	Representative District
Gross Poverty	Poverty Calculated
Poverty Prorated	Poverty Applied

Appendix C: Glossary

Alternative Formula: The calculated amount equal to a decimal proportion of a logarithm. This calculation was applicable to districts whose available local resources were between 93 and 175 percent of the foundation amount.

Categorical Aid: Federal, state or local aid that is targeted for a specific purpose or otherwise restricted in its use.

Coefficient of Variation: The square root of the per pupil variance divided by the per pupil mean. A smaller value indicates a more equitable distribution.

Correlation: A value depicting the strength of an association between two values of interest. A large value indicates a stronger association.

Equalized Assessed Valuation: The value of all property either equalized or assessed in a school district. For a complete description of how it is calculated and applied in Illinois, see 105 ILCS 5 section G.

Federal Range Ratio: The restricted range divided by value representative of the fifth percentile of the distribution. A smaller value indicates a more equitable distribution.

Flat Grant: A specified amount allocated per pupil. In this study the amount was $218. This calculation was applicable to districts whose available local resources were greater than 175 percent of the foundation amount.

Foundation Amount: An amount deemed adequate to education a pupil in Illinois, also termed the Foundation Level.

Foundation Formula: The foundation amount minus available local resources multiplied by the average daily attendance of a district. This calculation was applicable to districts whose available local resources were less than 93 percent of the foundation amount.

Funding Gap: The difference between the highest and lowest quartile mean aid per pupil of a specified population, as defined by The Education Trust.

General State Aid funding formula: The total entitlement a district received, inclusive of calculations of the applied formula type, poverty grant, field audit adjustments and hold harmless provisions.

Gini Coefficient: An indicator depicting the degree to which the distribution of aid matches the distribution of resources. For example, 10 percent of the students should receive 10 percent of the resources. Values range from 0.0 to 1.0, with those values closer to 0.0 being more equitable.

Hold Harmless: A provision that ensures each district will receive a General State Aid entitlement not less than that which it received in 1997-1998, as defined in 105 ILCS 5 section J.

McLoone Index: The ratio of the sum of per pupil values below the median to the actual per pupil median. It depicts how far the lower half of the distribution is from receiving the median allocation. Values range from 0.0 to 1.0, with those values closer to 1.0 being more equitable.

Minority: As defined by The Education Trust, the sum of the number of American Indians, Hispanic and Black pupils in a district divided by the total number of students in a district that the National Center for Education Statistics had a race classification for.

Poverty: As defined by The Education Trust, the percentage of individuals in a district aged 5 to 17 estimated to be living in poverty calculated utilizing data reported by the United States Census Bureau. As calculated by the Illinois State Board of Education, the three year average of a district low income count utilizing data supplied by the Department of Human Services.

Range: The arithmetic difference between the largest value and the smallest value of interest. A smaller range indicates a more equitable distribution.

Restricted Range: The arithmetic difference between the largest and smallest value after removing the values within the top and bottom 5 percent of the distribution. A smaller restricted range indicates a more equitable the distribution.

Regression: A value depicting the proportion of variance in one value predicted by another value. A larger value indicates an increase in predictive strength.

Slope: A value depicting the magnitude of the relationship between two or more values of interest. A smaller slope represents a lower magnitude, which indicates a more equitable relationship.

Verstegen Index: A ratio of the sum of all values above the median to the median value. Values range from 1.0 to 2.0, those values closer to 1.0 were more equitable.

Note: For a thorough discussion of fiscal equity terms and concepts, see Robert Berne and Leanna Stiefel, *The Measurement of Equity in School Finance: Conceptual, Methodological, and Empirical Dimensions* (Baltimore, MD: The Johns Hopkins University Press 1984). A concise overview was presented in Deborah A. Verstegen and Lisa G. Driscoll, "Educational Opportunity: The Illinois Dilemma," *Journal of Education Finance* 33(4) (2008): 331-351. For a thorough description of Illinois funding terms and calculations, see 105 ILCS 5/18-8.05.

Contact the IERC toll-free at 1-866-799-IERC (4372)
or by email at ierc@siue.edu.

http://ierc.siue.edu

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The Illinois Education Research Council was established in 2000 at Southern Illinois University to provide Illinois with education research to support P-20 education policy making and program development. The IERC undertakes independent research and policy analysis, often in collaboration with other researchers, that informs and strengthens Illinois' commitment to providing a seamless system of educational opportunities for its citizens. Through publications, presentations, participation on committees, and a research symposium, the IERC brings objective and reliable evidence to the work of state policy makers and practitioners.