



Illinois State Board of Education

State CTE Funding Formula Update

Finance & Audit Committee of the Whole

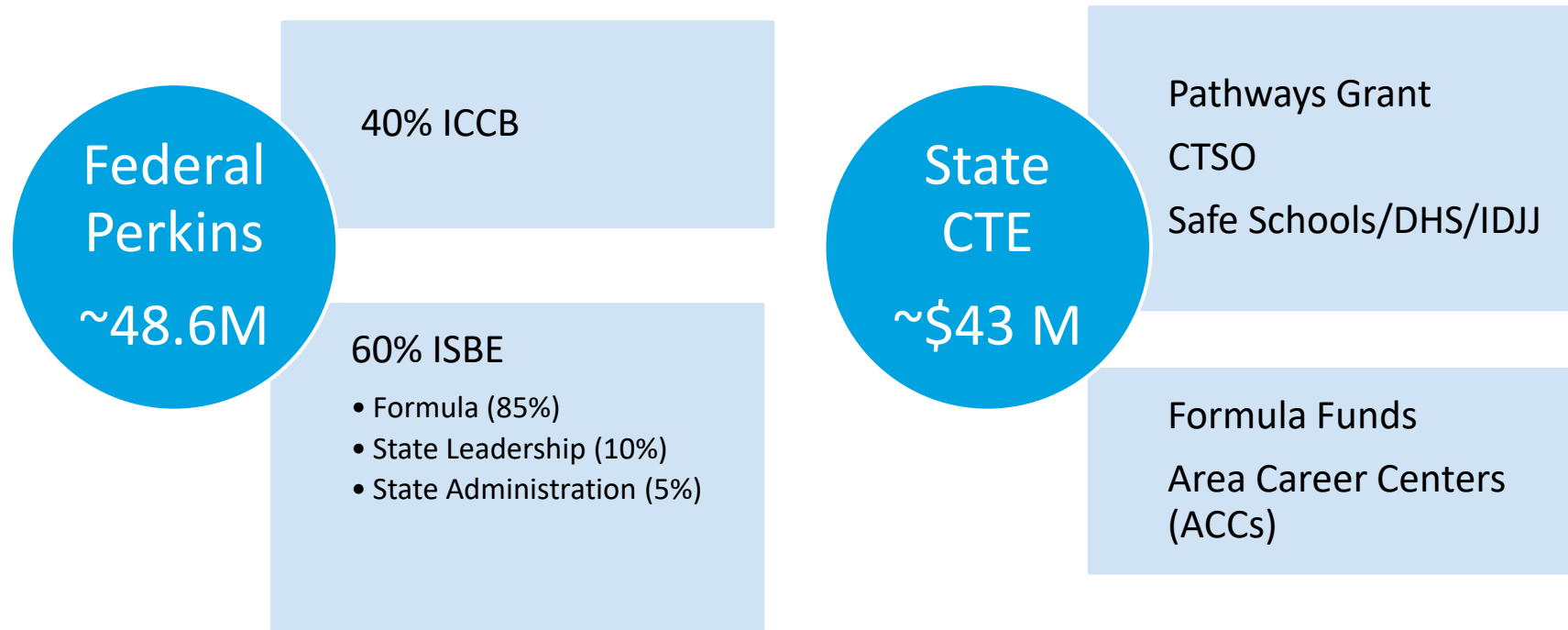
November 2, 2023

Equity • Quality • Collaboration • Community

Agenda

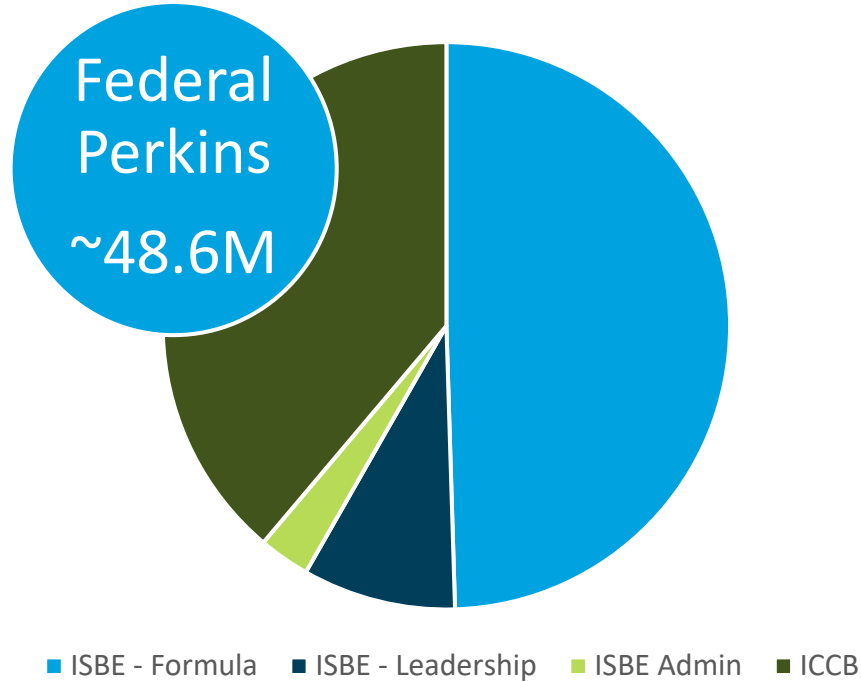
- CTE Funding Review
- Initial Proposed Formula Components/Calculations
- Feedback/Public Comment Themes
- Adjustments
- Proposed Next Steps
- Questions/Discussion

Illinois CTE Funding

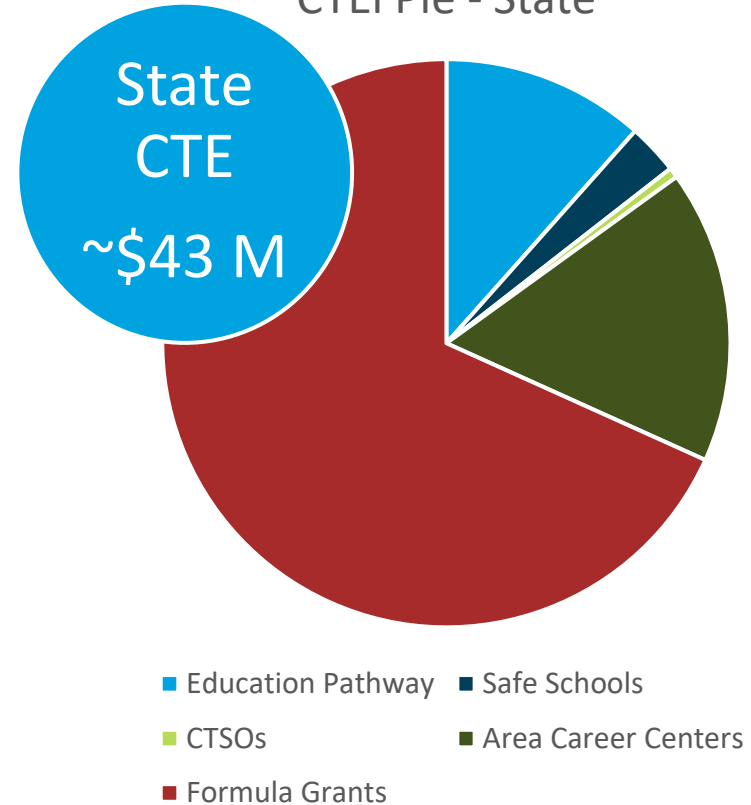


Illinois CTE Funding

Perkins Pie - Federal



CTEi Pie - State



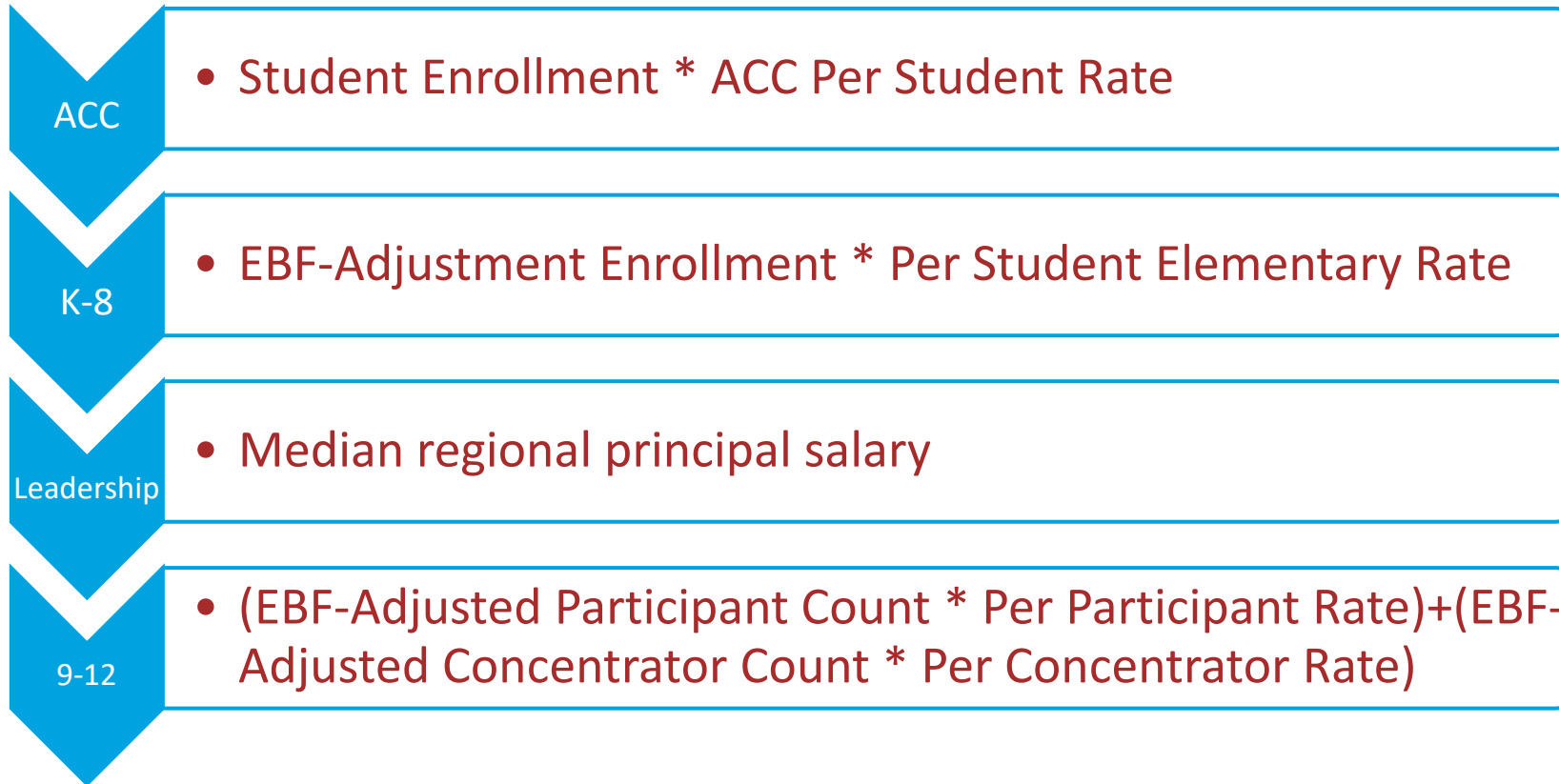
Historical/Current CTEi Components

- Elementary School Students (\$1 per student)
- Work-Based Learning (base)
- Programs of Study (base)
- Administrative Set Aside (base)
- Course Funding (variable)
- Student Enrollment (variable)
- Student Generated Credit (variable)
- All allocations between 90% or 110% of prior year



The Proposed New Formula

EFE CTEi Funding = Elementary (K-8) + Secondary (9-12) + Leadership + ACC



Public Comment/Feedback Themes

Component	Feedback	Response
Leadership Allocation	Use HS principal salaries (instead of all principal salaries)	ISBE staff will use HS principal salary data for leadership allocations
Participant Counts	Use duplicate counts to capture students who take multiple CTE classes	ISBE staff will use duplicate counts in funding formula calculations
Administrative Costs	EFE systems need funding to support more than just System Director salary.	Original proposal allows for use of indirect funds and 5% administrative costs in addition to leadership allocation
Area Career Centers (ACCs)	Need more for new ACCs	Original proposal adds funding to ACC allocation when a new ACC is created
Size	Consider size of region to support rural districts	EBF multiplier benefits small/rural districts farthest from adequacy



Phase-In Plan

- Phase-In formula over 4 years as follows:
 - FY25: Distribute 75% based on FY24 allocations and 25% based on new formula
 - FY26: Distribute 50% based on FY24 allocations and 50% based on new formula
 - FY27: Distribute 25% based on FY24 allocations and 75% based on new formula
 - FY28: Distribute 0% based on FY24 allocations and 100% based on new formula
- With level CTEi appropriations in FY25, 30 of 53 EFE systems would receive an increased allocation and no loses more than 14% during FY25 phase in.
- With a \$10 million increase in CTEi appropriations in FY25, 51 of 53 EFEs would receive an increased allocation and no EFE loses more than 5% during FY25 phase in.

Timeline



Next Steps

- **Fall 2023:** Finalize new formula
- **Winter/Spring 2024:** Codify new formula via rulemaking (Part 256)
- **FY 2025:** Begin phase-in of new formula
- **FY2028:** Complete phase-in of new formula



Discussion/Questions

