

Preparing for the Financial Transparency Provision: State Educational Agency Examples

Illinois

This state example was informed by a June 2018 interview with Sara R. Shaw, Senior Manager of Fiscal and Academic Solvency at the Illinois State Board of Education (ISBE)

Changing the data collection processes

ISBE's finance, data and IT teams are working together to develop two new tools to prepare for site-based expenditure reporting. First, ISBE is developing a data collection tool in conjunction with their other web applications that districts use to submit data to the state. Districts will upload or manually enter their site-based expenditure data directly into this tool. ISBE systems will then integrate the new data into their comprehensive Data Warehouse. Second, ISBE is developing an optional data calculation template to help districts translate their general ledgers into the requested data set. The Illinois guidance for site-based reporting allows significant latitude to districts to report their expenditures such that they best reflect actual service delivery and will be most meaningful to districts. This flexibility means more decision-making happening at the district level. Though some states may perceive this flexibility as a data headache in the making (i.e., how can the data be comparable if different districts can report data in different ways?), ISBE took this approach because they already have set parameters such that the per-pupil data are generally comparable regardless of district reporting decisions. ISBE also recognizes that any attempt to fully standardize reporting would be thwarted from the start due to the diversity of their 852 school districts and their operations. Rather than disempower their schools, ISBE believes that district leaders making active decisions about how to allocate and report their expenditures are leaders who will take responsibility for their data and use it for impact.

District planning and resource equity

Site-based expenditure reporting is still new enough that Illinois districts are just beginning to grapple with planning and decision-making in relation to the new data points. In some early conversations with districts, ISBE staff have heard examples of districts noticing discrepancies in their site allocations and engaging in thoughtful inquiry to determine why those discrepancies exist and consequently whether any action is necessary. ISBE has encouraged all district leaders to self-reflect on these questions even before seeing their data:

- What are we curious to see in these site-based expenditure data?
- What do we think the data will show?
- How do we make spending decisions as a district? How do we know the impact of those decisions?
- What does “fiscal equity” mean to us and our district community?

- What does “educational return on investment” mean to us and our district community?

Once data points emerge, these same leaders may ask:

- What story do these data show us?
- Do we see connections between site allocations, student need, and student performance?
- Where are there discrepancies in site allocations? Were they intentional? Are they affecting student performance?
- Where do we see the impact of investment of dollars at the school level?
- Are our site-based expenditure allocations leading our district in the direction we believe is best for student outcomes and most equitable based on student need?
- What are we going to do as a result of seeing these data?

Districts’ role in preparing the new reporting provision

Early in the planning and rollout stages, ISBE convened an advisory group of Illinois superintendents, school business officials, and other statewide representatives to shape the Illinois implementation of site-based expenditure reporting. The group grounded itself in what value these data could have for districts and their communities. More than one year after its first convening, the advisory group and its subsequent offshoots continue to provide feedback, communication support, and validation in the field around this new effort.

Challenges and lessons learned

An early lesson learned in Illinois was the need to include a broad and diverse range of stakeholders at the table in implementation planning. Whether it was the inclusion of more rural school districts, more superintendents, or more parent and community representatives, planning, implementation, and communications benefitted greatly from these voices being part of the process.

Coordinating with other state offices and programs

Implementation of site-based expenditure reporting is made possible thanks to established, ongoing, and tight communication between the finance and information technology divisions in ISBE, with key support from the State Superintendent and the data division. Illinois also benefits from each of these divisions containing both technical expertise and strategic awareness that help craft a comprehensive policy approach and answer nuts-and-bolts questions for the agency and districts. As the data come in, ISBE will also be expanding cross-division collaboration within the agency to include program areas, especially the [ESSA statewide system of support](#).

Ensuring the work isn’t just reporting data

The advisory group ISBE convened not only engaged in the implementation planning, but also invested in the data and how it is used. Illinois has districts that are looking forward to using these data points to tell their stories, and there are storytellers at ISBE (literally, that is their title) standing at the ready to collect and publish those stories. The more that ISBE can highlight spaces in which districts are using these data points for the good of their students, the more it will inspire peer-to-peer learning and more districts to do the same.

Note: check out the [Peer Finder Tools](#) and [Sharing Our Stories: Creating Connections](#) from ISBE to learn more about how ISBE supports peer-to-peer learning.

Advice for other states

At the broadest level, states should be asking their districts what will make these new data points meaningful for them. From there, the role of the state is theoretically quite simple: to make decisions that will support using the data in meaningful ways. In practice, this is more easily said than done, given the many different perspectives that districts and advocates may have and the many different types of decisions that any state can and will make – everything from what guidance to issue, how detailed to make that guidance, what supports to develop, what critical questions to foster, what engagement to have with the media and state legislature, etc. To streamline this work and make it most valuable, start with a strong value proposition, set clear expectations for year 1 implementation, and foster vocal advocates in the field.

For more information visit: www.isbe.net/site-based