

# FundEd: Charters

## A Detailed Look at Illinois's Charter Funding Policies



## Illinois



### Funding Basics

#### Authorizer

Charter funding policies and reporting practices within each state may vary depending on the entity that authorized the charter school. Charter schools in Illinois may be authorized by local school districts or the State Charter School Commission.

#### Funding Formula

Funding for charter schools in Illinois is calculated based on local school district expenditures.

Charter schools in Illinois receive funding based on the average per student expense in the authorizing school district, in the case of locally-authorized charter schools, or in their students' district of residence, in the case of state-authorized charter schools. In calculating the average per student expense, expenditures for maintenance and operations, debt service, transportation, and staff legacy costs are included while expenditures for other programs, like summer school and adult education, are excluded. Charter schools must receive between 97% and 103% of the per student rate.

In addition, charter schools in Illinois are eligible for any program specific allocation administered by the State Board, such as those for English-language learners.

### Funding Distribution

#### Funding Distribution

Some charter schools in Illinois receive all funding directly from the state, while others receive all funding through local school districts.

Charter schools authorized by the State Charter School Commission are funded directly by the state. Charter schools authorized by local school districts are funded through local school district.

#### Withholdings

Charter schools in Illinois will have a share of their funding withheld, with the maximum set by state law.

Charter schools that are authorized by the State Charter School Commission will be charged up to 3% of their revenue for administrative costs. Charter schools that are authorized by local school districts may negotiate with their authorizing districts to receive between 97% and 103% of their allotted funding.

#### Local Taxes

All charter schools in Illinois receive a share of local tax revenue, which, for some charter schools, the state withholds from payments to school districts.

Charter schools in Illinois do not directly receive local tax revenue. However, they are funded based on per pupil expenditures in local school districts, which would include revenue raised from local sources. In the case of charter schools authorized by a local school district, the authorizing school district provides both state and local funding to the charter. In the case of charter schools authorized by the state, the charter is funded directly by the state, but the state withholds a portion of state aid from the charter students' school district(s) of residence to account for lack of access to local revenue.

### Data and Reporting

#### Legal Status

Some charter schools in Illinois constitute their own local education agencies, while others are a part of local education agencies.

Charter schools authorized by the Illinois State Charter School Commission constitute their own local education agency, while charter schools authorized by local school districts are part of that district.

## Student Count

Some charter school students in Illinois are counted as students of the charter they attend for state reporting purposes, while other charter school students are counted as students of the school district in which the charter is located.

Students attending charter schools authorized by the Illinois State Charter School Commission are counted as students of the charter for state reporting purposes. Meanwhile, students attending charter schools authorized by a local school district are counted as students of the school district in which the charter is located.

## Funding

State funding for charter schools in Illinois is reported as part of state funding for the school district where the charter school is located.

## Expenditures

Charter school expenditures in Illinois are reported separately from expenditures of any school district.

For a complete list of primary sources, please see the appropriate state page at [charters.funded.edbuild.org](http://charters.funded.edbuild.org)

