All children are entitled to a good start in life, but some of their schools have much more to offer than others. Here’s how you can determine the ability of your schools and the steps necessary to ensure an equal opportunity for every child.

RICH SCHOOLS, POOR SCHOOLS:
• Why some children have better schools than others
• How to measure the wealth of your schools
• Where to look for solutions to inequity
Do the public schools of Illinois treat the children and taxpayers in your community fairly?

That is, can your schools afford to give students the same opportunities and same good start in life that children in other communities receive?

What about your school property taxes — are they levied at rates similar to those in communities that boast good schools? Or do your tax rates compare with those in school districts that lag behind the rest of the state? Or — what may be even less fair — do your schools levy taxes at high rates but still lack the income to provide adequate opportunities for students?

The answers to these questions depend on where you live, but you can obtain some basic facts that will tell you what you need to know. If you should conclude that the school system in Illinois is shortchanging your local schools and your children, the final question is: What can you do about it?

Gather the facts to judge for yourself whether your local schools and taxpayers are being treated fairly.

The Illinois picture

In beginning your search for answers, it may be helpful to know what researchers have revealed about “the big picture” in Illinois. Here are some generally accepted observations:

1) There is inequity in school taxes in Illinois. The same $80,000 home might be taxed at $600 in one school district, $1,200 in another and $1,800 in a third. (In Illinois, the average school tax on a $100,000 home is about $1,395, while the average total property tax on the home is about $2,250.)

2) There is inequity in school revenue in Illinois. Some school districts receive nearly $30,000 per pupil each year while others receive just more than $6,000. Of course, costs and prices vary from one location to another, and some schools must provide a wider variety of programs and services that students need and parents demand. Taken together, however, these differences in school needs may not justify such a wide disparity in school district income. In fact, some schools can provide nearly any program desired by parents and students while others cannot afford the bare necessities.

3) Differences in school income are created by a combination of three factors:

- **Property wealth** — The combined value of all the real estate in a school district determines how much money the schools can generate from their property taxes. Some school districts simply contain a great deal more property wealth than other districts and therefore can generate a great deal more in tax revenue.

- **Tax effort** — The total assessed value of real property must be multiplied by the school district tax rate to determine the amount of property taxes the district receives. Established by law, tax rates may be raised only by the voters at a referendum. School district tax rates also vary widely, because taxpayers in some districts tax themselves at high rates to support their schools, while some choose not to.

- **State equalization aid** — The state of Illinois provides equalization funds to compensate for differences in local property wealth, but the dollars appropriated do not bridge the huge gap. School districts that rely primarily on state aid have far less money to spend than districts wealthy enough to rely primarily on local property taxes.
To judge for yourself whether your local school and taxpayers are being treated fairly, here are the facts you need to ascertain:

**Adequacy**: Are your local schools adequately funded? Check with your school board or district superintendent regarding actual revenue and expenses. Ask parents and educators about the variety and quality of educational programs and services for students. Are salaries high enough to attract and keep good teachers and administrators?

It’s hard to say how much a good school system should cost, because variations in enrollment create different degrees of efficiency and some communities need or demand programs that are more costly or less costly than others.

The average per pupil expenditure in Illinois for FY 2014-15 was $12,824.06, according to the Illinois State Board of Education, but this figure varies greatly from district to district.

The highest reported per pupil costs for 2014-15 were $26,509.41 for a high school district, $30,628.48 for an elementary district and $20,502.68 for a unit district. Lowest spending, in the same order was $9,199.54, $6,036.51 and $7,162.92.

If you find both the quality and the cost of your schools satisfactory, you need look no further. However, if you find your schools do not measure up, and if they spend less than the average amounts, you should suspect that your school district’s income may be insufficient for its needs.

Also look at the number of teachers employed and the salaries they are paid. A district must have enough teachers to support the desired breadth of programs, maintain reasonable class sizes, and provide adequate pupil supervision. A district’s salary schedule must be competitive in the marketplace in order to attract and keep good teachers and administrators.

Some school districts in Illinois pay their teachers twice as much as other districts. Exhibit A presents the highs and lows in beginning teacher salaries and maximum teacher salaries among Illinois school districts. See how your district’s salaries compare.

**Ability**: If you conclude that your schools are inadequately funded, the first place to look for a cause is your district’s property tax base. Property wealth determines the ability of a community to support its public schools.

Your district’s tax base consists of the total equalized assessed valuation of all taxable real estate in the district. Your school district administration probably can provide this information, as well as the equalized assessed valuation per pupil.

Financial inequity among Illinois schools and property taxpayers stems from the great variation in equalized assessed valuations per pupil. Some districts are supported by huge tax bases — $100,000 or more in equalized assessed valuation per pupil. Others have very small tax bases — less than $10,000 per pupil.

These differences in ability to support schools create inequities in the quantity and quality of programs available to students in different communities.
Effort: The next place to look for the cause of inadequate funding is your school district’s authorized property tax rate. Your tax rate reflects the effort that your community makes to support its schools.

Ask your school district administration for your district’s operating tax rate. When you multiply this tax rate times your district’s equalized assessed valuation per pupil you should get your property tax revenue per pupil for operations.

Tax rates beyond minimal levels are established by referendum. Therefore, they reflect the willingness of each community to support its schools. As a result, some districts have tax rates that are twice as high as other districts. Highest rates are usually found in the Chicago suburban areas; lowest rates are more common in rural areas. (Note, however, that districts with large factories or public utilities often can generate adequate income with very low tax rates, which explains why some home owners have smaller tax bills.)

If your operating tax rate is below $4.25 per $100 EAV (in a unit district), then your community’s lack of effort may be part of the problem. This is the statewide median for Illinois districts serving elementary through high school grades. The median for separate elementary districts is $3.25 and for separate high schools, $2.43.

Exhibit B shows the number of Illinois school districts taxing property at different operating rates, from high rates to low rates. See where your school district’s operating tax rate ranks, keeping in mind that higher rates depend on voter approval at a referendum.

Note, also, that many of the finest schools in Illinois — those known for attractive teacher salaries and advanced instructional programs — have very high tax rates. There are exceptions, of course, but the top schools in the nation tend to be located in communities that insist on the best and are willing to pay for it. All children will eventually compete with the graduates of these schools.

Ability and effort must also be examined in combination. As indicated earlier, plenty of school income may be generated by high wealth (ability) and a low tax rate (effort). By the same token, very small and inadequate income may be generated by low wealth and a high tax rate.
The Illinois Constitution makes the state responsible for educating all children. The state carries out this responsibility by creating school districts and granting their boards of education a limited amount of taxing authority. For school districts that cannot generate adequate income from property taxes because of low property wealth, the state provides “equalization” money.

Unfortunately, state equalization money is insufficient to compensate for differences in local wealth. Only those districts with large tax bases or high tax rates can be sure of affording adequate programs.

If your schools are poorly funded because property wealth in your district is low compared to the rest of the state, you have few options for correcting the situation. Many communities try to attract new business and industry in order to build a stronger property tax base to support schools and other public services.

But the fact remains that the state is shirking its obligation to your community — its obligation to see that schools are adequately funded.

What’s more, the state’s financial contributions to schools have become increasingly inadequate over the past decade. A number of factors have come together to create this situation:

1) The pace of economic growth in Illinois has varied markedly from north to south. Property values and personal income have advanced rapidly in the counties around Chicago, while large regions elsewhere in the state have languished. Thus, the gap between “wealthy schools” and “poor schools”...
grows ever wider, making it increasingly expensive for state government to make up the difference.

2) State funding for schools has not matched the commitment to public aid, including Medicaid, public employee pension plans and other state services. Between 1987 and 2010, state spending for elementary and secondary education grew from $3.6 billion to $9.9 billion. Spending declined to $9.7 billion in FY 2014, but increased to $10.1 billion in FY 2017, fully funding the per pupil foundation level of $6,119.

3) Our increasingly technological world places greater demands on our workforce and on our schools. Put simply, people must be better educated today in order to find decent employment, and schools are being asked to instill more knowledge in more people than ever before. A good education today costs more than it used to, and society can no longer afford large numbers of poorly educated citizens.

What can you do?

What can you do to overcome these problems and see that the children in your community have access to schools that can give them a decent start in life? There is no easy answer. But if you believe the well being of our state and nation depends on adequate schools, then you might conclude that the state should tax to the extent necessary to provide them.

Obviously, some communities can support their schools with little or no help. If your community is one that cannot, you may want to encourage citizen support for more state funding for schools, including additional state taxes to provide that funding.

Additional copies of this publication are available to individuals or groups interested in Illinois education.
Write: IASB Publications, 2921 Baker Drive, Springfield, Illinois 62703-5929;

or call: 217/528-9688, ext. 1108; or download from

October 2016