

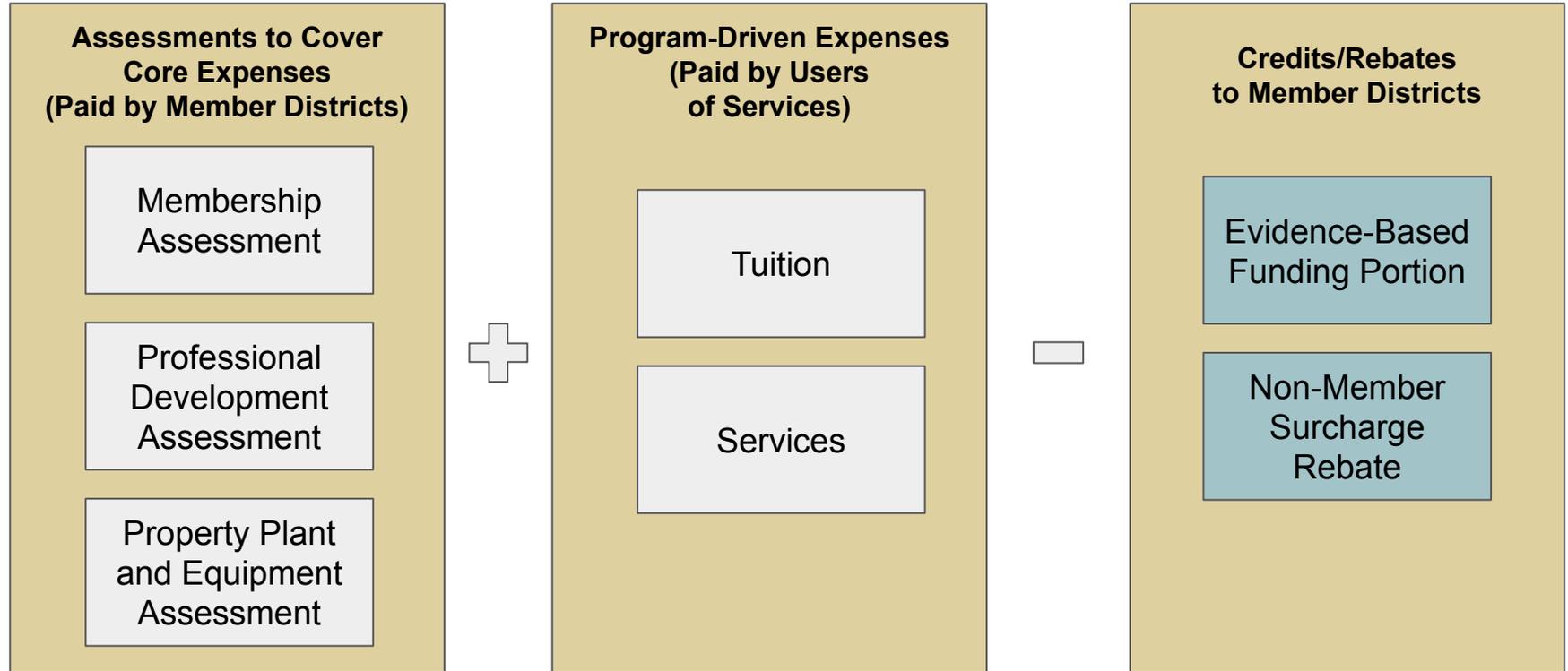
NSSED Proposed Financial Model

**Projected Impact to
Glenbrook High School District 225**

Background

- Over the past 10 months, the NSSSED finance committee has engaged in a review of NSSSED's Financial Model. The committee:
 - Examined current funding model and problems and deficiencies ;
 - Reviewed key funding variables;
 - Developed an alternative model that respond to NSSSED's emerging service model;
 - Final model reviewed by member-district stakeholder groups; and
 - Developed a final recommendation for restructuring NSSSED's funding model.
- The model design and implications for Glenbrook will be discussed.

Model Design



Digging Deeper

Assessments to Member Districts

- Each school district is charged (3) annual assessments to support the the special education district: membership, professional development, and property plant and equipment.
- Each assessment covers certain core expenses or **indirect costs** that cannot be attributed to a specific service (e.g., contracted occupational therapy or vision services, transportation assistance, or assistive technology consultations) or program (e.g., tuition for North Shore Academy).
 - Membership: Superintendent's salary, administrative assistant's salary, Board-related costs, 25% of administrator costs (e.g., principals, director of SEL).
 - Professional Development: Director's salary, all PD personnel salaries, budget for developing in-house PD activities.
 - Property Plant and Equipment: Maintenance and enhancements of the Red Oak Campus, liability insurance, custodial personnel, utilities.
- These assessments will vary based on budgeted expenses in each fiscal year, and will be charged to each school district proportionally, based on their 6th day general education enrollment counts for the current year.

Digging Deeper

Assessments to Member Districts

Member District	2019-20 Proportional Allocation	2019-20 General Education Student Count
Northbrook 27	3.32%	1,249
Northbrook 28	4.55%	1,712
Sunset Ridge 29	1.23%	464
Northbrook/Glenview 30	2.90%	1,092
West Northfield 31	2.26%	850
Glenview 34	12.62%	4,747
Glencoe 35	3.18%	1,197
Winnetka 36	4.60%	1,731
Kenilworth 38	1.27%	477
Lake Bluff 65	2.27%	852
Lake Forest 67	4.70%	1,766
Bannockburn 106	0.44%	164
Deerfield 109	7.78%	2,924
North Shore 112	10.79%	4,056
New Trier HSD 203	10.56%	3,972
Glenbrook HSD 225	13.24%	4,979
Highland Park Deerfield HSD 113	9.77%	3,674
Lake Forest HSD 115	4.51%	1,695

Digging Deeper

Program-Driven Expenses

- Usage of NSSED services varies from year-to-year based on the needs of each individual school district. There are some consistent high users, while others are consistent low users.
- The structure of program-driven expenses, whether through the assessment of hourly fees for services (e.g., vision itinerant, assistive technology consultation), or daily tuition rate (e.g., North Shore Academy), provides that those districts that use services pay for those services.
- All program-driven expenses are included in the cost assessed through service fees or tuition fees. This includes all **direct costs** associated with the program (e.g., salary/benefits, classroom supplies, 75% of administrator salaries/benefits associated with the service or program). Additionally, a portion of indirect costs is added to services and tuition fees (e.g., legal expense, audit).

Digging Deeper

Program-Driven Expenses

Programs Used During the 2019-20 Year	Services Used During the 2019-20 Year
<ul style="list-style-type: none">● North Shore Academy<ul style="list-style-type: none">○ 10.41 ADE● NSSED Transition Program<ul style="list-style-type: none">○ 22.5 ADE● Educational and Life Skills Program<ul style="list-style-type: none">○ 34 ADE	<ul style="list-style-type: none">● Assistive Technology<ul style="list-style-type: none">○ 0.05 FTE● Occupational / Physical Therapy<ul style="list-style-type: none">○ 1.4 FTE● Vision<ul style="list-style-type: none">○ 33 Hours● Professional Development / Coaching<ul style="list-style-type: none">○ 0.042 FTE● 1:1 Aides<ul style="list-style-type: none">○ 34 FTE

ADE - Average Daily Enrollment

FTE - Full-Time Equivalent

Digging Deeper

Credits/Rebates to Member Districts

- NSSD receives a portion of the State's Evidence-Based Funding allocation. Similar to most north suburban school district, this amount remains frozen. Given the allocation method proposed in the new financial model, this amount will be proportionally refunded to each member district as a **bottom-line credit to a member's bill**, based on usage of NSSD services.
- Additionally, NSSD intends to continue to assess a non-member surcharge to school districts that utilize their services and programs, but are not a member. The surcharge amount is proposed at a 25% level. All funds collected through the surcharge will be proportionally issued to each member district as a **bottom-line credit to a member's bill**.

Summary

- This model is built upon a clear and transparent framework. It is a model that was built by members for members. The Finance Committee is also developing a process where the model will be reviewed annually and refined as needed.
- A guiding principle was to develop a program-based budget, so that fees for services/tuition represent the total expenses associated with the program. This ensures that districts using services, pay for services.
- The model is still being critiqued by multiple stakeholder groups representing school board members, superintendents, directors of special education, and chief school business officials.
- The new financial model, which projects a slight savings for Glenbrook (\$40,000), will not be implemented until the 2021-22 fiscal year. This timeline provides sufficient time for further refinement of the model, in consultation with the stakeholder groups.
- The NSSD Leadership Council will consider the structure of the model at the June 2020 meeting. Mrs. Karen Hanley serves as Glenbrook's voting representative.