



UNITED TOWNSHIP

HIGH SCHOOL DISTRICT 30

To: Board of Education
From: Janice Roome, Comptroller
CC: Dr. Jay Morrow
Date: December 9, 2024
Re: Operational Funds Expenditure Report

In 2023 Governor Pritzker signed Public Act 103-0394, creating Section 17-1.10 of the School Code. The new law requires school boards that do not receive federal impact aid funding to present annually a written Operational Funds Expenditure Report at a board meeting starting in the 2024-2025 school year. The report must include the annual average expenditures of the school district's operational funds for the previous three fiscal years, as reported in the school district's most recently audited annual financial reports. The calculation of "operational funds" must include the school district's educational, operations and maintenance, and transportation funds.

The new law also requires school districts whose combined cash reserve balance of its operational funds exceeds 2.5 times the annual average expenditures of its operational funds for the prior three fiscal years to file a written operational funds reserve reduction plan with ISBE by December 31. The operational funds reserve reduction plan must aim to reduce, within three years, the school district's combined cash reserve balance of its operational funds to an amount at or below 2.5 times the annual average expenditures of its operational funds for the prior three fiscal years. If applicable, the first of such reports would be due December 31, 2024. Any plans received by ISBE will be posted on ISBE's website.

The attached report indicates that the District's ratio at June 30, 2024 is 1.69, therefore no reserve reduction plan is required. With the end of ESSER funding received the past few years, this ratio is expected to decrease by June 30, 2025.

We recommend approval of the attached Operational Funds Expenditure Report for FY2024.