

School Districts for Comparative Analysis Purposes

Summary

In 2013 a small group of Finance Oversight Review and Committee (FORC) members proposed a systematic approach to creating a list of comparative school districts for purposes of financial, compensation and educational outcome analysis. This work was done at the request of the Board, which had historically relied upon less scientific groupings such as the Bright Red Apple (now defunct) awards. Following a formal review, the full FORC recommends that District 97 use the approach outlined below.

Objectives

The work-group recommended the following objectives for the methodology and comparison lists.

1. To avoid bias, the list was created using objective criteria from structural (input) variables.
2. To ensure transparency, the criteria should use only publically available information.
3. To prevent self-fulfilling prophecies, the outputs will not be checked prior to selection.
4. To facilitate understanding, the criteria and variables should be kept as simple as possible.
5. To provide stability over time, the initial list should be built after reviewing multiple years.

Input Variables and Criteria

The following input variables were identified:

- A. **County** – The school districts will be restricted to tax-capped counties in roughly the same employment market region; Cook, Lake, Dupage, and Will.
- B. **District Type** – High school districts will be excluded, because of having very different costs than elementary districts. Unit districts will be included, but it is noted for analysis, some variables will need to be scaled appropriately.
- C. **Number of Students** – The number of students clearly impact many financial variables due to both economies of scale and diseconomies of scale. To make like comparisons among elementary and unit districts and those districts with and without pre-K, only the enrollment of K-8 students will be used.
- D. **EAV per Student** – EAV (Equalized Assessed Valuation) is a measure of local property wealth which impacts ability to raise property taxes, and is a primary variable in calculating general state aid. As with Number of Students, in order to make like comparisons, the EAV will be divided by the number of K-8 students.
- E. **Percent of Low Income Students** – This variable provides a measure of family economic diversity. Not surprisingly, it is somewhat inversely correlated with EAV per Student. However, it was felt it added value to the selection criteria, because it is an input to state funding formulas, grant applications, and impacts the ability to raise money locally through fees, taxes, and fund-raising.

For the three numeric variables (C, D, and E), the recommendation is to include districts between half and double of all three of District 97's values. The decision to set the criteria relative to District 97's values was to allow them to adjust dynamically over time. Half and double were chosen, because they are easy to remember, simple to implement, and resulted in District 97 being roughly at the median of the selected districts. For the initial list the recommendation was that districts must meet the criteria for the last three years. This resulted in an adequate number of districts, and should result in a fairly stable list over time.

Current List of Districts

The committee utilized the 5Sight data analysis tool from Forecast5 Analytics to apply the selection criteria. There are 18 districts that meet the criteria for the last three years:

District	County	District Type
Oak Park ESD 97	COOK	Elementary District
Antioch CCSD 34	LAKE	Elementary District
Barrington CUSD 220	LAKE	Unit District (K-12)
CCSD 93 (Carol Stream)	DUPAGE	Elementary District
CUSD 200 (Wheaton)	DUPAGE	Unit District (K-12)
ELMHURST SD 205	DUPAGE	Unit District (K-12)
Evanston CCSD 65	COOK	Elementary District
GLEN ELLYN SD 41	DUPAGE	Elementary District
Glenview CCSD 34	COOK	Elementary District
Grayslake CCSD 46	LAKE	Elementary District
HAWTHORN CCSD 73	LAKE	Elementary District
La Grange SD 102	COOK	Elementary District
Lombard SD 44	DUPAGE	Elementary District
New Lenox SD 122	WILL	Elementary District
Oak Lawn-Hometown SD 123	COOK	Elementary District
Orland SD 135	COOK	Elementary District
Troy CCSD 30C (Joliet/Plainfield)	WILL	Elementary District
Wauconda CUSD 118	LAKE	Unit District (K-12)
WOODLAND CCSD 50 (Gurnee)	LAKE	Elementary District

An initial draft list was created in 2012; five districts from that list no longer meet the criteria:

- Lake Villa 41 (Lake) – Enrollment is now too low
- North Palos 117 (Cook) – Low income percentage is too high
- North Shore 112 (Lake) – EAV per Pupil is too high
- Villa Park 45 (DuPage) – Low Income percentage is too high
- Woodridge 68 (DuPage) – Low income percentage is too high

There are also three new districts on the list:

- Antioch 34 (Lake) – Enrollment just makes the ½ of D97 minimum
- Elmhurst 205 (DuPage) – Low income percentage has grown to make the ½ of D97 minimum
- Orland 135 (Cook) – Low income percentage just makes the ½ of D97 minimum

Recommended Update Frequency

The selection criteria and process results in a fairly stable list of comparative districts over time. FORC recommends updating the list every three years. For simplicity, future updates should be made following the completion of the tri-annual Cook County property reassessment cycle for the Village of Oak Park.

Potential Uses of Data

Below is a sample of some potential metrics the 5Sight data can provide to compare these districts:

- Fund Balance Percentage
- Average Salary
- Student-Teacher Ratios
- Tax Rates
- Operating Expenditures per Pupil (OEPP)
- Percentage of Budget Spent on _____
- Per Student Spending on _____