



4/9/07

DISTRICT 181 EARNS FINANCIAL RECOGNITION FROM STATE

The Illinois State Board of Education has announced that Community Consolidated School District 181 has demonstrated excellence in school finance by earning the Certificate of Financial Recognition for the third consecutive year. This designation is based on the district's June 30, 2006, Annual Financial Report.

"This is the highest category obtainable for the School District Financial Profile. Given the economic difficulties school districts are facing, the State Board realizes this is a significant accomplishment," Interim State Superintendent Christopher Koch said in a letter to District 181.

The data collected for school district spending can be found in the School District Financial Profile available at <http://www.isbe.net/sfms/P/profile.htm>. The School District Financial Profile was designed to better illustrate information on school district finances and to establish financial designation lists for all school districts. The designation categories are (highest to lowest rating): Financial Recognition, Financial Review, Financial Early Warning, and Financial Watch.

District 181's financial data was analyzed through several lenses, including: Fund Balance to Revenue Ratio, Expenditure to Revenues Ratio, Days Cash on Hand, Percent of Short-Term Borrowing Available, and Percent of Long-Term Debt Remaining. Based on these criteria, District 181 received a score of 3.7 on a 4-point scale.

"If a district receives a score of 3.54 - 4.00, they are in the highest category of financial strength - Financial Recognition. These districts require little or no review or involvement by ISBE unless requested by the district," the Illinois State Board of Education states.

According to a press release from the Illinois State Board of Education, the results for FY 2007 Financial Profile (based on FY 2006 financial data) show continued improvement, with nearly 60 percent of Illinois school districts achieving the highest ranking. The 2007 Profile shows: 513 Financial Recognition school districts, up from 488 in 2006; 193 Financial Review school districts, compared to 225 in 2006; 115 Financial Early Warning school districts, compared to 109 in 2006; and 53 Financial Watch school districts, down from 59 in 2006.

"Seeing our schools become more financially solvent is a good sign, however we must continue to work together to get additional resources for our students," Koch said.

This is the fifth year that the Financial Profile system has been utilized by the Illinois State Board of Education. The School District Financial Profile was developed with school superintendents, school business administrators, financial advisors, bond brokers and educational constituent groups throughout the state.