

FY2020 CPS Budget Hearings

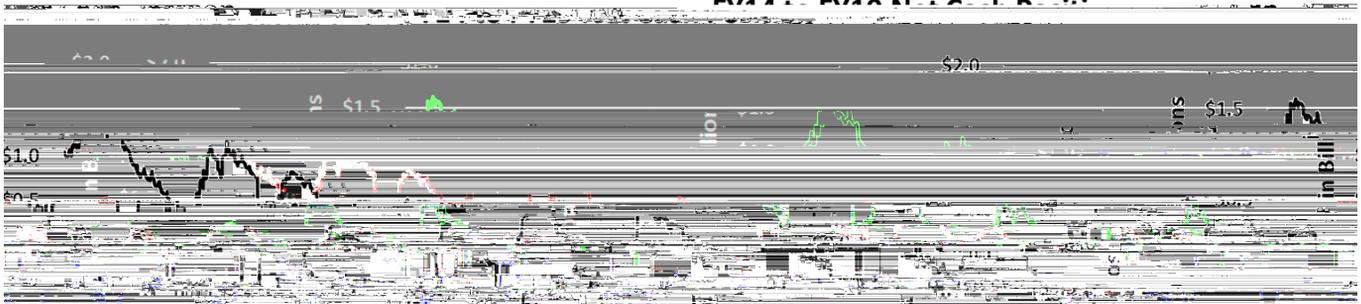
August 20, 2019



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- FY2020 budget remains balanced without major revenue risk for the

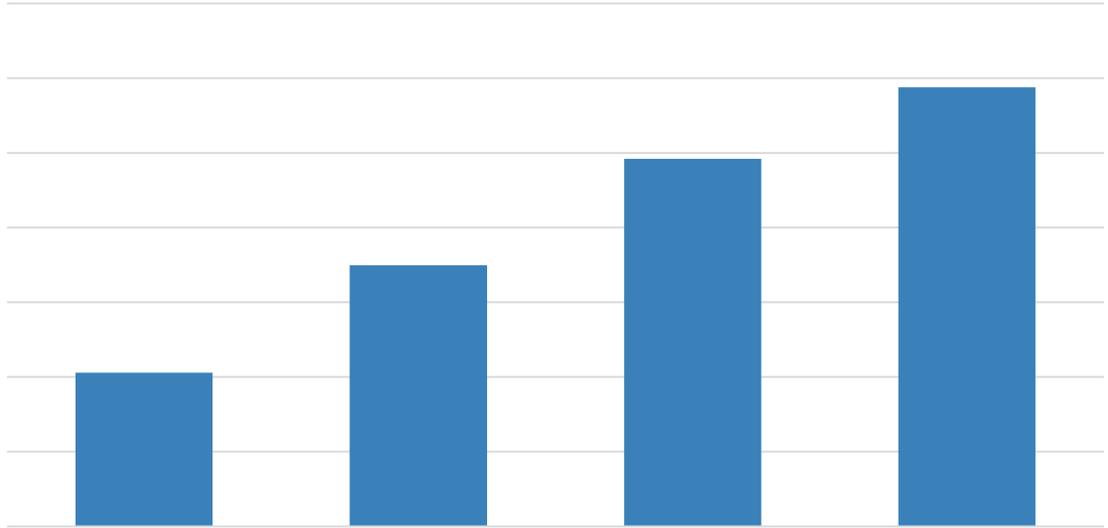


Cash and TANs - Negative Cash Flow



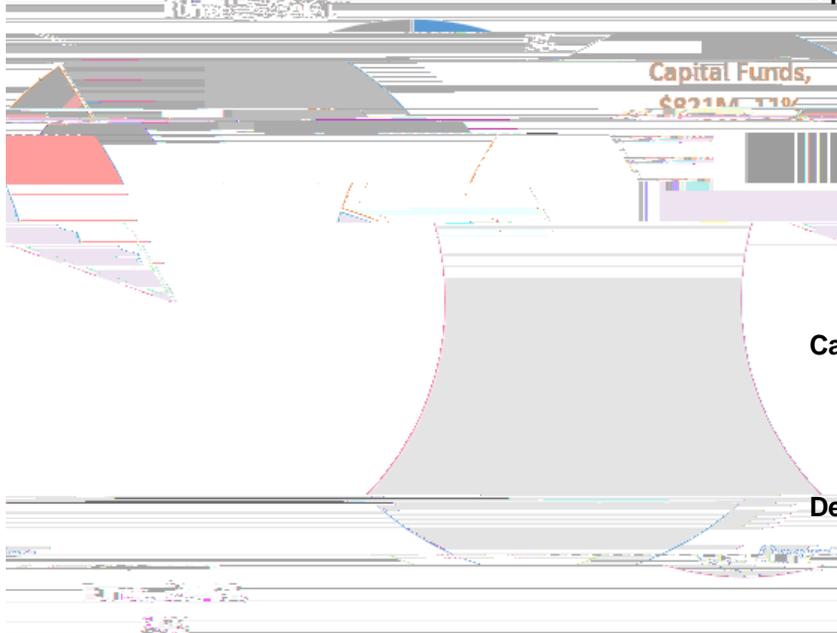
Currently, we are also projecting a net negative cash position during the majority of FY20.





Total CPS FY2020 Budget is \$7.7B

Debt Services



Operating Budget, \$6.18B

Pays for the day-to-day operations
Primarily funded through local tax revenues and state and federal funding
The operating budget includes the following non-discretionary items:

- \$3.3B salaries and benefits, largely governed by collective bargaining
- \$855M in teacher pension contributions, which are governed by state statute

Capital Budget, \$821M

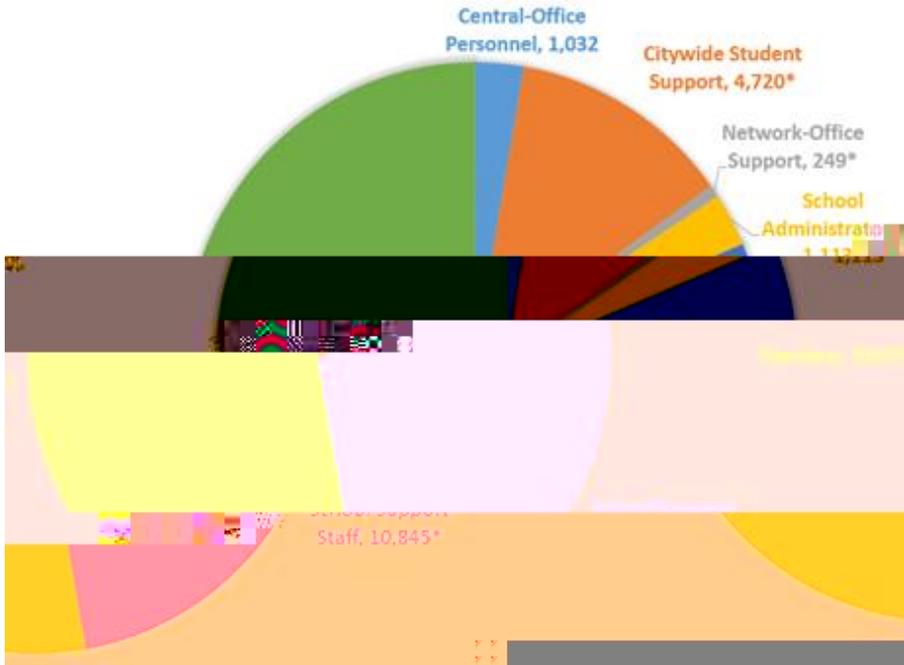
Pays for the renovation and expansion of existing schools
Generated largely from the issuance of bonds

Debt Service Budget, \$700M

Pays interest and principal on bonds
Primarily funded through state revenues



97% of FY2020 Positions Directly Support Schools

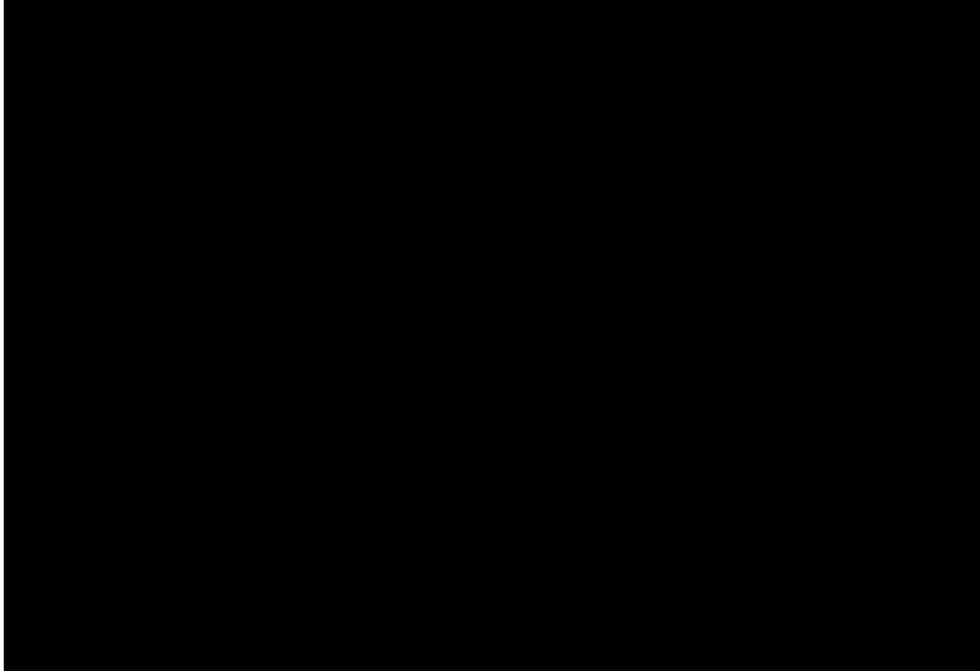


The CPS FY2020 budget includes over 38,000 FTEs, **97% of which directly support schools.**

Teachers, school support staff, and school administrators make up **85%** of CPS employees, while another **12%** provide citywide support services to schools. Less than **3%** of positions are central office administrative positions.



State Revenues Comprise 30% of Operating Revenues



Local: 58% (\$3.52B) of operating revenues come from local sources - primarily property tax, personal property replacement tax, and TIF surplus

State: 30% (\$1.85B) of operating revenues come from the state, including EBF funding, teacher pension normal costs, and categorical grants

Federal: 12% (\$0.7B) of operating revenues come from federal sources; these include Title funding and lunchroom funding and primarily support low-income students







Proposed FY2020 Budget Focuses on Equity

Improving Access to School Facilities

As part of Mayor Lightfoot and CEO Jackson's commitment to equity, CPS will invest \$10.5 million to increase ADA accessibility as part of a multi-year program to ensure all CPS buildings have first-floor accessibility. While any major capital project contains significant ADA upgrades, for the first time in more than a decade, the district will set aside funds separate from existing capital upgrades or new construction to begin addressing this critically important need.

Programmatic and IT Investments to Build Upon School Success

The proposed budget also prioritizes high quality educational programming in neighborhoods throughout the city. CPS is investing \$145 million in building modernization to ensure all schools are able to support 21st Century learning environments, including:

- **Science Lab Modernization:** Invest \$30 million to launch the second phase of its high school science lab modernization project to add, upgrade or renovate science labs in 29 high schools.
- **Upgrades to New Academic Programming:** As part of the district's new RFP process that empowered school communities to apply for programming through a transparent process, the district will invest an additional \$30 million in capital upgrades to align with program needs.
- **Devices and High Speed Internet Access:** To continue to expand access to modern technology in schools throughout Chicago, CPS is investing \$85 million to provide devices and infrastructure modernization at over 130 schools.

Site Improvements that Foster Learning

The proposed capital budget includes an additional \$45 million in site improvements to design and build new playgrounds, play lots, and turf fields at more than 15 schools across the city so that students can benefit from a well-rounded education that promotes healthy development.



Proposed FY2020 Budget Focuses on Equity

Staffing Investments to Promote Equitable Access to High-Quality Schools

As part of a series of commitments made by Mayor Lightfoot and CPS CEO Jackson in late July that were informed by meetings with dozens of teachers, principals, parents, and community members, the district is expanding staffing levels for key support roles over the next several years. The FY2020 budget begins this commitment by allocating \$10 million in funding and recruitment efforts for additional nurses, social workers and case managers, which will be prioritized for the district's highest-need schools to help ensure equitable access to student supports.

Program RFP Process

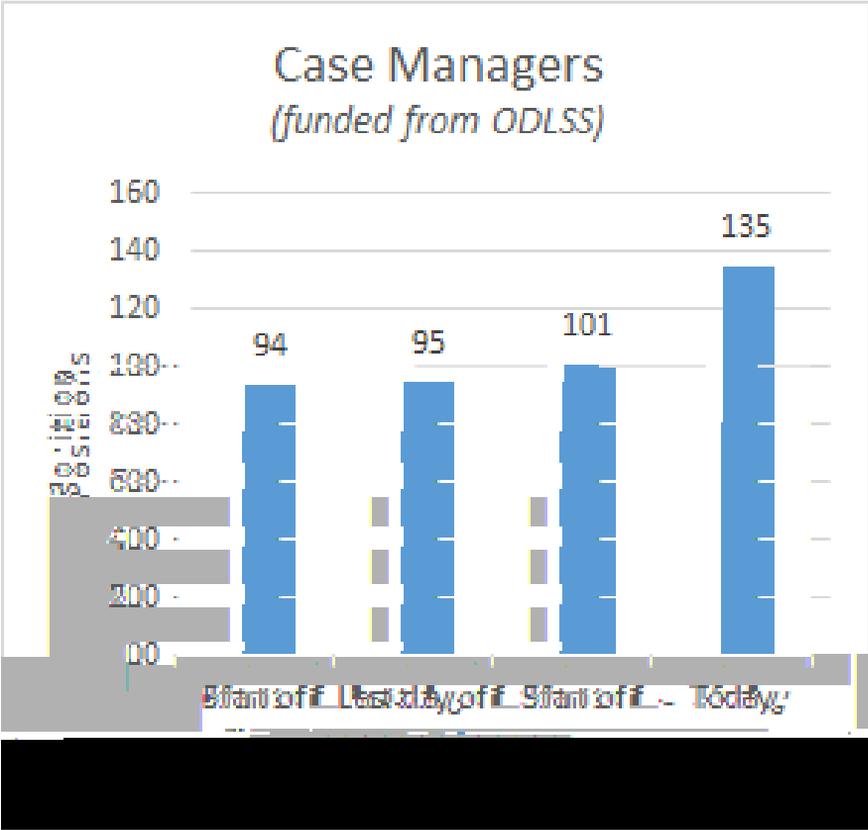
As part of a new, equitable program application process, CPS will be providing 32 schools a total of \$5 million in FY20 to bring high-







Case Managers





In FY2020, 52% of school funding comes from SBB

Under Student Based Budgeting (SBB), schools receive a per-pupil amount for each pupil enrolled, weighted by grade level and diverse learner category

In FY2020, the base per-pupil rate is budgeted at \$4,507, a 2.5 percent increase from FY2019

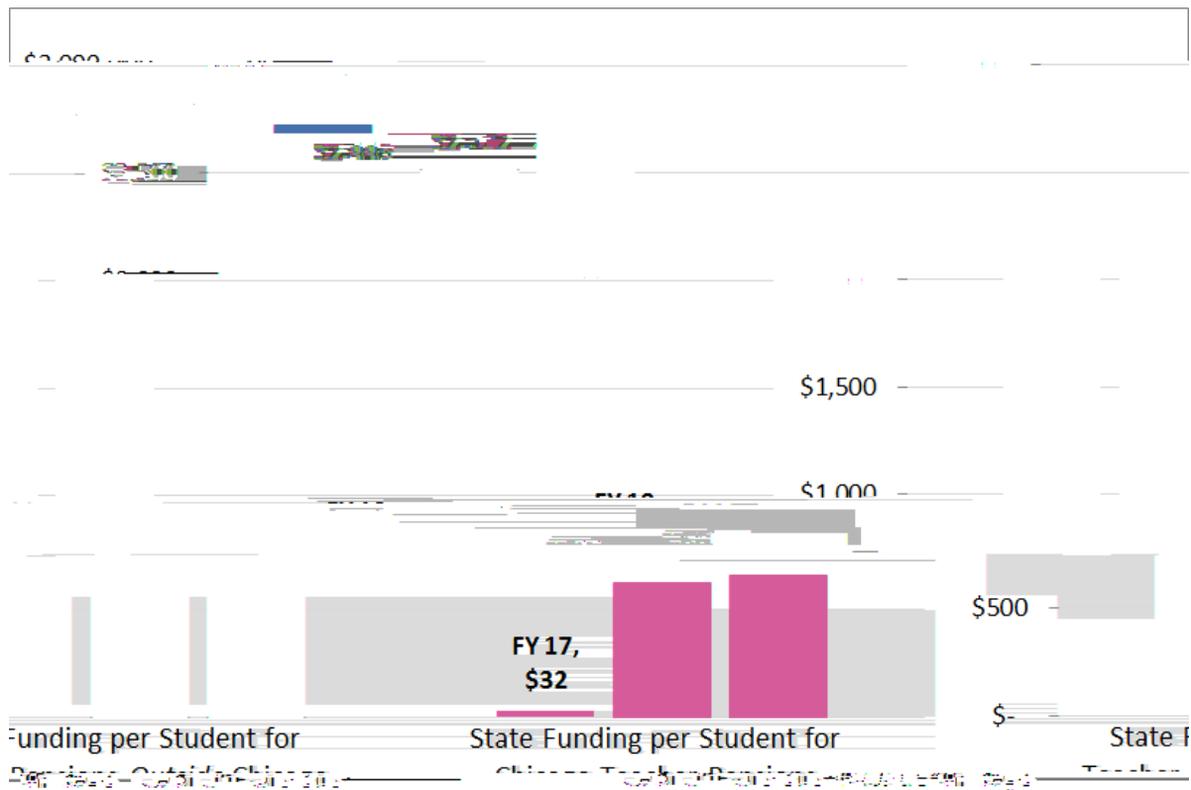
SBB funding represents the base level of funding provided to schools for their core instructional program; \$1.36 billion dollars - 52 percent of all school-based allocations - is allocated through SBB

Schools receive additional funding based on student- and school-level need (poverty, EL status, diverse learner status, etc.) and programmatic differentiation





Pension inequity between Chicago and other school districts in Illinois persists



FY2020 Capital Budget

The FY2020 budget includes a capital budget totaling \$821 million of investments that will focus on priority facilities needs at neighborhood schools; the district's largest-ever Pre-K capital investment; ADA accessibility; and continued expansion of technology upgrades, modern science labs, and other academic priorities.

Critical building improvements for more than 300 schools across the city, with 93 percent of the \$619 million in guaranteed capital funding going to schools that serve majority low-income students.



F2020 Capital Plan Funding Strategy

- The F2020 capital budget includes \$619 million in guaranteed resources backed by bond offerings and other committed funding sources
- The plan also includes \$191 million in potential state funding approved this spring as part of a \$45 billion state capital bill and \$11 million in appropriation for potential external funding.





