

# **RESIDENT'S GUIDE**

## TO THE BUDGET FY2023



# 2023 CPS BUDGET

## TOTAL BUDGET: \$9.4 BILLION

# RESIDENT'S GUIDE TO THE BUDGET FY2023



### OPERATING BUDGET: \$7.99 BILLION

This is the budget figure that most people are familiar with and represents the amount of funds allocated to operate the day-to-day activities of our schools each year.

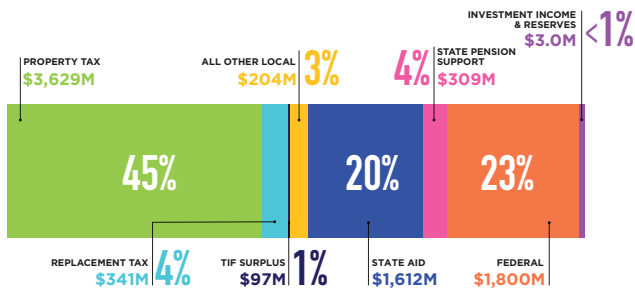
### DEBT BUDGET: \$769 MILLION

The debt budget represents the amount of funds allocated to make annual payments on our bonds and other debt payments.

### CAPITAL BUDGET: \$645 MILLION

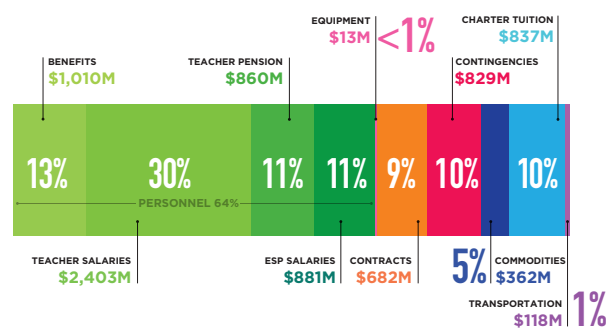
The capital budget represents the amount of funds allocated for long-term investments in our school facilities including building construction and renovations, and infrastructure based technology like high speed internet. This money is raised largely through the issuance of bonds, which are debt instruments like loans, and require annual payments on the bond principal and interest.

#### OPERATING BUDGET



The CPS operating budget is much like your budget at home. We use it for multiple purposes: to track income and spending, to help manage priorities, to plan for the future and to measure financial performance.

#### EXPENSES



#### MONEY FOR OUR SCHOOLS



We are firmly committed to ensuring that every dollar we spend goes the furthest for our students and families, so 58 cents (58%) of every dollar spent in our operating budget is tied directly to school-based expenditures and positions, with another 37 cents (37%) directly supporting schools through citywide services.

## CPS AT A GLANCE

The mission of Chicago Public Schools is to provide a high quality public education for every child, in every neighborhood, that prepares each for success in college, career and civic life. As the nation's third largest school district and the largest employer in Chicago outside of the U.S. Government, CPS is a dynamic organization serving a dynamic city.

### OUR SCHOOLS

635 Schools

**158**  
High Schools

92  
District Run

58  
Charter

7  
Contract

1  
SAFE

**477**  
Elementary Schools

423  
District Run

52  
Charter

2  
Contract

### OUR STUDENTS

Fall 2021

**15,430**  
Preschool

**21,405**  
Kindergarten

**188,873**  
Elementary Grades 1-8

**104,703**  
Secondary Grades 9-12

### OUR EMPLOYEES

43,378 Employees

**35,103**  
School-Based Employees

**6,604**  
City-Wide Student Support

**1,380**  
Central Office Support

**291**  
Network Office School Support

Between our students and employees, CPS directly impacts 14 percent of the entire population of Chicago every day. And when you add in the countless numbers of current and former parents and alumni living and working in Chicago, the importance of public education in shaping the lives and future of our great city becomes exceedingly clear. This is why education funding is such an important issue and why we have created this resident's guide to the budget. We want you, as residents, to understand how CPS is funded and how the success of our public schools is central to the success of Chicago.



# WHO PROVIDES OUR FUNDING?

Chicago residents are the source of nearly all of our funding.

## RESIDENT'S GUIDE TO THE BUDGET FY2023



### LOCAL REVENUE: \$4.6 BILLION

Our largest source of income, 52 percent, is generated by local sources. The majority of this comes from local property taxes, replacement tax and TIF surpluses. CPS also generates revenue from other local sources such as philanthropic donations, interest income, lunchroom fees, and school rental fees.



### STATE REVENUE: \$2.4 BILLION

State income accounts for 27 percent of our revenue. The bulk of funding we receive from the state is through evidence-based funding (EBF). The amount of EBF that each school district receives is based on a complex formula that considers the number of students, the special needs of the district, household income levels, and many other factors. Though EBF, introduced in FY2018, was a major improvement from the state's old funding model, the state acknowledges that CPS remains close to \$1 billion underfunded. We continue to work closely with our partners in Springfield to advocate for additional education funding for our students.



### FEDERAL REVENUE: \$1.8 BILLION

Federal income accounts for 20 percent of our revenue. Most federal income is distributed through Title I of the Elementary and Secondary Education Act to provide extra support for low-income children. We have limited flexibility in how we spend federal revenue and the money can be used only for certain types of expenses, such as reading and math instruction and teacher professional development. The federal government also pays for free or reduced-price meals for all CPS students. This year's budget also includes \$730 million in federal emergency relief funding to address students' needs in three priority areas. More information on federal relief funding and the three priority areas is highlighted below.



### INVESTMENT REVENUE: \$3.0 MILLION

Investment income accounts for less than one percent of our operating budget. CPS generates this income based on the interest and dividends received off of investments held by the District.



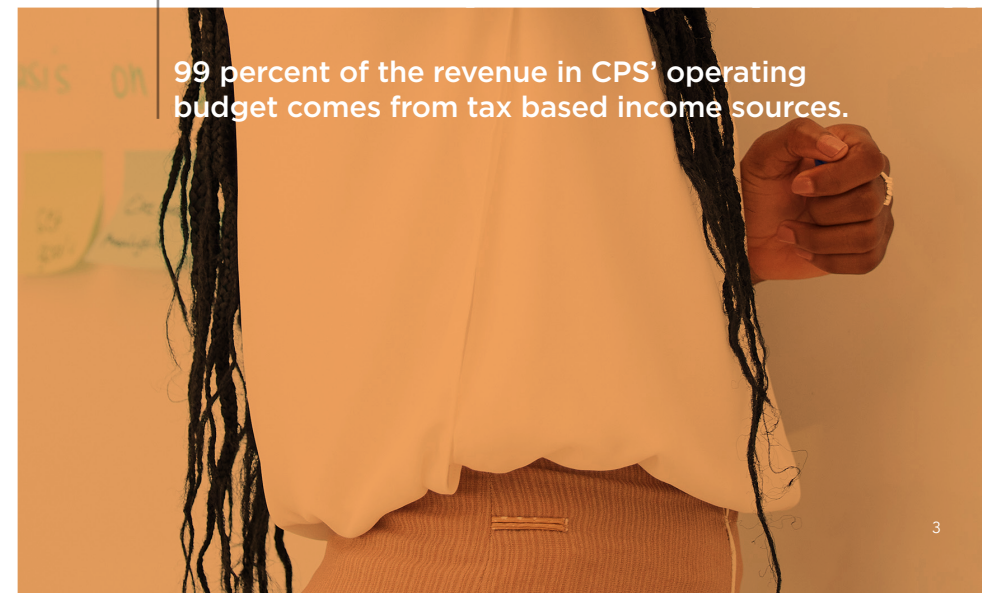
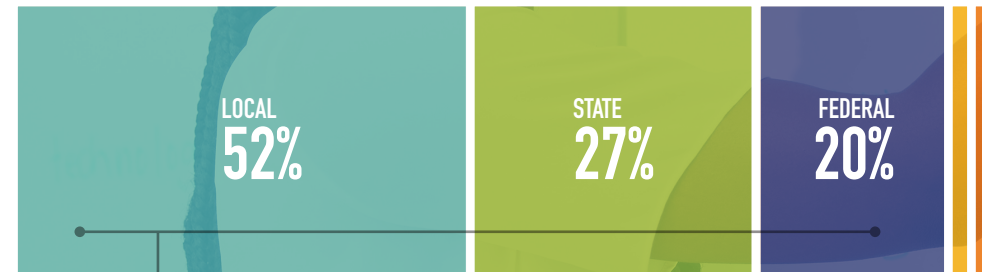
### FUND BALANCE/RESERVES: \$0.0 MILLION

Fund Balances or Reserves account for less than one percent of our operating budget. In certain instances, CPS has restricted funds that can only be spent on specific types of expenditures. If we don't use all of these restricted funds in a given fiscal year, those funds can be rolled over into the next fiscal year and spent on the same specific expenditures.



RESERVES  
0%

INVESTMENT  
<1%



99 percent of the revenue in CPS' operating budget comes from tax based income sources.

# WHAT DO WE SPEND MONEY ON?

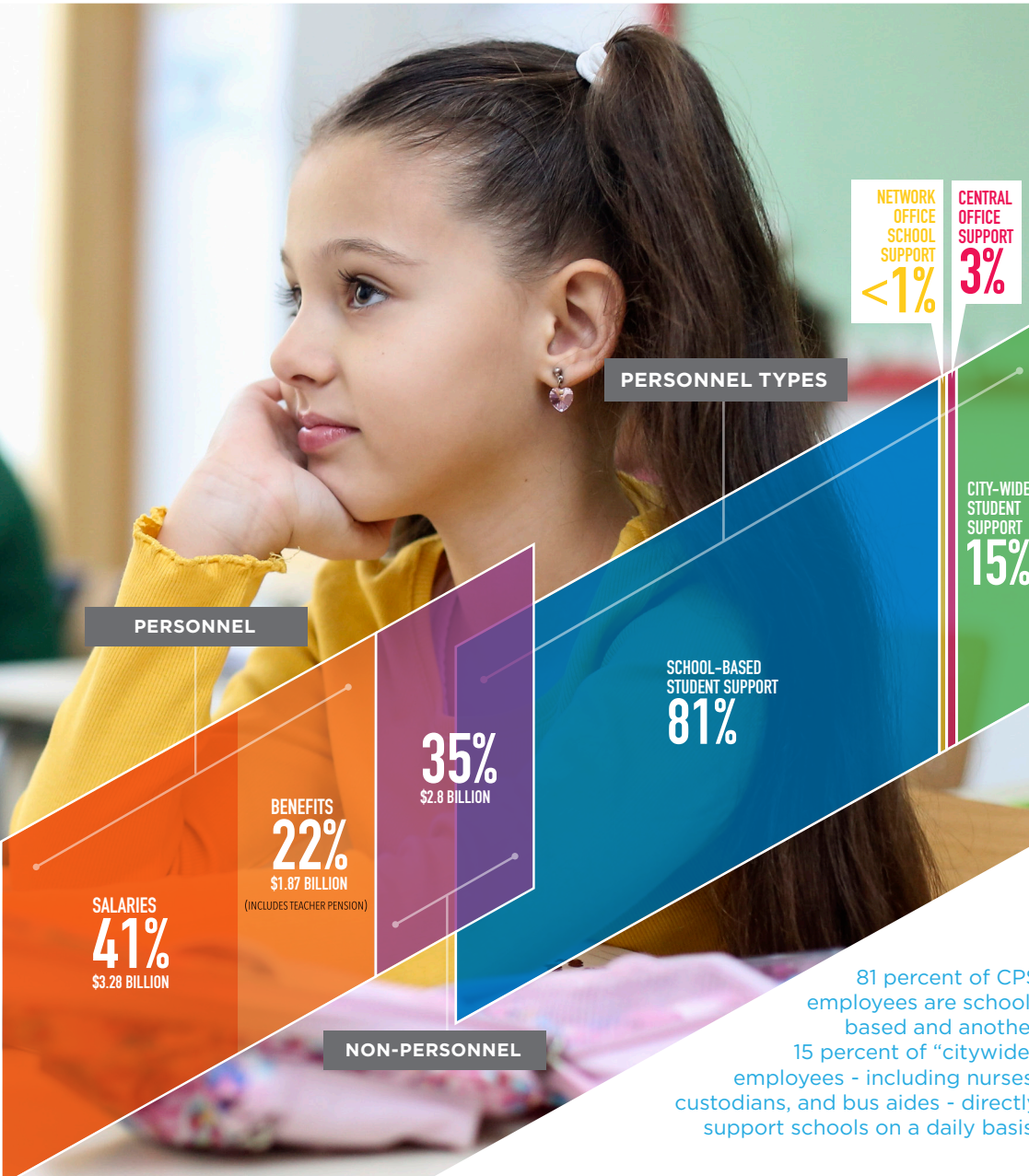
Chicago residents are the source of nearly all of our funding.

## RESIDENT'S GUIDE TO THE BUDGET FY2023



### OPERATING BUDGET: \$7.99 BILLION

**Day-to-Day School Operations:** All the money in the CPS' operating budget is used to pay personnel and non-personnel costs.



### Personnel Costs:

**\$5.51 Billion**

64 percent of the CPS budget is used to pay for the salaries and benefits of our 43,378 employees. This includes school-based staff such as teachers, principals, teacher aides, security officers, school clerks, cooks and janitors. It also includes central office staff that provide administrative and programmatic support to the schools, and network office staff that support schools as they are grouped into 16 networks across the city. We also have city-wide support staff that include coaches, clinicians, nurses, social workers and speech pathologists.

### PERSONNEL COSTS

(of \$5.15 Billion)

\$1,045	20%	BENEFITS
\$881	17%	ESP SALARIES
\$825	17%	TEACHER PENSION
\$2,403	47%	TEACHER SALARIES

### Non-Personnel Costs:

**\$2.84 Billion**

35 percent of the CPS budget is used to pay for non-personnel expenses, which are the costs required to keep our schools running. This includes commodities such as food and utilities, instructional supplies, building supplies, and software. It also includes equipment like furniture and computers, transportation via our school bus fleet or CTA passes, and contingency funds for unexpected or discretionary purchases. Lastly, non-personnel costs also include the tuition we pay to charter schools, which primarily funds salaries and benefits for charter school staff.

### NON-PERSONNEL COSTS

(of \$2.84 Billion)

\$13	1%	EQUIPMENT
\$119	4%	TRANSPORTATION
\$362	13%	COMMODITIES
\$681	24%	CONTRACTS
\$837	30%	CHARTER TUITION
\$828	29%	CONTINGENCY (includes federal dollars that will be used on salaries, benefits, and other expenses)

## WHAT DO WE SPEND MONEY ON?

Chicago residents are the source of nearly all of our funding.

## RESIDENT'S GUIDE TO THE BUDGET FY2023



### CAPITAL BUDGET: \$645 MILLION

**Long-Term Asset Investments:** The FY2023 budget includes a capital budget totaling \$645 million of investments that will focus on priority facilities needs at neighborhood schools; mechanical systems which control the indoor environment and air-quality of our schools; ADA accessibility; restroom modernizations; student recreation and athletic improvements; site improvements and continued expansion of technology upgrades and other academic priorities

### **\$454** MILLION IN PRIORITY NEEDS AT NEIGHBORHOOD SCHOOLS

As part of our commitment to equity, the district is prioritizing renovations at neighborhood schools throughout the city to ensure all students can learn and grow in school buildings that support high-quality learning environments. CPS is allocating \$454 million in funding for critical maintenance projects and interior improvements.

- \$223 million for priority roof, envelope, mechanical projects, and support services;
- \$50 million for unanticipated emergency repairs;
- \$87 million for district maintenance priorities;
- \$20 million for modular refurbishment;
- \$10 million for masonry remediation;
- \$45 million for interior improvements;
- \$6 million for fire alarm system replacement; and
- \$13 million for chimney stabilization;

### **\$30.5** MILLION TO SUPPORT STUDENTS WITH PHYSICAL LIMITATIONS

We will invest \$30.5 million to increase Americans with Disabilities Act accessibility in 28 schools as part of a multi-year program to ensure all CPS buildings have first-floor accessibility. Starting with the FY2021 Capital budget, CPS committed to spending \$100 million over five years to improve accessibility of parking lots, main entrances, main offices, and public restrooms.

### **\$83** MILLION FOR PROGRAMMATIC AND TECHNOLOGY INVESTMENTS TO BUILD UPON SCHOOL SUCCESS

CPS is investing \$83 million to prioritize high-quality educational programming and modernize buildings to support 21st century learning environments. These investments include:

- \$20 million to renovate existing student recreation and athletic resources like continuing the District's stadium and swimming pool refurbishment program;
- \$35 million in TIF funding for programmatic and facility needs investments at Dett ES;
- \$20 million to increase access to technology by providing new computing devices and improving network infrastructure;
- \$8 million will fund new security equipment including cameras, intercom phones, alarms, and screening equipment.

### **\$78** MILLION FOR SITE IMPROVEMENTS THAT FOSTER LEARNING

The proposed capital budget includes an additional \$78 million in site improvements to design and build new playgrounds, playlots, and school yards at over 50 schools across the city so that students can benefit from a well-rounded education that promotes healthy and active development.

### DEBT BUDGET: \$769 MILLION

**Principal & Interest Payments on District Debt:** The FY2023 budget includes total appropriations of approximately \$769 million for principal and interest payments on the district's outstanding bonds, which were issued to fund the district's capital plans and related investments. As of June 1, 2022, the Board has approximately \$8.6 billion of outstanding long-term debt and no outstanding short term debt.



# RESOURCING STRATEGY

Continuous learning, equity, commitment to the instructional core.

## RESIDENT'S GUIDE TO THE BUDGET FY2023



FY2023 school budgets include \$4.6 billion in direct funding, a record high and an increase of over \$240 million from the previous year.

### \$4.6 BILLION OF SCHOOL FUNDING PRIORITIZES INSTRUCTIONAL PRIORITIES AND RESOURCE EQUITY

The FY2023 budget for the coming year includes an additional \$240 million in school-level funding, reflecting the District's investments in core instructional priorities and resource equity.

Highlights include:

**\$72M**

in teaching positions for every school based on enrollment and opportunity index score

**\$68M**

more for special education teachers, classroom assistants, and case managers

**\$50M**

in equity grants to support small schools with declining enrollment, an increase of \$14 million from FY2022 small school funding

**\$45M**

for teacher professional development, including 184 instructional coaches at our highest-need schools

**\$10M**

to expand pre-K programming

**\$6M**

for additional school counselors, allocated based on the District's opportunity index and community violence index

**\$3M**

increase to bilingual programming supports

**\$2M**

increase to personnel supporting Students in Temporary Living Situations



### RESOURCING STRATEGY TO STRENGTHEN THE INSTRUCTIONAL CORE

Investment Priorities:

- standards aligned, rigorous, and culturally responsive curriculum for all students
- high quality instruction for all students
- comprehensive academic and SEL interventions
- strengthening student engagement and wraparound supports

### RESOURCING STRATEGY TO STRENGTHEN THE INSTRUCTIONAL CORE – SCHOOL LEVEL

Resourcing prioritization at the school level:

- reasonable class sizes
- limited splits
- access to arts
- intervention supports
- + plus fund local level priorities

### FY2023 BUDGETS INCREASE INVESTMENT IN FUNDING FOR ALL SCHOOLS

The investments reflected in budgets today also include the following:

- 3.5% increase to Student-Based Budgeting (SBB) rates to match teacher cost of living adjustments
- 3.5% increase to Supplemental Aid and Title I rates
- Resources allocated to support fall 2021 enrollment levels; schools will not lose funding in fall if enrollment falls below budgeted level
  - Funding will be increased for schools with fall 2022 enrollment gains

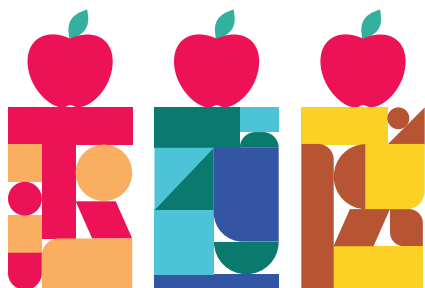
## OUR VISION

A great school in every neighborhood for every child.

## RESIDENT'S GUIDE TO THE BUDGET FY2023

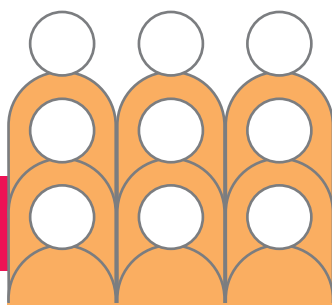


To strengthen our instructional core and establish a new standard of excellence for all schools, the FY23 budget includes over \$240 million in school funding. Key investments include:



**\$68 MILLION**

in additional special education funding to advance equity and meet student needs



**\$15 MILLION**

### IN ADDITIONAL FUNDING

to increase nurse, social worker and case manager staffing levels to an all-time high in the district



**\$72 MILLION**

in new funding for teacher positions at every school to support reduced class size, intervention supports, specials teachers, and other roles



**\$45 MILLION**

### IN EQUITY GRANTS

for teacher professional development to support high-quality instruction, including instructional coaches at 184 of our highest-need schools



**\$10 MILLION**

### TO EXPAND ACCESS TO FREE FULL-DAY PRE-K

**\$133 MILLION**

### IN BUILDING IMPROVEMENTS

to support athletics and recreation centers, playgrounds, playlots, and turf fields.

\$645 million of capital investments will focus on providing all students with safe, modern learning environments and aligning our CPS facilities with the demands of 21st-century learning. Priority projects include:

**\$368.5 MILLION +**

### TO ADDRESS FACILITY NEEDS

and strengthen high-quality neighborhood schools throughout the city



**\$30.5 MILLION**

### TO CONTINUE OUR FIVE-YEAR, \$100M COMMITMENT TO IMPROVING ADA ACCESSIBILITY

The district has spent over \$1.2 billion of federal relief funding to support pandemic-related needs, academic recovery and social and emotional supports, and continued investments in priority areas.

# MULTI-YEAR PLAN FOR ESSER III FUNDING

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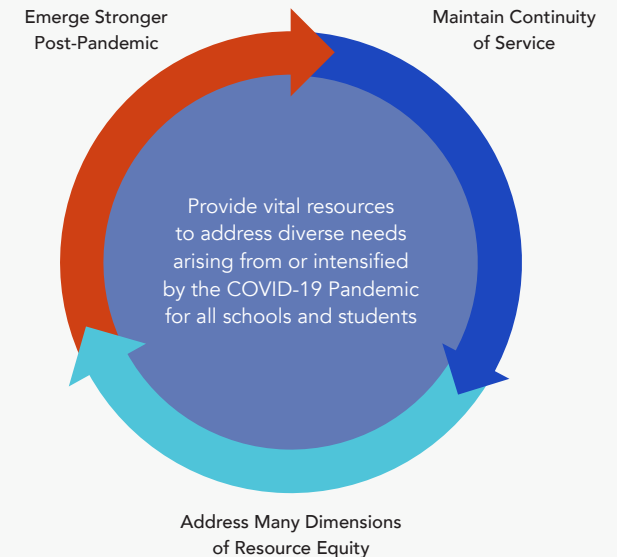


CPS projects to have spent over \$1.2 billion in ESSER funds through the end of FY2022. The remainder of the funds will be spent in FY2023, FY2024, and FY2025.

	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Operational supports & supplies	\$90M	\$61M	\$66M	\$96M	\$25M	-	<b>\$338M</b>
Academic recovery + SEL supports	-	-	\$97M	\$230M	\$200M	-	<b>\$527M</b>
School-level funding for district priorities + other local-level needs	\$6M	\$475M	\$460M	\$404M	\$382M	\$200M	<b>\$1.927B</b>
<b>Total</b>	<b>\$96M</b>	<b>\$536M</b>	<b>\$623M</b>	<b>\$730M</b>	<b>\$607M</b>	<b>\$200M</b>	<b>\$2.792B</b>

Since the onset of the pandemic, a total of \$2.8 billion in federal relief funding has been directed to CPS via Emergency & Secondary School Emergency Relief (ESSER) grants. The largest of these relief grants - ESSER III - will be available to cover expenses through September 30, 2024. Within the context of the graphic below, CPS continues to incorporate feedback from school leaders, teachers, students, parents and community partners to strategically allocate resources within this multi-year context.

### ESSER III PROVIDES ESSENTIAL SUPPORT FOR SCHOOLS





## CHICAGO PUBLIC SCHOOLS

42 W. Madison St.  
Chicago, IL 60602

[cps.edu](https://cps.edu)

773-553-1000

## FOR MORE INFORMATION

[cps.edu/budget](https://cps.edu/budget)

## GET INVOLVED

Family And Community  
Engagement in Education (FACE)

[cpsparentu.org](https://cpsparentu.org)

773-553-FACE

Local School Council (LSC)  
Relations

[cps.edu/lscrelations](https://cps.edu/lscrelations)

773-553-1400



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