FY 15 Budget Overview
Summary for Local School Council Members
April 22 – 24, 2014

- Despite its budget challenges, CPS is committed to protecting investments that drive student achievement and directing as much money as possible to the classroom.

- FY 15 is the *fourth year in a row* that CPS presents its budget in the context of an enormous structural deficit.

- We continue to make cuts away from the classroom. We have cut over $700M away from the classroom since FY 11. Central office and operations cuts continue in FY 15
  - Moving Central office out of 125 S. Clark will save $60M over 15 years
  - Facilities changes with Aramark/Sodexo will provide cleaner schools, less hassle, and $20M in lower costs
  - Other cuts across the district are still being identified

- These reductions and adjusting our revenue recognition period allows us to increase base per pupil funds by $250 next school year—nearly $70 million to sustain and accelerate academic gains across the district.
  - Shift in Cook County timing to August 1 property tax due date (from November 1) has already created reserves we are using now.
  - *This does not create new revenue:* it simply pulls forward future year revenue on a one-time basis

- We have increased base per-pupil funding by $250 and ensured that funds follow the students
  - K-3rd Grade SBB rate will be $4,697 per pupil
  - 4th – 8th Grade SBB rate will be $4,390 per pupil
  - 9th – 12th Grade SBB rate will be $5,444 per pupil
- Pension reform remains critical to the long-term stability of CPS, and our best hope to protect the classroom investments we’ve made. Pension costs increase to $697 million FY 15, roughly $1,700 per pupil.

**Pension costs are growing even more in FY 15**

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**Key Dates**

April 9 – 10: School Budgets Released to Principals

**May 21:** Final Budgets Approved by LSC/Chief Due to Office of Management and Budget

July 1: Fiscal Year 15 Starts