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# CHICAGO PUBLIC SCHOOLS

Chicago Board of Education  
Chicago, Illinois

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## COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the year ended June 30, 2009

*Prepared by the  
Office of School Financial Services*

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Richard M. Daley, Mayor, City of Chicago  
Clare Muñana, Board Vice President  
Ron Huberman, Chief Executive Officer



Board of Education  
CITY OF CHICAGO

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**PEGGY A. DAVIS**

**ROXANNE WARD**

December 10, 2009

Dear Colleagues and Friends,

Chicago Public Schools (CPS) is committed to preparing our youth for the future: for work, higher education, and family and civic responsibilities. CPS' strategic direction includes investing in enrichment, intervention and support programs in order to deliver viable solutions. Our analysis has shown that successful CPS schools have strong principal support, teacher leadership and specialized teachers focused on reading, math and science instruction. We continue to make progress in these core study areas, despite the difficult financial situation the district is facing.

**Innovative Programs**

Our strategies seek to accelerate the pace of student achievement, close racial and economic achievement gaps, recruit and retain effective teachers, and expand educational opportunities. This year, we have started a Performance Management initiative to ensure the integrity of data used to measure the performance of schools, students, and administration. Our positive performance can be linked back to the Renaissance 2010 program, which has revamped schools and curriculums to provide extended learning options in neighborhood schools with a particular focus on math and science academies. Our portfolio of schools now includes a dynamic mixture of gifted centers, magnet schools, charter schools, vocational schools, selective enrollment schools and traditional attendance area schools.

Quality teachers are key to the success of CPS programs and the district is focused on recruiting, retaining, and rewarding high-quality teachers. Our Human Capital initiative includes a process for streamlining the hiring of qualified resources by pre-screening candidates to ensure that they meet standard requirements. New teachers and administrators will also be included in a six-month mentoring program to ensure that they receive adequate training in school-administrative procedures and district policy. The continued development of high-quality resources has lead to an increased number of CPS teachers receiving Golden Apple Awards each year. CPS also recognizes exceptional educators via the Teacher Advancement Program, which ties bonuses for all school staff members, principals down to janitors, at selected schools to the individual performance of students in those schools.

The district is better preparing our graduates for college work than ever before and our college enrollment rate increased for the fourth year in a row. It now stands at 52.5 percent, up from 50 percent the year before, an increase that continues to outpace the nation as a whole. Most recently, CPS has begun to implement a robust College Match program, which matches juniors and seniors to the colleges for which they are most academically qualified to ensure they are considering programs that match their abilities and

ambitions. The most recent statistics show that 77 percent of CPS graduates attending college are doing so on a full-time basis, representing an increase of 6.1 percent from 2007.

Though college and career preparation are tremendously important, everything begins with early childhood education. Funding for this program has been maintained to accommodate the steadily growing population of children requiring services. Initiatives within the program include Preschool for All, Head Start, Child-Parent Centers, Tuition-based Preschool, and Kindergarten. Four CPS teachers were awarded with the Excellence in Early Childhood Education Award. Early childhood programs can be a pivotal kick-start to a student's future academic success.

### **Fiscal Management**

FY2009 was a fiscally challenging year. As a result of the turmoil in the financial market, the nation was still in recession and local and state governments saw their revenues falling significantly while the demand for their service has increased. The State of Illinois could not pay their bills to their vendors and local governments, owing \$173 million to CPS alone by the end of FY2009. Congress passed a \$787 billion economic stimulus package in February 2009, which includes aid to state and local governments. However, it came too late to have any impact on the FY2009 operation.

To mitigate these challenges, CPS implemented hiring freezes and tight spending controls. As a result, CPS ended the fiscal year much better than was initially projected in spite of the \$173 million reduction in state revenues. The unreserved fund balance, which is a measure of fiscal health, declined by 6%. Ending cash balance was very healthy at \$1.2 billion at June 30, 2009. Consequently, CPS was able to maintain its high bond ratings with stable outlook from all three rating agencies.

### **Challenges CPS faces**

CPS faces considerable challenges in addressing its structural deficit over the long term. Preliminary FY10 projections have shown that CPS could face a multi-million dollar shortfall for the coming year. To bridge the gap, CPS is leveraging one-time funding sources which will not occur again next year. We continue to make budget cuts in order to close the deficit gap even further. Although, we are implementing substantial cost-cutting measures to cope with the anticipated revenue shortfall, continued budget cuts pose a great challenge to our ability to roll-out innovative programs while providing the oversight necessary to ensure quality, safety and policy compliance.

Salaries alone rise by more than \$100 million each year, with pension and health care costs rising by tens of millions more. Over sixty percent of our operating budget pays for salary and benefits and about 90% of that spending is governed by the District's various labor contracts. We continue to work with legislators to restore the cuts that CPS experienced this year and to reform state pension and education funding to bring long-term solvency to our financial outlook. Continuing with the status quo puts CPS' ability to meet our obligations at risk.

We have done our best to protect CPS' key educational priorities but the current budget crisis threatens critical student programs. Major initiatives may be delayed or dramatically scaled back if CPS is forced to undergo long-term budget cuts, putting us at risk of losing the progress made over the last six years.

Respectfully Submitted,



Clare Muñoz  
Vice President  
Chicago Board of Education



Ron Huberman  
Chief Executive Officer  
Chicago Public Schools



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**CHICAGO PUBLIC SCHOOLS**  
Chicago Board of Education  
**2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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*Introductory Section*

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**CHICAGO PUBLIC SCHOOLS**  
**Chicago Board of Education**

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**PRINCIPAL OFFICIALS**

**Mayor of the City of Chicago**  
**Richard M. Daley**

**Chicago Board of Education**  
Clare Muñana, Vice President

**Members**

Norman R. Bobins  
Tariq H. Butt, M.D.  
Alberto A. Carrero, Jr.  
Roxanne Ward  
Peggy Davis

**Statutory Officers**

Ron Huberman, Chief Executive Officer  
Barbara J. Eason-Watkins, Ed.D., Chief Education Officer  
Robert Runcie, Chief Administrative and Chief Operating Officer  
Christina Herzog, Acting Chief Financial Officer  
Opal L. Walls, Chief Purchasing Officer  
Patrick J. Rocks, General Counsel



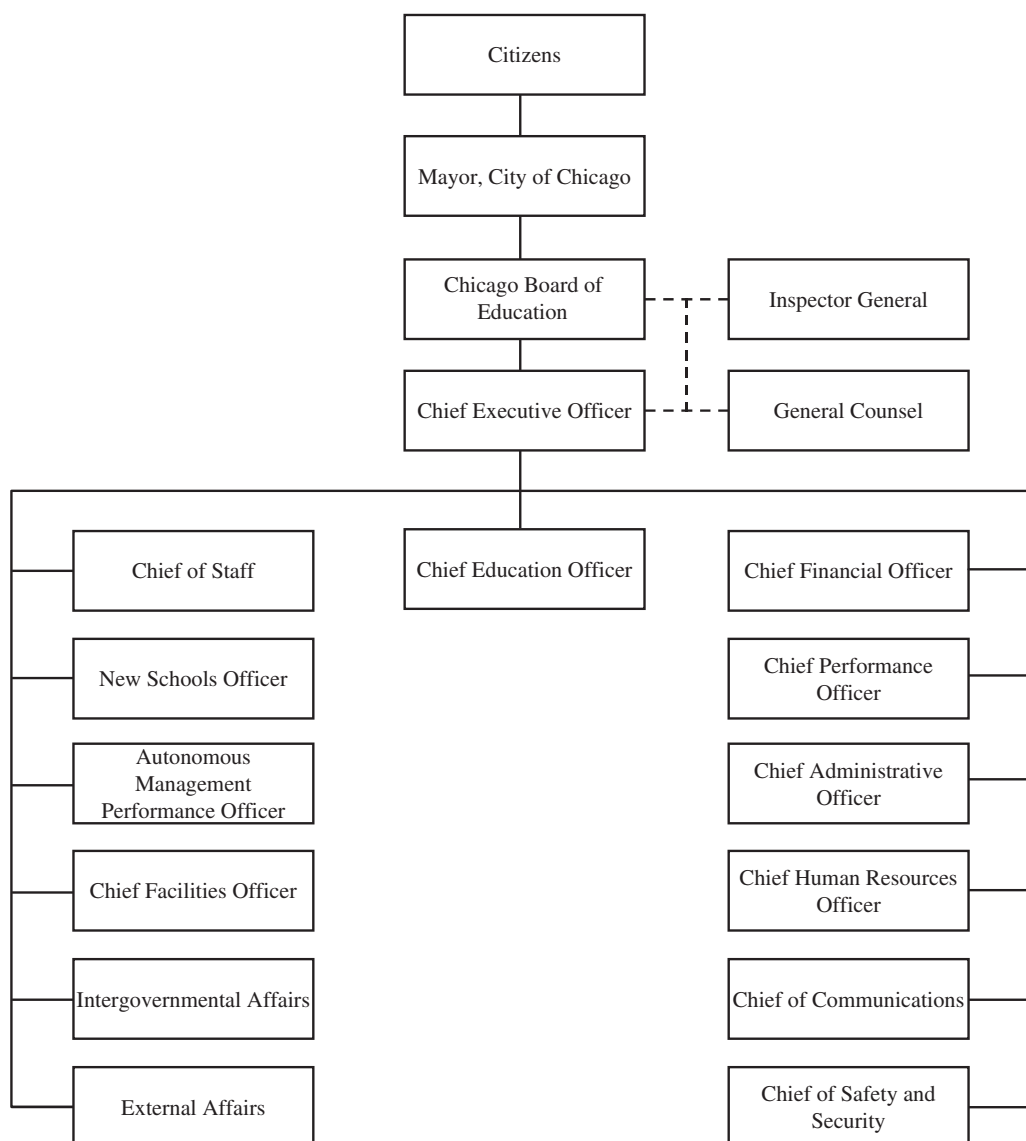
## Introductory Section

# CHICAGO PUBLIC SCHOOLS

## Chicago Board of Education

### Organizational Chart

The Chicago Public Schools is the third largest school district in the nation. It serves just under 408,000 students in 666 attendance centers with a staff of approximately 44,000.



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Chicago Public Schools  
Illinois

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A handwritten signature in black ink, appearing to read "M. L. R.", is written above the title.

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Enos", is written above the title.

Executive Director





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This Certificate of Excellence in Financial Reporting is presented to

**CHICAGO PUBLIC SCHOOLS**

**For its Comprehensive Annual Financial Report (CAFR)**  
For the Fiscal Year Ended June 30, 2008

Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

President

Executive Director



**Introductory Section****CHICAGO PUBLIC SCHOOLS****Chicago Board of Education****Board Member Profiles**

The office of President of the Board is currently vacant. Under the rules of the Board, the Vice President of the Board is empowered to carry out the duties of the President.

**Clare Muñana, Vice President**

Clare Muñana is Vice President of the Board and a public sector, not-for-profit and management consultant operating her own firm. Ms. Muñana has performed numerous domestic and international engagements for public sector and private sector clients in the U.S., Europe, Africa and Latin America. Ms. Muñana holds a Bachelors degree from Boston College, Masters degree in International Relations from the School of Advanced International Studies at The Johns Hopkins University and a Masters in Business (MBA) from the Kellogg Graduate School of Management at Northwestern University. Ms. Muñana also holds a certificate in French Civilization and Language from the Sorbonne. Ms. Muñana is a Board Member of The Aspen Institute, The Chicago Council on Global Affairs, The Field Museum, and a Trustee of the National Museum of Mexican Arts. She serves with several other civic groups, including the Chicago Public Education Fund and Nuestro Futuro, an initiative of the Chicago Community Trust dedicated to enhancing philanthropy within the Latino community.

**Norman R. Bobins**

Norman R. Bobins is chairman of Norman Bobins Consulting, LLC (NBC), which provides financial consulting services to various clients. He also serves as the non-executive chairman of The PrivateBank and Trust Company. Prior to that, Mr. Bobins was the chairman and chief executive officer of LaSalle Bank Corporation. Mr. Bobins served as a Trustee of the Public School Teachers' Pension and Retirement Fund of Chicago and was a member of the Public Building Commission of Chicago. Mr. Bobins received a Bachelor of Arts degree from the University of Wisconsin and a Master of Business Administration from the University of Chicago. Mr. Bobins is active in several civic organizations, chairman of the board of trustees of WTTW Communications, Inc., and a member of the Field Museum, the Newberry Library and the Brain Research Foundation.

**Dr. Tariq Butt**

Dr. Tariq Butt is a Board Certified Family Physician with teaching appointments at the University of Illinois' Medical College, Rush University Medical School, and the Faculty with Mt. Sinai Family Residency Program affiliated with the Chicago Medical School. Dr. Butt is Deputy Medical Director of the Access Community Health Network. As part of his medical practice, Dr. Butt provides a range of medical services to patients on the west side of the City, regardless of their ability to pay. Dr. Butt has also served as Chairman of the Mayor's Asian-American Advisory Council. Dr. Butt is currently serving as a member of the Board of Directors for the Illinois Association of School Boards and National School Board Association — Counsel of Urban Boards of Education (NSBA-CUBE) Steering Committee Member.

**Alberto A. Carrero, Jr.**

Alberto A. Carrero, Jr. is President of CBSS, USA, a firm which provides financial, operational and business consulting, advice and services. Mr. Carrero retired from Banco Popular North America ("Banco Popular") as Senior Vice President at the end of 2008, after a 21-year career which allowed him to hold a variety of executive positions in several different states in the U.S. Prior to joining Banco Popular, Mr. Carrero worked for the Federal Deposit Insurance Company (FDIC) in the New York Region. Mr. Carrero graduated from the University of Puerto Rico with a degree in Business Administration



### Introductory Section

and Finance. On November 19, 2008, he was reappointed by the Board to serve as a Trustee of the Public School Teachers' Pension and Retirement Fund of Chicago. His affiliations include membership in the National Association of Latino Elected and Appointed Officials and the Institute of Puerto Rican Art and Culture, where he serves as a member of the Financial Committee. Mr. Carrero has been the recipient of numerous awards from Illinois and New York City and State agencies for excellence in business.

#### **Peggy A. Davis**

Peggy A. Davis is the Vice President of Diversity and Recruiting at the Exelon Business Services Corporation. Ms. Davis also serves as a Board Trustee to the Public School Teachers' Pension and Retirement Fund of Chicago. She was a former partner in the government relations and labor and employment practices at Winston & Strawn LLP. She also has extensive experience in the public sector, including her most recent service as chief of staff to the Chicago Public Schools CEO. She served nine years as general counsel to the Metropolitan Pier and Exposition Authority and also worked for the City of Chicago's law department and the Chicago office of the Equal Employment Opportunity Commission. Ms. Davis received a bachelor's degree in social welfare and a Juris Doctor degree from the University of Wisconsin Milwaukee.

#### **Roxanne M. Ward**

Roxanne M. Ward is the former Vice President and Corporate Liaison of Ariel Capital Management, LLC ("Ariel") and President of the Black Corporate Directors Conference. Prior to joining Ariel, Ms. Ward spent four years working for the Chicago Park District as the First Assistant General Counsel, Board Liaison and Legislative Liaison. Ms. Ward has spent more than 15 years working as a private sector attorney in the Chicago offices of Skadden, Arps, Slate, Meagher and Flom and Mayer, Brown & Platt. Ms. Ward has been actively involved with many civic and community organizations. Ms. Ward served as Co-Chair of the City of Chicago Mayoral Policy Caucus on Prisoner Reentry and serves on the Board of Directors of WTTW, the Safer Foundation and the Federation for Community Schools. Ms. Ward is also a former member of the Desegregation Monitoring Commission and of the Boards of the Illinois Facilities Fund and Congo Square Theater Company. Ms. Ward graduated Phi Beta Kappa from the University of Chicago with a Bachelor of Arts degree in Social Service Administration ("SSA"), followed by a Masters of Arts degree in SSA from the University of Chicago. She subsequently obtained her Juris Doctor from Harvard Law School.

The members of the Board have been appointed to serve terms ending as follows:

<b><u>Member</u></b>	<b><u>Term Expires</u></b>
Clare Muñana, Vice President . . . . .	June 30, 2010
Norman R. Bobins . . . . .	June 30, 2010
Dr. Tariq Butt . . . . .	June 30, 2011
Alberto A. Carrero, Jr. . . . .	June 30, 2010
Peggy A. Davis . . . . .	June 30, 2011
Roxanne M. Ward . . . . .	June 30, 2011

At the expiration of the term of each member, the Mayor shall appoint a successor for a four-year term from July 1 of the year in which the term commences. Any vacancy shall be filled by appointment of the Mayor for the unexpired term.

The Board elects annually from its members a president and vice-president in such manner as the Board determines.



*Introductory Section***CHICAGO PUBLIC SCHOOLS****Chicago Board of Education****Central Administration Profiles**

**Ron Huberman** is the Chief Executive Officer of the Board. Prior to joining the Board, Mr. Huberman served as President of the Chicago Transit Authority (CTA), the second largest transit agency in the country. At CTA, he instituted a company-wide turnaround plan based on performance management principles. Prior to joining the CTA, Mr. Huberman also served as Chief of Staff for Mayor Richard M. Daley, and Executive Director of the City of Chicago Office of Emergency Management and Communication. Mr. Huberman holds a Bachelor's degree in English and Psychology from the University of Wisconsin at Madison and a Master's degree in Business Administration and Social Service Administration from the University of Chicago, where he was both a Paul and Daisy Soros Fellow and an Albert Schweitzer Fellow.

**Barbara Eason-Watkins** is the Chief Education Officer of the Board. Dr. Eason-Watkins is a nationally recognized school principal from Chicago's Woodlawn community who has spent her entire 29-year professional career in education, working with students, teachers and parents. A native of Detroit, Michigan, she received a Bachelor's degree in elementary education from the University of Michigan, a Masters degree in educational administration and supervision from Chicago State University, and a Doctorate in education, with a specialty in curriculum and instruction, from Loyola University, Chicago.

**Robert Runcie** is the Chief Administrative Officer and Chief Operating Officer of the Board. Mr. Runcie previously served as the Board's Chief Information Officer. Prior to joining the Board, Mr. Runcie was the president and founder of a Chicago-based management consulting and technology service company specializing in project management and systems of implementation. Mr. Runcie graduated from Harvard and has an MBA from Northwestern University's Kellogg School of Management. He is also a member of the current class of the Broad Superintendents Academy.

**Christina Herzog** was recently appointed Acting Chief Financial Officer of the Board effective August 30, 2009. Ms. Herzog has served as the Board's Budget and Management Director. She has been with CPS in the Office of Budget and Management since 2004, also serving as Senior Manager for Schools and Instructional Programs, Manager for the School Support Unit, and Deputy Budget Director. Prior to joining the Board, Ms. Herzog worked at both KPMG and Deloitte & Touche. Ms. Herzog graduated from the University of Illinois at Champaign-Urbana with a degree in Business Management and Organizational Administration and holds a master's degree from the University of Chicago's Irving B. Harris School for Public Policy.

**Opal L. Walls** is the Chief Purchasing Officer of the Board. Ms. Walls previously served as the Board's Deputy Purchasing Officer and Director of Finance and Administration for the Department of Procurement and Contracts. Ms. Walls also served in the capacity of Project Manager for the Controller's Office. Prior to joining the Board, Ms. Walls worked for Allstate Insurance Company in Northbrook, Illinois and served in the capacity of Benefits Consultant, Pension Analyst and Senior Portfolio Manager. Ms. Walls holds a Bachelor of Science degree in Business Administration from Elmhurst College of Illinois.





*Introductory Section*

**Patrick J. Rocks** is the General Counsel of the Board. He has served in that office since March 1, 2005. Prior to his current appointment, Mr. Rocks served in various offices in the Office of the Corporation Counsel of the City of Chicago from 1987 to 2005. From November 2002 to February 2005, he served as First Assistant Corporation Counsel. From May 1998 to November 2002, he served as Deputy Corporation Counsel for the Employment Litigation Division. From December 1993 to May 1998, he served as Chief Assistant Corporation Counsel in the Labor Division. From July 1987 to December 1993, he served as an Assistant Corporation Counsel in the General Litigation and Labor Divisions. Prior to his service with the City of Chicago, Mr. Rocks served as a judicial clerk and was engaged in private practice. Mr. Rocks received his law degree from the John Marshall Law School in 1985 and his Bachelor's degree from Loyola University of Chicago in 1980.



**Introductory Section**

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**Chicago Public Schools**

**Christina Herzog**  
Acting Chief Financial Officer

December 10, 2009

Clare Muñana, Vice President,  
Members of the Chicago Board of Education,  
And Residents of the City of Chicago:

The Comprehensive Annual Financial Report (CAFR) of the Chicago Public Schools (CPS) for the fiscal year ended June 30, 2009, is hereby submitted. It has been prepared in accordance with Generally Accepted Accounting Principles (GAAP) as applicable to governmental entities. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to fairly present the financial position as well as the financial condition of CPS.

The Illinois School Code (105 ILCS 5/34-9) requires the Chicago Public Schools to submit an annual report of the financial records and transactions audited by independent certified public accountants. This document is submitted in fulfillment of this requirement. An audit was also conducted to meet the requirements of the Federal Single Audit Act Amendment of 1996 and related Office of Management and Budget Circular A-133, Audits of State and Local Governments.

The role of the auditors is to audit the basic financial statements to determine if they are free of material misstatements and to assess the accounting principles used. Based on their findings, they express an opinion on the fairness of the statements and disclose any material weaknesses. Responsibility for the accuracy of the data presented as well as completeness and fairness of presentation of this report rests with the CPS management.

The Comprehensive Annual Financial Report is presented in four sections: introductory, financial, statistical, and statutory reporting, which contains State and Federal compliance reporting information. The introductory section includes this transmittal letter, a list of principal officials, and an organizational chart. The financial section includes the basic financial statements as well as the unqualified opinion of independent public accountants on the basic financial statements. The statistical section contains selected financial and demographic information, generally presented over a multi-year basis. Finally, the statutory reporting section includes the results of the Federal Single audit.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

## **PROFILE OF THE CHICAGO PUBLIC SCHOOLS**

The Chicago Public Schools is a body politic and corporate, and a school district of the State of Illinois having boundaries coterminous with the City of Chicago. The Chicago Board of Education is established



## Introductory Section

under and governed by the Illinois School Code. The Chicago Board of Education is not a home rule unit of government and operates a system of schools primarily for grades kindergarten through twelve. CPS has no component units, which are legally separate organizations for which the Chicago Public Schools is financially accountable.

The Chicago Public Schools is governed by a seven-member Board of Education that is appointed by the Mayor of the City of Chicago. The Board members elect one member to serve as President of the Board. In addition, pursuant to amendments to the School Code initially enacted in 1988, elected local school councils, composed of parents, teachers, principals, and community representatives, exercise certain powers relating to the operation of individual schools in the Chicago public school system, most notably the selection of principals.

As a large urban school district, our schools and students reflect the broad diversity of our city. Chicago Public Schools operates 666 schools. At the elementary level CPS has gifted centers, magnet schools, middle schools, special schools, and neighborhood schools. Enhanced educational opportunities are provided at the high school level including small schools, vocational schools, general/technical/academic preparatory high schools, magnet programs, and alternative programs for disruptive students and drop-outs. As of September 2008, CPS operates 67 charter schools and over 90 campuses with more planned to open next year.

Student enrollment in September 2008 was 407,955, declining from 414,000 in 2006. About 84% of our students come from low-income families and 13% speak English as a second language. CPS employs about 44,000 workers, including about 23,110 teaching positions with an annual operating budget of over \$4.8 billion in FY09.

### LOCAL ECONOMIC OUTLOOK

Following the worst financial crisis of the past 70 years, the U.S. experienced an extensive contraction across the economy that may surpass those of the 1970s and 1980s in depth and severity. Nationwide employment has fallen by more than 8 million, and unemployment has risen from less than 6 percent in 2007 to 9.8 percent in September 2009. However, the pace of contraction is slowing, and there is increasing evidence that after lasting 18 or 19 months, the recession may have ended this summer. The Blue Chip consensus believes that real GDP grew at an annualized rate of 3.2% in the third quarter of 2009 after posting -6.4% and -0.7% in the first and second quarters. Although generally positive, other leading economic indicators are somewhat mixed but still point toward a sluggish and jobless recovery starting in mid-2009.

The Illinois and Chicago economy mirrors the national economy but with a general lag in the trend. The national economy may be headed into a recovery in the third quarter of 2009, but the local outlook indicates that this recovery will be under way in mid-to late-2010. According to the Regional Economics Applications Laboratory (REAL), the Chicago region's gross regional product would decline by almost 3% in 2009 and grow by 0.6% in 2010.

Employment levels play a significant role in the performance of real estate, business, recreation, tourism, and consumer consumption. The seasonally adjusted unemployment rate in August 2009 was 9.8% in the metro Chicago area and 10% in Illinois, both higher than the national average of 9.7%. The pace of job losses is starting to slow, but is not anticipated to return to pre-recession levels for some time. REAL forecasts that unemployment rates in the Chicago area would rise above 10% in 2009 and over 11.6% in 2010. Illinois had 37,270 foreclosure filings in the third quarter of 2009, 30% higher than the same period last year and the tenth highest in the nation. Chicago's foreclosures totaled 33,065 for the third quarter, 28% higher than a year earlier and two percent higher than the national foreclosure rate. Because job losses are still high and credit is tight, the real-estate market is expected to remain weak, and home foreclosures will climb through late 2010. According to REAL, the size of the unsold housing inventory represents an approximate value of 9 months for Illinois and almost 11 months for Chicago at current sales rates and it is unlikely that prices will recover much before the middle of 2010.



## Introductory Section

Chicago occupancy rates at downtown hotels fell to 64 percent through the end of July 2009, the lowest level since 2002. The overall vacancy rate for downtown Chicago office space surged to close to 15 percent in the third quarter of 2009, almost three percentage points higher than a year ago. Concerns over job security and overall pessimism about the economy will continue to translate into weak consumer spending, which will hamper the local economic recovery. Corporate profits are expected to remain low as businesses work within the confines of tight credit, high unemployment, and depressed consumer demand.

Overall, the local outlook anticipates that any economic recovery on the horizon will encounter strong headwinds. Due to the depth of the decline of the local economy during this recession, it is not expected to regain solid ground until mid- or late-2010, lagging the national recovery by almost a year. Although Metro Chicago's economy will contract in the near term, Chicago's traditional position as a transportation and distribution hub and business center will help promote recovery as 2011 nears, with core industries such as professional and business services and health and education services leading the way.

## EDUCATION PROGRAMS

Chicago Public Schools' goal is to make every Chicago public school a school of choice. To achieve our goal of transforming neighborhood schools into schools of choice, the Chicago public school system has committed to three core educational strategies. These strategies encompass planning and program development in specific areas — teacher excellence and professional development, reading, and creating more learning opportunities.

In addition to the three core strategies, CPS has identified two supporting strategies: performance management and resource alignment. The district has developed school score cards, benchmark assessments, and has implemented new information systems in human resources and payroll and comprehensive student information to make tracking and reporting easier. CPS has made a long-term commitment to improving operational efficiency and cutting costs wherever possible. As long as student instruction is not adversely affected, all operational aspects will be re-examined and alternatives compared and investigated.

## FINANCIAL INFORMATION

Due to the State's delayed payments of \$173 million, general operating fund revenues were less than expenditures by \$163 million; additionally, unreserved fund balances declined from \$432 million in FY2008 to \$311 million at the end of FY2009. The current unreserved fund balance represents 6.6% of general operating fund expenditures. In spite of the significant decline in fund balances, CPS was able to end the fiscal year with a healthy general operating fund cash balance of \$1.2 billion, an increase of \$143 million over FY2008.

CPS has total net assets of (\$446) million, a decrease of approximately \$345 million from fiscal year 2008. Despite trying economic times during our fiscal year 2008-2009 in recognition of consistent sound fiscal management, CPS maintains its bond rating with each of Fitch Ratings, Moody's Investor Service and Standard and Poor's.

**Stimulus Funds:** General State Aid (GSA) represents the major portion of state support for Illinois public elementary and secondary schools. A district's GSA consists of regular GSA and a poverty grant. The state stabilization funds are intended to prevent reductions in critical education funds for elementary and secondary education as well as public institutions of higher education. The amount of FY10 GSA funding for CPS will be significantly reduced.

CPS will receive a one-time reprieve via the American Recovery and Reinvestment Act (ARRA). CPS anticipates a total award of approximately \$440 million from ARRA grants and \$494 million from the stabilization funds for FY2010 and FY2011. These do not represent additional funds to CPS or any other Illinois school districts; the state simply replaced the GSA funding source with the stabilization funds to minimize budgetary cuts in education.



## Introductory Section

**Pension Funding:** Employees of CPS participate in either the Public School Teachers' Pension and Retirement Fund of Chicago (the "Pension Fund") or the Municipal Employees Annuity and Benefit Fund of Chicago (the "Annuity Fund"). As of June 30, 2008, the funded ratio of the Pension Fund was 79.4% and CPS has recorded an estimated pension liability of \$1.93 billion in the accompanying financial statements, as determined under the Generally Accepted Accounting Principles (GAAP). Because the funded ratio was below 90%, the CPS was required to make a \$161.6 million contribution to the Pension Fund under the statutory requirements during fiscal year 2009.

The state FY10 budget reduced the state contribution to the Chicago Teachers Pension Fund (CTPF) by 50%. The state again failed to meet the P.A.88-593 commitment, which stated the Illinois legislature's intention to fund the CTPF at 20% of downstate teachers' pension funding. The state aid to CTPF will decline from \$74.8 million in FY2009 to \$35.7 million in FY2010. The state statutorily requires costs of the increase in annual pension credit to 2.2% when the funded ratio of the Pension Fund drops below 90%. Had the state funded the CTPF at 20% of what it provides to the downstate pension fund, CPS would receive \$482 million in FY2010.

As of December 31, 2008, the date of the latest available report, the Annuity Fund had net assets of approximately \$74.9 billion and an unfunded accrued actuarial liability for all covered employees, including CPS employees, of approximately \$3.9 billion. The CPS employs approximately 16,400 of the 32,563 active participants in the Annuity Fund. The CPS, in the opinion of its legal counsel, has no duty to contribute any sum to the Annuity Fund.

**Fund Accounting:** The CPS reports its financial activities through the use of fund accounting. This is a system wherein transactions are reported in self-balancing sets of accounts to reflect the results of activities. (See Notes 1 and 2 of the Notes to the Basic Financial Statements for a summary of significant accounting policies and a description of fund types and account groups).

**Internal Control Structure:** The CPS financial management officials are responsible for implementing and enforcing a system of internal controls to protect the assets of the CPS from loss, theft, or misuse and to ensure that reliable accounting data are available for the timely preparation of financial statements in accordance with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived and that the valuation of costs and benefits requires estimates and judgments by management. No material weaknesses were disclosed as a result of the independent audit of CPS' financial statements.

**Budgetary Control:** Annual budgets are prepared on a basis consistent with Generally Accepted Accounting Principles for the General Operating, Capital Projects and Debt Service Funds. The fiscal year begins on July 1 and ends June 30 with all annual appropriations lapsing at fiscal year-end. Individual school units submit budget requests based on the school improvement plans and approved by the Local School Councils. Administrative units submit budget requests to the Office of Management and Budget, which compiles all requests into a comprehensive budget and submits it to the Board of Education for appropriation.

The appropriated budget is prepared by fund, unit, and account. The legal level of budgetary control is the account level except for school-based discretionary programs. School-based discretionary program expenditures are governed by specific program policies and procedures. Board approval is required for all funding transfers except those described above. In addition, an amended budget is required for increases in total appropriation.

Budgetary control is maintained by the encumbrance of estimated purchase amounts prior to the release of purchase orders to vendors. Outstanding encumbrances at the end of the fiscal year are reported as reservations of fund balance.



### Introductory Section

The Capital Projects Funds are budgeted on a project-by-project basis and represent the entire project budget for projects expected to begin in that fiscal year. Debt service funds are established in accordance with requirements of the bondholders.

For the past several years, CPS has sought to insulate our financial position by making use of a general reserve fund to cover unexpected expenses related to capital spending, funding short-falls and unforeseen emergencies. This year, we adopted a new board policy formally requiring the Board to maintain an unreserved, designated fund balance of a minimum of 5% and a maximum of 10% of the operating and debt service budget for the new fiscal year as a stabilization fund in the General Fund at the annual adoption of the budget. The 5% is estimated to be the historical minimum cash requirement to provide sufficient cash flow for stable financial operations.

### NEWLY ADOPTED FINANCIAL POLICIES

**Accounts Receivable** — This policy was adopted to improve communication to the Accounts Receivable Department; clarify ownership of miscellaneous cash and reiterate who has authority over debt write-offs. Many of CPS's various departments enter into agreements and collaborate in partnerships where CPS might be due a payment or reimbursement. The Receivable section specifically states that the Accounts Receivable Department must be notified of any invoice that is sent on behalf of a CPS Department to better ensure tracking of receivables. The Rebate and Refund section of the policy prevents CPS Departments from claiming miscellaneous revenues for re-appropriation. The Write-Off section of the policy clarifies that only the CFO or the Board can authorize the waiving or reduction of a debt due and owing to CPS.

**Risk Management** — This policy sets general risk management objectives for the Chicago Public Schools; to ensure a process for managing the risks of the Chicago Public Schools; and to establish guidelines for the operation of the Chicago Public Schools risk management program.

**Reserved Fund Balance** — The intent of this policy is to ensure that the Board manages its budget and finance in a fiscally prudent and responsible way by establishing financial policies about the Balanced Budget, Fund Balance, and Use of One-time Revenue. The Balanced Budget will require that the total expenditure be equal to total revenues unless it meets exceptions described in the policy. The establishment of a Fund Balance will ensure that the Board will accumulate an unreserved fund balance to provide adequate working capital and to ensure stable educational environment. One-time revenues shall only be used for one-time expenditures so that there is no affect to the ongoing operation of the Board.

**School Internal Accounts Management** — The policy delegates the Chief Financial Officer to supervise the administration and operation of all internal accounts. Internal Accounts is defined as all monies collected and disbursed by personnel within a school for the benefit of the school or school-sponsored agency.

**Public Schools Investment Policy** — The policy was adopted to define the parameters within which funds are to be managed. It is the policy of CPS to manage public funds in a manner which will meet cash flow needs, insure security, and provide the highest investment return while complying with all state and local requirements governing the investments of public funds.

**Debt Management** — The purpose of this policy is to ensure the Board's ability to manage its debt in a fiscally conservative and prudent manner. The Debt Management Policy provides goals and guidelines for the Board's debt issuance activity and use of tax-exempt financed proceeds.

**Awards:** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Board of Education of the City of Chicago for its comprehensive annual financial report for the fiscal year ended June 30, 2008. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports. CPS has received this award every year since 1996.





*Introductory Section*

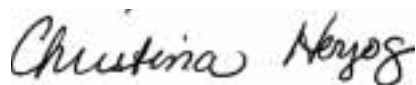
In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are again submitting it to GFOA.

In 2008, Chicago Public Schools submitted a popular annual financial report (PAFR) to GFOA and was awarded the Certificate of Achievement for the eighth year in a row. CPS anticipates preparing this year's popular version to conform with the program requirements and submitting it to the GFOA. This report is shorter, providing summary financial information only and distributed to a broader audience.

Chicago Public Schools also received the Certificate of Excellence for Financial Reporting from the Association of School Business Officials International for the ninth consecutive year. We have included this award in recognition of the importance of fiscal policies on our ability to educate our students and undertake the new initiatives outlined above.

**Acknowledgments:** This report could not have been prepared without the dedicated and effective help of the entire financial staff of Corporate Accounting, Treasury, and Office of Finance. The Chief Executive Office, the Office of the Board, the Office of Management and Budget, Capital Planning and the Department of Research, Assessment, and Analysis also made significant contributions. We wish to express our gratitude and appreciation to them for their dedicated efforts, long hours and professionalism.

Respectfully submitted,



Christina Herzog  
Acting Chief Financial Officer



Daryl J. Okrzesik  
Controller



**Independent Auditor's Report****McGladrey & Pullen**

Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Education of the City of Chicago  
Chicago Public Schools  
Chicago, Illinois

We have audited the accompanying financial statements of the governmental activities and each major fund of the Chicago Public Schools (the Board of Education of the City of Chicago, the "CPS", a body politic and corporate of the State of Illinois), as of and for the year ended June 30, 2009, which collectively comprise the CPS' basic financial statements as listed in the table of contents. These financial statements are the responsibility of the CPS' management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the CPS' internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Chicago Public Schools, as of June 30, 2009, and the respective changes in financial position and the respective budgetary comparison for the General Operating Fund, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2009 on our consideration of the CPS' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

McGladrey & Pullen, LLP is a member firm of RSM International –  
an affiliation of separate and independent legal entities.





Management's discussion and analysis on pages 19 through 34 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the CPS', basic financial statements. The individual fund financial statements and other schedules, listed in the table of contents as individual schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audit of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The accompanying introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*McGladrey & Pullen, LLP*

Chicago, Illinois  
December 10, 2009





Educate • Inspire • Transform

**CHICAGO PUBLIC SCHOOLS**  
**Management's Discussion and Analysis**  
**June 30, 2009**

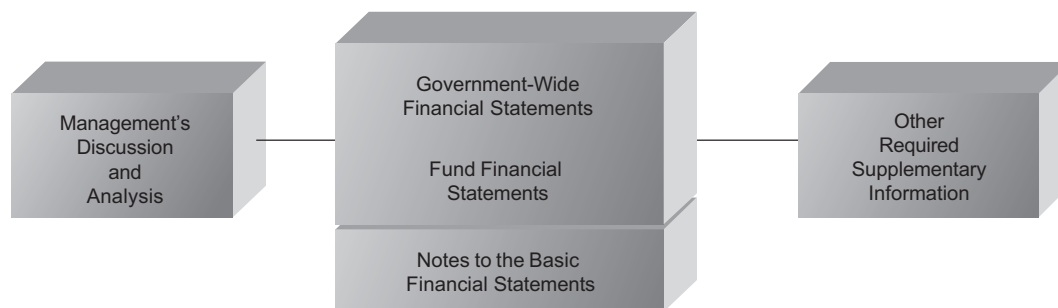
Our discussion and analysis of the financial performance of Chicago Public Schools (CPS) provides an overview of financial activities for the fiscal year ended June 30, 2009. Because the intent of this management discussion and analysis is to look at financial performance as a whole, readers should also review the transmittal letter, financial statements, and notes to the basic financial statements to further enhance their understanding of CPS' financial performance.

**FINANCIAL HIGHLIGHTS**

Total fund balance for all funds declined from \$1.7 billion in FY2008 to \$1.1 billion in FY2009. This decrease occurred primarily for two reasons: 1) the State did not pay its \$173 million obligation to the general operating fund on time and 2) the proposed \$550 million of bonds were not issued for the capital projects fund; instead, proceeds from previous bond issuances were used for construction and renovation in FY2009. Due to the State's delayed payments, general operating fund revenues were less than expenditures by \$163 million; additionally, unreserved fund balances declined from \$432 million in FY2008 to \$311 million at the end of FY2009. The current unreserved fund balance represents 6.6% of general operating fund expenditures. In spite of the significant decline in fund balances, CPS was able to end the fiscal year with a healthy general operating fund cash balance of \$1.2 billion, an increase of \$143 million over FY2008.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This Comprehensive Annual Financial Report (CAFR) consists of Management's Discussion and Analysis and a series of financial statements and accompanying notes, both primarily focusing on the school district as a whole. The following graphic summarizes the components of the CAFR:



Government-wide financial statements including the Statement of Net Assets and the Statement of Activities provide both short-term and long-term information about CPS' financial status. The fund financial statements provide a greater level of detail of how services are financed in the short term as well as the remaining available resources for future spending. The accompanying notes provide essential information that is not disclosed on the face of the financial statements and, as such, are an integral part of the basic financial statements.

## Financial Section

### GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide readers with a broad overview of the school district's finances in a manner similar to a private sector business. The Statement of Net Assets and the Statement of Activities provide information about the activities of the school district as a whole, presenting both an aggregate and long-term view of the finances. These statements include all assets and liabilities using the accrual basis of accounting. This basis of accounting includes all of the current year's revenues and expenses regardless of when cash is received or paid.

The **Statement of Net Assets** presents information on all of CPS' assets and liabilities, with the difference between the two reported as net assets. Increases or decreases in net assets may serve as a useful indicator of whether the financial position is improving or deteriorating.

The **Statement of Activities** presents information showing how net assets changed during the fiscal year. All changes in the net assets are reported as soon as the underlying event giving rise to the change occurs regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in the statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of CPS that are principally supported by taxes and inter-governmental revenues (governmental activities).

All of CPS' services are reported in the government-wide financial statements, including instruction, pupil support services, instructional support services, administrative support services, facility support services, and food services. Property taxes, replacement taxes, state aid, and interest and investment earnings finance most of these activities. Additionally, capital assets and debt-financing activities are reported here.

#### Condensed Statement of Net Assets (Millions of dollars)

	Governmental Activities			
	2009	2008	Difference	% Change
Current assets . . . . .	\$ 3,702	\$3,989	\$(287)	-7.2%
Capital assets, net . . . . .	5,038	4,683	355	7.6%
Total Assets . . . . .	<u>\$ 8,740</u>	<u>\$8,672</u>	<u>\$ 68</u>	0.8%
Current liabilities . . . . .	\$ 1,153	\$ 924	\$ 229	24.8%
Long-term liabilities . . . . .	8,033	7,849	184	2.3%
Total Liabilities . . . . .	<u>\$ 9,186</u>	<u>\$8,773</u>	<u>\$ 413</u>	4.7%
Net Assets:				
Invested in capital assets net of related debt . . . . .	\$ 30	\$ 133	\$(103)	-77.4%
Restricted for:				
Debt service . . . . .	435	446	(11)	-2.5%
Specific purposes . . . . .	105	105	—	0.0%
Unrestricted . . . . .	<u>(1,016)</u>	<u>(785)</u>	<u>(231)</u>	29.4%
Total Net Assets . . . . .	<u>\$ (446)</u>	<u>\$ (101)</u>	<u>\$(345)</u>	341.6%

**Total assets** of \$8.7 billion increased slightly because of \$355 million increases in school construction and other capital projects, which was offset by a decline in current assets of \$287 million.

**Capital assets**, net of depreciation, increased \$355 million or 7.6% over the prior fiscal year due to the continued progress of the Capital Improvement Program.

**Long-term debt** decreased \$118 million, or 2.4%. The total long-term portion of debt outstanding and capitalized leases was \$5.04 billion in fiscal year 2008 and \$4.9 billion in fiscal year 2009.

**Accrued pension** increased to \$1.93 billion in fiscal year 2009 from \$1.86 billion in fiscal year 2008, an increase of \$72.5 million, or 3.9%. The year-end balance reflects the increase in the net pension obligation related to the Public School Teachers' Pension and Retirement Fund of Chicago.

**Other postemployment benefits (OPEB) liability** increased to \$756.7 million in fiscal year 2009 from \$579.8 million in fiscal year 2008, an increase of \$176.9 million, or 30.5%. The year-end balance reflects the increase in net OPEB related to healthcare costs associated with the Public School Teachers' Pension and Retirement Fund of Chicago.

**Other long-term liabilities** including the current portion increased to \$472.4 million in fiscal year 2009 from \$441.3 million in fiscal year 2008, an increase of \$31.1 million, or 7%. The year-end balance reflects increases in accrued sick pay, vacation pay, tort liabilities, and workers' compensation, of \$26.3 million, \$0.4 million, \$0.6 million, and \$4.9 million respectively, and a decrease of \$1.1 million in auto and general liability.

**CPS' net assets** decreased \$345 million to (\$446) million. Of this amount, \$30 million represents CPS' investment in capital-assets net of depreciation and related debt. Restricted net assets of \$540 million are reported separately to present legal constraints from debt covenants and enabling legislation. The (\$1,016) million of unrestricted deficit represents the shortfall CPS would experience if it had to liquidate all of its non-capital liabilities as of June 30, 2009.



The following table presents the changes in net assets from fiscal year 2008 to 2009:

**Changes in Net Assets**  
(In millions)

	Governmental Activities			
	2009	2008	Difference	% Change
Revenues:				
Program Revenues:				
Charges for services . . . . .	\$ 13	\$ 12	\$ 1	8.3%
Operating grants and contributions . . .	1,251	946	305	32.2%
Capital grants and contributions . . . . .	151	129	22	17.1%
Total Program Revenues . . . . .	<u>\$1,415</u>	<u>\$1,087</u>	<u>\$ 328</u>	30.2%
General Revenues:				
Property taxes . . . . .	\$1,937	\$1,862	\$ 75	4.0%
Replacement taxes . . . . .	188	215	(27)	-12.6%
State aid . . . . .	1,604	1,756	(152)	-8.7%
Interest and investment earnings . . . . .	44	86	(42)	-48.8%
Gain on sale of fixed assets . . . . .	—	4	(4)	-100%
Other . . . . .	56	45	11	24.4%
Total General Revenues . . . . .	<u>\$3,829</u>	<u>\$3,968</u>	<u>\$(139)</u>	-3.5%
Extraordinary item . . . . .	<u>\$ 1</u>	<u>\$ —</u>	<u>1</u>	100%
Total Revenues and extraordinary item . . . . .	<u>\$5,245</u>	<u>\$5,055</u>	<u>\$ 190</u>	3.8%
Expenses:				
Instruction . . . . .	\$3,325	\$3,138	\$ 187	6.0%
Support services:				
Pupil support services . . . . .	409	385	24	6.2%
Administrative support services . . . . .	233	206	27	13.1%
Facilities support services . . . . .	582	520	62	11.9%
Instructional support services . . . . .	512	497	15	3.0%
Food services . . . . .	204	193	11	5.7%
Community services . . . . .	56	47	9	19.1%
Interest expense . . . . .	260	274	(14)	-5.1%
Other . . . . .	9	10	(1)	-10.0%
Total Expenses . . . . .	<u>\$5,590</u>	<u>\$5,270</u>	<u>\$ 320</u>	6.1%
Change in Net Assets . . . . .	<u>\$ (345)</u>	<u>\$ (215)</u>	<u>\$(130)</u>	60.5%
Beginning Net Assets . . . . .	<u>(101)</u>	<u>114</u>	<u>(215)</u>	-188.6%
Ending Net Assets . . . . .	<u>\$ (446)</u>	<u>\$ (101)</u>	<u>\$(345)</u>	341.6%

Net Assets at June 30, 2009 reflect a decrease of \$345 million from the prior year. Although total revenues increased by \$190 million in FY2009, a \$73 million increase in net pension obligation combined with a \$177 million increase in other post-employment benefit costs exacerbated the ending net assets balance. The growth of \$328 million in Program Revenues resulted from higher federal revenues and \$260 million of federal fiscal stabilization funds the State used to replace General State Aid. Since the State supplanted portions of its General State Aid with the federal stimulus funds, General Revenues declined by the same amount, which is offset by other revenue increases. The State plans to also use federal stimulus funds for education funding in FY2010, therefore this increase in Program Revenue and the commensurate decrease in General Revenues will also occur in FY2010.



### Capital Assets

At June 30, 2009, CPS had \$5 billion invested in a broad range of capital assets, including land, buildings and improvements, and equipment. This amount represents a net increase (including additions, deductions and depreciation) of \$354 million or 7.6% over the prior fiscal year.

(In millions)

	2009	2008	Difference	% Change
Land .....	\$ 284	\$ 261	\$ 23	8.8%
Buildings .....	6,398	6,252	146	2.3%
Construction in progress .....	811	467	344	73.7%
Equipment .....	159	164	(5)	-3.0%
Total Capital Assets .....	\$ 7,652	\$ 7,144	\$ 508	7.1%
Less: Accumulated depreciation .....	(2,615)	(2,461)	(154)	6.3%
Total Capital Assets, net. ....	<u>\$ 5,037</u>	<u>\$ 4,683</u>	<u>\$ 354</u>	7.6%

Capital assets increased due to the continued progress of the Capital Improvement Program. For more detailed information, please refer to Note 6 to the basic financial statements.

### Debt and Capitalized Lease Obligations

In August 2008, CPS substituted insurance on \$195,000,000 outstanding Unlimited Tax General Obligation Bonds (Series 2005D) as a result of the initial insurer, CIFG, being downgraded below investment grade by both Fitch and Moody's. CIFG was replaced with Assured Guaranty and the costs of issuance of \$1.1 million for the substitution were paid with CPS funds.

As a result of the downgrades of several bond insurance firms, CPS restructured and refunded several variable-rate bonds as follows:

In March 2009, CPS issued \$130,000,000 in Unlimited Tax General Obligation Refunding Bonds (Series 2009A). The proceeds from these bonds were used to refund the Series 2005E bonds, and CPS contributed \$1.3 million to pay for the costs of issuance. As a result of the issuance, \$130,383,747 was deposited in a trust with an escrow agent to purchase the Series 2005E bonds upon the next remarketing. On March 17, 2009, the bonds were repurchased in full and are considered fully refunded.

In June 2009, CPS issued \$95,675,000 in Unlimited Tax General Obligation Refunding Bonds (Series 2009BC) and contributed \$1.2 million to pay for costs of issuance. The proceeds from these bonds were used to refund the Series 2004C-1 and Series 2005D-1 bonds. As a result of the issuance, \$75,672,057 was deposited in a trust with an escrow agent to purchase the Series 2004C-1 bonds upon the next remarketing. CPS deposited \$20,352,278 in a trust with an escrow agent to purchase the Series 2005D-1 bonds upon its next remarketing. On June 25, 2009, the bonds were repurchased in full and are considered fully refunded.

As of June 30, 2009, CPS had \$5.08 billion in total debt, including accreted interest and capitalized lease obligations outstanding versus \$5.12 billion last year, a decrease of 0.7%. For more detailed information, please refer to Notes 8 through 10 to the basic financial statements.

### Pension Funding

Employees of CPS participate in either the Public School Teachers' Pension and Retirement Fund of Chicago ("the Teachers' Pension Fund") or the Municipal Employees Annuity and Benefit Fund of Chicago ("the Municipal Fund"). All certified teachers and administrators employed by CPS or Charter Schools are members of the Teachers' Pension Fund. Educational support personnel who do not belong to the Teachers' Pension Fund participate in the Municipal Fund.



## Financial Section

State Statutes determine CPS' employer-required contribution to the Teachers' Pension Fund. As of June 30, 2008, the funded ratio of the Teachers' Pension Fund was 79.4%. CPS has recorded an estimated liability of \$1.93 billion in the accompanying financial statements, as determined under generally accepted accounting principles. Because the funded ratio was below 90%, CPS was required to make a \$188.2 million employer contribution to the Teachers' Pension Fund in FY2009, of this amount a total of \$26.6 was funded by federal grants.

By law, the City of Chicago is required to contribute all employer pension costs on behalf of CPS educational support personnel. The statutorily established rate for employer contribution to the Municipal Fund is 10.625% of actual salaries paid two years ago. Covered employees are required by State Statute to contribute 8.5% of their salary. In fiscal year 2009, as in previous fiscal years, CPS paid a portion, 7%, or \$38 million of the required employees' contribution for most employees. Governmental Accounting Standards Board Statement No. 24 requires that on-behalf payments made by other governments should be included as revenues and expenditures as long as they are for employee benefits. CPS has been reporting on-behalf pension costs and revenues since FY1998. For detailed information, please refer to Note 12 to the basic financial statements.

### OVERVIEW OF FUND FINANCIAL STATEMENTS

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. CPS, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All CPS funds are reported in the governmental funds.

#### **Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental-fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year for spending in future years. Such information may be useful in evaluating a government's near-term financing requirements.

These funds are reported using the modified accrual method of accounting, which measures cash and all other financial assets that can be readily converted to cash. Governmental-fund financial statements provide a detailed short-term view of the school district's operations and the services it provides.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

CPS' fund financial statements provide detailed information about the most significant funds — not CPS as a whole. CPS' governmental funds use the modified accrual basis of accounting. All of CPS' services are reported in governmental funds, showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of CPS' operations and the services it provides.

CPS maintains three governmental funds: General Operating, Capital Projects, and Debt Service. The following schedules present a summary of the general operating fund, capital projects fund and debt service fund revenues, and other financing sources by type and expenditures by program for the period





ended June 30, 2009, as compared with June 30, 2008. They also depict the amount and percentage increases and decreases in relation to prior year revenues and other financing resources.

**Total Revenues, Other Financing Sources and Expenditures**  
(Millions of Dollars)

	<u>2009 Amount</u>	<u>2008 Amount</u>	<u>2009 Percent Of Total</u>	<u>Increase (Decrease) From 2008</u>	<u>Percent Increase (Decrease) from 2008</u>
Revenues:					
Property taxes . . . . .	\$1,897	\$1,814	37.8%	\$ 83	4.6%
Replacement taxes . . . . .	188	215	3.8%	(27)	-12.6%
State aid . . . . .	1,512	1,846	30.1%	(334)	-18.1%
Federal aid . . . . .	1,125	876	22.4%	249	28.4%
Investment earnings . . . . .	44	86	0.9%	(42)	-48.8%
Other . . . . .	253	181	5.0%	72	39.8%
Subtotal . . . . .	\$5,019	\$5,018	100.0%	\$ 1	0.0%
Other financing sources . . . . .	1	248	0.0%	(247)	-99.6%
Total . . . . .	<u>\$5,020</u>	<u>\$5,266</u>	<u>100.0%</u>	<u>\$(246)</u>	-4.7%
Expenditures:					
Instruction . . . . .	\$2,773	\$2,575	48.7%	\$ 198	7.7%
Pupil support services . . . . .	390	362	6.8%	28	7.7%
General support services . . . . .	1,058	987	18.6%	71	7.2%
Food services . . . . .	195	182	3.4%	13	7.1%
Community services . . . . .	56	45	1.0%	11	24.4%
Teachers' pension . . . . .	237	207	4.2%	30	14.5%
Capital outlay . . . . .	672	467	11.8%	205	43.9%
Debt service . . . . .	302	282	5.3%	20	7.1%
Other . . . . .	9	11	0.2%	(2)	-18.2%
Total . . . . .	<u>\$5,692</u>	<u>\$5,118</u>	<u>100.0%</u>	<u>\$ 574</u>	11.2%
Change in Fund Balance . . . . .	<u>\$ (672)</u>	<u>\$ 148</u>			



### General Operating Fund

The general operating fund accounts for financial resources required to run day-to-day operation of a government's activities. The general operating fund ended with a deficit of \$143 million. Operating revenues totaled \$4,580 million, while expenditures amounted to \$4,743 million. Revenues were almost flat at the prior-year level primarily because the State delayed its \$173 million obligation to the general operating fund. Expenditures, on the other hand, increased from \$4,395 million in FY2008 to \$4,743 million in FY2009, which contributed to the general operating fund deficit.

#### Revenues:

#### Revenues and Other Financing Sources (Millions of Dollars)

	2009 Amount	2008 Amount	2009 Percent of Total	Increase (Decrease) From 2008	Percent Increase (Decrease) from 2008
Property taxes . . . . .	\$1,867	\$1,763	40.6%	\$ 104	5.9%
Replacement taxes . . . . .	133	159	2.9%	(26)	-16.4%
State aid . . . . .	1,333	1,692	29.0%	(359)	-21.2%
Federal aid . . . . .	1,123	833	24.4%	290	34.8%
Investment earnings . . . . .	22	41	0.5%	(19)	-46.3%
Other . . . . .	102	97	2.2%	5	5.2%
Subtotal . . . . .	\$4,580	\$4,585	99.6%	\$ (5)	-0.1%
Other financing sources . . . . .	20	4	0.4%	16	400.0%
Total . . . . .	\$4,600	\$4,589	100.0%	\$ 11	0.2%

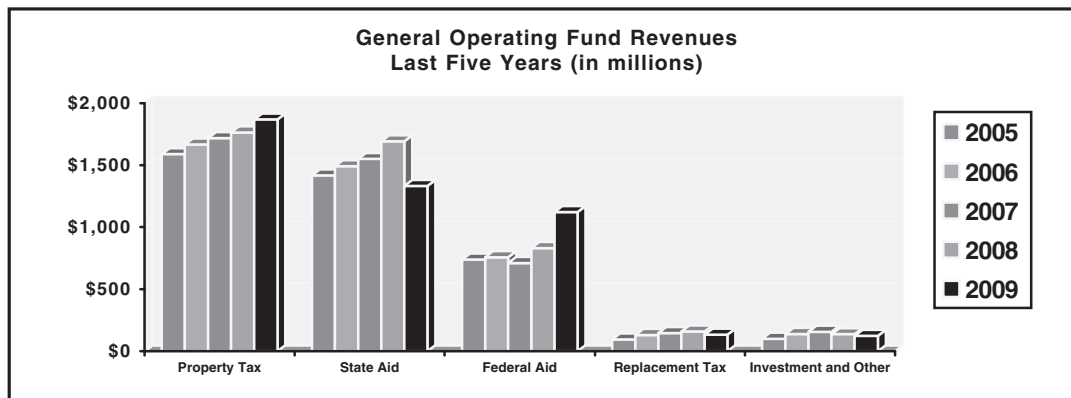
**Property tax revenues** increased by \$104 million over the prior year resulting from the 2.5% tax-cap increases, higher-than-projected new property growth in 2007, and higher-than-anticipated collection rates.

**Personal property replacement taxes** decreased by \$26 million from fiscal year 2008, reflecting the significant economic downturn and its effect on corporate profits in Illinois.

**State revenues** decreased by \$359 million from the prior year for the following reasons: 1) the State did not pay its \$173 million obligation to the general operating fund on time, resulting in a net decrease of \$128 million compared to FY08 actual revenues and 2) the State replaced its General State Aid obligation to CPS with \$260 million of federal stimulus funding to reduce its deficit. These decreases were offset by increases in other state grants.

**Federal revenues** increased by \$290 million because the State supplanted portions of its General State Aid with \$260 million of federal stimulus funding and more federal revenues were recognized on time as a result of prompt claim activities.

**Investment earnings** decreased by \$19 million from fiscal year 2008 because the Federal Reserve maintained interest rates at its historical low of 0% to 0.25% in FY2009 to help the U.S. economy out of recession. This interest-rate policy is not expected to change in FY2010.



**Expenditures:**  
(Millions of Dollars)

	2009 Amount	2008 Amount	2009 Percent Of Total	Increase (Decrease) From 2008	Percent Increase (Decrease) from 2008
Salaries .....	\$2,573	\$2,445	54.2%	\$128	5.2%
Benefits .....	856	767	18.1%	89	11.6%
Services .....	904	748	19.1%	156	20.9%
Commodities .....	314	307	6.6%	7	2.3%
Other .....	96	128	2.0%	(32)	-25.0%
Total .....	<u>\$4,743</u>	<u>\$4,395</u>	<u>100.0%</u>	<u>\$348</u>	7.9%

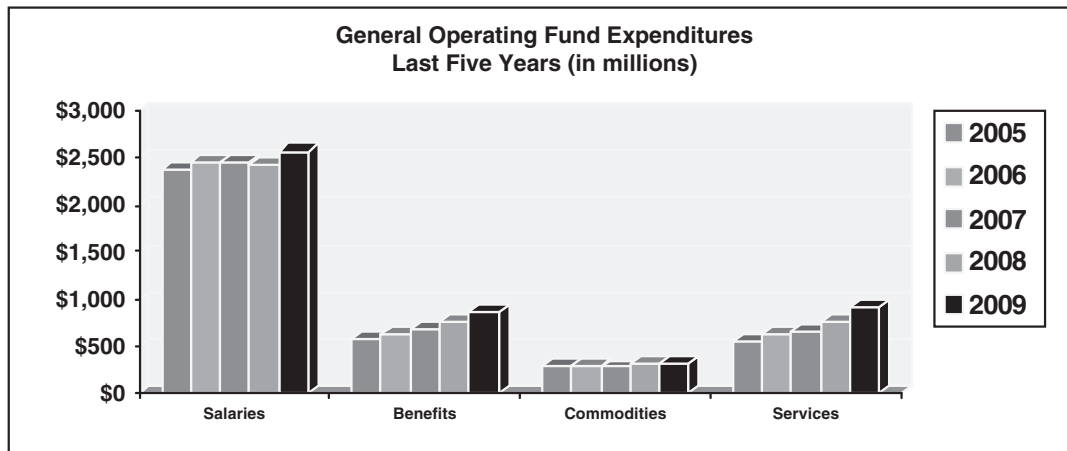
**Salaries** rose by \$128 million, a direct result of the 4% contractual salary increase and normal step increases.

**Benefit costs** grew by \$89 million over the previous year primarily because of \$42 million increases in teacher-pension obligations and increases of \$39 million in healthcare costs.

**Services** increased by \$156 million primarily for the following reasons: Charter school tuition payments rose by \$67 million; program expansion in supplemental after-school programs increased the cost by \$35 million; transportation costs increased by \$7 million, custodial contract costs grew by \$4 million; and high school curriculum update contributed to an additional \$10 million.

**Commodities**, which account for utilities, food, textbooks, and supplies, increased by \$7 million because of increases in both energy and food costs.

**Other expenditures** decreased by \$32 million primarily because the prior year balance included a swap termination payment of \$20.5 million; and a decrease in educational equipment and repairs of \$7 million.



## Financial Section

### Capital Projects Fund

The capital projects fund accounts for financial resources to be used for the acquisition or construction of major capital facilities. The use of capital projects funds is required for major capital acquisition and construction activities financed through borrowing or other financing agreements. The proposed \$550 million of bonds were not issued during fiscal year 2009. Rather, proceeds from previous bond issuances were used for on-going construction and renovation projects. As a result, the capital projects fund ended the fiscal year with a deficit of \$505 million.

### Revenues and Other Financing Sources (Millions of Dollars)

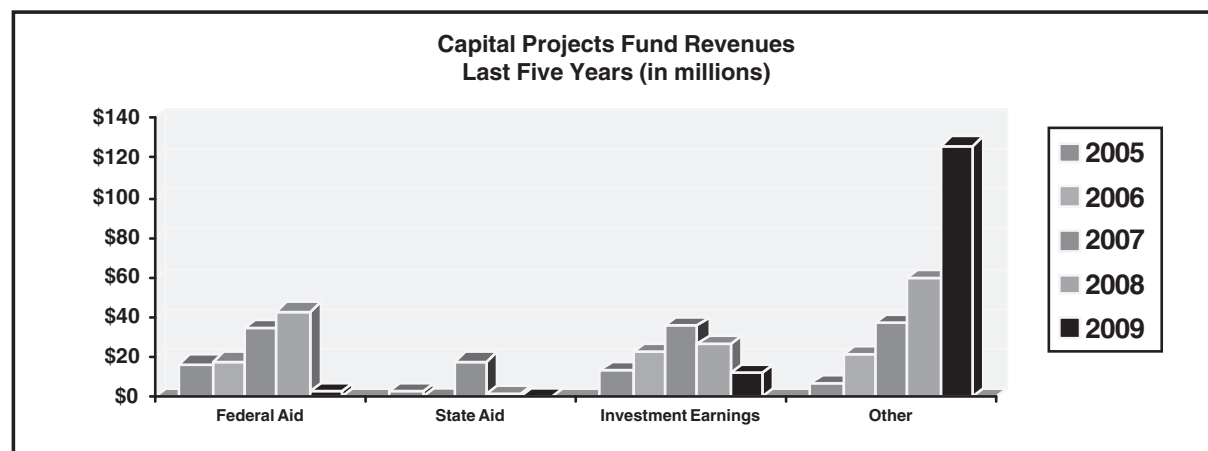
	2009 Amount	2008 Amount	2009 Percent Of Total	Increase (Decrease) From 2008	Percent Increase (Decrease) from 2008
State aid . . . . .	\$ —	\$ —	0.0%	\$ —	100.0%
Federal aid . . . . .	3	43	2.1%	(40)	—93.0%
Investment earnings . . . . .	13	26	9.1%	(13)	—50.0%
Other . . . . .	126	61	88.1%	65	106.6%
Subtotal . . . . .	\$142	\$130	99.3%	\$ 12	9.2%
Other financing sources . . . . .	1	259	0.7%	(258)	—99.6%
Total . . . . .	<u>\$143</u>	<u>\$389</u>	<u>100.0%</u>	<u>\$(246)</u>	<u>—63.2%</u>

**Federal aid** decreased by \$40 million because CPS did not receive e-rate funding for Priority 2 projects in FY2009. The Schools and Libraries Division denied CPS' application for internal connections and maintenance for lack of funding in 2009.

**Investment earnings** declined by \$13 million, a direct result of the low interest-rate environment.

**Other revenues** increased \$65 million over fiscal year 2008, which represents higher reimbursement of capital project costs under the Modern Schools Across Chicago (MSAC) from the City of Chicago. There were more capital projects completed under MSAC in FY2009 than in FY2008 and, as a result, the reimbursement was higher in FY2009.

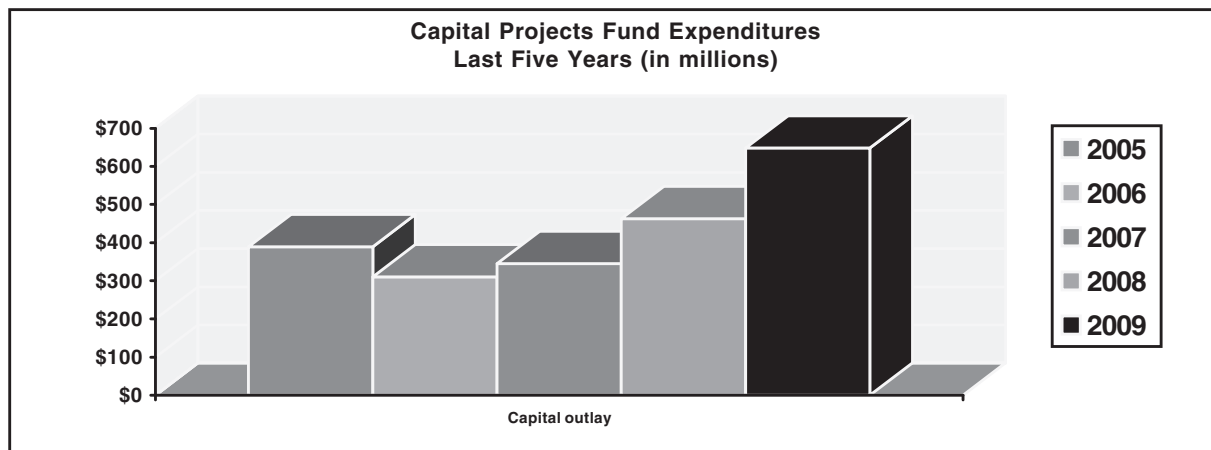
**Other financing sources** were not utilized in FY2009. CPS did not issue the proposed \$550 million of bonds in FY2009 and instead used proceeds provided by previous bond issuances.



**Expenditures:**  
(Millions of Dollars)

	2009 Amount	2008 Amount	Increase (Decrease) From 2008	Percent Increase (Decrease) from 2008
Capital Outlay . . . . .	\$648	\$463	\$185	40.0%

**Capital Outlay:** In FY2009, the Public Building Commission completed five new schools, one addition, and four major renovation projects, most of which were undertaken under the MSAC arrangement. The increase of \$185 million represents these activities.



## Financial Section

### Debt Service Fund

The debt service fund is established to account for annual property-tax levies and other revenues that are used for the payment of principal and interest, and lease obligations. To service alternate general-obligation bonds and PBC leases, \$301 million was paid for their principal, interest, and other fees in FY2009, which represents an increase of \$41 million over the prior year. The turmoil in the subprime mortgage sector spread to the municipal bond market in 2008, resulting in higher interest payments for variable-rate bonds with interest-rate swap that CPS owns. The \$41 million increase was caused by much higher interest payments to the variable-rate bonds.

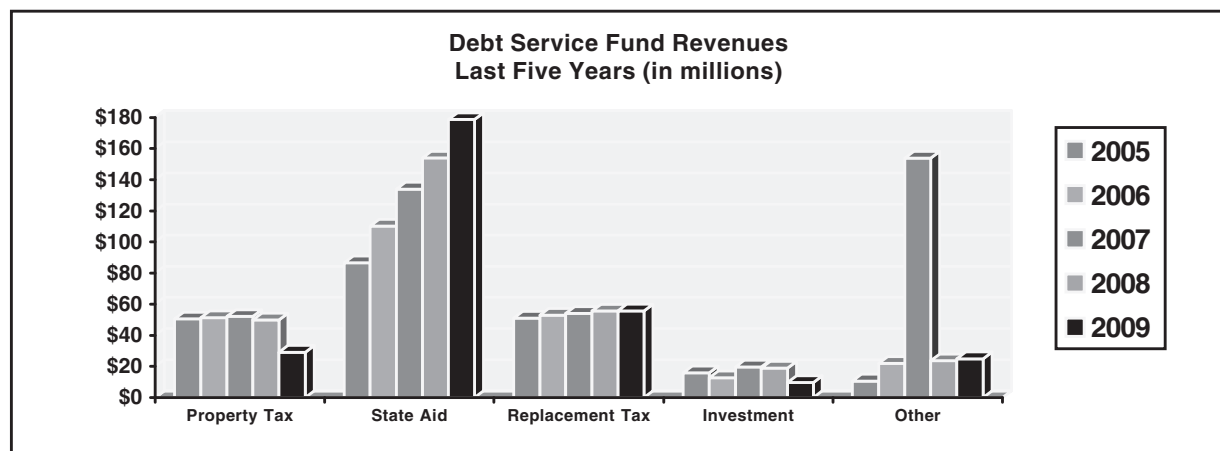
#### Revenues and Other Financing Sources (Millions of Dollars)

	2009 Amount	2008 Amount	2009 Percent Of Total	Increase (Decrease) From 2008	Percent Increase (Decrease) from 2008
Property taxes . . . . .	\$ 29	\$ 50	10.5%	\$(21)	-42.0%
Replacement taxes . . . . .	55	56	19.9%	(1)	-1.8%
State aid . . . . .	179	154	64.6%	25	16.2%
Investment earnings . . . . .	10	19	3.6%	(9)	-47.4%
Other . . . . .	25	24	9.0%	1	4.2%
Subtotal . . . . .	\$298	\$303	107.6%	\$ (5)	-1.7%
Other financing sources (uses) . . . . .	(21)	(15)	-7.6%	(6)	40.0%
Total . . . . .	<u>\$277</u>	<u>\$288</u>	<u>100.0%</u>	<u>\$(11)</u>	-3.8%

**Property tax revenues** used for the PBC lease payments decreased by \$21 million from the prior year. To reduce the tax burden on property owners, CPS decided to abate the property tax revenues for the PBC debt payments.

**State aid** required to service alternate bonds increased by \$25 million because of the adverse interest rates and their effect on variable-rate bonds with interest-rate swaptions.

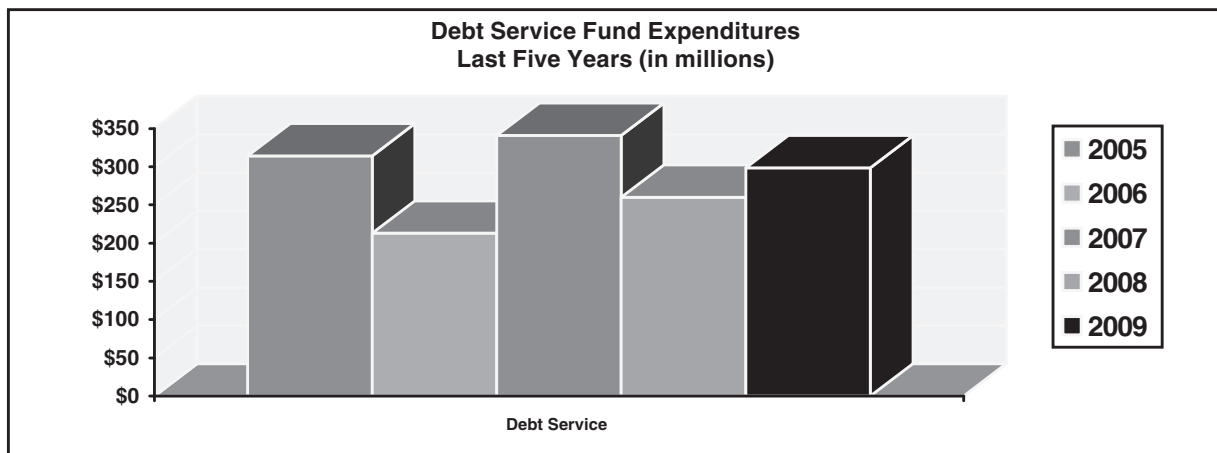
**Other revenue** mostly accounts for inter-governmental revenues from the City of Chicago to pay for bonds issued in late 1990s. This revenue will grow significantly next year as the debt service cost will fully reflect the total tax levy which expired under the School Finance Authority.



**Expenditures:**  
(Millions of Dollars)

	2009 Amount	2008 Amount	Increase (Decrease) From 2008	Percent Increase (Decrease) from 2008
Debt service .....	\$301	\$260	\$41	15.8%

**Debt Service costs** increased by \$41 million because interest rates for variable-rate bonds with interest-rate swaps and their related fees rose significantly higher than those in FY2008.



**Notes to Basic Financial Statements**

The Notes to Basic Financial Statements follow the statements in the report and complement the financial statements by describing qualifying factors and changes throughout the fiscal year.



## Financial Section

### OPERATING FUND BUDGET VS ACTUAL

Annual budgets are prepared on a basis consistent with accounting principles generally accepted in the United States for the General Operating Fund. All annual unencumbered appropriations lapse at fiscal year-end.

The budget is prepared by unit, fund, account, program and grant. Certain funding allocations (primarily Federal and State programs, including Supplementary General State Aid) are made to schools but are not budgeted by account by the schools at the time the budget is adopted. These allocations are included in Other Fixed Charges for budget purposes. During the fiscal year, upon receiving the appropriate approvals from regional offices and the Office of Management and Budget, transfers are made to the appropriate accounts. These transfers are reflected in the schedule shown below. During fiscal year 2009 there were no amendments to the original budget.

The following schedule presents a summary of the operating fund revenues, expenditures, and other financing sources in comparison with the final budget for the period ending June 30, 2009.

**Revenues, Other Financing Sources and Expenditures**  
**General Operating Fund**  
**Budget to Actual Comparison**  
**(Millions of Dollars)**

	<u>FY 2009 Approved Budget</u>	<u>Transfers In/(Out)</u>	<u>Final Appropriations</u>	<u>FY 2009 Actual</u>	<u>Variance</u>
Revenues:					
Property taxes . . . . .	\$1,831	\$ —	\$1,831	\$1,867	\$ 36
Replacement taxes . . . . .	136	—	136	133	(3)
State aid . . . . .	1,733	—	1,733	1,333	(400)
Federal aid . . . . .	869	—	869	1,123	254
Investment earnings . . . . .	32	—	32	22	(10)
Other . . . . .	109	—	109	102	(7)
Subtotal . . . . .	<u>\$4,710</u>	<u>\$ —</u>	<u>\$4,710</u>	<u>\$4,580</u>	<u>\$(130)</u>
Other financing sources . . . . .	<u>—</u>	<u>—</u>	<u>—</u>	<u>20</u>	<u>20</u>
Total . . . . .	<u>\$4,710</u>	<u>\$ —</u>	<u>\$4,710</u>	<u>\$4,600</u>	<u>\$(110)</u>
Expenditures:					
Salaries . . . . .	\$2,614	\$ (4)	\$2,610	\$2,573	\$ (37)
Benefits . . . . .	878	(17)	861	856	(5)
Services . . . . .	759	160	919	904	(15)
Commodities . . . . .	318	20	338	314	(24)
Other fixed charges . . . . .	286	(159)	127	96	(31)
Total . . . . .	<u>\$4,855</u>	<u>\$ —</u>	<u>\$4,855</u>	<u>\$4,743</u>	<u>\$(112)</u>
Change in Fund Balance . . . . .	<u>\$ (145)</u>			<u>\$ (143)</u>	

The General Operating Fund ended FY2009 with a deficit of \$143 million which is very close to the budgeted deficit of \$145 million. FY2009 coincided with the most severe recession since World War II, and aggressive actions taken by the Federal Reserve, Treasury and Congress have affected CPS' finances both directly and indirectly. The Fed lowered its target interest rates from 2.0% in July to almost zero in December 2008, which immediately decreased investment earnings for CPS. In February 2009, Congress passed the America Recovery and Reinvestment Act, an economic stimulus package worth \$787 billion, which contained aid to state governments and local educational agencies. The State of Illinois was able to





use about \$1.0 billion of these state fiscal stabilization funds to replace its state obligation to school districts in FY2009. CPS received \$260 million of these stabilization funds in lieu of the State General State Aid, which decreased total state revenues by \$260 million while increasing total federal revenues by the same amount.

Mostly revenues reflected these economic events that the budget could not anticipate for FY2009. Actual operating revenues declined by \$130 million in FY2009 compared with budget. Major budget-to-actual variances are described below:

**Property tax revenues** were \$36 million higher than budget as a result of higher-than-estimated new property growth in 2007 and higher-than-budgeted collection rates in spring 2009. The depressed real estate market and high foreclosure rate did not affect the property tax receipts negatively.

**Replacement tax** revenue was \$3 million lower than budget. The budget assumed a decline of 11% from the prior year but the actual receipts decreased by 12% as a result of the severe economic contraction and its effect on corporate income taxes.

**State revenues** were \$400 million lower than budget for two reasons. First, the State could not pay its FY2009 obligations of \$173 million to CPS on time. Second, the State replaced \$260 million of the General State Aid to CPS with federal stimulus funding, thereby decreasing total state revenues by the same amount.

**Federal revenues** were \$254 million higher than budget because the State unexpectedly replaced portions of its General State Aid to CPS with \$260 million of federal stimulus funding to reduce its budget deficit.

**Investment earnings and other revenue** was \$17 million lower than budget due to lower investment income and lower private foundation grants. Interest earnings were budgeted at 2.5% to 3% per annum but actual interest rates became less than one percent because the Federal Reserve lowered interest rates to lift the U.S. out of the recession.

Actual General Operating Fund expenditures were \$112 million under budget. The variance is primarily due to:

**Salary** expenditure was under budget by \$37 million because fewer teachers retired than expected and the average termination pay dropped, termination payout was \$21 million below what the budget assumed. In addition, after-school and summer-school costs for non-teachers were less than budget by \$12 million.

**Benefit costs** were under budget by \$5 million reflecting savings from vacancy and turn-over.

**Services expenditure** was under budget by \$15 million due to lower spending for professional services.

**Commodities** expenditure was under budget by \$24 million because schools did not purchase textbooks and supplies as much as budgeted.

**Other Fixed charges** expenditure was under budget by \$31 million because the contingency budget set aside for grants were not all spent because of timing differences and insurance costs came in less than the budget.

In August 2008, the Board adopted a balanced budget for fiscal year 2009 that reflected total resources, including \$145.2 million of available fund balances, and appropriations of \$4.85 billion for the General Operating Fund.

In August 2009, the Board adopted a balanced budget for fiscal year 2010 that reflected total resources, including \$106.4 million of available fund balances, and appropriations of \$5.33 billion for the General Operating Fund.

**Financial Section****REQUESTS FOR INFORMATION**

This financial report is designed to provide citizens, taxpayers, parents, students, investors and creditors with a general overview of CPS' finances and to show CPS' accountability for the money it receives. Additional details can be requested by mail at the following address:

The Chicago Public Schools  
Office of the Controller  
125 South Clark Street, 14th Floor  
Chicago, Illinois, 60603

Or visit our website at: <http://www.cps.edu> for a complete copy of this report and other financial information.

*(Please note that some amounts may not tie to the financial statements due to rounding.)*





Educate • Inspire • Transform



**CHICAGO PUBLIC SCHOOLS**  
**Chicago Board of Education**

**STATEMENT OF NET ASSETS**

**June 30, 2009**

**(Thousands of Dollars)**

	<b>Governmental Activities</b>
<b>ASSETS:</b>	
Current Assets:	
Cash and investments . . . . .	\$ 1,250,988
Cash and investments in escrow . . . . .	583,415
Cash and investments held in school internal accounts . . . . .	30,359
Property taxes receivable, net of allowance . . . . .	1,055,561
Other receivables:	
Replacement taxes . . . . .	29,417
State aid, net of allowance . . . . .	612,208
Federal aid . . . . .	52,276
Other, net of allowance . . . . .	56,052
Other assets . . . . .	32,241
Total Current Assets: . . . . .	<u>\$ 3,702,517</u>
Non-current Assets:	
Land and construction in progress . . . . .	1,095,384
Buildings, building improvements and equipment, net of accumulated depreciation . . . . .	3,942,282
Total Non-current Assets: . . . . .	<u>\$ 5,037,666</u>
Total Assets . . . . .	<u><u>\$ 8,740,183</u></u>
<b>LIABILITIES:</b>	
Current Liabilities:	
Accounts payable . . . . .	\$ 369,499
Accrued payroll and benefits . . . . .	536,107
Amount held for student activities . . . . .	30,359
Unearned revenue . . . . .	33,869
Interest payable . . . . .	20,138
Current portion of long-term debt and capitalized lease obligations . . . . .	162,977
Total Current Liabilities: . . . . .	<u>\$ 1,152,949</u>
Long-term liabilities:	
Debt, net of premiums and discounts . . . . .	4,556,909
Capitalized lease obligations . . . . .	361,490
Other accrued liabilities . . . . .	20,830
Pension . . . . .	1,929,885
Other postemployment benefits . . . . .	756,653
Other benefits and claims . . . . .	407,894
Total Long-term liabilities: . . . . .	<u>\$ 8,033,661</u>
Total Liabilities . . . . .	<u><u>\$ 9,186,610</u></u>
<b>NET ASSETS:</b>	
Invested in capital assets, net of related debt . . . . .	\$ 30,202
Restricted for:	
Debt service . . . . .	434,694
Donations . . . . .	3,695
Enabling legislation . . . . .	101,072
Unrestricted . . . . .	<u>(1,016,090)</u>
Total Net Assets . . . . .	<u><u>\$ (446,427)</u></u>

The accompanying notes to the basic financial statements are an integral part of this statement.



**CHICAGO PUBLIC SCHOOLS**  
Chicago Board of Education

**STATEMENT OF ACTIVITIES**

For the Year Ended June 30, 2009

(Thousands of Dollars)

		Program Revenues			Net (Expense)
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Assets
FUNCTIONS/PROGRAMS					
Governmental activities:					
Instruction . . . . .	\$3,324,936	\$ 5,189	\$ 688,669	\$ 94,583	\$(2,536,495)
Support services:					
Pupil support services . . . .	408,705	—	32,334	13,314	(363,057)
Administrative support services . . . . .	233,361	—	78,853	7,602	(146,906)
Facilities support services . . . . .	582,539	—	102,303	13,891	(466,345)
Instructional support services . . . . .	512,427	—	150,732	14,577	(347,118)
Food services . . . . .	203,880	8,298	161,524	5,776	(28,282)
Community services . . . . .	56,392	—	36,111	1,662	(18,619)
Interest expense . . . . .	259,850	—	—	—	(259,850)
Other . . . . .	8,504	—	—	—	(8,504)
Total Governmental Activities . . . . .	<u>\$5,590,594</u>	<u>\$13,487</u>	<u>\$1,250,526</u>	<u>\$151,405</u>	<u>\$(4,175,176)</u>
General revenues:					
Taxes:					
Property taxes . . . . .					\$1,936,656
Replacement taxes . . . . .					188,503
Non-program state aid . . . . .					1,603,926
Interest and investment earnings . . . . .					43,692
Gain on sale of capital assets . . . . .					91
Other . . . . .					56,132
Extraordinary item — gain on impairment of capital assets . . . . .					708
Total general revenues and extraordinary item . . . . .					<u>\$3,829,708</u>
Change in net assets . . . . .					\$ (345,468)
Net assets — beginning . . . . .					<u>(100,959)</u>
Net assets — ending . . . . .					<u>\$ (446,427)</u>

The accompanying notes to the financial statements are an integral part of this statement.



## CHICAGO PUBLIC SCHOOLS

## Chicago Board of Education

## BALANCE SHEET — GOVERNMENTAL FUNDS

June 30, 2009

(Thousands of Dollars)

	General Operating Fund	Capital Projects Fund	Debt Service Fund	Totals
<b>ASSETS:</b>				
Cash and investments . . . . .	\$1,163,974	\$ —	\$ 87,014	\$1,250,988
Cash and investments in escrow . . . . .	5,952	223,752	353,711	583,415
Cash and investments held in school internal accounts . . . . .	30,359	—	—	30,359
Receivables:				
Property taxes, net of allowance . . . . .	1,027,526	—	28,035	1,055,561
Replacement taxes . . . . .	29,417	—	—	29,417
State aid, net of allowance . . . . .	612,201	7	—	612,208
Federal aid . . . . .	50,571	1,705	—	52,276
Other . . . . .	7,243	47,035	1,774	56,052
Due from other funds . . . . .	112,015	26,214	—	138,229
Other assets . . . . .	4,356	—	—	4,356
Total Assets . . . . .	<u>\$3,043,614</u>	<u>\$298,713</u>	<u>\$470,534</u>	<u>\$3,812,861</u>
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>LIABILITIES:</b>				
Accounts payable . . . . .	\$ 289,477	\$ 65,997	\$ 14,025	\$ 369,499
Accrued payroll and benefits . . . . .	471,602	—	—	471,602
Amount held for student activities . . . . .	30,359	—	—	30,359
Due to other funds . . . . .	26,214	110,338	1,677	138,229
Deferred property tax revenue . . . . .	1,021,708	—	27,943	1,049,651
Other deferred/unearned revenue . . . . .	677,380	21,641	—	699,021
Total Liabilities . . . . .	<u>\$2,516,740</u>	<u>\$197,976</u>	<u>\$ 43,645</u>	<u>\$2,758,361</u>
<b>FUND BALANCES:</b>				
Reserved:				
Reserved for encumbrances . . . . .	\$ 110,685	\$100,737	\$ —	\$ 211,422
Reserved for restricted donations . . . . .	3,695	—	—	3,695
Reserved for specific purposes . . . . .	101,072	—	—	101,072
Reserved for debt service . . . . .	—	—	272,273	272,273
Unreserved:				
Designated to provide operating capital . . . .	181,200	—	—	181,200
Undesignated . . . . .	130,222	—	154,616	284,838
Total Fund Balances . . . . .	<u>\$ 526,874</u>	<u>\$100,737</u>	<u>\$426,889</u>	<u>\$1,054,500</u>
Total Liabilities and Fund Balances . . . .	<u>\$3,043,614</u>	<u>\$298,713</u>	<u>\$470,534</u>	<u>\$3,812,861</u>

The accompanying notes to the basic financial statements are an integral part of this statement.



## CHICAGO PUBLIC SCHOOLS

## Chicago Board of Education

**RECONCILIATION OF THE BALANCE SHEET — GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET ASSETS**

June 30, 2009

(Thousands of Dollars)

Total fund balances — governmental funds . . . . .	\$ 1,054,500
Prepaid assets and deferred charges are recorded as expenditures in governmental funds. The Statement of Net Assets includes these amounts as other assets.	
Deferred charges — bond issuance costs . . . . .	27,885
The cost of capital assets (land, buildings and improvements and equipment) purchased or constructed is reported as an expenditure in the governmental funds. The Statement of Net Assets includes those capital assets among the assets of the CPS as a whole. The cost of those capital assets are allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in the governmental funds.	
Cost of capital assets . . . . .	7,652,613
Accumulated depreciation . . . . .	(2,614,947)
Liabilities applicable to the CPS' governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest payable on debt and other long-term obligations is not recorded in the governmental funds but they are reported in the Statement of Net Assets. All liabilities, both current and long-term, are reported in the Statement of Net Assets.	
Other accrued liabilities . . . . .	\$ (20,830)
Debt, net of premiums and discounts . . . . .	(4,692,541)
Capitalized lease obligations . . . . .	(388,835)
Pension . . . . .	(1,929,885)
Other postemployment benefits . . . . .	(756,653)
Other benefits and claims . . . . .	<u>(472,399)</u>
	(8,261,143)
Interest payable . . . . .	(20,138)
Revenues that have been deferred or unearned in the governmental funds because they are not available but are recognized as revenue in the government-wide financial statements.	
Deferred property tax revenue . . . . .	1,049,651
Other deferred/unearned revenue . . . . .	<u>665,152</u>
Net Assets . . . . .	<u><u>\$ (446,427)</u></u>

The accompanying notes to the basic financial statements are an integral part of this statement.



## CHICAGO PUBLIC SCHOOLS

## Chicago Board of Education

STATEMENT OF REVENUES, EXPENDITURES AND NET CHANGES IN FUND BALANCES —  
GOVERNMENTAL FUNDS

For the Fiscal Year Ended June 30, 2009

With Comparative Amounts for the Fiscal Year Ended June 30, 2008

(Thousands of Dollars)

	General Operating Fund	Capital Projects Fund	Debt Service Fund	Total Fiscal Year Ended June 30, 2009	Total Fiscal Year Ended June 30, 2008
<b>REVENUES:</b>					
Property taxes . . . . .	\$1,867,350	\$ —	\$ 29,190	\$1,896,540	\$ 1,813,917
Replacement taxes . . . . .	132,819	—	55,684	188,503	215,489
State aid . . . . .	1,333,182	—	178,704	1,511,886	1,846,034
Federal aid . . . . .	1,122,805	2,775	—	1,125,580	876,041
Interest and investment earnings . . . . .	21,405	12,530	9,758	43,693	85,895
Other . . . . .	102,107	126,385	24,884	253,376	181,028
Total Revenues . . . . .	<u>\$4,579,668</u>	<u>\$ 141,690</u>	<u>\$ 298,220</u>	<u>\$5,019,578</u>	<u>\$ 5,018,404</u>
<b>EXPENDITURES:</b>					
Instruction . . . . .	\$2,773,440	\$ —	\$ —	\$2,773,440	\$ 2,575,124
Pupil support services . . . . .	390,399	—	—	390,399	362,325
Administrative support services . . . . .	222,908	—	—	222,908	193,696
Facilities support services . . . . .	407,332	—	—	407,332	385,601
Instructional support services . . . . .	427,432	—	—	427,432	407,608
Food services . . . . .	194,603	—	—	194,603	181,778
Community services . . . . .	56,003	—	—	56,003	45,708
Teacher's pension and retirement benefits . . . . .	237,011	—	—	237,011	206,651
Capital outlay . . . . .	24,110	648,302	—	672,412	466,895
Debt service . . . . .	1,037	—	301,169	302,206	282,142
Other . . . . .	8,504	—	—	8,504	10,652
Total Expenditures . . . . .	<u>\$4,742,779</u>	<u>\$ 648,302</u>	<u>\$ 301,169</u>	<u>\$5,692,250</u>	<u>\$ 5,118,180</u>
REVENUES IN EXCESS OF/(LESS THAN) EXPENDITURES . . . . .	<u>\$ (163,111)</u>	<u>\$ (506,612)</u>	<u>\$ (2,949)</u>	<u>\$ (672,672)</u>	<u>\$ (99,776)</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
Gross amounts from debt issuances . . . . .	\$ —	\$ —	\$ 225,675	\$ 225,675	\$ 1,674,555
Premiums . . . . .	—	—	—	—	41,226
Insurance proceeds . . . . .	—	1,155	—	1,155	—
Sales of general capital assets . . . . .	—	91	—	91	6,404
Payment to refunded bond escrow agent . . . . .	—	—	(226,408)	(226,408)	(1,474,081)
Transfers in/(out) . . . . .	20,389	—	(20,389)	—	—
Total other financing sources (uses) . . . . .	<u>\$ 20,389</u>	<u>\$ 1,246</u>	<u>\$ (21,122)</u>	<u>\$ 513</u>	<u>\$ 248,104</u>
NET CHANGE IN FUND BALANCES . . . . .	<u>\$ (142,722)</u>	<u>\$ (505,366)</u>	<u>\$ (24,071)</u>	<u>\$ (672,159)</u>	<u>\$ 148,328</u>
Fund Balances, beginning of period . . . . .	669,596	606,103	450,960	1,726,659	1,578,331
Fund Balances, end of period . . . . .	<u>\$ 526,874</u>	<u>\$ 100,737</u>	<u>\$ 426,889</u>	<u>\$1,054,500</u>	<u>\$ 1,726,659</u>

The accompanying notes to the basic financial statements are an integral part of this statement.



## CHICAGO PUBLIC SCHOOLS

## Chicago Board of Education

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND NET CHANGES  
IN FUND BALANCES — GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Fiscal Year Ended June 30, 2009

(Thousands of Dollars)

Total net change in fund balances — governmental funds . . . . .	\$(672,159)
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Assets and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlays exceed the depreciation in the period.	
Capital outlay/equipment . . . . .	\$ 534,359
Depreciation expense . . . . .	<u>(179,793)</u>
	354,566
Proceeds from sales of bonds are reported in the governmental funds as a source of financing, whereas they are recorded as long-term liabilities in the Statement of Net Assets . . . . .	(225,675)
Repayment of bond principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the statement of net assets and does not affect the Statement of Activities . . . . .	308,400
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental fund because interest is recorded as an expenditure in the governmental funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest cost is recognized as the interest accrues, regardless of when it is due. . . . .	(42,486)
Government funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities . . . . .	2,889
Since some property taxes and grants will not be collected for several months after the CPS' fiscal year ends, they are not considered as "available" revenues in the governmental funds, and are instead recorded as deferred revenues. They are, however, recorded as revenues in the Statement of Activities	
Property taxes . . . . .	40,117
Grants . . . . .	184,594
In the Statement of Activities, pollution remediation obligation, legal settlements, sick pay, vacation pay, workers' compensation, general and automobile liability, net pension obligation and other postemployment benefits are measured by the amount accrued during the year. In the governmental funds, expenditures for these items are paid measured by the amount actually paid	
Pollution remediation obligation . . . . .	(14,783)
Legal settlements . . . . .	(600)
Sick pay . . . . .	(26,258)
Vacation pay . . . . .	(416)
Workers' compensation . . . . .	(4,973)
General and automobile liability . . . . .	1,150
Net pension obligation . . . . .	(72,537)
Other postemployment benefits — Teacher . . . . .	(176,850)
In the Statement of Activities, gain or loss on disposal of capital assets is reported, whereas in the government funds, the entire proceeds are recorded. . . . .	<u>(447)</u>
Change in Net Assets . . . . .	<u><u>\$(345,468)</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

## CHICAGO PUBLIC SCHOOLS

## Chicago Board of Education

STATEMENT OF REVENUES, EXPENDITURES BY OBJECT,  
 OTHER FINANCING SOURCES AND NET CHANGES IN FUND BALANCE  
 FINAL APPROPRIATIONS VS. ACTUAL — GENERAL OPERATING FUND  
 For the Fiscal Year Ended June 30, 2009  
 (Thousands of Dollars)

	Approved Budget	Transfers In/(Out)	Final Appropriations	Fiscal Year Actual	Variance
<b>REVENUES:</b>					
Property taxes . . . . .	\$1,831,160	\$ —	\$1,831,160	\$1,867,350	\$ 36,190
Replacement taxes . . . . .	135,820	—	135,820	132,819	(3,001)
State aid . . . . .	1,732,817	—	1,732,817	1,333,182	(399,635)
Federal aid . . . . .	868,808	—	868,808	1,122,805	253,997
Interest and investment income . . . . .	32,400	—	32,400	21,405	(10,995)
Other . . . . .	108,716	—	108,716	102,107	(6,609)
Total Revenues . . . . .	<u>\$4,709,721</u>	<u>\$ —</u>	<u>\$4,709,721</u>	<u>\$4,579,668</u>	<u>\$(130,053)</u>
<b>EXPENDITURES:</b>					
Salaries —					
Teachers . . . . .	\$2,016,166	\$ (29,056)	\$1,987,110	\$1,975,940	\$ 11,170
Career services . . . . .	598,041	24,526	622,567	597,533	25,034
Commodities —					
Energy . . . . .	88,736	2	88,738	92,354	(3,616)
Food . . . . .	90,746	(1,867)	88,879	89,592	(713)
Textbooks . . . . .	78,392	19,518	97,910	86,356	11,554
Supplies . . . . .	58,811	3,065	61,876	44,572	17,304
Other . . . . .	1,329	(309)	1,020	998	22
Services —					
Professional fees . . . . .	376,532	92,814	469,346	440,921	28,425
Charter schools . . . . .	205,000	51,340	256,340	256,154	186
Transportation . . . . .	89,342	15,753	105,095	109,351	(4,256)
Tuition . . . . .	69,741	(5,458)	64,283	63,858	425
Telephone and telecommunications . . . . .	5,784	(370)	5,414	19,426	(14,012)
Other . . . . .	12,539	6,319	18,858	13,935	4,923
Equipment — Educational . . . . .	18,602	16,785	35,387	34,450	937
Building and sites —					
Repairs and replacements . . . . .	33,810	298	34,108	34,772	(664)
Capital outlay . . . . .	22	—	22	12	10
Fixed charges —					
Teachers' pension . . . . .	400,350	(1,522)	398,828	392,801	6,027
Career service pension . . . . .	96,675	210	96,885	93,791	3,094
Hospitalization and dental insurance . . . . .	301,735	(13,758)	287,977	299,206	(11,229)
Medicare . . . . .	36,934	(1,415)	35,519	33,667	1,852
Unemployment compensation . . . . .	10,937	(315)	10,622	8,599	2,023
Workers compensation . . . . .	31,431	(766)	30,665	28,148	2,517
Rent . . . . .	12,091	1,218	13,309	12,000	1,309
Debt service . . . . .	1,037	—	1,037	1,037	—
Other . . . . .	220,138	(177,012)	43,126	13,306	29,820
Total Expenditures . . . . .	<u>\$4,854,921</u>	<u>\$ —</u>	<u>\$4,854,921</u>	<u>\$4,742,779</u>	<u>\$ 112,142</u>
REVENUES IN EXCESS OF/(LESS THAN) EXPENDITURES . . . . .	<u>\$ (145,200)</u>	<u>\$ —</u>	<u>\$ (145,200)</u>	<u>\$ (163,111)</u>	<u>\$ (17,911)</u>
<b>OTHER FINANCING SOURCES</b>					
Transfers in . . . . .	\$ —	\$ —	\$ —	\$ 20,389	\$ 20,389
Total other financing sources . . . . .	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 20,389</u>	<u>\$ 20,389</u>
NET CHANGE IN FUND BALANCE . . . . .	<u>\$ (145,200)</u>	<u>\$ —</u>	<u>\$ (145,200)</u>	<u>\$ (142,722)</u>	<u>\$ 2,478</u>
Fund Balance, beginning of period . . . . .	669,596	—	669,596	669,596	—
Fund Balance, end of period . . . . .	<u>\$ 524,396</u>	<u>\$ —</u>	<u>\$ 524,396</u>	<u>\$ 526,874</u>	<u>\$ 2,478</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

**CHICAGO PUBLIC SCHOOLS****Chicago Board of Education****NOTES TO BASIC FINANCIAL STATEMENTS****June 30, 2009****NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****Reporting Entity**

The Board of Education of the City of Chicago, or the Chicago Public Schools (CPS), is a body politic and corporate, and a school district of the State of Illinois having boundaries coterminous with the boundaries of the City of Chicago. The Board of Education of the City of Chicago (the Board) is established under and governed by the Illinois School Code and maintains a system of schools primarily for kindergarten through twelfth grade.

As a result of legislation passed by the Illinois General Assembly, which became effective on June 30, 1995, the Mayor of the City of Chicago appoints the members of the Board of Education of the City of Chicago. The CPS is excluded from the City's reporting entity because it does not meet the financial accountability criteria for inclusion established by the Governmental Accounting Standards Board (GASB).

The City of Chicago, the Chicago School Finance Authority, the Public Building Commission of Chicago and the Public School Teachers' Pension and Retirement Fund of Chicago are deemed to be related organizations but separate entities and are not included as part of the CPS reporting entity. No fiscal dependency exists between these organizations. These units are excluded from the CPS reporting entity because they do not meet the criteria for inclusion as established by GASB.

**New Accounting Standards**

During fiscal year 2009, CPS adopted GASB Statement 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*. Please refer to Note 15 for required disclosures.

Other accounting standards that CPS is currently reviewing for applicability include:

- GASB 51, *Accounting and Financial Reporting for Intangible Assets*, effective for CPS with its year ended June 30, 2011. This statement establishes accounting and financial reporting requirements for intangible assets to reduce these inconsistencies, thereby, enhancing the comparability of the accounting and financial reporting of such assets among state and local governments.
- GASB 53, *Accounting and Financial Reporting for Derivative Instruments* is effective for CPS with its year ended June 30, 2010. This statement addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments.
- GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions* is effective for CPS with its year ended June 30, 2011. This statement establishes accounting and financial reporting standards for all governments that report governmental funds. It establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental fund types.

**Description of Government-Wide Financial Statements**

The Statement of Net Assets and the Statement of Activities display information about the government-wide entity as a whole. The Statement of Net Assets and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are



## Financial Section

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the GASB requirements of accounting and financial reporting for nonexchange transactions.

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the CPS' taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from general revenues.

The CPS reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense to each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

#### Government-Wide and Fund Financial Statements

The government-wide financial statements report information on all of the activities of the CPS. Interfund balances have been removed from these statements but the services provided and used are not eliminated in the process of consolidation.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not identified as program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

#### Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. State and Federal grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within 30 days of fiscal year end. For this purpose, the CPS also considers State aid, Federal aid and replacement tax revenues that are susceptible to accrual to be available if they are collected within 30 days of fiscal year end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

#### Funds

CPS reports its financial activities through the use of "fund accounting." This is a system of accounting wherein transactions are reported in self-balancing sets of accounts to reflect results of activities. Fund accounting segregates funds according to their intended purpose and is used to aid management in



**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained, consistent with legal and managerial requirements. A description of the activities of the various funds is provided below.

**Governmental Funds***a. General Operating Fund*

The General Operating Fund is established in compliance with the provisions of the Illinois Program Accounting Manual for Local Education Agencies. This Fund is the primary operating fund of CPS and is made up of the following programs:

- Educational Program
- Supplementary General State Aid Program
- School Food Service Program
- Elementary and Secondary Education Act (ESEA) Program
- Individuals with Disabilities Education Act (IDEA) Program
- Workers' and Unemployment Compensation/Tort Immunity Program
- Public Building Commission Operations and Maintenance Program
- Other Government-Funded Programs

*b. Capital Projects Fund*

The Capital Projects Fund includes the following programs:

*Capital Asset Program* — This program is for the receipt and expenditure of the proceeds from the sale of certain Board real estate, proceeds from the Chicago School Finance Authority, and other miscellaneous capital projects revenues from various sources as designated by the Board.

*Capital Improvement Program* — This program is for the receipt and expenditure of proceeds from the sale of Unlimited Tax General Obligation Bonds, Public Building Commission Building Revenue Bonds, State of Illinois Construction Grants, Federal E-rate capital subsidies and other revenues for the purpose of building and improving schools as designated by the Board. The bonds are being repaid in the Debt Service Fund from Replacement Tax revenue, from an Intergovernmental Agreement with the City of Chicago, State of Illinois Construction Grants, General State Aid, other revenues as designated by the Board and from a separate tax levy associated with the bonds, if necessary.

*c. Debt Service Fund*

The Debt Service Fund includes the following programs:

*Bond Redemption and Interest Program* — This program is for the receipt and expenditure of Replacement Taxes, City of Chicago Intergovernmental Agreement revenue, State of Illinois Construction Grants, General State Aid and other revenues as designated by the Board for the payment of interest and principal on specific bond issues.

*Public Building Commission Leases Program* — Receipts and expenditures of tax levies and State of Illinois Construction Grants for the rental payments due to the Public Building Commission of school buildings are recorded in this program. The title to these properties passes to the City of Chicago, in trust for the use of the CPS, at the end of the lease terms.



**Financial Section****NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****Assets, Liabilities, and Net Assets or Equity***Deposits and Investments*

CPS' cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. In addition, State statutes authorize CPS to invest in obligations of the U.S. Treasury, commercial paper, repurchase agreements, and the State Treasurer's Investment Pool. CPS' investments are reported at fair value, based on quoted market prices.

*Restricted Assets*

Certain proceeds of the CPS bond issuances, as well as certain assets set aside for their repayment, are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond covenants. These amounts are consequently held in escrow.

*Receivables and Payables*

CPS records as its property taxes receivable amounts equal to the current year tax levy plus the two years prior levies net of an allowance for estimated uncollectible amounts. The allowance is recorded at 3.5% of the gross levy.

A calendar year's property tax levies are billed (extended) in two installments in the subsequent calendar year. Calendar year 2008 property taxes were levied for fiscal year 2009 in December 2008, and were billed in fiscal year 2009. In 2009, the installment due dates were March 3 and December 1. Property taxes unpaid after these dates accrue interest at the rate of 1.5% per month. The treasurers of Cook and DuPage counties, who distribute such receipts to the CPS, receive collections of property tax installments. The CPS' property tax becomes a lien on real property on January 1 of the year for which it is levied. The levy becomes an enforceable lien against the property as of January 1 of the levy year. CPS does not record a receivable nor related deferred revenue until the Board passes the levy for the current fiscal year.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e. the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

*Capital Assets*

Capital assets, which include land, construction in progress, buildings, building improvements and equipment are reported in the governmental activities columns in the government-wide financial statements. Land, buildings and building improvements are recorded at historical cost or estimated historical cost if purchased or constructed. The capitalization threshold for equipment is a unit cost of \$25,000 or more. Donated capital assets are recorded at estimated fair market value at date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Beginning in fiscal year 2005, CPS implemented procedures related to impaired assets. Generally, a capital asset is considered impaired when its service utility has declined significantly and the events or changes in the circumstances are unexpected or outside the normal life cycle. During fiscal year 2009, there was a capital asset impairment in one of CPS' schools; this impairment is properly reflected in the financial statements.





**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Depreciation of buildings and building improvements of the CPS is calculated using the straight-line method beginning in the year after they are completed. Equipment is depreciated using the straight-line method and the mid-year convention. The CPS' capital assets have the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and building improvements . . . . .	25-50
Administrative software/systems . . . . .	20
Equipment . . . . .	5

Depreciation of buildings and building improvements placed in service prior to fiscal year 2002 was calculated using a composite rate that CPS estimated to be 32 years. For items placed in service subsequent to fiscal year 2001, CPS utilizes the estimated useful lives for specific components within the range noted above.

For assets other than personal property placed in service prior to June 30, 2001, the amount to be recorded as a reduction to capital assets and related accumulated depreciation upon asset retirement is determined using a deflated replacement cost methodology.

*Vacation and Sick Pay*

The CPS provides vacation and sick pay benefits for substantially all of its employees. Accrued sick pay benefits were computed using the termination payment method. The liability for accrued vacation pay benefits was computed using the employee's actual daily wage.

*Long-term Obligations*

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

*Swaps*

CPS enters into interest rate swap agreements to modify interest rates on outstanding debt. Other than the net interest expenditures resulting from these agreements, no amounts are recorded in the financial statements.

*Fund Balances and Net Assets*

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

The Statement of Net Assets includes the following:

*Invested in Capital Assets, net of Related Debt* — the component of net assets that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.



## Financial Section

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

*Restricted for Debt Service* — the component of net assets that reports the difference between assets and liabilities of the Debt Service Fund that consists of assets with constraints placed on their use by creditors.

*Restricted for Donations and by Enabling Legislation* — the component of net assets that reports the difference between assets and liabilities of the certain programs that consists of assets with constraints placed on their use by either external parties and/or enabling legislation.

*Unrestricted* — the difference between the assets and liabilities that is not reported as Net Assets Invested in Capital Assets, net of Related Debt, Net Assets Restricted for Specific Purpose, or Net Assets Restricted for Debt Service.

#### *Comparative Data*

Comparative total data for the prior year has been presented in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds.

#### *Management's Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

### NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

#### **Budgets**

Annual Budgets are prepared on a basis consistent with accounting principles generally accepted in the United States for the General Operating, Capital Projects and Debt Service funds. All annual unencumbered appropriations lapse at fiscal year-end. Encumbrances are reported as a reservation of fund balance for subsequent year expenditures.

Certain funding allocations (primarily Federal and State programs, including Supplementary General State Aid) are made to schools but are not budgeted by account by the schools at the time the budget is adopted. These allocations are included in Other Fixed Charges for budget purposes. During the fiscal year, upon receiving the appropriate approvals from regional offices and the Office of Management and Budget, transfers are made to the appropriate accounts. Actual expenditures are reflected in the appropriate accounts.

The appropriated budget is prepared by fund, account and unit. The legal level of budgetary control is at the account level except for school-based discretionary programs. School-based discretionary program expenditures are governed by specific program policies and procedures. Board approval is required for all funding transfers except those described above. In addition, an amended budget is required for increases in total appropriation.

In August 2008, the Board adopted a balanced budget for fiscal year 2009 that reflected total resources, including \$145.2 million of available reserved fund balances, and appropriations of \$4.85 billion for the General Operating Fund.

In August 2009, the Board adopted a balanced budget for fiscal year 2010 that reflected total resources, including \$106.4 million of available reserved fund balances, and appropriations of \$5.33 billion for the General Operating Fund.





**NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (continued)**

The Capital Projects Fund is budgeted on a project-by-project basis. Budgeted amounts in the Capital Projects Fund represent the entire project budget for projects that were expected to commence in fiscal year 2009. Actual expenditures in the Capital Projects Fund include expenditures on projects that were budgeted in the current and prior fiscal years.

**NOTE 3. PROPERTY TAXES AND STATE AID REVENUE**

*a. Property Taxes* — CPS levies property taxes using tax levy rates established by statute and an equalized assessed valuation (EAV) estimated by CPS. The maximum billing (extension) of property taxes for the rate-limited Educational Levy in any calendar year is limited to the lesser of the tax rate established by statute multiplied by the EAV known at the time the final calendar year tax bills are calculated by the Cook and DuPage County Clerks or the tax rates established by statute multiplied by the prior year EAV. Property taxes for the levies that are not rate-limited are levied based on the estimated requirements for such funds.

As part of the annual budgetary process, CPS adopts a resolution each December in which it is determined to levy real estate taxes. This tax levy resolution imposes property taxes in terms of a dollar amount. The Truth in Taxation Law requires that notice in prescribed form must be published and a public hearing must be held if the aggregate annual levy exceeds 105% of the levy of the preceding year.

Since the 1994 levy year, CPS has been subject to the Property Tax Extension Limitation Law (PTELL). The PTELL, commonly known as the property-tax cap, is designed to limit the increases in property taxes billed for non-home rule taxing districts. The growth in a taxing district's aggregate extension base is limited to the lesser of 5% or the increase in the national Consumer Price Index (CPI) for the year preceding the levy year. The CPI used is for all urban consumers for all items as published by the U.S. Department of Labor, Bureau of Labor Statistics. This limitation can be increased for a taxing body with voter approval. The PTELL allows a taxing district to receive a limited annual increase in tax extensions on existing property, plus an additional amount for new construction. This limit slows the growth of revenues to taxing districts when property values and assessments are increasing faster than the rate of inflation.

Amounts collected in excess of the estimated net receivable for each levy year are reported as revenue in the fiscal year that the tax collections are distributed to CPS. Tax amounts collected in excess of the specified prior years levies are recorded in the year of receipt without impacting receivable and deferred revenue balances. CPS maintains the accounts receivable, reserves for uncollectibles and deferred revenue balance on the general ledger for three tax levy years. All refunds, no matter what tax year they apply, are recorded against the property tax revenue and cash accounts in the period of occurrence or notification from the respective county treasurer.

Legal limitations on tax rates and the rates extended in calendar years 2009 and 2008 are shown below.

		Tax Rates Extended Per \$100 of EAV	
	Maximum 2009 Legal Limit	2009	2008
<b>General Operating Fund:</b>			
Educational . . . . .	(A)	\$2.426	\$2.376
Workers' and Unemployment Compensation/Tort Immunity . . . . .	(B)	.031	.191
Public Building Commission Operations and Maintenance . . . . .	(B)	.000	.000
<b>Debt Service Fund:</b>			
Public Building Commission Leases Program . . . . .	(C)	.015	.016
		<u>\$2.472</u>	<u>\$2.583</u>



**Financial Section****NOTE 3. PROPERTY TAXES AND STATE AID REVENUE (continued)**

- A. The maximum legal limit for educational purposes cannot exceed \$4.00 per \$100 of EAV (105 ILCS 5/34-53, and the total amount billed under General Operating Fund is subject to the PTELL as described above.
- B. These tax rates are not limited by law, but are subject to the tax cap as described above.
- C. The tax cap limitation contained in the PTELL does not apply to the taxes levied by CPS to make its lease payments.
- b. *State Aid* — The components of State Aid as shown on the financial statements are as follows (\$000's):

	<u>Fund Financial Statements</u>	<u>Government Wide- Financial Statements</u>
<b>Revenues:</b>		
General State Aid Unrestricted . . . . .	\$ 683,096	\$ 683,096
Supplementary General State Aid . . . . .	212,862	212,862
General Education Block Grant . . . . .	133,885	178,513
Educational Services Block Grant . . . . .	358,725	516,848
Other Restricted State Revenue . . . . .	123,318	128,625
Total State Aid . . . . .	<u>\$1,511,886</u>	<u>\$1,719,944</u>
<b>Program Revenues:</b>		
Operating Grants and Contributions . . . . .		(116,018)
Non-Program General State Aid . . . . .		<u>\$1,603,926</u>

**NOTE 4. CASH DEPOSITS AND INVESTMENTS**

Cash and investments held in the name of the CPS are controlled and managed by the CPS' Treasury Department; however, custody is maintained by the Treasurer of the City of Chicago, who is the designated ex-officio Treasurer of the CPS under the Illinois School Code. Custody is not maintained by the Treasurer of the City of Chicago for cash and investments in escrow, and the schools' internal accounts. The cash and investments in escrow in the Debt Service Fund represent the amount available for debt service payments on the Unlimited Tax General Obligation Bonds and PBC Leases. The cash and investments in escrow in the Capital Projects Fund represent the unspent proceeds from the Unlimited Tax General Obligation Bonds, Public Building Commission Building Revenue Bonds, State Technology Revolving Loan Fund and other revenues.

**Cash**

With the exception of school internal accounts as designated by the Board, the Municipal Code of Chicago requires that cash be deposited only in chartered banks or savings and loan associations that are on the City of Chicago's approved depository listing. The ordinances allow only regularly organized state or national banks insured by the Federal Deposit Insurance Corporation, and Federal and State savings and loan associations insured by the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation located within the City of Chicago, to be designated depositories.

The CPS Investment Policy requires collateral with an aggregate market value of not less than 110% of the original acquisition price, including principal and accrued interest, on depository account balances and certificates of deposit unless the bank meets certain rating requirements and/or asset size. Repurchase agreement collateral shall not be less than 102%. Collateral for the CPS' bank accounts are held by a third-



**NOTE 4. CASH DEPOSITS AND INVESTMENTS (continued)**

party custodian in the name of the City of Chicago Treasurer for the benefit of CPS. Collateral shall be only those securities authorized as allowable investments.

As of June 30, 2009, the book amount of the CPS' deposit accounts was \$15.8 million. The bank balances totaled \$36.4 million as of June 30, 2009. The difference between the book and bank balances primarily represents checks that have been issued but have not yet cleared as of June 30, 2009. The bank balance was covered by Federal Depository Insurance and by collateral held by third-party custodians.

Cash and Investments Held in School Internal Accounts, and the corresponding liability, Amounts Held for Student Activities, represent the book balance for checking and investments for individual schools.

**Investments**

CPS' investments are authorized under the Illinois Compiled Statutes Finance Investment Act. The CPS Investment Policy is derived from this Act. The CPS Investment Policy authorizes CPS to invest in obligations guaranteed by the full faith and credit of the U.S. Government, certificates of deposit constituting direct obligations of banks, commercial paper, money market mutual funds, repurchase agreements that mature within 330 days, certain U.S. Government agency securities, and certain State and municipal securities that are rated at the time of purchase within the two highest classifications established by a nationally recognized rating service. All mutual funds purchased invest in eligible securities outlined in the parameters of the CPS Investment Policy and meet certain other regulatory requirements.

The CPS Investment Policy contains the following stated objectives:

- **Safety of Principal.** Investments shall be undertaken in a manner that provides for the preservation of principal in the overall portfolio.
- **Liquidity.** The investment portfolio shall be sufficiently liquid to meet all reasonably anticipated operating and cash flow requirements.
- **Rate of Return.** The investment portfolio shall be constructed with the objective of attaining a market rate of return through budgetary and economic cycles, taking into account investment risk constraints and liquidity needs.
- **Diversification.** The investment portfolio shall be diversified to avoid incurring unreasonable risks associated with specific securities or financial institutions.

At June 30, 2009, CPS had the following investments (\$000's) and maturities:

<b>Investment Type</b>	<b>Ratings</b>	<b>Carrying Amount</b>	<b>Maturities Less Than 1 Year</b>	<b>Maturities 1-5 Years</b>
Repurchase Agreements . . . . .	AAA	\$ 77,782	\$ 77,782	\$ —
U.S. Government Agency Securities . . . . .	AAA	415,289	231,467	183,822
Commercial Paper . . . . .	A1 or A1+/P-1	199,863	199,863	—
Money Market Mutual Funds . . . . .	AAA	1,156,055	1,156,055	—
Total Investments . . . . .		\$1,848,989	\$1,665,167	\$183,822
Cash . . . . .		15,773		
Total Cash and Investments . . . . .		\$1,864,762		

**Credit Risk** — State law and the CPS Investment Policy limit investment in repurchase agreements, unless registered or inscribed in the name of the Board, to those purchased through banks or trust companies authorized to do business in the State of Illinois. State law and the CPS Investment Policy limit investment in commercial paper to the top two ratings issued by at least two standard rating services. As of June 30,



## Financial Section

**NOTE 4. CASH DEPOSITS AND INVESTMENTS (continued)**

2009, CPS' investments in commercial paper were rated A1+ or A1 by Moody's Investment Service and P-1 by Standard and Poor's. As of June 30, 2009, Standard and Poor's rated CPS' investments in money market mutual funds AAA as required by the CPS Investment Policy.

*Concentration of Credit Risk* — As of June 30, 2009, there were no investments in any one issuer that represent 5% or more of the total investments. Investments issued by the U.S. government and investment in mutual funds are excluded from the concentration of credit risk.

*Custodial Risk* — During the fiscal year ended June 30, 2009, repurchase agreements were supported by collateral with an aggregate market value equal to at least 102% of amounts invested. The collateral consisted of securities that were permissible under the CPS Investment Policy. Third-party custodians held all collateral in CPS' name.

*Interest Rate Risk* — The CPS Investment Policy requires maintenance of a two-tiered portfolio which limits the average maturity of the Liquidity Cash Management tier of the portfolio to six months, limits the average maturity of the Enhanced Cash Management tier of the portfolio to five years and limits the maturity of any single issue in the Enhanced Cash Management tier of the portfolio to 10 years.

The following table provides a summary of CPS' total cash and investments as of June 30, 2009 (\$000's):

<u>Fund:</u>	<u>Amount</u>
General Operating Fund . . . . .	\$1,200,285
Capital Projects Fund . . . . .	223,752
Debt Service Fund . . . . .	440,725
Total Cash and Investments . . . . .	<u>\$1,864,762</u>

**NOTE 5. RECEIVABLES**

Receivables as of June 30, 2009 for CPS, net of the applicable allowance for uncollectible accounts, are as follows (\$000's):

	<u>Fund Financial Statements</u>	<u>Government- Wide Financial Statements</u>
Property taxes . . . . .	\$1,127,073	\$1,127,073
Replacement taxes . . . . .	29,417	29,417
State aid . . . . .	616,050	616,050
Federal aid . . . . .	52,276	52,276
Other . . . . .	58,553	58,553
Total Receivables . . . . .	\$1,883,369	\$1,883,369
Less: Allowance for uncollectibles — property tax . . . . .	(71,512)	(71,512)
Less: Allowance for uncollectibles — state aid . . . . .	(3,842)	(3,842)
Less: Allowance for uncollectibles — other . . . . .	(2,501)	(2,501)
Total Receivables, net . . . . .	<u>\$1,805,514</u>	<u>\$1,805,514</u>



**NOTE 5. RECEIVABLES (continued)**

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At June 30, 2009, the components of deferred revenue reported in the fund financial statements are as follows (\$000's):

Deferred property taxes .....	\$1,049,651
Other deferred revenue .....	665,152
Unearned revenue .....	33,869
Total Deferred Revenue .....	<u>\$1,748,672</u>

**NOTE 6. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2009 was as follows (\$000's):

	Beginning Balance	Increases	Decreases and Transfers to In-service	Ending Balance
<b>Government-wide activities:</b>				
Capital assets, not being depreciated:				
Land .....	\$ 261,337	\$ 22,896	\$ (3)	\$ 284,230
Construction in progress .....	467,100	549,501	(205,447)	811,154
Total capital assets not being depreciated ..	<u>\$ 728,437</u>	<u>\$ 572,397</u>	<u>\$(205,450)</u>	<u>\$ 1,095,384</u>
Capital assets being depreciated:				
Buildings and improvements .....	\$ 6,251,840	\$ 168,800	\$ (22,640)	\$ 6,398,000
Equipment and administrative software .....	164,057	4,843	(9,671)	159,229
Total capital assets being depreciated .....	<u>\$ 6,415,897</u>	<u>\$ 173,643</u>	<u>\$ (32,311)</u>	<u>\$ 6,557,229</u>
Total Capital Assets .....	<u>\$ 7,144,334</u>	<u>\$ 746,040</u>	<u>\$(237,761)</u>	<u>\$ 7,652,613</u>
Less accumulated depreciation for:				
Buildings and improvements .....	\$(2,413,073)	\$(172,578)	\$ 15,961	\$(2,569,690)
Equipment and administrative software .....	(47,713)	(7,215)	9,671	(45,257)
Total accumulated depreciation .....	<u>\$(2,460,786)</u>	<u>\$(179,793)</u>	<u>\$ 25,632</u>	<u>\$(2,614,947)</u>
Capital Assets, net of depreciation .....	<u>\$ 4,683,548</u>	<u>\$ 566,247</u>	<u>\$(212,129)</u>	<u>\$ 5,037,666</u>

Depreciation expense was charged to functions/programs of CPS as follows (\$000's):

Governmental activities:	
Instruction .....	\$112,915
Pupil support services .....	15,894
Administrative support services .....	9,075
Facilities support services .....	16,584
Instructional support services .....	17,402
Food services .....	7,923
Total Depreciation .....	<u>\$179,793</u>

**Construction Commitments**

CPS had active construction projects as of June 30, 2009. These projects include new construction and renovations of schools. At year-end, CPS had approximately \$100.7 million in outstanding construction encumbrances.



**Financial Section****NOTE 7. INTERFUND TRANSFERS AND BALANCES****Interfund Transfers**

Interfund transfers are defined as the flow of assets, such as cash or goods, without equivalent flows of assets in return. Interfund borrowings are reflected as "Due from/to Other Funds" on the accompanying governmental fund financial statements. All other interfund transfers are reported as transfers in/out.

General Operating Fund:	
Due from Capital Improvement Program . . . . .	\$ 110,338
Due to Capital Asset Program . . . . .	(26,214)
Due from Bond Redemption and Interest Program . . . . .	1,677
Total — Due from other Funds . . . . .	<u>\$ 85,801</u>
Capital Projects Fund:	
Capital Assets Program — Due from General Operating Fund . . . . .	\$ 26,214
Capital Improvement Program — Due to General Operating Fund . . . . .	(110,338)
Total — Due to other Funds . . . . .	<u>\$ (84,124)</u>
Debt Service Fund:	
Bond Redemption and Interest Program — Due to General Operating Fund . . . . .	<u>\$ (1,677)</u>

The purpose of interfund balances is to present transactions that are to be repaid between major programs at year end. The balances result from operating transactions between funds and are repaid during the fiscal year within the normal course of business.

**Transfers**

To reduce the tax burden for taxpayers, CPS decided to abate Public Building Commission (PBC) tax levies in the amount of \$40 million in fiscal year 2009, by transferring \$40 million from the Bond Redemption and Interest Program to the PBC Leases Program. Because the decision was made in July 2008, the PBC lease fund had already received its 2008 spring allocation based on the assumption that the PBC levy would be a full \$52 million. To true-up this over-allocation of property tax revenues that occurred in the prior fiscal year, CPS made an operating transfer of \$18.6 million from the PBC Lease Program to the General Operating Fund.

CPS also made operating transfers of \$0.9 million from the Public Building Commission Leases Program to the General Operating Fund to transfer interest earnings and operating transfers of \$0.9 million from the Bond Redemption and Interest Program to the General Operating Fund to pay for costs associated with the insurance substitution of the series 2005D outstanding bonds.

**NOTE 8. LONG-TERM DEBT****General Obligation Bonds**Unlimited Tax General Obligation Bonds (Series 2005D)

In August 2008, CPS substituted insurance on \$195,000,000 outstanding Unlimited Tax General Obligation Bonds (Series 2005D) as a result of the initial insurer, CIFG, being downgraded below investment grade by both Fitch and Moody's. CIFG was replaced with Assured Guaranty and costs of issuance of \$1.1 million for the substitution were paid with CPS funds.





**NOTE 8. LONG-TERM DEBT (continued)**

As a result of the downgrades of several bond insurance firms, CPS issued the following refunding bonds to restructure its variable rate debt in fiscal year 2009:

Unlimited Tax General Obligation Refunding Bonds (Series 2009A)

In March 2009, CPS issued \$130,000,000 in Unlimited Tax General Obligation Refunding Bonds (Series 2009A). The proceeds from these bonds were used to refund the Series 2005E bonds. CPS contributed \$1.3 million to pay for costs of issuance. As a result of the issuance, \$130,383,747 was deposited in a trust with an escrow agent to purchase the Series 2005E bonds upon the next remarketing. On March 17, 2009, the bonds were repurchased in full and are considered fully refunded. The debt service on this issuance will be paid by revenues received from Pledged State Aid revenues.

The following table details the payments to the refunded bond escrow agent (\$000's):

<u>Description</u>	<u>Amount</u>
Net proceeds . . . . .	\$130,000
Amounts on hand related to refunded debt. . . . .	384
Total . . . . .	<u>\$130,384</u>

The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$1.2 million. This difference reported in the accompanying financial statements as a deduction from bonds payable, is being charged to operations through the year 2026. Because the refunded bonds are variable rate, the calculation of an economic gain disclosure is not meaningful as there is an uncertainty of future debt service requirements. Accordingly, no economic gain has been made for this refunding.

Unlimited Tax General Obligation Refunding Bonds (Series 2009BC)

In June 2009, CPS issued \$95,675,000 in Unlimited Tax General Obligation Refunding Bonds (Series 2009BC) and contributed \$1.2 million to pay for costs of issuance. The proceeds from these bonds were used to refund the Series 2004C-1 and Series 2005D-1 bonds. As a result of the issuance, \$75,672,057 was deposited in a trust with an escrow agent to purchase the Series 2004C-1 bonds upon the next remarketing. CPS deposited \$20,352,278 in a trust with an escrow agent to purchase the Series 2005D-1 bonds upon its next remarketing. On June 25, 2009, the bonds were repurchased in full and are considered fully refunded. The debt service on this issuance will be paid from General State Aid revenues.

The following table details the payments to the refunded bond escrow agent (\$000's):

<u>Description</u>	<u>Amount</u>
Net proceeds . . . . .	\$95,675
Amounts on hand related to refunded debt. . . . .	349
Total . . . . .	<u>\$96,024</u>

The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$1.3 million. This difference reported in the accompanying financial statements as a deduction from bonds payable, is being charged to operations through the year 2031. Because the refunded bonds are variable rate, the calculation of an economic gain disclosure is not meaningful as there is an uncertainty of future debt service requirements. Accordingly, no economic gain has been made for this refunding.



**NOTE 8. LONG-TERM DEBT (continued)**

The following is a summary of changes in Long-term Debt outstanding (\$000's):

Series	Principal Outstanding June 30, 2008	Issuances	Retirements	Principal Outstanding June 30, 2009	Accreted Interest	Principal and Accreted Interest June 30, 2009
2009C.....	\$ —	\$ 20,265	\$ —	\$ 20,265	\$ —	\$ 20,265
2009B.....	—	75,410	—	75,410	—	75,410
2009A.....	—	130,000	—	130,000	—	130,000
2008C.....	464,655	—	—	464,655	—	464,655
2008B.....	240,975	—	(4,825)	236,150	—	236,150
2008A.....	262,785	—	—	262,785	—	262,785
2007D.....	238,720	—	(5,655)	233,065	—	233,065
2007BC.....	204,635	—	(295)	204,340	—	204,340
2006B.....	353,060	—	(5,915)	347,145	—	347,145
2006A.....	6,853	—	—	6,853	—	6,853
2005DE.....	313,485	—	(156,430)	157,055	—	157,055
2005B.....	52,595	—	—	52,595	—	52,595
2005A.....	193,585	—	—	193,585	—	193,585
2004G.....	12,500	—	—	12,500	—	12,500
2004E.....	33,310	—	(4,155)	29,155	—	29,155
2004D.....	53,030	—	—	53,030	—	53,030
2004C-2.....	48,910	—	—	48,910	—	48,910
2004C-1.....	75,410	—	(75,410)	—	—	—
2004A.....	205,410	—	—	205,410	—	205,410
2003C.....	4,585	—	—	4,585	—	4,585
2003A.....	58,960	—	(5,375)	53,585	—	53,585
2002A.....	47,175	—	(1,135)	46,040	—	46,040
2001C.....	23,950	—	(4,330)	19,620	—	19,620
2001B.....	9,440	—	—	9,440	—	9,440
2001A.....	4,765	—	(870)	3,895	—	3,895
2000E.....	13,390	—	—	13,390	—	13,390
2000B,C,D.....	303,000	—	—	303,000	—	303,000
2000A.....	16,525	—	—	16,525	—	16,525
IDFA 1999A.....	12,000	—	—	12,000	—	12,000
1999A.....	531,325	—	(2,295)	529,030	200,538	729,568
1998B-1.....	328,714	—	—	328,714	234,309	563,023
1998.....	14,000	—	—	14,000	—	14,000
1997A.....	37,985	—	—	37,985	32,543	70,528
1997.....	61,315	—	(10,605)	50,710	—	50,710
1996.....	49,460	—	(3,390)	46,070	—	46,070
Total Bonds.....	\$4,276,507	\$225,675	\$(280,685)	\$4,221,497	\$467,390	\$4,688,887
Note Payable.....	2,516	—	(1,198)	1,318	—	1,318
Asbestos Abatement Loans.....	3,747	—	(1,037)	2,710	—	2,710
Total Long-Term Debt.....	<u>\$4,282,770</u>	<u>\$225,675</u>	<u>\$(282,920)</u>	<u>\$4,225,525</u>	<u>\$467,390</u>	<u>\$4,692,915</u>
Less Current Portion.....						(135,632)
Deferred Amounts:						
On Refunding.....						(97,616)
For Net Premium/(Discount).....						97,242
Total Long-term Debt, net of Refunding, Current Portion and Premium/(Discount).....						<u>\$4,556,909</u>





**NOTE 8. LONG-TERM DEBT (continued)**

The current portion of long-term debt and long-term lease obligations is comprised of the following:

Bonds	\$(112,097)
Note Payable	(1,318)
Asbestos Abatement Loans	(872)
Accreted Interest	(26,498)
Refunding	5,153
Subtotal	\$(135,632)
Lease obligations	(27,345)
Total Current Portion	<u>\$(162,977)</u>

The Unlimited Tax General Obligation Bonds are being repaid in the Debt Service Fund from Replacement Tax revenue, revenue from Intergovernmental Agreements with the City of Chicago, and General State Aid to the extent possible, and then from a separate tax levy associated with the bonds.

**Defeased Debt**

Defeased bonds have been removed from the Statement of Net Assets because related assets have been placed in an irrevocable trust that, together with interest earned, will provide amounts sufficient for payment of all principal and interest. Defeased bonds at June 30, 2009 are as follows (\$000's):

<u>Description</u>	<u>Amount Defeased</u>	<u>Amount Outstanding</u>
Unlimited Tax General Obligation Bonds Series 2005C	\$ 53,750	\$ 51,750
Unlimited Tax General Obligation Bonds Series 2004H	18,500	18,500
Unlimited Tax General Obligation Bonds Series 2004F	25,000	25,000
Unlimited Tax General Obligation Bonds Series 2001C	174,575	174,575
Unlimited Tax General Obligation Bonds Series 2001A	35,810	35,810
Unlimited Tax General Obligation Bonds Series 2000A	<u>90,435</u>	<u>90,435</u>
Total	<u>\$398,070</u>	<u>\$396,070</u>

*Future debt and associated swap payments* (see Note 10). Interest rates on fixed rate bonds range from 2.5% to 6.75%, except that CPS does not pay or accrue interest on the Series 2006A Bonds, the Series 2003C Bonds, the Series 2001B Bonds, the Series 2000E Bonds, the IDFA Series 1999A Bonds and the Series 1998 Bonds. These bond series were issued as "qualified zone academy bonds" within the meaning of Section 1397E of the Internal Revenue Code of 1986, as amended. CPS does not pay interest on the bonds, however, for Federal income tax purposes, "eligible taxpayers," as defined in Section 1397E of the Internal Revenue Code, who own these bonds will be entitled to a credit against taxable income. Interest rates on unhedged variable rate bonds assume the debt service deposit requirement rate and net swap payments assume that variable rates as of June 30, 2009, remain the same through their term. Debt



**NOTE 8. LONG-TERM DEBT (continued)**

service requirements for the Unlimited Tax General Obligation Bonds and net swap payments are scheduled as follows (\$000's):

Fiscal Year(s)	Fixed Rate Bonds		Variable Rate Bonds			Total
	Principal	Interest	Principal	Interest*	Interest Rate Swaps, Net**	
2010 .....	\$ 99,057	\$ 137,116	\$ 13,040	\$ 36,770	\$ 36,550	\$ 322,533
2011 .....	99,837	136,607	14,385	36,183	36,359	323,371
2012 .....	118,881	130,539	15,040	35,376	36,160	335,996
2013 .....	90,643	132,236	23,275	34,514	35,950	316,618
2014 .....	109,012	134,733	24,535	33,888	35,472	337,640
2015-2019 .....	554,303	623,725	151,010	158,247	169,150	1,656,435
2020-2024 .....	772,749	623,401	201,820	131,308	153,513	1,882,791
2025-2029 .....	725,173	543,364	396,065	100,256	115,500	1,880,358
2030-2034 .....	411,797	466,245	289,560	48,534	33,573	1,249,709
2035-2037 .....	44,500	4,547	66,815	4,212	2,113	122,187
<b>Total</b> .....	<b>\$3,025,952</b>	<b>\$2,932,513</b>	<b>\$1,195,545</b>	<b>\$619,288</b>	<b>\$654,340</b>	<b>\$8,427,638</b>

\* Interest on Series 2000B,C,D unhedged variable rate demand notes was calculated at an assumed rate of 6% per annum, interest on unhedged Series 2004CDE and Series 2005DE variable rate demand notes calculated at an assumed rate of 4.5% per annum (equals annual debt service deposit requirements). Interest on hedged auction rate securities and variable rate demand notes assumes current interest rates remain the same as of June 30, 2009, and was calculated as follows:

Series 2000C — 1.0000%  
 Series 2004C — 5.5000%  
 Series 2005D — 6.5500%  
 Series 2008A — 0.6200%  
 Series 2008B — 0.6200%  
 Series 2009A — 0.2750%  
 Series 2009B — 0.1800%

\*\* Series 2000C computed: (3.823% — 0.216125%) x Outstanding Principal  
 Series 2004C computed: (3.825% — 0.216125%) x Outstanding Principal  
 Series 2005D computed: (3.6617% — 0.216125%) x Outstanding Principal  
 Series 2008A computed: (5.25% — 0.4961%) x Outstanding Principal  
 Series 2008B computed: (3.771% — 0.216125%) x Outstanding Principal  
 Series 2009A computed: (3.6617% — 0.216125%) x Outstanding Principal  
 Series 2009B computed: (3.825% — 0.216125%) x Outstanding Principal

Variable rate bonds are demand obligations that allow bondholders to demand repayment on a weekly basis. The \$303,000,000 Series 2000BCD bonds are supported by Standby Bond Purchase Agreements with Dexia Credit Locale which expire on December 8, 2012. Under the Standby Bond Purchase Agreements, any bonds put to the bank would incur an interest rate equal to the Prime Rate as listed in the Wall Street Journal through December 8, 2012, at the Prime Rate plus 1.0% thereafter, and at the Prime Rate plus 2.0% in the event of a default, but in no case may the rate exceed 15%. The commitment fee is 0.125% per annum for the Series 2000BCD bonds and at June 30, 2009, there were no bonds drawn under the Standby Bond Purchase Agreement.

The \$131,095,000 Series 2004CDE and \$157,055,000 Series 2005D bonds are supported by Standby Bond Purchase Agreements with Depfa Bank PLC which expire on December 8, 2012. Under the



**NOTE 8. LONG-TERM DEBT (continued)**

2004CDE Standby Bond Purchase Agreement, any bonds put to the bank would incur an interest rate equal to the greater of Depfa's Prime Rate or the Fed Funds rate plus 0.5% for the first 90 days, at the greater of Depfa's Prime Rate or the Fed Funds rate plus 0.5%, plus 1.0% for the 91st day and thereafter, and at the greater of Depfa's Prime Rate or the Fed Funds rate plus 0.5%, plus 3.0% in the event of a default, but in no case may the rate exceed 15%. Under the 2005D Standby Bond Purchase Agreement, any bonds put to the bank would incur an interest rate equal to the greater of Depfa's Prime Rate or the Fed Funds rate plus 0.5% for the first 90 days, at the greater of Depfa's Prime Rate or the Fed Funds rate plus 0.5%, plus 1.0% for the 91st day through the date 10 years prior to maturity, and thereafter at the greater of Depfa's Prime Rate or the Fed Funds rate plus 0.5%, plus 1.5%, and at the greater of Depfa's Prime Rate or the Fed Funds rate plus 0.5%, plus 3.0% in the event of a default, but in no case may the rate exceed 15%. The commitment fee is 0.11% per annum for the Series 2004CDE and Series 2005D bonds. As of June 30, 2009, \$53,030,000 was drawn for Series 2004D bonds and \$29,155,000 for Series 2004E bonds under the Standby Bond Purchase Agreements.

The \$65,000,000 Series 2009A-1 are supported by a Letter of Credit Facility with Harris Bank NA and \$65,000,000 Series 2009A-2 are supported by The Northern Trust Company both of which expire on March 17, 2012. Under the Letter of Credit Agreements, any bonds put to the bank would incur an interest rate equal to the greater of the Prime Rate, Federal Funds Rate plus ½ of 1%, and LIBOR Quoted Rate plus 1% (the Base Rate) for the first 7 days. For the 8th through 90th day, interest would incur at the Base Rate plus 1.0%, for the 91st through 180th day, interest would incur at the Base Rate plus 2.0% and thereafter, or in the event of default, the interest rate is the greater of the Prime Rate, Federal Funds Rate plus ½ of 1%, and LIBOR Quoted Rate plus 1%, plus 3.00% for the first 180 days, thereafter at the maximum rate allowed under Illinois law not to exceed 15% per annum. The commitment fee is 0.85% per annum for the Series 2009A bonds and at June 30, 2009, there were no bonds drawn under the Letter of Credit Agreements.

The \$75,410,000 Series 2009B and \$20,265,000 Series 2009C are supported by a Letter of Credit Facility with US Bank which expires on June 24, 2012 for Series 2009B and March 8, 2012 for Series 2009C. Under the Letter of Credit Agreements, any bonds put to the bank would incur an interest rate equal to the greater of the Prime Rate and LIBOR Quoted Rate plus 2% (the Base Rate) for the first 89 days. For the 90th through 179th day interest would incur at the Base rate plus 3.5%, and for the 180th day and thereafter at the maximum rate allowed under Illinois law, not to exceed 15% per annum. In the event of default, the interest rate would be the Base Rate, plus 5.5% for the first 180 days; thereafter at the maximum rate allowed under Illinois law, not to exceed 15% per annum. The commitment fee is 1.55% per annum for the Series 2009B bonds, and 1.0% per annum for the Series 2009C and at June 30, 2009 there were no bonds drawn under the Letter of Credit Agreements.

Interest and maturities include accretable interest on the Capital Appreciation Bonds as follows (\$000's):

<u>Series</u>	<u>Accreted Interest June 30, 2008</u>	<u>Increase</u>	<u>Payment</u>	<u>Accreted Interest June 30, 2009</u>
1997A. ....	\$ 28,872	\$ 3,671	\$ —	\$ 32,543
1998B-1 .....	206,623	27,686	—	234,309
1999A. ....	177,469	24,284	(1,215)	200,538
	<u>\$412,964</u>	<u>\$55,641</u>	<u>\$(1,215)</u>	<u>\$467,390</u>

The loans with the EPA to fund specific asbestos abatement projects are non-interest bearing and are being repaid over a 20-year period. No specific revenue sources are currently dedicated to provide for asbestos abatement loan retirements.



**Financial Section****NOTE 9. LEASE OBLIGATIONS**Capitalized Leases

Annual rental payments are made pursuant to lease agreements with the Public Building Commission (the PBC). The PBC constructs, rehabilitates and equips school buildings and facilities for use by the CPS. The annual lease rentals are funded by a tax levy established when CPS approved such construction.

The leases are structured so that annual rentals will exceed the PBC's requirements for debt service and other estimated expenses. This ensures that the PBC will receive adequate revenue to cover these obligations. The PBC can authorize rent surpluses to be used either to reduce future rental payments or to finance construction of other CPS projects.

In 2006, CPS entered into a \$3.7 million lease with an option to purchase with the Teachers Academy of Math and Science. The assets acquired under this lease are land and building at a cost of \$0.7 million and \$3 million, respectively. The term of the lease commenced October 1, 2005 and shall end February 1, 2021. This end date represents the maturity date of bonds issued for the premises by the Illinois Development Finance Authority Bonds. Debt service includes principal and interest and all other costs associated with these bonds. Additionally, CPS will assume all operating costs and personnel costs of the premises.

The future PBC lease rentals and other capitalized leases due at June 30, 2009, are as follows (\$000's):

<u>Fiscal Year(s)</u>	<u>PBC Lease Rentals</u>	<u>Other</u>	<u>Total</u>
2010 .....	\$ 51,830	\$ 424	\$ 52,254
2011 .....	51,874	424	52,298
2012 .....	51,926	424	52,350
2013 .....	51,963	424	52,387
2014 .....	51,981	424	52,405
2015-2019 .....	260,218	2,118	262,336
2020-2021 .....	30,636	719	31,355
Total Rentals .....	\$ 550,428	\$ 4,957	\$ 555,385
Less — Interest and other costs .....	(164,043)	(2,507)	(166,550)
Principal amount of rental due .....	<u>\$ 386,385</u>	<u>\$ 2,450</u>	<u>\$ 388,835</u>

Following is a summary of changes in PBC leases and other capitalized leases outstanding (\$000's):

	<u>Balance June 30, 2008</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2009</u>
PBC Leases .....	\$411,690	\$—	\$(25,305)	\$386,385
Other Capitalized Leases .....	2,625	—	(175)	2,450
	<u>\$414,315</u>	<u>\$—</u>	<u>\$(25,480)</u>	<u>\$388,835</u>
Less: Current Portion PBC Leases .....				(27,170)
Current Portion Other Capitalized Leases .....				(175)
Total Long-Term Leases Outstanding .....				<u>\$361,490</u>

Operating Leases

CPS is a lessee in numerous operating leases associated with the rental of trucks, automobiles, various office equipment and real property. The lease arrangements are both cancelable and non-cancelable with some having structured rent increases. None of the operating leases are considered to be contingent leases.



**NOTE 9. LEASE OBLIGATIONS (continued)**

Total expenditures for operating leases for the fiscal year ending June 30, 2009 were \$19.6 million. Following is a summary of operating lease commitments as of June 30, 2009 (000's):

<u>Fiscal Year(s)</u>	<u>Non-Real property leases</u>	<u>Real Property leases</u>	<u>Total</u>
2010 .....	\$ 9,311	\$10,862	\$ 20,173
2011 .....	7,863	10,741	18,604
2012 .....	5,668	9,873	15,541
2013 .....	2,198	9,662	11,860
2014 .....	335	9,710	10,045
2015-2019 .....	19	17,395	17,414
2020-2024 .....	—	8,179	8,179
2025 .....	—	156	156
Total Operating Lease Commitments .....	<u>\$25,394</u>	<u>\$76,578</u>	<u>\$101,972</u>

**NOTE 10. DERIVATIVE INSTRUMENTS****Interest Rate Swaps****Series 2009A**

*Swap Objective.* CPS entered into an interest rate swap associated with the issuance of the Series 2005DE bonds in December 2005 as a means of lowering its borrowing costs when compared against fixed-rate bonds at the time of issuance. The intention of entering into the swap was to effectively change the variable interest rate on the bonds to a fixed interest rate of 3.6617%. During fiscal year 2009, CPS refunded Series 2005E. The swap was transferred to Series 2009A. The intention of transferring the swap was to effectively change the variable interest rate to a fixed interest rate of 3.6617% plus 0.50%.

*Swap terms.* The bonds and the related swap agreement mature on March 1, 2036, and the total notional amount of the swap equals the \$130,000,000 of Series 2009A variable rate bonds. Starting in fiscal year 2013, the notional value of the swap declines by the same amount of the associated principal amortization. Under the swap, CPS pays the counterparty a fixed payment of 3.6617% and receives a variable payment computed at 70% of the London Interbank Offered Rate (LIBOR).

*Fair value.* As of June 30, 2009, the swap has a negative fair value as a result of long term interest rates decreasing since the execution of the swap. The fair value was determined by market prices quoted by DerivActiv, an independent derivative valuation company who specializes in daily mark to market derivative valuations, as of June 30, 2009 (see table below).

*Credit risk.* As of June 30, 2009, CPS was not exposed to credit risk because the swap had a negative fair value. However, should interest rates change and the fair value of the swap becomes positive, CPS would be exposed to credit risk in the amount of the derivatives' fair value. To mitigate the potential for credit risk, if a counterparty's credit rating from either Standard & Poor's and Moody's Investors Service are "A+" / "A1", respectively or lower, and the fair value of the swap reaches certain threshold amounts, the fair value of the swap will be collateralized by the counterparty with U.S. government securities. Collateral would be posted with a third-party custodian.

**Swap Counterparty Data as of June 30, 2009**

<u>Counterparty</u>	<u>Swap Notional Amount</u>	<u>Credit Rating; Outlook</u>		<u>Swap Fair Value</u>
		<u>Moody's</u>	<u>S&amp;P</u>	
Loop Financial .....	<u>\$130,000,000</u>	Aa1	A+	<u>\$(13,061,234)</u>



## Financial Section

**NOTE 10. DERIVATIVE INSTRUMENTS (continued)**

**Basis risk.** The swaps expose CPS to basis risk should the rate paid on the variable rate debt be higher than the 70% of LIBOR rate received from the swap counterparty. Should any adverse basis differential occur during the swap contract, the rate paid on the bonds will be higher than the 3.6617% synthetic rate, and therefore the expected cost savings may not be realized. As of June 30, 2009, the weighted average variable rate was 0.275% and 70% of LIBOR was 0.2161%. To mitigate the potential for basis risk, CPS' annual debt service fund deposit is calculated at a rate of 4.162%.

**Termination risk.** CPS or the counterparties may terminate the swap if the other party fails to perform under the terms of the contract. The swap may also be terminated by CPS if the counterparty's credit quality rating falls below designated rating levels from Standard & Poor's, Moody's Investors Service and/or Fitch ("A—" as issued by Standard & Poor's and Fitch or "A3" as issued by Moody's Investors Service). The swap may also be terminated by the counterparty if CPS' credit quality rating by any two of Standard & Poor's, Moody's Investors Service and Fitch falls below "BBB" as issued by Standard & Poor's or Fitch and "Baa2" as issued by Moody's. If the swap is terminated, the Series 2009A bonds would no longer carry a synthetic fixed interest rate, and would be subject to the interest rate risk associated with variable rate debt. Also, if at the time of termination the swap has a negative fair value, CPS would be liable to the counterparty for payment equal to the swap's fair value.

**Series 2009B**

**Swap Objective.** CPS entered into an interest rate swap associated with the issuance of the Series 2004C bonds in February 2008 as a means of lowering its borrowing costs when compared against fixed-rate bonds at the time of issuance. The intention of entering into the swap was to effectively change the variable interest rate on the bonds to a fixed interest rate of 3.8257%. During fiscal year 2009, CPS refunded a portion of the Series 2004C bonds and the swap was transferred to Series 2009B. The intention of transferring the swap was to effectively change the variable interest rate to a fixed interest rate of 3.825% plus 0.50%.

**Swap terms.** The bonds and the related swap agreement mature on March 1, 2031, and the total notional amount of the swaps equals the \$75,410,000 of Series 2009B variable rate bonds. Starting in fiscal year 2024, the notional value of the swap declines by the same amount of the associated principal amortization. Under the swap, CPS pays the counterparty a fixed payment of 3.825% and receives a variable payment computed at 70% of the London Interbank Offered Rate (LIBOR).

**Fair value.** As of June 30, 2009, the swap has a negative fair value as a result of long term interest rates decreasing since the execution of the swap. The fair value was determined by market prices quoted by DerivActiv, an independent derivative valuation company who specializes in daily mark to market derivative valuations, as of June 30, 2009 (see table below).

**Credit risk.** As of June 30, 2009, CPS was not exposed to credit risk because the swaps had a negative fair value. However, should interest rates change and the fair value of the swaps becomes positive, CPS would be exposed to credit risk in the amount of the derivatives' fair value. To mitigate the potential for credit risk, if a counterparty's credit rating from either Standard & Poor's and Moody's Investors Service are "A+" / "A1", respectively or lower, and the fair value of the swap reaches certain threshold amounts, the fair value of the swap will be collateralized by the counterparty with U.S. government securities. Collateral would be posted with a third-party custodian.

**Swap Counterparty Data as of June 30, 2009**

<u>Counterparty</u>	<u>Swap Notional Amount</u>	<u>Credit Rating; Outlook</u>		<u>Swap Fair Value</u>
		<u>Moody's</u>	<u>S&amp;P</u>	
Royal Bank of Canada . . . . .	<u>\$75,410,000</u>	Aaa	AA—	<u>\$(10,958,136)</u>





**NOTE 10. DERIVATIVE INSTRUMENTS (continued)**

**Basis risk.** The swaps expose CPS to basis risk should the rate paid on the variable rate debt be higher than the 70% of LIBOR rate received from the swap counterparty. Should any adverse basis differential occur during the swap contract, the rate paid on the bonds will be higher than the 3.825% synthetic rate, and therefore the expected cost savings may not be realized. As of June 30, 2009, the weighted average variable rate was 0.18% and 70% of LIBOR was 0.2161%. To mitigate the potential for basis risk, CPS's annual debt service fund deposit is calculated at a rate of 4.325%.

**Termination risk.** CPS or the counterparties may terminate the swap if the other party fails to perform under the terms of the contract. The swap may also be terminated by CPS if the counterparty's credit quality rating falls below designated rating levels from Standard & Poor's, Moody's Investors Service and/or Fitch ("A—" as issued by Standard & Poor's and Fitch or "A3" as issued by Moody's Investors Service). The swaps may also be terminated by the counterparty if CPS' credit quality rating by any two of Standard & Poor's, Moody's Investors Service and Fitch falls below "BBB" as issued by Standard & Poor's or Fitch and "Baa2" as issued by Moody's. If the swap is terminated, the Series 20009B bonds would no longer carry a synthetic fixed interest rate, and would be subject to the interest rate risk associated with variable rate debt. Also, if at the time of termination the swap has a negative fair value, CPS would be liable to the counterparty for payment equal to the swap's fair value.

**Series 2008A**

**Swap Objective.** In August 2005, CPS sold an option to Bank of America N.A. under which CPS would enter into an interest rate swap associated with \$100,000,000 of bonds refunding the Series 1997A bonds upon exercise of option in July 2007 (effective December 2007). In November 2006, CPS also sold an option to Royal Bank of Canada under which CPS would have to enter into an interest rate swap associated with \$162,785,000 of bonds refunding the Series 1997A bonds upon exercise of the option in July 2007 (effective December 2007). The intention of entering into the swaps were to effectively economically refund \$262,785,000 of the Series 1997A bonds, avoiding negative arbitrage in advance refunding escrows, while realizing upfront payments of \$18,345,000 and \$24,925,000 to be used for costs of issuance and debt service requirements in fiscal years 2006 and 2007.

In July 2007, the counterparties exercised their swaption options and in December 2007, CPS entered into two interest rate swaps associated with the issuance of the Series 2007A auction rate bonds. In May 2008, CPS refunded the Series 2007A auction rate bonds with Series 2008A private placement variable rate bonds (\$262M). The swaps associated with Series 2007A were transferred to Series 2008A, with the intention of preserving a maximum amount of upfront savings.

**Swap terms.** The bonds and the related swap agreements mature on December 1, 2030, and the total notional amount of the swaps equals the \$262,785,000 of 2008A bonds. Starting in fiscal year 2025, the notional value of the swap declines by the same amount of the associated principal amortization. Under the swaps, CPS pays each counterparty a fixed payment of 5.25% and receives a variable payment computed at the 70% of the London Interbank Offered Rate (LIBOR) plus 0.28% from Bank of America and Royal Bank of Canada through December 1, 2030.

**Fair value.** CPS received upfront payments for the options on the swaptions in the amount of \$43,270,000 during fiscal years 2006 and 2007. Because CPS received an upfront payment and the fixed payments are higher than current market, the swaps have negative fair value. The fair value was determined by market prices quoted by DerivActiv, an independent derivative valuation company who specializes in daily mark to market derivative valuations, as of June 30, 2009 (see table below).

**Credit risk.** As of June 30, 2009, CPS was not exposed to credit risk because the swaps had a negative fair value. However, should interest rates change and the fair value of the swaps becomes positive, CPS would be exposed to credit risk in the amount of the derivatives' fair value. To mitigate the potential for credit risk, if a counterparty's credit rating from either Standard & Poor's and Moody's Investors Service



## Financial Section

**NOTE 10. DERIVATIVE INSTRUMENTS (continued)**

are “A+”/“A1”, respectively or lower, and the fair value of the swap reaches certain threshold amounts, the fair value of the swap will be collateralized by the counterparty with U.S. government securities. Collateral would be posted with a third-party custodian.

**Swap Counterparty Data as of June 30, 2009**

<u>Counterparty</u>	<u>Swap Notional Amount</u>	<u>Credit Rating; Outlook</u>		<u>Swap Fair Value</u>
		<u>Moody's</u>	<u>S&amp;P</u>	
Bank of America . . . . .	\$100,000,000	Aa3	AA–	\$(30,611,661)
Royal Bank of Canada . . . . .	162,785,000	Aaa	AA–	(45,894,419)
Total . . . . .	<u>\$262,785,000</u>			<u>\$(76,506,080)</u>

*Basis risk.* CPS' issuance of the 2008A bonds resulted in an expected synthetic interest rate of 5.85%. The swaps expose CPS to basis risk should the rate paid on the variable rate securities be more than .60% higher than the 70% of LIBOR rate plus .28% received from the swap counterparties. Should any adverse basis differential occur during the swap contract, the rate paid on the bonds will be higher than the expected synthetic rate, and therefore the expected cost savings may not be realized. As of June 30, 2009, the weighted average rate paid on the bonds was .62% and 70% of LIBOR plus .28% was .4961%.

*Termination risk.* CPS or the counterparties may terminate the swaps if the other party fails to perform under the terms of the contract. The swaps may also be terminated by CPS if the counterparty's credit quality rating falls below designated rating levels from Standard & Poor's, Moody's Investors Service and/or Fitch (“A–” as issued by Standard & Poor's and Fitch or “A3” as issued by Moody's Investors Service). The swaps may also be terminated by the counterparty if CPS's credit quality rating by any two of Standard & Poor's, Moody's Investors Service and Fitch falls below “BBB” as issued by Standard & Poor's or Fitch and “Baa2” as issued by Moody's. If the swaps are terminated, the Series 2008A bonds would no longer carry a synthetic fixed interest rate, and would be subject to the interest rate risk associated with variable rate debt. Also, if at the time of termination the swap has a negative fair value, CPS would be liable to the counterparty for payment equal to the swap's fair value.

**Series 2008B**

*Swap Objective.* CPS entered into two interest rate swaps associated with the issuance of the Series 2003D bonds in December 2003 as a means of lowering its borrowing costs when compared against fixed-rate bonds at the time of issuance. During fiscal year 2008, CPS refunded the Series 2003D auction rate bonds with Series 2008B private placement variable rate bonds (\$240M). The swaps associated with Series 2003D were transferred to Series 2008B. The intention of transferring the swaps was to effectively change the variable interest rate to a fixed interest rate of 3.771% plus .88%.

*Swap terms.* The bonds and the related swap agreements mature on March 1, 2034, and the total notional amount of the swaps equals the \$185,350,000 of 2008B private placement bonds. Starting in fiscal year 2018, the notional value of the swaps decline by the same amount of the associated principal amortization. Under the swaps, CPS pays each counterparty a fixed payment of 3.771% and receives a variable payment computed at the 70% of the London Interbank Offered Rate (LIBOR) through March 1, 2034.

*Fair value.* As of June 30, 2009, the swaps have a negative fair value as a result of long term interest rates decreasing since the execution of the swaps. Because the coupons on CPS' variable rate bonds adjust to changing interest rates, the bonds do not have a corresponding fair value increase. The fair value was determined by market prices quoted by DerivActiv, an independent derivative valuation company who specializes in daily mark to market derivative valuations, as of June 30, 2009 (see table below).





**NOTE 10. DERIVATIVE INSTRUMENTS (continued)**

**Credit risk.** As of June 30, 2009, CPS was not exposed to credit risk because the swaps had a negative fair value. However, should interest rates change and the fair value of the swaps becomes positive, CPS would be exposed to credit risk in the amount of the derivatives' fair value. To mitigate the potential for credit risk, if a counterparty's credit rating from either Standard & Poor's and Moody's Investors Service are "A—" / "A3", respectively or lower, and the fair value of the swap reaches certain threshold amounts, the fair value of the swaps will be collateralized by the counterparty with U.S. government securities. Collateral would be posted with a third-party custodian.

In October 2008, Lehman Brothers Special Financing Inc., filed for bankruptcy. The current mark-to-market valuation of the swap is in favor of Lehman Brothers Special Financing. CPS is not required to post collateral related to the agreement. During the fiscal year, Lehman Brothers Special Financing has been looking for another counterparty to replace them as the counterparty. On July 13, 2009, CPS filed an objection to the Assignment notice delivered on June 30, 2009 from Lehman Brothers Special Financing. In accordance with the Order Pursuant to Section 105 and 365 of the Bankruptcy Code to establish procedures for the settlement or assumption and assignment of Prepetition Derivative contracts, the Board objects to the assignment notice on grounds of the Board has no obligation to pay the swap payment to Lehman Brothers Special Financing as a result of continuing defaults. At this time, Lehman Brothers Special Financing, Inc. has not assigned the swap to another existing counterparty.

**Swap Counterparty Data as of June 30, 2009**

<u>Counterparty</u>	<u>Swap Notional Amount</u>	<u>Credit Rating; Outlook</u>		<u>Swap Fair Value</u>
		<u>Moody's</u>	<u>S&amp;P</u>	
Lehman Brothers .....	\$ 95,350,000	NR	NR	\$(12,355,770)
Goldman Sachs .....	90,000,000	A1	A	(11,662,495)
Total .....	<u>\$185,350,000</u>			<u>\$(24,018,265)</u>

**Basis risk.** CPS' issuance of the 2008B bonds resulted in an expected synthetic interest rate of 4.651%. The swaps expose CPS to basis risk should the rate paid on the variable rate securities be more than .88% higher than the 70% of LIBOR rate received from the swap counterparties. Should any adverse basis differential occur during the swap contract, the rate paid on the bonds will be higher than the expected synthetic rate, and therefore the expected cost savings may not be realized. As of June 30, 2009, the weighted average rate paid to bondholders was .62% and 70% of LIBOR was .2161%.

**Termination risk.** CPS or the counterparties may terminate the swaps if the other party fails to perform under the terms of the contract. The swaps may also be terminated by CPS if the counterparty's credit quality rating falls below designated rating levels from Standard & Poor's, Moody's Investors Service and/or Fitch ("A—" as issued by Standard & Poor's and Fitch or "A3" as issued by Moody's Investors Service). The swaps may also be terminated by the counterparty if CPS' credit quality rating by any two of Standard & Poor's, Moody's Investors Service and Fitch falls below "BBB" as issued by Standard & Poor's or Fitch and "Baa2" as issued by Moody's. If the swaps are terminated, the Series 2008B bonds would no longer carry a synthetic fixed interest rate, and would be subject to the interest rate risk associated with variable rate debt. Also, if at the time of termination the swap has a negative fair value, CPS would be liable to the counterparty for payment equal to the swap's fair value.

**Series 2005A**

**Swap Objective.** In October 2005, CPS entered into two interest rate swaps associated with the Series 2005A bonds as a means of lowering its borrowing costs. The intention of entering into the swaps was to effectively change the interest rate on the fixed rate bonds from the stated coupon on the bonds to a lower rate.



## Financial Section

**NOTE 10. DERIVATIVE INSTRUMENTS (continued)**

*Swap terms.* The bonds and the related swap agreements mature on December 1, 2031, and the total notional amount of the swaps equals the \$193,585,000 of Series 2005A fixed rate bonds. Starting in fiscal year 2014, the notional value of the swap declines by the same amount of the associated principal amortization. Under the swap, CPS pays one counterparty a variable payment computed at the Securities Industry and Financial Markets Association Municipal Swap Index rate (SIFMA) and receives a variable payment computed at 70% of the London Interbank Offered Rate (LIBOR) plus 52.4 basis points. For the second swap, CPS pays the counterparty a variable payment computed at the SIFMA rate and receives a variable payment computed at 80.764% of LIBOR.

*Fair value.* As of June 30, 2009, the swaps have a negative fair value as a result of long term interest rates decreasing since the execution of the swap. The fair value was determined by market prices quoted by DerivActiv, an independent derivative valuation company who specializes in daily mark to market derivative valuations, as of June 30, 2009 (see table below).

*Credit risk.* As of June 30, 2009, CPS was not exposed to credit risk because the swaps had a negative fair value. However, should interest rates change and the fair value of the swaps becomes positive, CPS would be exposed to credit risk in the amount of the derivatives' fair value. To mitigate the potential for credit risk, if a counterparty's credit rating from either Standard & Poor's and Moody's Investors Service are "A+" / "A1", respectively or lower, and the fair value of the swap reaches certain threshold amounts, the fair value of the swap will be collateralized by the counterparty with U.S. government securities. Collateral would be posted with a third-party custodian.

**Swap Counterparty Data as of June 30, 2009**

Counterparty	Swaption Notional Amount	Credit Rating; Outlook		Swap Fair Value
		Moody's	S&P	
Loop Financial . . . . .	\$116,151,000	Aa1	A+	\$(2,007,794)
Merrill Lynch . . . . .	77,434,000	A2	A	\$(2,293,780)
Total . . . . .	<u>\$193,585,000</u>			<u>\$(4,301,574)</u>

*Basis risk.* The swaps expose CPS to basis risk should the relationship between LIBOR and SIFMA converge. Should any adverse basis differential occur during the swap contracts, the rate paid on the bonds will be higher than the stated coupon on the bonds, and therefore the expected cost savings may not be realized. As of June 30, 2009, the SIFMA rate was 0.350%. As of June 30, 2009, the rate received by Loop Financial was 0.7401% (70% of LIBOR + 52.4 basis points) and was 0.2494% from Merrill Lynch (80.764% of LIBOR), effectively lowering the stated coupon on the bonds by a weighted average of 0.1938%.

*Termination risk.* CPS or the counterparties may terminate the swaps if the other party fails to perform under the terms of the contract. The swaps may also be terminated by CPS if the counterparty's credit quality rating falls below designated rating levels from Standard & Poor's, Moody's Investors Service and/or Fitch ("A—" as issued by Standard & Poor's and Fitch or "A3" as issued by Moody's Investors Service). The swaps may also be terminated by the counterparty if CPS' credit quality rating by any two of Standard & Poor's, Moody's Investors Service and Fitch falls below "BBB" as issued by Standard & Poor's or Fitch and "Baa2" as issued by Moody's. If the swaps are terminated, the Series 2005A bonds would no longer carry a synthetic fixed interest rate, and would be subject to the interest rate risk associated with variable rate debt. Also, if at the time of termination the swaps have a negative fair value, CPS would be liable to the counterparty for payment equal to the swaps' fair value.



**NOTE 10. DERIVATIVE INSTRUMENTS (continued)****Series 2005D**

*Swap Objective.* CPS entered into an interest rate swap associated with the issuance of the Series 2005D bonds in December 2005 as a means of lowering its borrowing costs when compared against fixed-rate bonds at the time of issuance. The intention of entering into the swap was to effectively change the variable interest rate on the bonds to a fixed interest rate of 3.6617%.

*Swap terms.* The bonds and the related swap agreement mature on March 1, 2036, and the total notional amount of the swaps equals the \$157,055,000 of Series 2005D variable rate bonds. Starting in fiscal year 2026, the notional value of the swap declines by the same amount of the associated principal amortization. Under the swaps, CPS pays the counterparty a fixed payment of 3.6617% and receives a variable payment computed at 70% of the London Interbank Offered Rate (LIBOR).

*Fair value.* As of June 30, 2009, the swap has a negative fair value as a result of long term interest rates decreasing since the execution of the swap. The fair value was determined by market prices quoted by DerivActiv, an independent derivative valuation company who specializes in daily mark to market derivative valuations, as of June 30, 2009 (see table below).

*Credit risk.* As of June 30, 2009, CPS was not exposed to credit risk because the swap had a negative fair value. However, should interest rates change and the fair value of the swap becomes positive, CPS would be exposed to credit risk in the amount of the derivatives' fair value. To mitigate the potential for credit risk, if a counterparty's credit rating from either Standard & Poor's and Moody's Investors Service are "A+" / "A1", respectively or lower, and the fair value of the swap reaches certain threshold amounts, the fair value of the swap will be collateralized by the counterparty with U.S. government securities. Collateral would be posted with a third-party custodian.

**Swap Counterparty Data as of June 30, 2009**

<u>Counterparty</u>	<u>Swap Notional Amount</u>	<u>Credit Rating; Outlook</u>		<u>Swap Fair Value</u>
		<u>Moody's</u>	<u>S&amp;P</u>	
Loop Financial . . . . .	<u>\$157,055,000</u>	Aa1	A+	<u>\$(19,692,126)</u>

*Basis risk.* The swaps expose CPS to basis risk should the rate paid on the variable rate debt be higher than the 70% of LIBOR rate received from the swap counterparty. Should any adverse basis differential occur during the swap contract, the rate paid on the bonds will be higher than the 3.6617% synthetic rate, and therefore the expected cost savings may not be realized. As of June 30, 2009, the weighted average variable rate was 6.55% and 70% of LIBOR was 0.2161%. To mitigate this adverse basis differential, CPS's annual debt service fund deposit was calculated at a rate of 7.00%.

*Termination risk.* CPS or the counterparties may terminate the swap if the other party fails to perform under the terms of the contract. The swap may also be terminated by CPS if the counterparty's credit quality rating falls below designated rating levels from Standard & Poor's, Moody's Investors Service and/or Fitch ("A-" as issued by Standard & Poor's and Fitch or "A3" as issued by Moody's Investors Service). The swap may also be terminated by the counterparty if CPS' credit quality rating by any two of Standard & Poor's, Moody's Investors Service and Fitch falls below "BBB" as issued by Standard & Poor's or Fitch and "Baa2" as issued by Moody's. If the swap is terminated, the Series 2005D bonds would no longer carry a synthetic fixed interest rate, and would be subject to the interest rate risk associated with variable rate debt. Also, if at the time of termination the swap has a negative fair value, CPS would be liable to the counterparty for payment equal to the swap's fair value.



**NOTE 10. DERIVATIVE INSTRUMENTS (continued)****Series 2000C and Series 2004C**

**Swap Objective.** In February 2008, CPS entered into an interest rate swap associated with Series 2000C and Series 2004C bonds with Royal Bank of Canada. The intention of entering into the swap was to effectively change the variable interest rate on the bonds to a fixed interest rate of 3.823% for Series 2000C and 3.825% for Series 2004C.

**Series 2000C Swap terms.** The bonds and the related swap agreement mature on March 1, 2032, and the total notional amount of the swaps equals the \$61,100,000. Starting in fiscal year 2024, the notional value of the swap declines by the same amount of the associated principal amortization. Under the swap, CPS pays the counterparty a fixed payment of 3.823% and receives a variable payment computed at 70% of the London Interbank Offered Rate (LIBOR).

**Series 2004C Swap terms.** The bonds and the related swap agreement mature on March 1, 2035, and the total notional amount of the swaps equals the \$48,910,000. Starting in fiscal year 2024, the notional value of the swap declines by the same amount of the associated principal amortization. Under the swap, CPS pays the counterparty a fixed payment of 3.825% and receives a variable payment computed at 70% of the London Interbank Offered Rate (LIBOR). During fiscal year 2009, a portion of the Series 2004C bonds (Notional amount \$75,410,000) were refunded and that portion of the swap was then transferred to Series 2009B.

**Fair value.** As of June 30, 2009, the swap has a negative fair value as a result of long term interest rates decreasing since the execution of the swap. The fair value was determined by market prices quoted by DerivActiv, an independent derivative valuation company who specializes in daily mark to market derivative valuations, as of June 30, 2009 (see table below).

**Credit risk.** As of June 30, 2009, CPS was not exposed to credit risk because the swaps had a negative fair value. However, should interest rates change and the fair value of the swaps becomes positive, CPS would be exposed to credit risk in the amount of the derivatives' fair value. To mitigate the potential for credit risk, if a counterparty's credit rating from either Standard & Poor's and Moody's Investors Service are "A+" / "A1", respectively or lower, and the fair value of the swap reaches certain threshold amounts, the fair value of the swap will be collateralized by the counterparty with U.S. government securities. Collateral would be posted with a third-party custodian.

**Swap Counterparty Data as of June 30, 2009**

<u>Counterparty</u>	<u>Swap Notional Amount</u>	<u>Credit Rating; Outlook</u>		<u>Swap Fair Value</u>
		<u>Moody's</u>	<u>S&amp;P</u>	
Royal Bank of Canada . . . . .	\$ 61,100,000	Aaa	AA–	\$ (8,585,280)
Royal Bank of Canada . . . . .	48,910,000	Aaa	AA–	\$ (7,107,076)
Total . . . . .	<u>\$110,010,000</u>			<u>\$(15,692,356)</u>

**Basis risk.** The swaps expose CPS to basis risk should the rate paid on the variable rate debt be higher than the 70% of LIBOR rate received from the swap counterparty. Should any adverse basis differential occur during the swap contract, Series 2000C and Series 2004C bonds rate paid on the bonds will be higher than the 3.6617% synthetic rate, and therefore the expected cost savings may not be realized. As of June 30, 2009, the weighted average variable rate was 1.00% for Series 2000C and 5.50% for Series 2004C and 70% of LIBOR was .2161%. To mitigate this adverse basis differential in Series 2004C, CPS' annual debt service fund deposit is calculated at a rate of 8.50%.

**Termination risk.** CPS or the counterparties may terminate the swaps if the other party fails to perform under the terms of the contract. The swaps may also be terminated by CPS if the counterparty's credit



**NOTE 10. DERIVATIVE INSTRUMENTS (continued)**

quality rating falls below designated rating levels from Standard & Poor's, Moody's Investors Service and/or Fitch ("A—" as issued by Standard & Poor's and Fitch or "A3" as issued by Moody's Investors Service). The swaps may also be terminated by the counterparty if CPS's credit quality rating by any two of Standard & Poor's, Moody's Investors Service and Fitch falls below "BBB" as issued by Standard & Poor's or Fitch and "Baa2" as issued by Moody's. If the swaps are terminated, the Series 2000C and Series 2004C bonds would no longer carry a synthetic fixed interest rate, and would be subject to the interest rate risk associated with variable rate debt. Also, if at the time of termination the swap has a negative fair value, CPS would be liable to the counterparty for payment equal to the swap's fair value.

**NOTE 11. OTHER LONG-TERM LIABILITIES**

The following is a summary of changes to other long-term liabilities (\$000's)

	Balance June 30, 2008	Additions	Payments	Balance June 30, 2009
Accrued Sick Pay Benefits . . . . .	\$269,045	\$ 63,133	\$(36,876)	\$295,302
Accrued Vacation Pay Benefits . . . . .	73,890	11,544	(11,128)	74,306
Accrued Workers' Compensation Claims . . . . .	86,818	30,956	(25,983)	91,791
Accrued General and Automobile Claims . . . . .	10,149	—	(1,149)	9,000
Tort Liabilities and Other Claims . . . . .	1,400	1,343	(743)	2,000
Total . . . . .	<u>\$441,302</u>	<u>\$106,976</u>	<u>\$(75,879)</u>	<u>\$472,399</u>
Less: Current Portion of Accrued Sick Pay Benefits . . . . .				(56,038)
Less: Current Portion of Accrued Vacation Pay Benefits . . . . .				(8,467)
Total Other Long-term Liabilities . . . . .				<u>\$407,894</u>

Sick Pay Benefits

CPS provides sick pay benefits for substantially all of its employees. Eligible employees can accumulate a maximum of 315 days. If an employee either reaches age 65; has a minimum of 20 years of service at the time of resignation or retirement, or dies, the employee is entitled to receive, as additional cash compensation, all or a portion of their accumulated sick leave days. The CPS budgets an amount each year in the General Operating Fund for these estimated payments to employees terminated in the current fiscal year.

Vacation Pay Benefits

For eligible employees, the maximum number of accumulated unused vacation days permitted is 40 days for those employees with up to 10 years of service; 53 days for those with 11 to 20 years of service; and 66 days for those with more than 20 years of service. Eligible employees are entitled to receive 100% of accumulated vacation days at their current salary rate. These amounts will be liquidated from the General Operating Fund.





**Financial Section****NOTE 11. OTHER LONG-TERM LIABILITIES (continued)**Accrued Workers' Compensation, General and Automobile and Tort Liabilities and Other Claims

CPS is substantially self-insured and assumes risk of loss as follows:

CPS maintains commercial excess property insurance for "all risks" of physical loss or damage with limits of \$200,000,000 and Boiler & Machinery Insurance with limits of \$100,000,000 with the following deductibles:

Data Processing Equipment & Media . . . . .	\$ 25,000
Mechanical Breakdown . . . . .	\$ 50,000
All Other Losses . . . . .	\$500,000

During fiscal years 2009, 2008 and 2007 no settlements were made in excess of the self-insured amount and there has been no significant reduction in insurance coverage over the past three fiscal years.

The CPS maintains commercial excess liability insurance with limits of \$75,000,000 in excess of a \$10,000,000 self-insured retention per loss for claims arising from: General Liability; Automotive Liability; Employers Liability; and Wrongful Acts.

As discussed in Note 15, there are pending workers' compensation and tort claims involving the CPS which have arisen out of the ordinary conduct of business. The CPS budgets an amount each year in the Workers' and Unemployment Compensation/Tort Immunity Fund for the estimated claims, of which the expenditures are met through an annual tax levy.

CPS' estimate of liabilities for workers' compensation claims, general and automobile claims and tort is based on reserves established by the respective trial attorneys or the claims administrators. The CPS accrues for the estimated workers' compensation, general and automobile claims and tort claims in the General Operating Fund where there is a likelihood that an unfavorable outcome is probable and that expenditures will be liquidated with expendable available financial resources.

CPS is self-insured for workers' compensation claims and certain employee health insurance costs (reimbursed to a provider on a cost plus fees basis). A liability of \$54 million has been recorded for health insurance costs as a part of accrued payroll in the General Operating Fund, which includes \$31 million for estimated medical claims incurred but not reported as of June 30, 2009. Following is the activity related to medical claims for which the CPS is self-insured (\$000's):

<u>Balance</u> <u>June 30, 2007</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance</u> <u>June 30, 2008</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance</u> <u>June 30, 2009</u>
<u>\$55,641</u>	<u>\$273,403</u>	<u>\$(280,580)</u>	<u>\$48,464</u>	<u>\$333,514</u>	<u>\$(327,938)</u>	<u>\$54,040</u>

**NOTE 12. PENSION AND OTHER POSTEMPLOYMENT BENEFITS****Pension — Certified Teachers and Administrators**

Pension benefits for certified teachers and administrators are provided under a defined benefit cost-sharing multiple employer plan administered by the Public School Teachers' Pension and Retirement Fund of Chicago (the "Pension Fund") in which the CPS is the sole employer. There are no assets of the CPS included in the Pension Fund. Copies of the Pension Fund Annual Report are available by contacting the Public School Teachers' Pension & Retirement Fund of Chicago, 203 North LaSalle Street, Chicago, Illinois 60601.

Article 17 of the Illinois Pension Code governs the retirement, survivor and disability benefits provided by the Pension Fund. Participation in the Pension Fund is mandatory for all members of the teaching force and employees of the Pension Fund. As of June 30, 2008, the most recent report, there were 32,086 active participants in the Pension Fund, substantially all of who were employees of the CPS.



**NOTE 12. PENSION AND OTHER POSTEMPLOYMENT BENEFITS (continued)**

A member of the Pension Fund with at least 20 years of service is entitled to a pension upon attainment of age 55. A member with at least 5 but less than 20 years of service is entitled to a pension upon attainment of age 62. The pension benefit is based upon years of service and salary level.

Participating members contribute 9% of salary, allocated as follows: 7.5% for retirement pension, 0.5% for automatic annual increases and 1.0% for survivor's pension. In fiscal year 2009, as in previous fiscal years, the CPS paid a portion (7% — \$129.7 million) of the required employees' contribution, which has been recorded as an expenditure in the accompanying financial statements. A portion of grant funds from the Federal government and General Operating Fund revenues provides the funding of the 7% portion. The remaining portion (2%) is withheld from teachers' salaries.

CPS' employer-required contributions, with the exception of contributions from Federal funds, are not actuarially determined. State law requires statutorily determined CPS employer contributions. CPS' employer contributions towards the cost of retirement benefits, and their related sources of funding, are as follows (\$000's):

**Retirement benefit contribution:**

A contribution from the State of Illinois . . . . .	\$ 74,845
A contribution to increase funded ratio to 90% . . . . .	161,559
A portion of grant funds from the Federal government for teachers paid from certain Federally-funded programs . . . . .	<u>26,665</u>
Total contributions. . . . .	<u>\$263,069</u>

For the fiscal year ended June 30, 2009, employee contributions are \$166.8 million which is 9% of covered payroll. Employer contributions for the year are \$263.1 million which is approximately 14% of covered payroll.

The CPS recognizes its pension expenditures as the amount accrued during the year that normally would be liquidated with expendable available financial resources (i.e., total CPS contributions).

The governmental fund financial statements reflect expenditures on both a functional and budgetary account basis. Teachers' pension expenditures reflected on the budgetary account basis include both CPS' employer share of pension expenditures of \$263.1 million and amounts incurred by CPS for a portion of the required employees' pension contribution of \$129.7 million, which total \$392.8 million. For functional reporting purposes, all teachers' pension expenditures, except that portion funded by the Federal grants, are reflected in the same functional classifications as the teachers' salaries.



**Financial Section****NOTE 12. PENSION AND OTHER POSTEMPLOYMENT BENEFITS (continued)**

The government-wide financial statements reflect pension expense representing the change in net pension obligation.

The CPS' annual pension costs for fiscal years 2009, 2008 and 2007 are as follows (\$000's):

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Annual required contribution (ARC) . . . . .	\$ 292,146	\$ 290,073	\$ 370,210
Interest on Net Pension Obligation (NPO) . . . . .	148,588	140,114	121,042
Adjustment to annual required contribution . . . . .	<u>(105,127)</u>	<u>(99,133)</u>	<u>(85,639)</u>
Annual Pension Cost (APC) . . . . .	\$ 335,607	\$ 331,054	\$ 405,613
Less: Contributions made . . . . .	<u>(263,069)</u>	<u>(225,134)</u>	<u>(167,209)</u>
Increase in NPO . . . . .	\$ 72,538	\$ 105,920	\$ 238,404
Add NPO, beginning of year . . . . .	<u>1,857,347</u>	<u>1,751,427</u>	<u>1,513,023</u>
NPO, end of year . . . . .	<u>\$1,929,885</u>	<u>\$1,857,347</u>	<u>\$1,751,427</u>
Actuarial valuation date . . . . .	June 30, 2008		
Actuarial cost method . . . . .	Projected Unit Credit		
Amortization method . . . . .	Level percent, open		
Remaining amortization period . . . . .	30 years		
Asset valuation method . . . . .	4 year smoothed market		
Actuarial assumptions:			
Investment rate of return . . . . .	8%		
Projected salary increases . . . . .	Average of 4% per year		
Inflation . . . . .	3%		

At June 30, 2008, 2007 and 2006 (the actuarial valuation dates), the Schedule of Funding Progress and other trend information is as follows (\$000's):

	<u>2008</u>	<u>2007</u>	<u>2006</u>
Actuarial value of assets . . . . .	\$ 12,069,417	\$ 11,759,699	\$ 10,947,998
Less: Actuarial Accrued Liability (AAL) . . . . .	<u>(15,203,741)</u>	<u>(14,677,184)</u>	<u>(14,035,627)</u>
AAL unfunded (liability) / surplus . . . . .	<u>\$ (3,134,324)</u>	<u>\$ ( 2,917,485)</u>	<u>\$ (3,087,629)</u>
Funded ratio . . . . .	79.4%	80.1%	78.0%
Covered payroll . . . . .	\$ 1,914,559	\$ 1,863,182	\$ 1,944,358
Unfunded AAL as a percentage of covered payroll . . .	163.7%	156.6%	158.8%
	<u>2009</u>	<u>2008</u>	<u>2007</u>
Annual pension cost . . . . .	\$ 335,607	\$ 331,054	\$ 405,613
Percentage of annual pension cost contributed . . . . .	78.4%	68.0%	41.2%
Net Pension Obligation . . . . .	\$1,929,885	\$1,857,347	\$1,751,427

In the opinion of the CPS' legal counsel, the unfunded actuarial liability of the Pension Fund is not a liability to be funded by the CPS; however, CPS is required to provide funding in addition to amounts provided from Federal and State sources if the funded ratio drops below 90%. CPS contributed \$161.6 million in fiscal year 2009 to increase the funded ratio to 90% and will make an additional General Operating Fund appropriation of \$318.2 million for the fiscal year ended June 30, 2010, a portion of this amount will be





**NOTE 12. PENSION AND OTHER POSTEMPLOYMENT BENEFITS (continued)**

funded by grant funds from the Federal government for teachers paid from certain Federally-funded programs. During fiscal year 2009, CPS did not offer an early retirement incentive program.

**Pension — Other Personnel**

All career service employees of CPS, except CPS employees who are members of the Public School Teachers' Pension and Retirement Fund, participate in the Municipal Employees' Annuity and Benefit Fund of Chicago (the "Annuity Fund"). The Annuity Fund is considered a defined benefit plan.

Employees with at least 10 years of service who have attained 55 years of age at the time they withdraw from service must accept an annuity if they are not eligible for a refund of their annuity contribution. Employees under the age of 55 with at least 10 years of service who withdraw from service may accept a refund of their contributions plus interest or let the contributions remain in the Annuity Fund and receive an annuity, beginning upon application for an annuity, after they attain 55 years of age. If an employee withdraws from service with less than 10 years of service, accumulated annuity contributions plus interest are refunded.

Except as described below, CPS makes no direct contributions to the Annuity Fund, which receives its income from three primary sources: a City of Chicago tax levy; income from investments; and deductions from participating employees' salaries.

Covered employees are required by Article 8, Chapter 40 of the Illinois Compiled Statutes to contribute a percentage of their salary (8.5%). In fiscal year 2009, as in previous fiscal years, CPS agreed to pay a portion (7% — \$38 million) of the required employees' contribution for most employees. CPS also receives a portion of the cost of providing pension benefits from grants by the Federal government for career service employees paid from certain Federally-funded programs. The amount reflected as career service pension expenditures in the accompanying governmental fund financial statements is \$93.8 million, \$38 million of this amount represents the required employees' contribution paid by CPS on behalf of its employees; \$50.3 million is contributed by the City of Chicago through its specific tax levies for pension plans and the remaining \$5.5 million is funded under Federally-funded programs. The portion funded by the City of Chicago and Federal Government is also reflected as revenue in the General Operating Fund.

Career service pension expense in the government-wide financial statements is \$93.8 million.

As of December 31, 2008, the date of the latest available report, the Annuity Fund had net assets of approximately \$4.7 billion and an unfunded accrued actuarial liability for all covered employees, including CPS employees, of approximately \$3.9 billion. The CPS employs approximately 16,400 of the 32,563 active participants in the Annuity Fund. CPS, in the opinion of its legal counsel, has no duty to contribute any sum to the Annuity Fund.

**Other Postemployment Benefits (OPEB)**

Healthcare benefits for certified teachers and administrators are provided under a multiple employer plan administered by the Public School Teachers' Pension and Retirement Fund of Chicago (the "Pension Fund"). There are no assets of the CPS included in the Pension Fund. The initial actuarial analysis is contained in a stand alone report that was commissioned by CPS and is available by contacting Chicago Public Schools, 125 South Clark Street, Chicago, Illinois 60603. Subsequent analyses will be contained within the Pension Fund Annual Report and will be available by contacting the Public School Teachers' Pension & Retirement Fund of Chicago, 203 North LaSalle Street, Chicago, Illinois 60601.

The Pension Fund administers a health insurance program that includes two external health insurance providers. A recipient of a retirement pension, survivor pension, or disability pension may be eligible to participate in a health insurance program and premium rebate sponsored by the Pension Fund, provided the Pension Fund is the recipient's final pension system prior to retirement. The purpose of this program is



**NOTE 12. PENSION AND OTHER POSTEMPLOYMENT BENEFITS (continued)**

to help defray the retired member's premium cost for health insurance. The member is responsible for paying the cost of the insurance and may purchase insurance from the Pension Fund's providers or other outside providers. Each year, the Board of Trustees of the Pension Fund establishes a rebate percentage that is used to defray a portion of the cost of the insurance. The rebate percentage was 70% of the individual member's cost for fiscal years 2008 and 2007. In accordance with Illinois Compiled Statutes (ILCS) Article 40 Chapter 5 Article 17 Section 142.1, the total health insurance benefits provided in any one year may not exceed \$65 million plus any previous year amounts authorized but not yet expended. The statutory threshold, however, does not fall under the definition of a funding cap as set forth in GASBS 45. The Pension Fund has total discretion over the program, and no employee or employer contributions are made for the subsidy. As of June 30, 2008, the most recent available data, there were 15,166 active participants in the Chicago Teachers' Pension Fund Retiree Health Insurance Program.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. Actuarial calculations reflect a long-term perspective and, consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

The CPS' annual OPEB costs for fiscal year 2009, 2008 and 2007 are as follows (\$000's):

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Annual required contribution . . . . .	\$171,880	\$150,033	\$209,446
Interest on net OPEB obligation . . . . .	26,091	21,255	10,666
Adjustment to annual required contribution . . . . .	(21,121)	(16,589)	(8,324)
Annual OPEB cost . . . . .	\$176,850	\$154,699	\$211,788
Less: Contributions made . . . . .	—	—	—
Increase in OPEB . . . . .	\$176,850	\$154,699	\$211,788
Add OPEB, beginning of year . . . . .	\$579,803	\$425,104	213,316
OPEB, end of year . . . . .	<u>\$756,653</u>	<u>\$579,803</u>	<u>\$425,104</u>

Actuarial valuation date . . . . .	June 30, 2008
Actuarial cost method . . . . .	Projected Unit Credit
Amortization method . . . . .	Level percent of payroll
Remaining amortization period . . . . .	30 years
Actuarial assumptions:	
Discount rate . . . . .	4.5%
Medical trend rate . . . . .	5%
Inflation . . . . .	3%



**NOTE 12. PENSION AND OTHER POSTEMPLOYMENT BENEFITS (continued)**

At June 30, 2008, 2007 and 2006 (the actuarial valuation dates), the Schedule of Funding Progress and other trend information is as follows (\$000's):

	<u>2008</u>	<u>2007</u>	<u>2006</u>
Actuarial value of assets . . . . .	\$ 44,989	\$ 47,402	\$ 41,058
Less: Actuarial Accrued Liability (AAL) . . . . .	(2,407,122)	(2,022,008)	(2,373,774)
AAL unfunded (liability) / surplus . . . . .	<u>\$(2,362,133)</u>	<u>\$(1,974,606)</u>	<u>\$(2,332,716)</u>
Funded ratio . . . . .	1.9%	2.3%	1.7%
Covered payroll . . . . .	\$ 1,914,559	\$ 1,863,182	\$ 1,944,358
Unfunded AAL as a percentage of covered payroll . . . . .	123.4%	105.9%	119.7%
	<u>2009</u>	<u>2008</u>	<u>2007</u>
Annual OPEB cost . . . . .	\$176,850	\$154,699	\$211,788
Percentage of annual pension cost contributed . . . . .	0%	0%	0%
Net OPEB obligation . . . . .	\$756,653	\$579,803	\$425,104

**Other Personnel**

Actuarial studies on other personnel determined that no OPEB liability exists for those employees as of June 30, 2009.

**NOTE 13. FUND BALANCE RESERVATIONS AND NET ASSET RESTRICTIONS***a. Fund Balance Reservation*

On the fund financial statements, the Fund Balance Reserved for Specific Purposes consists of the following (\$000's):

<u>Purpose</u>	<u>Reserved Amount</u>
Workers' Compensation/Tort Immunity . . . . .	\$ 47,859
Supplementary General State Aid . . . . .	53,213
Total . . . . .	<u>\$101,072</u>

The amount reserved for Supplementary General State Aid represents the unexpended and unencumbered portion of the 2009 Supplementary General State Aid allocation.

In its fiscal year 2009 budget, CPS appropriated in its General Operating Fund \$45.2 million of fund balances from amounts reserved for specific purposes and \$100 million of general fund balance.

In its fiscal year 2010 budget, CPS appropriated in its General Operating Fund \$45.6 million of fund balances from amounts reserved for specific purposes and \$60.8 million of general fund balance.

In its fiscal year 2009 budget, CPS designated \$258 million to provide working capital. In its fiscal year 2010 budget, CPS has designated \$181.2 million to provide working capital.

During fiscal year 2009, the Board reserved \$274.8 million for Debt Service of which \$240 million was allocated to the Bond Redemption and Interest Program and the remaining \$34.8 million was allocated to the Public Building Commission Leases Program.



**Financial Section****NOTE 13. FUND BALANCE RESERVATIONS AND NET ASSET RESTRICTIONS (continued)***b. Net Assets Restrictions*

The government-wide statement of net assets reports \$539.5 million of restricted net assets, of which \$434.7 is restricted for Debt service, \$3.7 million is restricted for Donations and \$101.1 is restricted by Enabling legislation.

**NOTE 14. THE CHICAGO SCHOOL FINANCE AUTHORITY**

In 1979, CPS was unable to continue normal operations because of a severe cash shortage. As a result, the Chicago School Finance Authority (the "Authority") was created in January 1980 to exercise oversight and control over the financial affairs of CPS.

The Authority is a separate body politic and corporate and a unit of local government with the power to levy property taxes. According to the Illinois School Code, Chapter 105, Article 34A, Section 604 the Authority will remain in existence until one year after all bonds and notes issued by it have been discharged. Upon the abolition of the Authority, all of its rights and property shall pass to and be vested in the Board. As of June 30, 2009, the bonds are considered to be fully repaid. Therefore, the Authority will be abolished in June 2010.

**NOTE 15. LITIGATION AND CONTINGENCIES***a. State and Federal Aid Receipts*

State and Federal aid is generally subject to review by the responsible governmental agencies for compliance with the agencies' regulations governing the aid. In the opinion of CPS management and legal counsel, any potential adjustments to the Federal or State aid recorded by CPS through June 30, 2009, resulting from a review by a responsible government agency will not have a material effect on CPS' financial statements at June 30, 2009.

*b. Pollution remediation obligation.*

In November 2006, the GASB issued Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*. The Statement establishes accounting and financial reporting standards for pollution remediation obligations which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessments and cleanups. CPS implemented GASB Statement 49 for the fiscal year ended June 30, 2009, and recorded a pollution remediation obligation of \$14.8 million as current year expense in the Statement of Activities.

Several CPS facilities contain hazardous contaminants such as lead and asbestos, which is continually monitored by the school district. CPS' pollution remediation obligation is primarily related to the removal of lead and asbestos during the remodeling and/or expansion of CPS facilities. The pollution remediation obligation is derived from construction contracts and the amount assumes no unexpected change orders.

*c. Other Litigation and Claims*

There are numerous other claims and pending legal actions involving CPS, including actions concerned with civil rights of employees, workers' compensation, torts, property tax objections, and other matters, arising out of CPS' ordinary conduct of its business. Certain actions involve alleged damages in substantial amounts. The amounts of liability, if any, on these claims as of June 30, 2009, in excess of related insurance coverage with respect to certain claims, are not determinable at this time. In the opinion of CPS management and legal counsel, the final resolution of these claims and legal actions will not be material to CPS' financial statements as of June 30, 2009.



**NOTE 16. SUBSEQUENT EVENTS**Unlimited Tax General Obligation Refunding Bonds (Series 2009D)

In July 2009, Chicago Public Schools issued \$75,720,000 in Unlimited Tax General Tax Obligation Refunding Bonds (Series 2009D) at a premium of \$4,238,498. The proceeds from these bonds along with certain debt service funds on hand were used to refund \$53,030,000 of Series 2004D Bonds and \$29,155,000 of Series 2004E bonds and pay costs of issuance of the bonds. On July 30, 2009, the bonds were repurchased in full and are considered fully refunded. The debt service on this issuance will be paid from General State Aid revenues. Because the refunded bonds are variable rate, the calculation of an economic gain disclosure is not meaningful as there is an uncertainty of future debt service requirements. Accordingly, no economic gain will be made for this refunding.

Unlimited Tax General Obligation (Series 2009E) Taxable Build America Bonds "Direct Payment" and (Series 2009F) Tax-Exempt Bonds

In September 2009, Chicago Public Schools issued \$518,210,000 in Unlimited Tax General Obligation Bonds (Series 2009E) Taxable Build America Bonds. The Board has made the election to have Section 54AA of the Internal Revenue Code of 1986, as amended (the "Code") apply to the Series 2009E Bonds so the Series 2009E Bonds may qualify as "build America bonds" under Code Section 54AA(d). The Board has also made the election to have Section 54AA(g) of the Code apply to the Series 2009E Bonds in order to receive the refundable credits allowed to issuers pursuant to Sections 54AA(g)(1) and 6431 of the Code with respect to "qualified bonds" (the "Federal Subsidy Payments"). Under current law, the Federal Subsidy Payments are to be paid by the United States directly to any issuer of bonds that qualify as "build America bonds" and as "qualified bonds" in an amount equal to 35% of the interest payable by such issuer on such bonds on each interest payment date, provided that certain requirements, as described in the Code and related IRS pronouncements, as to the uses and investment of the bond proceeds and other matters, are continuously satisfied by such issuer. The proceeds from these bonds are being used as part of CPS' Capital Improvement Program, and to pay costs of issuance of the bonds. The debt service will be paid from General State Aid Revenues.

In September 2009, Chicago Public Schools issued \$29,125,000 in Unlimited Tax General Obligation Bonds (Series 2009F) Tax-Exempt Bonds at a premium of \$2,221,004. The proceeds from these bonds are being used as part of CPS' Capital Improvement Program, and to pay costs of issuance of the bonds. The debt service will be paid from General State Aid Revenues.

Unlimited Tax General Obligation Bonds (Series 2009G)

In December 2009, Chicago Public Schools issued \$254,240,000 in Unlimited Tax General Obligation Bonds (Series 2009G) Qualified School Construction Bonds under the provisions of the American Recovery and Reinvestment Act of 2009 (the "Recovery Act") and as defined in Section 54F of the Internal Revenue Code of 1986, as amended (the "Code"). The Bonds include a component relating to principal payment and a component relating to the tax credits, which the Owners of the Bonds will be allowed under the Code. In addition to the tax credits, the Bonds were issued bearing interest at a supplemental coupon rate of 1.75% per annum. The Bonds may, in certain circumstances, be converted, in whole or in part, to bonds that, in lieu of providing the Owner thereof credits against federal income tax liability, bear additional interest (in addition to the Supplemental Coupon) at the tax credit rate. The proceeds from these bonds are being used as part of CPS' Capital Improvement Program, and to pay costs of issuance of the bonds. The debt service will be paid from General State Aid Revenues.



**CHICAGO PUBLIC SCHOOLS**  
Chicago Board of Education

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**General Operating Fund**

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The General Operating Fund is the primary operating fund of the Board. It was created in response to the provisions of P.A. 89-15 which consolidated all of the rate-limited tax levies into the Board's general education tax levy. All information in this fund is presented in accordance with the provisions of the Illinois Program Accounting Manual for Local Education Agencies. The General Operating Fund includes all the revenues and expenditures of the following programs: Educational Program; Supplementary General State Aid Program; School Food Service Program; Elementary and Secondary Education Act Program; Individuals with Disabilities Education Act Program; Workers and Unemployment Compensation/Tort Immunity Program; Public Building Commission Operations and Maintenance Program, and; Other Government-funded Programs.





## CHICAGO PUBLIC SCHOOLS

## Chicago Board of Education

## GENERAL OPERATING FUND

## SCHEDULE OF REVENUES AND EXPENDITURES AND NET CHANGES IN FUND BALANCE

## FINAL APPROPRIATIONS AND ACTUAL

For the Fiscal Year Ended June 30, 2009

With Comparative Amounts for the Fiscal Year Ended June 30, 2008

(Thousands of Dollars)

	Final Appropriations	Fiscal Year 2009 Actual	Variance	Fiscal Year 2008 Actual	2009 Over (Under) 2008
<b>REVENUES:</b>					
Property taxes . . . . .	\$1,831,160	\$1,867,350	\$ 36,190	\$1,763,282	\$ 104,068
Replacement taxes . . . . .	135,820	132,819	(3,001)	159,805	(26,986)
State aid . . . . .	1,732,817	1,333,182	(399,635)	1,692,351	(359,169)
Federal aid . . . . .	868,808	1,122,805	253,997	832,526	290,279
Interest and investment earnings . . . . .	32,400	21,405	(10,995)	40,905	(19,500)
Other . . . . .	108,716	102,107	(6,609)	96,816	5,291
Total Revenues . . . . .	<u>\$4,709,721</u>	<u>\$4,579,668</u>	<u>\$(130,053)</u>	<u>\$4,585,685</u>	<u>\$ (6,017)</u>
<b>EXPENDITURES:</b>					
Teachers' salaries . . . . .	\$1,987,110	\$1,975,940	\$ 11,170	\$1,885,400	\$ 90,540
Career service salaries . . . . .	622,567	597,533	25,034	559,741	37,792
Energy . . . . .	88,738	92,354	(3,616)	86,759	5,595
Food . . . . .	88,879	89,592	(713)	83,326	6,266
Textbooks . . . . .	97,910	86,356	11,554	89,514	(3,158)
Supplies . . . . .	61,876	44,572	17,304	46,030	(1,458)
Other commodities . . . . .	1,020	998	22	910	88
Professional fees . . . . .	469,346	440,921	28,425	360,277	80,644
Charter schools . . . . .	256,340	256,154	186	189,006	67,148
Transportation . . . . .	105,095	109,351	(4,256)	102,828	6,523
Tuition . . . . .	64,283	63,858	425	65,105	(1,247)
Telephone and telecommunications . . . . .	5,414	19,426	(14,012)	17,671	1,755
Other services . . . . .	18,858	13,935	4,923	13,253	682
Equipment — Educational . . . . .	35,387	34,450	937	39,003	(4,553)
Repairs and replacements . . . . .	34,108	34,772	(664)	36,999	(2,227)
Capital outlay . . . . .	22	12	10	10	2
Teachers' pension . . . . .	398,828	392,801	6,027	350,483	42,318
Career service pension . . . . .	96,885	93,791	3,094	89,776	4,015
Hospitalization and dental insurance . . . . .	287,977	299,206	(11,229)	260,386	38,820
Medicare . . . . .	35,519	33,667	1,852	31,075	2,592
Unemployment compensation . . . . .	10,622	8,599	2,023	5,764	2,835
Workers' compensation . . . . .	30,665	28,148	2,517	29,757	(1,609)
Rent . . . . .	13,309	12,000	1,309	11,020	980
Debt service . . . . .	1,037	1,037	—	21,704	(20,667)
Other fixed charges . . . . .	43,126	13,306	29,820	18,888	(5,582)
Total Expenditures . . . . .	<u>\$4,854,921</u>	<u>\$4,742,779</u>	<u>\$ 112,142</u>	<u>\$4,394,685</u>	<u>\$ 348,094</u>
REVENUES IN EXCESS OF (LESS THAN) EXPENDITURES . . . . .	<u>\$ (145,200)</u>	<u>\$ (163,111)</u>	<u>\$ (17,911)</u>	<u>\$ 191,000</u>	<u>\$(354,111)</u>
<b>OTHER FINANCING SOURCES:</b>					
Transfers in . . . . .	\$ —	\$ 20,389	\$ 20,389	\$ 3,813	\$ 16,576
Total other financing sources . . . . .	<u>\$ —</u>	<u>\$ 20,389</u>	<u>\$ 20,389</u>	<u>\$ 3,813</u>	<u>\$ 16,576</u>
NET CHANGE IN FUND BALANCE . . . . .	<u>\$ (145,200)</u>	<u>\$ (142,722)</u>	<u>\$ 2,478</u>	<u>\$ 194,813</u>	<u>\$(337,535)</u>
Fund Balance, beginning of period . . . . .	669,596	669,596	—	474,783	194,813
Fund Balance, end of period . . . . .	<u>\$ 524,396</u>	<u>\$ 526,874</u>	<u>\$ 2,478</u>	<u>\$ 669,596</u>	<u>\$(142,722)</u>

**CHICAGO PUBLIC SCHOOLS**  
Chicago Board of Education

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**Capital Projects Fund**

The Capital Projects Fund is for the receipt and expenditures of revenues for Board capital projects. This fund includes the Capital Asset Program and the Capital Improvement Program.

**Capital Asset Program:**

This program is for the receipt and expenditures of proceeds from the sale of certain Board real estate, proceeds from the Chicago School Finance Authority, and other miscellaneous capital project revenues from various sources as designated by the Board.

**Capital Improvement Program:**

This program is for the receipt and expenditures of proceeds from the sale of Unlimited Tax General Obligation Bonds, Public Building Commission Building Revenue Bonds, State of Illinois construction grant receipts and federal E-rate capital subsidies for the purpose of building and improving schools at the designation of the Board.





## CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

## CAPITAL PROJECTS FUND

## SCHEDULE OF REVENUES, EXPENDITURES,

## OTHER FINANCING SOURCES AND NET CHANGES IN FUND BALANCES

For the Fiscal Year Ended June 30, 2009

(Thousands of dollars)

	Capital Asset Program	Capital Improvement Program	Total
Revenues:			
Federal aid . . . . .	\$ —	\$ 2,775	\$ 2,775
Interest and investment earnings . . . . .	—	12,530	12,530
Other . . . . .	—	126,385	126,385
Total Revenues . . . . .	\$ —	\$ 141,690	\$ 141,690
Expenditures:			
Capital outlays . . . . .	\$ 13,706	\$ 634,596	\$ 648,302
Total Expenditures . . . . .	\$ 13,706	\$ 634,596	\$ 648,302
REVENUES IN EXCESS OF / (LESS THAN)			
EXPENDITURES . . . . .	\$(13,706)	\$(492,906)	\$(506,612)
OTHER FINANCING SOURCES:			
Insurance proceeds . . . . .	\$ —	\$ 1,155	\$ 1,155
Sales of general capital assets . . . . .	91	—	91
Total other financing sources . . . . .	\$ 91	\$ 1,155	\$ 1,246
NET CHANGE IN FUND BALANCES . . . . .	\$(13,615)	\$(491,751)	\$(505,366)
Fund Balances, beginning of period . . . . .	40,440	565,663	606,103
Fund Balances, end of period . . . . .	\$ 26,825	\$ 73,912	\$ 100,737



**CHICAGO PUBLIC SCHOOLS**  
**Chicago Board of Education**

**CAPITAL ASSET PROGRAM**

**SCHEDULE OF REVENUES AND EXPENDITURES AND NET CHANGE IN FUND BALANCE**

**FINAL APPROPRIATIONS VS. ACTUAL**

**For the Fiscal Year Ended June 30, 2009**

**With Comparative Amounts for the Fiscal Year Ended June 30, 2008**

**(Thousands of dollars)**

	<u>Final Appropriations</u>	<u>Fiscal Year 2009</u>	<u>Variance</u>	<u>Fiscal Year 2008</u>	<u>2009 Over (Under) 2008</u>
REVENUES:					
State aid . . . . .	\$ —	\$ —	\$ —	\$ —	\$ —
Other . . . . .	—	—	—	—	—
Total Revenues . . . . .	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
EXPENDITURES:					
Capital outlay . . . . .	\$ 32,324	\$ 13,706	\$18,618	\$ —	\$ 13,706
Total Expenditures . . . . .	<u>\$ 32,324</u>	<u>\$ 13,706</u>	<u>\$18,618</u>	<u>\$ —</u>	<u>\$ 13,706</u>
REVENUES IN EXCESS OF (LESS THAN) EXPENDITURES . . . . .	<u>\$(32,324)</u>	<u>\$(13,706)</u>	<u>\$18,618</u>	<u>\$ —</u>	<u>\$(13,706)</u>
OTHER FINANCING SOURCES:					
Sales of general capital assets . . . .	\$ —	\$ 91	\$ 91	\$ 6,404	\$ (6,313)
Total other financing sources . . . .	<u>\$ —</u>	<u>\$ 91</u>	<u>\$ 91</u>	<u>\$ 6,404</u>	<u>\$ (6,313)</u>
NET CHANGE IN FUND BALANCE . .	<u>\$(32,324)</u>	<u>\$(13,615)</u>	<u>\$18,709</u>	<u>\$ 6,404</u>	<u>\$(20,019)</u>
Fund Balances, beginning of period . .	<u>40,440</u>	<u>40,440</u>	<u>—</u>	<u>34,036</u>	<u>6,404</u>
Fund Balances, end of period . . . . .	<u>\$ 8,116</u>	<u>\$ 26,825</u>	<u>\$18,709</u>	<u>\$40,440</u>	<u>\$(13,615)</u>



## CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

## CAPITAL IMPROVEMENT PROGRAM

## SCHEDULE OF REVENUES, EXPENDITURES BY OBJECT,

## OTHER FINANCING SOURCES (USES) AND NET CHANGE IN FUND BALANCE

## FINAL APPROPRIATIONS VS. ACTUAL

For the Fiscal Year Ended June 30, 2009

With Comparative Amounts for the Fiscal Year Ended June 30, 2008

(Thousands of dollars)

	Final Appropriations	Fiscal Year 2009	Variance	Fiscal Year 2008	2009 Over (Under) 2008
<b>REVENUES:</b>					
State aid . . . . .	\$ —	\$ —	\$ —	\$ 58	\$ (58)
Federal aid . . . . .	2,500	2,775	275	43,515	(40,740)
Interest and investment earnings . .	15,000	12,530	(2,470)	25,970	(13,440)
Other . . . . .	88,500	126,385	37,885	60,457	65,928
Total Revenues . . . . .	<u>\$ 106,000</u>	<u>\$ 141,690</u>	<u>\$ 35,690</u>	<u>\$ 130,000</u>	<u>\$ 11,690</u>
<b>EXPENDITURES:</b>					
Salaries . . . . .	\$ 1,473	\$ 1,083	\$ 390	\$ 8,779	\$ (7,696)
Commodities . . . . .	2,995	4,387	(1,392)	7,465	(3,078)
Services . . . . .	695,925	440,283	255,642	302,605	137,678
Educational equipment . . . . .	11,692	1,962	9,730	36,664	(34,702)
Capital outlay . . . . .	270,167	140,901	129,266	102,140	38,761
Pension . . . . .	2	2	—	1,381	(1,379)
Hospitalization and dental insurance . . . . .	—	—	—	596	(596)
Medicare . . . . .	17	13	4	122	(109)
Unemployment compensation . . .	—	—	—	20	(20)
Workers compensation . . . . .	—	—	—	104	(104)
Other . . . . .	(40)	45,965	(46,005)	3,181	42,784
Total Expenditures . . . . .	<u>\$ 982,231</u>	<u>\$ 634,596</u>	<u>\$ 347,635</u>	<u>\$ 463,057</u>	<u>\$ 171,539</u>
REVENUES IN EXCESS OF (LESS THAN) EXPENDITURES . . . . .	<u>\$(876,231)</u>	<u>\$(492,906)</u>	<u>\$ 383,325</u>	<u>\$(333,057)</u>	<u>\$(159,849)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Gross amounts from debt issuances . . . . .	\$ 555,916	\$ —	\$(555,916)	\$ 238,720	\$(238,720)
Insurance proceeds . . . . .	—	1,155	1,155	—	1,155
Premiums . . . . .	—	—	—	13,835	(13,835)
Total other financing sources . . .	<u>\$ 555,916</u>	<u>\$ 1,155</u>	<u>\$(554,761)</u>	<u>\$ 252,555</u>	<u>\$(251,400)</u>
<b>NET CHANGE IN FUND BALANCE</b>					
FUND BALANCE . . . . .	\$(320,315)	\$(491,751)	\$(171,436)	\$ (80,502)	\$(411,249)
Fund Balances, beginning of period . . . . .	565,663	565,663	—	646,165	(80,502)
Fund Balances, end of period . . .	<u>\$ 245,348</u>	<u>\$ 73,912</u>	<u>\$(171,436)</u>	<u>\$ 565,663</u>	<u>\$(491,751)</u>

**CHICAGO PUBLIC SCHOOLS**  
Chicago Board of Education

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**Debt Service Fund**

The Debt Service Fund is established to account for annual property tax levies and other revenues that are used for the payment of principal and interest and redemption for general obligation bonds by the Board and for lease payments to the Public Building Commission. The fund includes the Bond Redemption and Interest Program and the Public Building Commission Leases Program.

**Bond Redemption and Interest Program:**

This program is for the receipt and expenditure of replacement taxes, City of Chicago Intergovernmental Agreement Revenue, State of Illinois construction grant receipts and other revenues as designated by the Board for the payment of interest and principal on specific bond issues.

**Public Building Commission Leases Program:**

This program is for the receipt and expenditure of tax levies and for State of Illinois construction grant receipts for the rental of school buildings from the Public Building Commission.



## CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

## DEBT SERVICE FUND

## SCHEDULE OF REVENUES, EXPENDITURES, OTHER

## FINANCING SOURCES (USES) AND NET CHANGES IN FUND BALANCES

For the Fiscal Year Ended June 30, 2009

(Thousands of dollars)

	Bond Redemption and Interest Program	Public Building Commission Leases Program	Total
Revenues:			
Property taxes . . . . .	\$ —	\$ 29,190	\$ 29,190
Replacement taxes . . . . .	55,684	—	55,684
State aid . . . . .	178,704	—	178,704
Interest and investment earnings . . . . .	9,175	583	9,758
Other . . . . .	24,884	—	24,884
Total Revenues . . . . .	<u>\$ 268,447</u>	<u>\$ 29,773</u>	<u>\$ 298,220</u>
Expenditures:			
Debt service . . . . .	<u>\$ 249,331</u>	<u>\$ 51,838</u>	<u>\$ 301,169</u>
Total Expenditures . . . . .	<u>\$ 249,331</u>	<u>\$ 51,838</u>	<u>\$ 301,169</u>
REVENUES IN EXCESS OF / (LESS THAN) EXPENDITURES . . . . .	<u>\$ 19,116</u>	<u>\$(22,065)</u>	<u>\$ (2,949)</u>
OTHER FINANCING SOURCES (USES):			
Gross amounts from debt issuances . . . . .	\$ 225,675	\$ —	\$ 225,675
Payment to refunded bond escrow agent . . . . .	(226,408)	—	(226,408)
Transfers in / (out) . . . . .	(40,932)	20,543	(20,389)
Total other financing sources (uses) . . . . .	<u>\$ (41,665)</u>	<u>\$ 20,543</u>	<u>\$ (21,122)</u>
NET CHANGE IN FUND BALANCES . . . . .	<u>\$ (22,549)</u>	<u>\$ (1,522)</u>	<u>\$ (24,071)</u>
Fund Balances, beginning of period . . . . .	<u>414,612</u>	<u>36,348</u>	<u>450,960</u>
Fund Balances, end of period . . . . .	<u>\$ 392,063</u>	<u>\$ 34,826</u>	<u>\$ 426,889</u>



## CHICAGO PUBLIC SCHOOLS

## Chicago Board of Education

## BOND REDEMPTION AND INTEREST PROGRAM

## SCHEDULE OF REVENUES, EXPENDITURES BY OBJECT,

## OTHER FINANCING SOURCES (USES) AND NET CHANGES IN FUND BALANCE

## FINAL APPROPRIATIONS VS. ACTUAL

For the Fiscal Year Ended June 30, 2009

With Comparative Amounts for the Fiscal Year Ended June 30, 2008

(Thousands of dollars)

	Final Appropriations	Fiscal Year 2009 Actual	Variance	Fiscal Year 2008 Actual	2009 Over (Under) 2008
REVENUES:					
Replacement taxes . . . . .	\$ 55,684	\$ 55,684	\$ —	\$ 55,684	\$ —
State aid . . . . .	180,421	178,704	(1,717)	153,625	25,079
Interest and investment earnings . . . . .	—	9,175	9,175	17,893	(8,718)
Other . . . . .	20,114	24,884	4,770	23,755	1,129
Total Revenues . . . . .	<u>\$256,219</u>	<u>\$ 268,447</u>	<u>\$ 12,228</u>	<u>\$ 250,957</u>	<u>\$ 17,490</u>
EXPENDITURES:					
Debt service . . . . .	<u>\$236,219</u>	<u>\$ 249,331</u>	<u>\$ (13,112)</u>	<u>\$ 208,638</u>	<u>\$ 40,693</u>
Total Expenditures . . . . .	<u>\$236,219</u>	<u>\$ 249,331</u>	<u>\$ (13,112)</u>	<u>\$ 208,638</u>	<u>\$ 40,693</u>
REVENUES IN EXCESS OF/ (LESS THAN) EXPENDITURES . . . . .	<u>\$ 20,000</u>	<u>\$ 19,116</u>	<u>\$ (884)</u>	<u>\$ 42,319</u>	<u>\$ (23,203)</u>
OTHER FINANCING SOURCES (USES):					
Gross amounts from debt issuances . . . . .	\$ —	\$ 225,675	\$ 225,675	\$ 1,435,835	\$(1,210,160)
Premiums . . . . .	—	—	—	27,391	(27,391)
Payment to refunded bond escrow agent . . . . .	—	(226,408)	(226,408)	(1,474,081)	1,247,673
Transfers in (out) . . . . .	—	(40,932)	(40,932)	(2,285)	(38,647)
Total other financing sources (uses) . . . . .	<u>\$ —</u>	<u>\$ (41,665)</u>	<u>\$ (41,665)</u>	<u>\$ (13,140)</u>	<u>\$ (28,525)</u>
NET CHANGE IN FUND BALANCE . . . . .	<u>\$ 20,000</u>	<u>\$ (22,549)</u>	<u>\$ (42,549)</u>	<u>\$ 29,179</u>	<u>\$ (51,728)</u>
Fund Balance, beginning of period . . . . .	<u>414,612</u>	<u>414,612</u>	<u>—</u>	<u>385,433</u>	<u>29,179</u>
Fund Balance, end of period . . . .	<u><u>\$434,612</u></u>	<u><u>\$ 392,063</u></u>	<u><u>\$ (42,549)</u></u>	<u><u>\$ 414,612</u></u>	<u><u>\$ (22,549)</u></u>



**CHICAGO PUBLIC SCHOOLS**  
**Chicago Board of Education**

**PUBLIC BUILDING COMMISSION LEASES PROGRAM**  
**SCHEDULE OF REVENUES, EXPENDITURES BY OBJECT,**  
**OTHER FINANCING SOURCES (USES) AND NET CHANGES IN FUND BALANCE**  
**FINAL APPROPRIATIONS VS. ACTUAL**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Amounts for the Fiscal Year Ended June 30, 2008**  
**(Thousands of dollars)**

	<u>Final Appropriations</u>	<u>Fiscal Year 2009 Actual</u>	<u>Variance</u>	<u>Fiscal Year 2008 Actual</u>	<u>2009 Over (Under) 2008</u>
REVENUES:					
Property taxes . . . . .	\$ 11,838	\$ 29,190	\$17,352	\$50,635	\$(21,445)
Interest and investment earnings . .	—	583	583	1,127	(544)
Total Revenues . . . . .	<u>\$ 11,838</u>	<u>\$ 29,773</u>	<u>\$17,935</u>	<u>\$51,762</u>	<u>\$(21,989)</u>
EXPENDITURES:					
Debt service . . . . .	<u>\$ 51,838</u>	<u>\$ 51,838</u>	<u>\$ —</u>	<u>\$51,800</u>	<u>\$ 38</u>
Total Expenditures . . . . .	<u>\$ 51,838</u>	<u>\$ 51,838</u>	<u>\$ —</u>	<u>\$51,800</u>	<u>\$ 38</u>
REVENUES IN EXCESS OF / (LESS THAN) EXPENDITURES . .	<u>\$(40,000)</u>	<u>\$(22,065)</u>	<u>\$17,935</u>	<u>\$ (38)</u>	<u>\$(22,027)</u>
OTHER FINANCING SOURCES (USES):					
Transfer in/(out) . . . . .	<u>\$ —</u>	<u>\$ 20,543</u>	<u>\$20,543</u>	<u>\$ (1,528)</u>	<u>\$ 22,071</u>
Total other financing sources (uses) . . . . .	<u>\$ —</u>	<u>\$ 20,543</u>	<u>\$20,543</u>	<u>\$ (1,528)</u>	<u>\$ 22,071</u>
NET CHANGE IN FUND BALANCE . .	<u>\$(40,000)</u>	<u>\$ (1,522)</u>	<u>\$38,478</u>	<u>\$ (1,566)</u>	<u>\$ 44</u>
Fund Balance, beginning of period . .	<u>36,348</u>	<u>36,348</u>	<u>—</u>	<u>37,914</u>	<u>(1,566)</u>
Fund Balance, end of period . . . . .	<u>\$ (3,652)</u>	<u>\$ 34,826</u>	<u>\$38,478</u>	<u>\$36,348</u>	<u>\$ (1,522)</u>





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**CHICAGO PUBLIC SCHOOLS**  
**Chicago Board of Education**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**STATISTICAL SECTION**

This part of CPS' comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about CPS' overall financial position.

**Contents:**

***Financial Trends***

These schedules contain trend information to help the reader understand how CPS' financial performance has changed over time.

***Revenue Capacity***

These schedules contain information to help the reader assess CPS' major revenue sources.

***Debt Capacity***

These schedules present information to help the reader assess the affordability of CPS' current levels of outstanding debt and CPS' ability to issue additional debt in the future.

***Demographic and Economic Information***

These schedules offer demographic and economic indicators to help the reader understand the environment within which CPS' financial activities take place.

***Operating Information***

These schedules contain service and infrastructure data to help the reader understand how the information in CPS' financial report relates to the services CPS provides and the activities it performs.

***Sources:***

Unless otherwise noted, the information contained herein is derived from the comprehensive annual financial reports for the relevant year. CPS implemented GASB 34 in 2001; schedules presenting government-wide information include information beginning in that year.



**CHICAGO PUBLIC SCHOOLS**  
Chicago Board of Education

**COMPONENTS OF NET ASSETS**

**Last Nine Fiscal Years**

**(Accrual Basis of Accounting)**

**(Amounts in thousands)**

	<u>2001(1)</u>	<u>2002(1)</u>	<u>2003(1)</u>
Invested in capital assets, net of related debt . . . . .	\$ 574,361	\$ 400,731	\$ 392,041
Restricted for:			
Debt service . . . . .	409,896	479,774	457,106
Reserve for specific purposes . . . . .	126,527	103,372	88,207
Donations . . . . .	—	—	—
Enabling legislation . . . . .	—	—	—
Unrestricted . . . . .	<u>245,203</u>	<u>176,312</u>	<u>67,064</u>
Total Net Assets . . . . .	<u>\$1,355,987</u>	<u>\$1,160,189</u>	<u>\$1,004,418</u>

1) Note: Prior to fiscal year 2004, Donations and Enabling Legislation are reported as Reserve for Specific Purposes.

<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$454,841	\$ 413,077	\$ 268,190	\$ 267,249	\$ 133,440	\$ 30,202
390,882	298,538	357,409	413,747	445,782	434,694
—	—	—	—	—	—
1,439	1,459	1,503	1,765	1,826	3,695
42,015	43,675	84,388	129,597	102,695	101,072
<u>(98,023)</u>	<u>(225,335)</u>	<u>(538,879)</u>	<u>(698,809)</u>	<u>(784,702)</u>	<u>(1,016,090)</u>
<u>\$791,154</u>	<u>\$ 531,414</u>	<u>\$ 172,611</u>	<u>\$ 113,549</u>	<u>\$(100,959)</u>	<u>\$ (446,427)</u>



## Statistical Section

### CHICAGO PUBLIC SCHOOLS

#### Chicago Board of Education

#### Changes in Net Assets

#### Last Nine Fiscal Years

#### (Accrual Basis of Accounting)

#### (Amounts in thousands)

	<u>2001(1)</u>	<u>2002</u>	<u>2003</u>
<b>Governmental Activities:</b>			
EXPENSES:			
Instruction . . . . .	\$ 2,243,742	\$ 2,438,141	\$ 2,484,448
Pupil support services . . . . .	315,700	329,041	332,693
Administrative support services . . . . .	131,178	156,583	169,457
Facilities support services . . . . .	396,469	334,605	351,492
Instructional support services . . . . .	323,685	339,521	332,620
Food services . . . . .	173,297	169,006	177,526
Community services . . . . .	73,902	48,321	47,435
Interest Expense . . . . .	172,436	183,443	186,141
Other . . . . .	17,495	21,253	5,297
Total Expenses . . . . .	<u>\$ 3,847,904</u>	<u>\$ 4,019,914</u>	<u>\$ 4,087,109</u>
PROGRAM REVENUES:			
Charges for Services			
Instruction . . . . .	\$ —	\$ —	\$ 1,553
Food services . . . . .	11,698	11,170	11,404
Operating Grants and Contributions . . . . .	702,509	687,937	764,750
Capital Grants and Contributions . . . . .	250,555	160,118	153,709
Total Program Revenues . . . . .	<u>\$ 964,762</u>	<u>\$ 859,225</u>	<u>\$ 931,416</u>
Net (Expense)/Revenue . . . . .	<u>\$(2,883,142)</u>	<u>\$(3,160,689)</u>	<u>\$(3,155,693)</u>
GENERAL REVENUES AND OTHER CHANGES IN			
NET ASSETS:			
Taxes:			
Property taxes . . . . .	\$ 1,459,942	\$ 1,459,942	\$ 1,574,111
Replacement taxes . . . . .	137,744	137,744	105,960
Non- program State aid . . . . .	1,160,386	1,160,386	1,248,607
Interest and investment earnings . . . . .	103,520	103,520	49,161
Gain on sale of fixed assets . . . . .	—	—	—
Extraordinary item — gain on impairment of capital			
assets . . . . .	—	—	—
Miscellaneous . . . . .	29,102	29,102	22,083
Total General Revenues . . . . .	<u>\$ 2,890,694</u>	<u>\$ 2,890,694</u>	<u>\$ 2,999,922</u>
Change in net assets . . . . .	<u>\$ 7,552(1)</u>	<u>\$ (269,995)</u>	<u>\$ (155,771)</u>

[1] For fiscal year 2001, the change in net assets includes the cumulative effect of change in accounting principles resulting from the adoption of GASB 33, Accounting and Financial Reporting for Exchange Transactions.

<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$ 2,663,014	\$ 2,777,202	\$ 3,107,897	\$ 3,096,529	\$ 3,138,036	\$ 3,324,936
343,777	337,676	346,434	360,628	384,765	408,705
176,858	158,303	161,802	178,891	205,693	233,361
339,213	379,599	422,731	461,265	519,982	582,539
350,717	404,583	465,106	481,477	496,708	512,427
189,475	182,315	179,725	186,297	193,614	203,880
50,401	42,677	46,205	45,203	46,779	56,392
187,646	201,506	217,848	219,826	274,356	259,850
8,128	8,724	23,404	8,126	10,652	8,504
<u>\$ 4,309,229</u>	<u>\$ 4,492,585</u>	<u>\$ 4,971,152</u>	<u>\$ 5,038,242</u>	<u>\$ 5,270,585</u>	<u>\$ 5,590,594</u>
\$ 210	\$ 1,014	\$ 3,145	\$ 3,748	\$ 3,940	\$ 5,189
9,620	9,553	9,317	8,784	8,537	8,298
791,309	876,222	896,916	862,674	945,723	1,250,526
161,429	21,722	66,732	97,477	128,570	151,405
<u>\$ 962,568</u>	<u>\$ 908,511</u>	<u>\$ 976,110</u>	<u>\$ 972,683</u>	<u>\$ 1,086,770</u>	<u>\$ 1,415,418</u>
<u>\$(3,346,661)</u>	<u>\$(3,584,074)</u>	<u>\$(3,995,042)</u>	<u>\$(4,065,559)</u>	<u>\$(4,183,815)</u>	<u>\$(4,175,176)</u>
\$ 1,561,127	\$ 1,663,783	\$ 1,768,457	\$ 1,813,006	\$ 1,861,781	\$ 1,936,656
120,427	145,724	184,700	201,509	215,489	188,503
1,333,113	1,429,611	1,532,169	1,651,730	1,756,386	1,603,926
39,501	43,215	71,972	116,907	85,896	43,692
—	—	5,312	37,647	—	91
—	—	—	22,919	4,369	708
79,229	42,001	73,629	162,779	45,386	56,132
<u>\$ 3,133,397</u>	<u>\$ 3,324,334</u>	<u>\$ 3,636,239</u>	<u>\$ 4,006,497</u>	<u>\$ 3,969,307</u>	<u>\$ 3,829,708</u>
<u>\$ (213,264)</u>	<u>\$ (259,740)</u>	<u>\$ (358,803)</u>	<u>\$ (59,062)</u>	<u>\$ (214,508)</u>	<u>\$ (345,468)</u>



**Statistical Section**

**CHICAGO PUBLIC SCHOOLS**

**Chicago Board of Education**

**Components of Fund Balance**

**Last Ten Fiscal Years**

**(Modified Accrual Basis of Accounting)**

**(Amounts in thousands)**

	<u>2000</u>	<u>2001</u>	<u>2002</u>
GENERAL OPERATING FUND			
Reserved . . . . .	\$171,895	\$209,892	\$155,251
Unreserved. . . . .	<u>393,057</u>	<u>201,520</u>	<u>209,883</u>
Total General Operating Fund . . . . .	<u>\$564,952</u>	<u>\$411,412</u>	<u>\$365,134</u>
ALL OTHER GOVERNMENTAL FUNDS			
Reserved . . . . .	\$535,235	\$672,851	\$721,138
Unreserved, reported in:			
Capital Projects Fund . . . . .	180,858	261,000	172,786
Debt Service Fund . . . . .	<u>—</u>	<u>—</u>	<u>—</u>
	<u>\$716,093</u>	<u>\$933,851</u>	<u>\$893,924</u>

<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$120,597	\$110,996	\$142,447	\$188,177	\$ 229,093	\$ 237,205	\$215,452
<u>208,359</u>	<u>196,510</u>	<u>248,546</u>	<u>307,720</u>	<u>404,843</u>	<u>432,391</u>	<u>311,422</u>
<u>\$328,956</u>	<u>\$307,506</u>	<u>\$390,993</u>	<u>\$495,897</u>	<u>\$ 633,936</u>	<u>\$ 669,596</u>	<u>\$526,874</u>
\$604,734	\$609,203	\$435,625	\$574,232	\$ 463,935	\$ 541,068	\$373,010
223,734	203,560	219,048	284,019	481,445	337,506	—
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>158,480</u>	<u>178,489</u>	<u>154,616</u>
<u>\$828,468</u>	<u>\$812,763</u>	<u>\$654,673</u>	<u>\$858,251</u>	<u>\$1,103,860</u>	<u>\$1,057,063</u>	<u>\$527,626</u>





## Statistical Section

### CHICAGO PUBLIC SCHOOLS

#### Chicago Board of Education

### CHANGES IN FUND BALANCES

#### OF GOVERNMENTAL FUNDS

For the last ten fiscal years

(Thousands of dollars)

	2000	2001	2002	2003
<b>REVENUES</b>				
Property Taxes . . . . .	\$1,403,657	\$1,429,871	\$1,479,968	\$1,546,335
Replacement Taxes . . . . .	147,657	137,744	114,313	105,960
State Aid . . . . .	1,373,470	1,431,777	1,467,914	1,469,567
Federal Aid . . . . .	540,723	634,094	554,750	608,693
Interest and investment income . . . . .	85,075	103,520	68,050	49,161
Other . . . . .	85,587	82,411	89,505	94,345
Total Revenues . . . . .	<u>\$3,636,169</u>	<u>\$3,819,417</u>	<u>\$3,774,500</u>	<u>\$3,874,061</u>
<b>EXPENDITURES</b>				
Instruction . . . . .	\$1,891,328	\$1,995,423	\$2,152,958	\$2,214,781
Pupil Support Services . . . . .	301,714	303,071	311,628	320,380
General Support Services . . . . .	681,916	730,187	750,111	764,002
Food Services . . . . .	161,614	166,365	160,063	170,238
Community Services . . . . .	73,792	73,718	47,523	47,253
Capital Outlay . . . . .	547,365	527,902	381,038	443,873
Teachers' Pension . . . . .	65,045	65,045	65,045	65,045
Debt Service . . . . .	148,854	195,310	219,894	255,239
Principal . . . . .	—	—	—	—
Interest . . . . .	—	—	—	—
Other Charges . . . . .	—	—	—	—
Others . . . . .	6,825	17,495	5,138	12,322
Total Expenditures . . . . .	<u>\$3,878,453</u>	<u>\$4,074,516</u>	<u>\$4,093,398</u>	<u>\$4,293,133</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES . . .	<u>\$ (242,284)</u>	<u>\$ (255,099)</u>	<u>\$ (318,898)</u>	<u>\$ (419,072)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In . . . . .	\$ 11,436	\$ 59,999	\$ 1,527	\$ 7,711
Transfers Out . . . . .	(11,436)	(59,999)	(1,527)	(7,711)
Gross amounts from debt issuances . . . . .	324,784	474,460	232,693	308,635
Proceeds from notes . . . . .	—	—	—	—
Premium on bonds issued . . . . .	6,515	—	—	8,803
Discount on bonds issued . . . . .	—	(2,644)	(9)	—
Capital leases . . . . .	—	—	—	—
Insurance proceeds . . . . .	—	—	—	—
Sales of general capital assets . . . . .	—	—	—	—
Payment to refunded bond escrow agent . . . . .	—	—	—	—
Total other financing sources (uses) . . . . .	<u>\$ 331,299</u>	<u>\$ 471,816</u>	<u>\$ 232,684</u>	<u>\$ 317,438</u>
ACCOUNTING ADJUSTMENT . . . . .	<u>\$ —</u>	<u>\$ (152,490)</u>	<u>\$ —</u>	<u>\$ —</u>
NET CHANGE IN FUND BALANCES . . . . .	<u>\$ 89,015</u>	<u>\$ 64,227</u>	<u>\$ (86,214)</u>	<u>\$ (101,634)</u>
<b>DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES . . . . .</b>				
	4.47%	5.41%	5.90%	6.59%

#### NOTES:

1. This schedule was prepared using the modified accrual basis of accounting.
2. The principal and interest components of debt service expenditures is unavailable for years prior to fiscal year 2006.

<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$1,571,065	\$1,639,237	\$1,718,249	\$1,767,760	\$ 1,813,917	\$1,896,540
120,427	145,724	184,700	201,509	215,489	188,503
1,481,448	1,507,115	1,602,635	1,701,585	1,846,034	1,511,886
730,504	762,955	775,631	746,029	876,041	1,125,580
39,501	43,215	71,947	116,907	85,895	43,693
149,253	102,654	163,765	286,230	181,028	253,376
<u>\$4,092,198</u>	<u>\$4,200,900</u>	<u>\$4,516,927</u>	<u>\$4,820,020</u>	<u>\$ 5,018,404</u>	<u>\$5,019,578</u>
\$2,355,114	\$2,429,014	\$2,538,909	\$2,491,653	\$ 2,575,124	\$2,773,440
327,653	323,225	333,968	349,324	362,325	390,399
770,629	821,583	893,041	914,117	986,905	1,057,672
180,588	173,872	172,774	179,902	181,778	194,603
49,933	42,325	46,179	45,467	45,708	56,003
365,336	389,450	310,817	345,963	466,895	672,412
65,045	65,045	75,398	155,563	206,651	237,011
259,590	315,809	—	—	—	—
—	—	49,049	180,767	60,568	81,351
—	—	158,997	154,669	206,028	212,934
—	—	6,606	6,743	15,546	7,921
8,128	5,912	23,404	8,126	10,652	8,504
<u>\$4,382,016</u>	<u>\$4,566,235</u>	<u>\$4,609,142</u>	<u>\$4,832,294</u>	<u>\$ 5,118,180</u>	<u>\$5,692,250</u>
<u>\$ (289,818)</u>	<u>\$ (365,335)</u>	<u>\$ (92,215)</u>	<u>\$ (12,274)</u>	<u>\$ (99,776)</u>	<u>\$ (672,672)</u>
\$ 30,215	\$ 7,344	\$ 2,796	\$ 1,904	\$ 3,813	\$ 20,389
(30,215)	(7,344)	(2,796)	(1,904)	(3,813)	(20,389)
765,995	524,260	385,603	355,805	1,674,555	225,675
21,043	5,500	—	—	—	—
—	43,450	4,124	14,444	41,226	—
—	—	(326)	—	—	—
—	—	3,700	—	—	—
—	—	—	—	—	1,155
—	—	7,596	25,673	6,404	91
(534,375)	(282,478)	—	—	(1,474,081)	(226,408)
<u>\$ 252,663</u>	<u>\$ 290,732</u>	<u>\$ 400,697</u>	<u>\$ 395,922</u>	<u>\$ 248,104</u>	<u>\$ 513</u>
<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
<u>\$ (37,155)</u>	<u>\$ (74,603)</u>	<u>\$ 308,482</u>	<u>\$ 383,648</u>	<u>\$ 148,328</u>	<u>\$ (672,159)</u>
6.43%	7.50%	4.94%	7.50%	5.94%	5.86%

## CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

## REVENUES BY SOURCE — ALL PROGRAMS

For the last ten fiscal years

(Thousands of dollars)

	2000		2001		2002	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
REVENUES:						
Property Taxes . . . . .	\$1,403,657	38.5%	\$1,429,871	37.4%	\$1,479,968	39.2%
Replacement Taxes . . . .	147,657	4.1%	137,744	3.6%	114,313	3.0%
State Aid . . . . .	1,373,470	37.8%	1,431,777	37.5%	1,467,914	38.9%
Federal Aid . . . . .	540,723	14.9%	634,094	16.6%	554,750	14.7%
Investment Income . . . .	85,075	2.3%	103,520	2.7%	68,050	1.8%
All Others . . . . .	85,587	2.4%	82,411	2.2%	89,505	2.4%
Total Revenues . . . . .	<u>\$3,636,169</u>	<u>100.0%</u>	<u>\$3,819,417</u>	<u>100.0%</u>	<u>\$3,774,500</u>	<u>100.0%</u>
	2007		2008		2009	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
REVENUES:						
Property Taxes . . . . .	\$1,767,760	36.7%	\$1,813,917	36.1%	\$1,896,540	37.8%
Replacement Taxes . . . .	201,509	4.2%	215,489	4.3%	188,503	3.8%
State Aid . . . . .	1,701,585	35.3%	1,846,034	36.8%	1,511,886	30.1%
Federal Aid . . . . .	746,029	15.5%	876,041	17.5%	1,125,580	22.4%
Investment Income . . . .	116,907	2.4%	85,895	1.7%	43,693	0.9%
All Others . . . . .	286,230	5.9%	181,028	3.6%	253,376	5.0%
Total Revenues . . . . .	<u>\$4,820,020</u>	<u>100.0%</u>	<u>\$5,018,404</u>	<u>100.0%</u>	<u>\$5,019,578</u>	<u>100.0%</u>

## NOTES:

Note: This schedule was prepared using the modified accrual basis of accounting.



2003		2004		2005		2006	
Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
\$1,546,335	40.0%	\$1,571,065	38.4%	\$1,639,237	39.0%	\$1,718,249	38.0%
105,960	2.7%	120,427	2.9%	145,724	3.5%	184,700	4.1%
1,469,567	37.9%	1,481,448	36.2%	1,507,115	35.9%	1,602,635	35.5%
608,693	15.7%	730,504	17.9%	762,955	18.2%	775,631	17.2%
49,161	1.3%	39,501	1.0%	43,215	1.0%	71,947	1.6%
94,345	2.4%	149,253	3.6%	102,654	2.4%	163,765	3.6%
<u>\$3,874,061</u>	<u>100.0%</u>	<u>\$4,092,198</u>	<u>100.0%</u>	<u>\$4,200,900</u>	<u>100.0%</u>	<u>\$4,516,927</u>	<u>100.0%</u>



**Statistical Section**

**CHICAGO PUBLIC SCHOOLS**

Chicago Board of Education

**EXPENDITURES BY FUNCTION — ALL PROGRAMS**

For the last ten fiscal years

(Thousands of dollars)

	2000		2001		2002	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
EXPENDITURES:						
Instruction . . . . .	\$1,891,328	48.8%	\$1,995,423	49.0%	\$2,152,958	52.6%
Pupil Support						
Services . . . . .	301,714	7.8%	303,071	7.4%	311,628	7.6%
General Support						
Services . . . . .	681,916	17.5%	730,187	17.9%	750,111	18.3%
Food Services . . . . .	161,614	4.2%	166,365	4.1%	160,063	3.9%
Community Services . . .	73,792	1.9%	73,718	1.8%	47,523	1.2%
Capital Outlay . . . . .	547,365	14.1%	527,902	13.0%	381,038	9.3%
Teachers' Pension . . . . .	65,045	1.7%	65,045	1.6%	65,045	1.6%
Debt Service . . . . .	148,854	3.8%	195,310	4.8%	219,894	5.4%
Others . . . . .	6,825	0.2%	17,495	0.4%	5,138	0.1%
Total Expenditures . . .	<u>\$3,878,453</u>	<u>100.0%</u>	<u>\$4,074,516</u>	<u>100.0%</u>	<u>\$4,093,398</u>	<u>100.0%</u>
	2007		2008		2009	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
EXPENDITURES:						
Instruction . . . . .	\$2,491,653	51.6%	\$2,575,124	50.3%	\$2,773,440	48.7%
Pupil Support						
Services . . . . .	349,324	7.2%	362,325	7.1%	390,399	6.9%
General Support						
Services . . . . .	914,117	18.9%	986,905	19.3%	1,057,672	18.6%
Food Services . . . . .	179,902	3.7%	181,778	3.6%	194,603	3.4%
Community Services . . .	45,467	0.9%	45,708	0.9%	56,003	1.0%
Capital Outlay . . . . .	345,963	7.2%	466,895	9.1%	672,412	11.8%
Teachers' Pension . . . . .	155,563	3.2%	206,651	4.0%	237,011	4.2%
Debt Service . . . . .	342,179	7.1%	282,142	5.5%	302,206	5.3%
Other . . . . .	8,126	0.2%	10,652	0.2%	8,504	0.1%
Total Expenditures . . .	<u>\$4,832,294</u>	<u>100.0%</u>	<u>\$5,118,180</u>	<u>100.0%</u>	<u>\$5,692,250</u>	<u>100.0%</u>

Note: This schedule was prepared using the modified accrual basis of accounting.

2003		2004		2005		2006	
<u>Amount</u>	<u>Percent of Total</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Amount</u>	<u>Percent of Total</u>
\$2,214,781	51.6%	\$2,355,114	53.8%	\$2,429,014	53.3%	\$2,538,909	55.2%
320,380	7.5%	327,653	7.5%	323,225	7.1%	333,968	7.2%
764,002	17.8%	770,629	17.6%	821,583	18.0%	893,041	19.4%
170,238	4.0%	180,588	4.1%	173,872	3.8%	172,774	3.7%
47,253	1.1%	49,933	1.1%	42,325	0.9%	46,179	1.0%
443,873	10.3%	365,336	8.3%	389,450	8.5%	310,817	6.7%
65,045	1.5%	65,045	1.5%	65,045	1.4%	75,398	1.6%
255,239	5.9%	259,590	5.9%	315,809	6.9%	214,652	4.7%
12,322	0.3%	8,128	0.2%	5,912	0.1%	23,404	0.5%
<u>\$4,293,133</u>	<u>100.0%</u>	<u>\$4,382,016</u>	<u>100.0%</u>	<u>\$4,566,235</u>	<u>100.0%</u>	<u>\$4,609,142</u>	<u>100.0%</u>



**Statistical Section**

**CHICAGO PUBLIC SCHOOLS**

Chicago Board of Education

**GENERAL OPERATING FUND**

**DETAILED SCHEDULE OF REVENUE AND EXPENDITURES**

For the Fiscal Year Ended June 30, 2009

With Comparative Amounts for the Fiscal Year Ended June 30, 2008

(Thousands of dollars)

	<u>Fiscal Year 2009</u>	<u>Fiscal Year 2008</u>	<u>2009 Over/(Under) 2008</u>
REVENUES:			
Local Taxes:			
Property taxes . . . . .	\$1,867,350	\$1,763,282	\$ 104,068
Replacement Taxes . . . . .	132,819	159,805	(26,986)
Total revenue from local taxes . . . . .	<u>\$2,000,169</u>	<u>\$1,923,087</u>	<u>\$ 77,082</u>
Local Nontax Revenue:			
Earnings on investments . . . . .	\$ 21,405	\$ 40,905	\$ (19,500)
Lunchroom operations . . . . .	8,298	8,537	(239)
Other . . . . .	93,809	88,279	5,530
Total revenue from nontax revenue . . . . .	<u>\$ 123,512</u>	<u>\$ 137,721</u>	<u>\$ (14,209)</u>
Total Local Revenue . . . . .	<u>\$2,123,681</u>	<u>\$2,060,808</u>	<u>\$ 62,873</u>
State Grants and Subsidies:			
General state aid . . . . .	\$ 700,954	\$ 953,782	\$(252,828)
Block grants . . . . .	505,218	626,804	(121,586)
Other . . . . .	127,010	111,765	15,245
Total State Grants & Subsidies . . . . .	<u>\$1,333,182</u>	<u>\$1,692,351</u>	<u>\$(359,169)</u>
Federal Grants and Subsidies:			
Elementary and Secondary Education Act (ESEA) . . . .	\$ 369,352	\$ 350,515	\$ 18,837
School lunch program . . . . .	139,096	150,394	(11,298)
Individuals with Disabilities Education Act (IDEA) . . . .	95,230	106,051	(10,821)
Other . . . . .	519,127	225,566	293,561
Total Federal Grants and Subsidies . . . . .	<u>\$1,122,805</u>	<u>\$ 832,526</u>	<u>\$ 290,279</u>
Total Revenues . . . . .	<u>\$4,579,668</u>	<u>\$4,585,685</u>	<u>\$ (6,017)</u>



## CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

## GENERAL OPERATING FUND

## DETAILED SCHEDULE OF REVENUE AND EXPENDITURES (continued)

For the Fiscal Year Ended June 30, 2009

With Comparative Amounts for the Fiscal Year Ended June 30, 2008

(Thousands of dollars)

	Fiscal Year 2009	Fiscal Year 2008	2009 Over/(Under) 2008
EXPENDITURES:			
Instruction:			
Salaries . . . . .	\$1,769,867	\$1,701,084	\$ 68,783
Commodities . . . . .	85,273	92,315	(7,042)
Services . . . . .	489,603	384,588	105,015
Equipment . . . . .	24,234	23,283	951
Building and Sites . . . . .	2,999	3,255	(256)
Fixed Charges . . . . .	401,464	370,599	30,865
Total Instruction . . . . .	<u>\$2,773,440</u>	<u>\$2,575,124</u>	<u>\$198,316</u>
Pupil Support Services:			
Salaries . . . . .	\$ 211,991	\$ 196,581	\$ 15,410
Commodities . . . . .	1,877	2,026	(149)
Services . . . . .	118,684	110,959	7,725
Equipment . . . . .	677	2,851	(2,174)
Building and Sites . . . . .	95	65	30
Fixed Charges . . . . .	57,075	49,843	7,232
Total Pupil Support Services . . . . .	<u>\$ 390,399</u>	<u>\$ 362,325</u>	<u>\$ 28,074</u>
Administrative Support Services:			
Salaries . . . . .	\$ 118,506	\$ 97,609	\$ 20,897
Commodities . . . . .	14,427	9,818	4,609
Services . . . . .	55,302	53,183	2,119
Equipment . . . . .	4,204	5,281	(1,077)
Building and Sites . . . . .	1,782	3,183	(1,401)
Fixed Charges . . . . .	28,687	24,622	4,065
Total Administrative Support Service . . . . .	<u>\$ 222,908</u>	<u>\$ 193,696</u>	<u>\$ 29,212</u>

**Statistical Section**

**CHICAGO PUBLIC SCHOOLS**

Chicago Board of Education

**GENERAL OPERATING FUND**

**DETAILED SCHEDULE OF REVENUE AND EXPENDITURES (continued)**

For the Fiscal Year Ended June 30, 2009

With Comparative Amounts for the Fiscal Year Ended June 30, 2008

(Thousands of dollars)

	<b>Fiscal Year 2009</b>	<b>Fiscal Year 2008</b>	<b>2009 Over/(Under) 2008</b>
Facilities Support Services:			
Salaries . . . . .	\$ 89,745	\$ 85,468	\$ 4,277
Commodities . . . . .	99,925	94,132	5,793
Services . . . . .	148,232	138,606	9,626
Equipment . . . . .	2,525	2,447	78
Building and Sites . . . . .	28,062	28,931	(869)
Fixed Charges . . . . .	38,843	36,017	2,826
Total Facilities Support Services . . . . .	<u>\$407,332</u>	<u>\$385,601</u>	<u>\$21,731</u>
Instructional Support Services:			
Salaries . . . . .	\$291,115	\$281,455	\$ 9,660
Commodities . . . . .	18,233	23,324	(5,091)
Services . . . . .	48,979	36,162	12,817
Equipment . . . . .	2,361	4,546	(2,185)
Building and Sites . . . . .	1,231	1,411	(180)
Fixed Charges . . . . .	65,513	60,710	4,803
Total Instructional Support Services . . . . .	<u>\$427,432</u>	<u>\$407,608</u>	<u>\$19,824</u>
Food Services:			
Salaries . . . . .	\$ 65,914	\$ 62,677	\$ 3,237
Commodities . . . . .	88,119	81,676	6,443
Services . . . . .	3,488	3,188	300
Equipment . . . . .	7	245	(238)
Building and Sites . . . . .	9	—	9
Fixed Charges . . . . .	37,066	33,992	3,074
Total Food Services . . . . .	<u>\$194,603</u>	<u>\$181,778</u>	<u>\$12,825</u>

## CHICAGO PUBLIC SCHOOLS

## Chicago Board of Education

## GENERAL OPERATING FUND

## DETAILED SCHEDULE OF REVENUE AND EXPENDITURES (continued)

For the Fiscal Year Ended June 30, 2009

With Comparative Amounts for the Fiscal Year Ended June 30, 2008

(Thousands of dollars)

	Fiscal Year 2009	Fiscal Year 2008	2009 Over/(Under) 2008
Community Services:			
Salaries . . . . .	\$ 17,952	\$ 17,979	\$ (27)
Commodities . . . . .	2,754	2,976	(222)
Services . . . . .	29,208	18,806	10,402
Equipment . . . . .	308	324	(16)
Building and Sites . . . . .	237	160	77
Fixed Charges . . . . .	5,544	5,463	81
Total Community Services . . . . .	\$ 56,003	\$ 45,708	\$ 10,295
Teachers' Pension:			
Fixed Charges . . . . .	\$ 237,011	\$ 206,651	\$ 30,360
Total Teachers' Pension . . . . .	\$ 237,011	\$ 206,651	\$ 30,360
Capital outlay:			
Salaries . . . . .	\$ 8,018	\$ 729	\$ 7,289
Commodities . . . . .	3,253	272	2,981
Services . . . . .	10,118	2,648	7,470
Equipment . . . . .	130	17	113
Building and sites . . . . .	368	4	364
Fixed Charges . . . . .	2,223	168	2,055
Total Capital outlay . . . . .	\$ 24,110	\$ 3,838	\$ 20,272
Debt Service:			
Fixed Charges . . . . .	\$ 1,037	\$ 21,704	\$ (20,667)
Total Debt Service . . . . .	\$ 1,037	\$ 21,704	\$ (20,667)
Other:			
Salaries . . . . .	\$ 366	\$ 1,560	\$ (1,194)
Commodities . . . . .	11	—	11
Services . . . . .	30	—	30
Equipment . . . . .	4	8	(4)
Building and Sites . . . . .	—	—	—
Fixed Charges . . . . .	8,093	9,084	(991)
Total Other . . . . .	\$ 8,504	\$ 10,652	\$ (2,148)
Total Expenditures . . . . .	\$4,742,779	\$4,394,685	\$348,094

Note: This schedule was prepared using the modified accrual basis of accounting.

**Statistical Section**

**CHICAGO PUBLIC SCHOOLS**

Chicago Board of Education

**OTHER FINANCING SOURCES AND (USES)**

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

(Amounts in thousands)

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
<b>GENERAL OPERATING FUND:</b>				
Capital leases . . . . .	\$ —	\$ —	\$ —	\$ —
Transfers in/(out) . . . . .	11,436	(46,797)	1,527	7,711
Total General Operating Fund . . . . .	<u>\$ 11,436</u>	<u>\$ (46,797)</u>	<u>\$ 1,527</u>	<u>\$ 7,711</u>
<b>ALL OTHER GOVERNMENTAL FUNDS:</b>				
Gross amounts from debt issuances . . . . .	\$324,784	\$474,460	\$721,138	\$308,635
Amount from notes . . . . .	—	—	—	—
Premiums . . . . .	6,515	—	—	8,803
Discounts . . . . .	—	(2,644)	(8)	—
Proceeds from swaps . . . . .	—	—	—	—
Payment to refunded bond escrow agent. . . . .	—	—	—	—
Insurance proceeds . . . . .	—	—	—	—
Sales of general capital assets . . . . .	—	—	—	—
Transfers in/(out) . . . . .	(11,436)	46,797	(1,527)	(7,711)
	<u>\$319,863</u>	<u>\$518,613</u>	<u>\$719,603</u>	<u>\$309,727</u>

<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$ —	\$ —	\$ 3,700	\$ —	\$ —	\$ —
15,071	328	445	1,904	3,813	20,389
<u>\$ 15,071</u>	<u>\$ 328</u>	<u>\$ 4,145</u>	<u>\$ 1,904</u>	<u>\$ 3,813</u>	<u>\$ 20,389</u>
\$ 765,995	\$ 524,260	\$385,603	\$355,805	\$ 1,674,555	\$ 225,675
—	5,500	—	—	—	—
21,043	43,450	4,124	14,444	41,226	—
—	—	(326)	—	—	—
—	—	19,345	—	—	—
(534,375)	(282,478)	—	—	(1,474,081)	(226,408)
—	—	—	—	—	1,155
—	—	—	25,673	6,404	91
(15,071)	(328)	(445)	(1,904)	(3,813)	(20,389)
<u>\$ 237,592</u>	<u>\$ 290,404</u>	<u>\$408,301</u>	<u>\$394,018</u>	<u>\$ 244,291</u>	<u>\$ (19,876)</u>

**Statistical Section**

**CHICAGO PUBLIC SCHOOLS**

Chicago Board of Education

**RATIO OF DEBT SERVICE TO NON-CAPITAL EXPENDITURES**

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

(Amounts in thousands)

<u>Fiscal Year</u>	<u>Debt Service</u>	<u>Non-Capital</u>	<u>Ratio</u>
2000	\$148,854	\$3,331,088	0.04 : 1
2001	195,310	3,546,614	0.06 : 1
2002	219,894	3,712,360	0.06 : 1
2003	255,239	3,849,260	0.07 : 1
2004	259,590	4,016,680	0.06 : 1
2005	315,809	4,176,785	0.08 : 1
2006	214,652	4,298,325	0.05 : 1
2007	342,179	4,486,331	0.08 : 1
2008	260,438	4,651,285	0.06 : 1
2009	301,169	5,019,838	0.06 : 1



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## CHICAGO PUBLIC SCHOOLS

## Chicago Board of Education

## DIRECT AND OVERLAPPING PROPERTY TAX RATES

## Last Ten Fiscal Years

(Rate per \$100 of equalized assessed valuation)

<u>School Direct Rates</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Education . . . . .	\$3.000	\$2.756	\$2.712	\$2.670
Medicare . . . . .	0.048	0.047	0.031	0.017
Worker's and Unemployment Compensation/Tort Immunity . . . . .	0.206	0.141	0.191	0.150
PBC Operation & Maintenance . . . . .	0.701	0.640	0.685	0.609
Public Building Commission . . . . .	<u>0.149</u>	<u>0.130</u>	<u>0.125</u>	<u>0.116</u>
TOTAL DIRECT RATE: . . . . .	\$4.104	\$3.714	\$3.744	\$3.562
Chicago Finance Authority . . . . .	0.255	0.223	0.223	0.177
City of Chicago . . . . .	1.860	1.660	1.637	1.591
Chicago City Colleges . . . . .	0.347	0.311	0.307	0.280
Chicago Park District . . . . .	0.627	0.572	0.567	0.545
Metropolitan Water Reclamation District . . . . .	0.419	0.415	0.401	0.371
Cook County . . . . .	0.854	0.824	0.746	0.690
Cook County Forest Preserve . . . . .	<u>0.070</u>	<u>0.069</u>	<u>0.067</u>	<u>0.061</u>
TOTAL FOR ALL GOVERNMENTS: . . . . .	<u>\$8.536</u>	<u>\$7.788</u>	<u>\$7.692</u>	<u>\$7.277</u>

Source: Cook County Clerk's Office

## Note:

- A — Beginning fiscal year 2004, the tax levy for Medicare has been consolidated with the Education tax rate.
- B — In fiscal year 2008 and 2009, the tax levy for PBC Operations & Maintenance has been consolidated with the Education tax rate.
- C — Beginning fiscal year 2009, the tax levy for Chicago Finance Authority has been consolidated with the Education tax rate.

See note 3 of the Financial Statements regarding the legal restrictions on the ability to raise the direct rate.

<u>2004 (A)</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008 (B)</u>	<u>2009 (B,C)</u>
\$2.258	\$2.301	\$2.143	\$2.078	\$2.376	\$2.426
—	—	—	—	—	—
0.219	0.131	0.228	0.021	0.191	0.031
0.565	0.576	0.565	0.521	—	—
<u>0.100</u>	<u>0.096</u>	<u>0.090</u>	<u>0.077</u>	<u>0.016</u>	<u>0.015</u>
\$3.142	\$3.104	\$3.026	\$2.697	\$2.583	\$2.472
0.151	0.177	0.127	0.118	0.091	—
1.380	1.302	1.243	1.062	1.044	1.147
0.246	0.242	0.234	0.205	0.159	0.156
0.464	0.455	0.443	0.379	0.355	0.323
0.361	0.347	0.315	0.284	0.263	0.252
0.630	0.593	0.533	0.500	0.446	0.415
<u>0.059</u>	<u>0.060</u>	<u>0.060</u>	<u>0.057</u>	<u>0.053</u>	<u>0.051</u>
<u>\$6.433</u>	<u>\$6.280</u>	<u>\$5.981</u>	<u>\$5.302</u>	<u>\$4.994</u>	<u>\$4.816</u>

**CHICAGO PUBLIC SCHOOLS**

Chicago Board of Education

**PROPERTY TAX LEVIES AND COLLECTIONS**

Last Ten Fiscal Years

(In thousands of dollars)

Tax Year of Levy	Fiscal Year of Extension	Total Tax Extension	Collected within the Fiscal Year of Extension (A)		Collections in Subsequent Years	Total Collections to Date (B)	
			Amount	Percentage of Extension		Amount	Percentage of Extension
1999	2000	\$1,451,206	\$659,950	45.48%	\$ 765,170	\$1,425,120	98.20%
2000	2001	1,503,488	682,356	45.38%	785,088	1,467,444	97.60%
2001	2002	1,571,962	694,681	44.19%	853,660	1,548,341	98.50%
2002	2003	1,614,473	753,457	46.67%	825,459	1,578,916	97.80%
2003	2004	1,670,337	757,156	45.33%	868,700	1,625,856	97.34%
2004	2005	1,716,111	769,982	44.87%	917,239	1,687,221	98.32%
2005	2006	1,794,063	804,755	44.86%	950,565	1,755,320	97.84%
2006	2007	1,874,750	835,191	44.55%	1,004,323	1,839,514	98.12%
2007	2008	1,901,887	865,576	45.51%	985,106	1,850,682	97.31%
2008	2009	2,001,751	916,129	45.77%	—	—	—

Note:

- A. The amount does not represent a full year's tax collection.
- B. The total amount collected to date is net of refunds.



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**CHICAGO PUBLIC SCHOOLS**  
Chicago Board of Education

**ASSESSED VALUE AND ESTIMATED VALUE OF TAXABLE PROPERTY**

Last Ten Fiscal Years

(In thousands of dollars)

Tax Year Levy	Fiscal Year	Assessed Values (A)				Total
		Class 2 (B)	Class 3 (C)	Class 5 (D)	Other (E)	
1999	2000	\$ 6,777,400	\$2,021,411	\$ 7,910,838	\$282,255	\$16,991,904
2000	2001	8,758,682	1,966,921	8,807,444	342,942	19,875,989
2001	2002	8,973,796	1,923,257	8,757,366	354,036	20,008,455
2002	2003	9,221,622	1,865,646	8,878,142	349,371	20,314,781
2003	2004	12,677,199	2,233,572	10,303,731	487,680	25,702,182
2004	2005	12,988,216	1,883,048	10,401,429	465,462	25,738,155
2005	2006	13,420,538	1,842,613	10,502,698	462,099	26,227,948
2006	2007	18,521,873	2,006,898	12,157,149	688,868	33,374,788
2007	2008	18,937,256	1,768,927	12,239,086	678,196	33,623,465
2008	2009	19,339,573	1,602,768	12,359,537	693,239	33,995,117

NOTES:

- A. Source: Cook County Assessor's Office
- B. Residential, six units and under
- C. Residential, seven units and over and mixed-use
- D. Industrial/Commercial
- E. Vacant, not-for-profit and industrial/commercial incentive classes
- F. Source: Illinois Department of Revenue
- G. Source: Cook County Clerk's Office — Total equalized assessed value is net of exemptions and includes assessment of pollution control facilities. Excludes DuPage County Valuation.
- H. Property in the City of Chicago is reassessed once every three years. Tax rates are per \$100 of the equalized assessed value.
- I. Source: The Civic Federation — Excludes railroad property

<u>State Equalization Factor (F)</u>	<u>Total Equalized Assessed Value (G)</u>	<u>Total Direct Tax Rate (H)</u>	<u>Total Estimated Fair Cash Value (I)</u>	<u>Total Equalized Assessed Value as a Percentage of Total Estimated Fair Cash Value (%)</u>
2.2505	\$35,354,802	4.104	\$124,544,158	28.39%
2.2235	40,480,077	3.714	165,520,130	24.46%
2.3098	41,981,912	3.744	164,572,708	25.51%
2.4689	45,330,892	3.562	189,362,475	23.94%
2.4598	53,168,632	3.142	263,482,258	20.18%
2.5757	55,277,096	3.104	262,080,627	21.09%
2.7320	59,304,530	3.026	286,354,518	20.71%
2.7076	69,511,192	2.697	329,770,733	21.08%
2.8439	73,645,316	2.583	320,503,503	22.98%
2.9786	80,977,543	2.472	N/A	N/A

## Statistical Section

### CHICAGO PUBLIC SCHOOLS

#### Chicago Board of Education

### PRINCIPAL PROPERTY TAX PAYERS, BASED ON EQUALIZED ASSESSED VALUATION

#### Last Ten Fiscal Years

(In thousands of dollars)

Property	2008			2007		
	Equalized Assessed Valuation	Rank	Percentage of Total Equalized Assessed Valuation	Equalized Assessed Valuation	Rank	Percentage of Total Equalized Assessed Valuation
Sear's Tower	\$ 540,074	1	0.67%	\$ 514,662	1	0.70%
AON Building	392,192	2	0.48%	374,456	2	0.51%
Prudential Plaza	307,510	3	0.38%	293,604	4	0.40%
AT&T Corporate Center 1	294,569	4	0.36%	297,653	3	0.40%
Chase Tower	262,114	5	0.32%	250,261	5	0.34%
Water Tower Place	242,014	6	0.30%	231,069	6	0.31%
Northwestern Atrium	226,458	7	0.28%	216,217	7	0.29%
Leo Burnett Building	221,846	8	0.27%	211,813	8	0.29%
131 S. Dearborn	218,722	9	0.27%	208,906	9	0.28%
Three First National Plaza	215,666	10	0.27%	205,913	10	0.28%
One North Wacker	—	—	—	—	—	—
Equity Office Properties	—	—	—	—	—	—
Lakeside Tech Ct.	—	—	—	—	—	—
Chicago Mercantile Exchange	—	—	—	—	—	—
Citicorp Plaza	—	—	—	—	—	—
Hyatt Regency Hotel	—	—	—	—	—	—
900 North Michigan	—	—	—	—	—	—
Amoco Building	—	—	—	—	—	—
Bank One Plaza	—	—	—	—	—	—
Cigna	—	—	—	—	—	—
	<u>\$2,921,165</u>		<u>3.60%</u>	<u>\$2,804,554</u>		<u>3.80%</u>

Property	2003			2002		
	Equalized Assessed Valuation	Rank	Percentage of Total Equalized Assessed Valuation	Equalized Assessed Valuation	Rank	Percentage of Total Equalized Assessed Valuation
Sear's Tower	\$ 467,362	1	0.88%	\$ 417,723	1	0.92%
AON Building	307,715	2	0.58%	283,923	2	0.63%
Prudential Plaza	241,765	4	0.45%	230,946	3	0.51%
AT&T Corporate Center 1	233,214	5	0.44%	196,455	5	0.43%
Chase Tower	266,448	3	0.50%	230,071	4	0.51%
Water Tower Place	171,376	7	0.32%	145,665	10	0.32%
Northwestern Atrium	185,230	6	0.35%	155,794	7	0.34%
Leo Burnett Building	—	—	—	148,240	9	0.33%
131 S. Dearborn	—	—	—	—	—	—
Three First National Plaza	169,466	8	0.32%	150,438	8	0.33%
One North Wacker	—	—	—	—	—	—
Equity Office Properties	—	—	—	—	—	—
Lakeside Tech Ct.	164,935	9	0.31%	160,564	6	0.35%
Chicago Mercantile Exchange	161,286	10	0.30%	—	—	—
Citicorp Plaza	—	—	—	—	—	—
Hyatt Regency Hotel	—	—	—	—	—	—
900 North Michigan	—	—	—	—	—	—
Amoco Building	—	—	—	—	—	—
Bank One Plaza	—	—	—	—	—	—
Cigna	—	—	—	—	—	—
	<u>\$2,368,797</u>		<u>4.45%</u>	<u>\$2,119,819</u>		<u>4.67%</u>

Source: Cook County Treasurer's Office and Cook County Assessor's Office

N/A — Not available



[illegible]

**CHICAGO PUBLIC SCHOOLS**  
**Chicago Board of Education**

**SCHEDULE OF REPLACEMENT TAX DATA**  
**For the last ten fiscal years**

**Statewide Replacement Tax Data (A)**

<u>Calendar Year</u>	<u>Invested Capital Tax Collections</u>	<u>Business Income Tax Collections (Net of Refunds)</u>	<u>Net Adjustments(C)</u>	<u>Total Replacement Tax Allocations to Local Govts.</u>	<u>Board Percent (H)</u>
2000	\$210,658,641	\$ 846,070,645	\$ 7,675,153	\$1,064,404,439	14.00%
2001	253,904,237	682,900,875	26,877,270	963,682,382	14.00%
2002	207,501,611	568,278,611	(5,993,471)	769,786,751	14.00%
2003	199,943,717	579,537,177	(1,991,328)	777,489,566	14.00%
2004	227,782,071	601,155,429	41,328,938	870,266,438	14.00%
2005	213,905,309	870,816,418	111,548,531	1,196,270,258	14.00%
2006	227,423,096	1,016,872,677	39,747,236	1,284,043,009	14.00%
2007	211,708,013	1,220,116,567	86,763,391	1,518,587,971	14.00%
2008	212,367,886	1,196,441,849	87,136,806	1,495,946,541	14.00%
2009(G)	202,623,287	933,738,088	70,122,341	1,206,483,716	14.00%

**NOTES:**

- A. *Source:* Illinois Department of Revenue
- B. *Source:* Board of Education of the City of Chicago
- C. Consists of adjustments for administrative fees, interest earned on deposits, interfund transfers, timing of collections and payments and related items.
- D. All Board's debt for which there was a replacement tax obligation was retired by the end of 1995.
- E. The amount of the Statutory Claim for pension and retirement purposes has varied over the past 10 years, primarily as a result of (a) increases in required employer contributions funded from property taxes as a consequence of increased payroll and employee contributions (1985-1990 and 1994-1995), (b) a temporary suspension of the statutory requirement that property taxes be applied to pension and retirement purposes (1991-1993), and (c) the suspension of the statutory requirement that property taxes be applied to pension and retirement purposes (1996 and all years thereafter).
- F. Reflects reductions to pay applicable Statutory Claims. All Statutory Claims with respect to debt service have been paid and, under the Statute Revenue Sharing Act, no future Statutory Claims with respect to debt service will arise or need to be paid.
- G. Replacement tax collection for January 1, 2009 — October, 2009 only.
- H. Percentage rounded.
- I. Estimated.

**Board Replacement Tax Data (B)**

Statutory Claims (B)			Remainder after Allocations for Statutory Claims	Pro-Forma Pledged Revenues (F)	Fiscal Year Recorded Revenues
Allocations to Board	Allocations for Prior Debt Service (D)	Allocations for Pension Obligations (E)			
\$149,059,239	\$—	\$—	\$149,059,239	\$149,059,239	\$147,657,000
134,934,126	—	—	134,934,126	134,934,126	137,744,000
107,800,973	—	—	107,800,973	107,800,973	114,313,000
108,879,677	—	—	108,879,677	108,879,677	105,959,557
121,872,155	—	—	121,872,155	121,872,155	120,427,242
167,526,744	—	—	167,526,744	167,526,744	145,724,052
179,817,445	—	—	179,817,445	179,817,445	184,699,266
212,663,134	—	—	212,663,134	212,663,134	201,509,427
209,492,428	—	—	209,492,428	209,492,428	215,488,652
176,599,195	—	—	176,599,195	176,599,195	188,503,101

**Monthly Summary of the Total Allocations to the Board of Education**

Calendar Year	January	March	April	May	July	August	October	December	Total
2000	\$16,886,066	\$ 9,745,046	\$39,992,847	\$14,519,931	\$28,893,667	\$ 5,385,783	\$25,132,569	\$ 8,503,330	\$149,059,239
2001	19,256,949	9,853,297	25,603,017	18,352,614	25,636,258	3,148,346	24,440,723	8,642,922	134,934,126
2002	16,842,147	6,478,868	25,630,253	12,181,929	16,948,258	2,701,807	19,106,650	7,911,061	107,800,973
2003	14,730,281	6,208,549	25,757,619	12,117,348	17,426,241	1,749,411	16,757,860	14,132,368	108,879,677
2004	19,906,464	8,669,066	26,475,210	13,494,987	19,241,877	8,379,867	19,602,544	6,102,140	121,872,155
2005	21,166,525	11,653,412	33,977,017	18,816,369	26,026,179	20,285,121	27,393,274	8,208,848	167,526,745
2006	24,520,445	8,553,752	38,608,787	24,789,508	32,340,532	10,213,846	32,635,826	8,154,750	179,817,446
2007	23,706,088	12,541,684	42,960,330	35,720,916	35,575,987	15,691,722	32,603,768	13,862,639	212,663,134
2008	28,898,261	13,371,613	37,943,940	40,606,164	32,510,546	17,770,472	29,019,609	9,371,823	209,492,428
2009	21,095,325	7,777,403	37,489,531	36,561,422	29,417,516	3,022,112	33,592,731	7,643,155 (I)	176,599,195

## Statistical Section

### CHICAGO PUBLIC SCHOOLS

#### Chicago Board of Education

### CITY OF CHICAGO TAX INCREMENT FINANCING (TIF) DISTRICTS

For the Fiscal Year Ended June 30, 2009

TIF District	Date TIF Initiated	Date TIF Matures	Initial EAV \$	2008 EAV \$	% Change in EAV (for 2008)
Addison Corridor North	6/4/1997	2020	\$ 14,400,224	\$ 51,620,006	258.5%
Addison South	5/9/2007	2031	70,940,232	108,991,965	53.6%
Addison/Kimball	1/12/2000	2023	883,731	Terminated	NA
Archer Courts	5/12/1999	2023	85,326	6,208,417	7176.1%
Archer/Central	5/17/2000	2024	37,646,911	60,310,310	60.2%
Armitage Pulaski	2/13/2007	2031	17,643,508	23,000,965	30.4%
Austin Commercial	9/27/2007	2031	72,287,864	96,560,910	33.6%
Avalon Park/South Shore	7/31/2002	2026	22,180,151	36,656,343	65.3%
Belmont/Central	1/12/2000	2024	74,974,945	140,306,676	87.1%
Belmont/Cicero	1/12/2000	2024	33,673,880	62,186,635	84.7%
Bloomingtondale/Laramie	9/15/1993	2016	1,206,101	Terminated	NA
Bronzeville	11/4/1998	2022	46,166,304	145,875,235	216.0%
Bryn Mawr /Broadway	12/11/1996	2019	17,682,409	56,554,141	219.8%
Calumet/Cermak	7/29/1998	2021	3,219,685	206,381,071	6310.0%
Canal/Congress	11/12/1998	2022	36,872,487	454,045,914	1131.4%
Central Loop	2/7/1997	2008	985,292,154	Expired	NA
Central West	2/16/2000	2024	85,481,254	383,528,901	348.7%
Chatham Ridge	12/18/1986	2010	2,623,722	38,859,048	1381.1%
Chicago/CentralPark	2/27/2002	2026	84,789,947	227,996,154	168.9%
Chicago/Kingsbury	4/12/2000	2024	38,520,706	277,203,494	619.6%
Chinatown Basin	12/18/1986	2010	131,657	55,857,651	42326.6%
Cicero/Archer	5/17/2000	2024	19,629,324	39,076,346	99.1%
Clark/Montrose	7/7/1999	2022	23,433,096	76,800,482	227.7%
Clark/Ridge	9/29/1999	2022	39,619,368	83,055,593	109.6%
Commercial Ave.	11/13/2002	2026	40,748,652	71,699,444	76.0%
Devon/Sheridan	3/31/2004	2028	46,265,220	52,477,372	13.4%
Devon/Western	11/3/1999	2023	71,430,503	135,276,170	89.4%
Diversey/Narragansett	2/5/2003	2027	34,746,231	84,156,168	142.2%
Division/Homan	6/27/2001	2025	24,683,716	53,673,131	117.4%
Division/Hooker	7/10/1996	2019	380,624	4,973,193	1206.6%
Division/North Branch	3/15/1991	2014	482,150	5,960,950	1136.3%
Drexel Blvd.	7/10/2002	2026	127,408	8,270,677	6391.5%
Eastman/North Branch	10/7/1993	2016	2,222,210	7,140,035	221.3%
Edgewater	12/18/1986	2009	479,172	6,122,303	1177.7%
Edgewater/Ashland	10/1/2003	2027	1,875,282	51,198,310	2630.2%
Elston Armstrong	7/19/2007	2031	45,742,226	56,903,560	24.4%
Englewood Mall	11/29/1989	2012	3,868,736	15,733,146	306.7%
Englewood Neighborhood	6/27/2001	2025	56,079,946	177,588,120	216.7%
Fullerton/Milwaukee	2/16/2000	2024	85,157,390	223,533,278	162.5%
Fullerton/Normandy	10/7/1993	2016	2,031,931	Terminated	NA
Galewood/Armitage Industrial	7/7/1999	2022	48,056,697	105,898,865	120.4%
Goose Island	7/10/1996	2019	13,676,187	86,145,002	529.9%
Greater Southwest (West)	4/12/2000	2024	115,603,413	155,961,100	34.9%
Harlem Industrial Park	3/14/2007	2031	45,981,764	53,039,738	15.3%
Harrison Central	7/26/2006	2030	43,430,700	63,280,745	45.7%
Hollywood Sheridan	11/7/2007	2031	158,696,916	164,811,232	3.9%
Homan/Arthington	2/5/1998	2021	2,658,362	13,638,080	413.0%
Homan/Grand Truck	12/15/1993	2016	35,753	4,905,450	13620.4%

## CITY OF CHICAGO TAX INCREMENT FINANCING (TIF) DISTRICTS (continued)

TIF District	Date TIF Initiated	Date TIF Matures	Initial EAV \$	2008 EAV \$	% Change in EAV (for 2008)
Howard/Paulina	10/14/1988	2011	\$ 10,081,104	\$ 46,360,636	359.9%
Humbolt Park Commercial	6/27/2001	2025	32,161,252	91,000,941	183.0%
Irving Park/Cicero	6/10/1996	2020	8,150,631	21,895,523	168.6%
Jefferson Park	9/9/1998	2021	23,970,085	44,550,793	85.9%
Jefferson/Roosevelt	8/30/2000	2024	52,292,656	166,420,844	218.2%
Kennedy Kimball	3/12/2008	2032	72,841,679	73,024,362	0.3%
Kinzie Industrial Corridor	6/10/1998	2021	144,961,719	508,298,878	250.6%
Kostner Ave.	11/5/2008	2031	2,794,764	2,849,230	1.9%
Lake Calumet	12/13/2000	2024	176,186,639	283,298,698	60.8%
Lakefront	3/27/2002	2026	—	2,429,323	NA
Lakeside/Clarendon	7/21/2004	2028	3,091,585	4,800,818	55.3%
LaSalle Central	11/15/2006	2030	4,192,597,468	4,723,038,965	12.7%
Lawrence/Broadway	6/27/2001	2025	38,603,611	110,387,255	186.0%
Lawrence/Kedzie	2/16/2000	2024	110,395,843	260,870,687	136.3%
Lawrence/Pulaski	2/27/2002	2026	43,705,743	76,637,608	75.3%
Lincoln Avenue	11/3/1999	2023	63,741,191	123,030,443	93.0%
Lincoln/Belmont/Ashland	11/2/1994	2017	2,457,347	25,155,734	923.7%
Little Village	6/13/2007	2031	88,054,895	105,634,319	20.0%
Madden/Wells	11/6/2002	2026	1,333,582	19,437,919	1357.6%
Madison/Austin Corridor	9/29/1999	2023	48,748,259	91,740,304	88.2%
Michigan/Cermak	9/13/1989	2012	5,858,634	27,807,690	374.6%
Midway Ind. Corridor	2/16/2000	2024	48,652,950	86,284,281	77.3%
Midwest	5/17/2000	2024	98,090,835	419,158,279	327.3%
Montclare	8/30/2000	2024	792,770	8,743,239	1002.9%
Near North	7/30/1997	2020	41,671,541	397,427,071	853.7%
Near South	8/3/1994	2014	128,549,195	1,257,109,060	877.9%
Near West	6/10/1996	2024	36,805,658	279,982,268	660.7%
North Ave./Cicero	7/30/1997	2020	5,658,542	31,306,489	453.3%
North Branch North	7/2/1997	2021	29,574,537	121,144,581	309.6%
North Branch South	2/5/1998	2021	44,361,677	160,557,190	261.9%
NW Industrial Corridor	12/2/1998	2021	146,115,991	298,849,408	104.5%
Ogden Pulaski	4/9/2008	2032	221,709,034	258,441,607	16.6%
Ohio/Wabash	6/7/2000	2024	1,278,143	32,999,877	2481.9%
Pershing King	9/5/2007	2031	12,948,117	15,392,484	18.9%
Peterson/Cicero	2/16/2000	2024	1,116,653	12,128,279	986.1%
Peterson/Pulaski	2/16/2000	2023	40,112,395	66,568,613	66.0%
Pilsen Industrial Corridor	6/10/1998	2022	111,394,217	347,610,656	212.1%
Portage Park	9/9/1998	2028	65,084,552	131,527,080	102.1%
Pratt Ridge	6/23/2004	2028	16,414,897	22,794,601	38.9%
Pulaski Corridor	6/9/1999	2022	82,778,075	159,730,189	93.0%
Ravenswood Corridor	10/15/2005	2029	44,169,275	61,330,262	38.9%
Read/Dunning	1/11/1991	2015	6,382,072	67,731,681	961.3%
River South	7/30/1997	2020	65,930,580	303,117,293	359.8%
River West	1/10/2001	2025	50,463,240	355,315,882	604.1%
Roosevelt/Canal	3/19/1997	2021	1,276,969	25,519,910	1898.5%
Roosevelt/Cicero Corridor	2/5/1998	2021	45,179,428	105,025,721	132.5%
Roosevelt/Homan	12/5/1990	2013	3,539,018	24,883,022	603.1%
Roosevelt/Racine (DOH)	11/4/1998	2021	6,992,428	45,322,186	548.2%
Roosevelt/Union	5/12/1999	2022	4,369,258	103,505,294	2268.9%
Roseland/Michigan	1/16/2002	2026	29,627,768	45,448,324	53.4%
Ryan/Garfield	12/18/1986	2009	166,083	Terminated	NA
Sanitary & Ship Canal	7/24/1991	2014	10,722,329	29,274,230	173.0%
South Chicago	4/12/2000	2024	14,775,992	37,384,006	153.0%
South Works	11/3/1999	2022	3,823,633	8,361,380	118.7%
Stevenson Brighton Park	4/11/2007	2031	216,490,494	240,688,443	11.2%
Stockyards Annex	12/11/1996	2020	38,650,631	77,776,378	101.2%

## Statistical Section

### CITY OF CHICAGO TAX INCREMENT FINANCING (TIF) DISTRICTS (continued)

TIF District	Date TIF Initiated	Date TIF Matures	Initial EAV \$	2008 EAV \$	% Change in EAV (for 2008)
Stockyards-Industrial	3/8/1989	2012	\$ 11,178,459	\$ 50,840,791	354.8%
Stockyards-Southeast Quad	2/26/1992	2015	21,527,824	55,890,765	159.6%
Stony Island Com/Burnside	6/10/1998	2021	46,058,038	99,934,109	117.0%
Southwest Ind. Corridor	3/10/1999	2022	17,662,923	33,899,115	91.9%
Touhy Western	9/13/2006	2030	55,187,828	72,782,092	31.9%
Weed Fremont	1/9/2008	2032	6,430,360	7,017,352	9.1%
West Grand	6/10/1996	2019	465,129	2,279,942	390.2%
West Irving Park	1/12/2000	2024	36,446,831	62,287,729	70.9%
West Pullman Ind. Park	3/11/1998	2021	7,050,845	8,191,367	16.2%
West Ridge/Peterson	10/27/1986	2010	1,617,926	12,579,131	677.5%
Western Ave. North	1/12/2000	2024	71,260,546	170,031,243	138.6%
Western Ave. South	1/12/2000	2024	69,504,372	202,544,457	191.4%
Western/Ogden Ind. Corridor	2/5/1998	2021	41,536,306	204,506,841	392.4%
Western Rock Island	2/8/2006	2030	102,358,411	141,540,510	38.3%
Wilson Yard	6/27/2001	2025	55,960,211	185,798,528	232.0%
Woodlawn	1/20/1999	2022	28,865,833	96,935,212	235.8%
105th Vincennes	10/3/2001	2025	1,268,074	5,871,239	363.0%
111th St./Kedzie	9/29/1999	2022	14,456,141	27,791,129	92.2%
119th/I-57	11/6/2002	2026	16,097,672	39,154,713	143.2%
119th Halsted	2/6/2002	2026	18,853,913	35,903,037	90.4%
126th/Torrence	12/21/1994	2017	1,224,731	23,132,099	1788.7%
134th Avenue K	3/12/2008	2032	6,732,703	6,587,110	-2.2%
24th/Michigan	7/21/1999	2022	15,874,286	36,984,448	133.0%
26th King Drive	1/11/2006	2030	—	10,231,446	NA
26th/Kostner	4/29/1998	2021	2,834,583	Terminated	NA
35th/Halsted	1/14/1997	2021	81,196,655	169,603,949	108.9%
35th/State	1/14/2004	2028	3,978,955	23,048,134	479.3%
35th/Wallace	12/15/1999	2023	9,047,402	22,102,812	144.3%
40th State	3/10/2004	2028	NA	NA	NA
41st/King Drive	7/13/1994	2017	129,892	3,700,067	2748.6%
43rd/Cottage Grove	7/8/1998	2021	13,728,931	73,804,828	437.6%
43rd/Damen	8/3/1994	2017	5,596,786	Terminated	NA
45th/Western Industrial	3/27/2002	2026	2,188,976	5,572,259	154.6%
47th/Ashland	3/27/2002	2026	53,606,185	107,143,462	99.9%
47th/Halsted	5/29/2002	2026	39,164,012	111,186,024	183.9%
47th/King Drive	3/27/2002	2026	61,269,066	231,978,229	278.6%
47th/State	7/21/2004	2028	19,279,360	56,415,890	192.6%
49th/St. Lawrence	1/10/1996	2020	683,377	10,776,841	1477.0%
51st/Archer	5/17/2000	2024	29,522,751	47,891,522	62.2%
53rd St.	1/10/2001	2025	23,168,822	40,786,345	76.0%
60th/Western	5/9/1996	2019	2,464,026	9,064,884	267.9%
63rd Ashland	3/29/2006	2030	NA	NA	NA
63 <sup>rd</sup> /Pulaski	5/17/2000	2024	56,171,856	104,767,060	86.5%
67th/Cicero	10/2/2002	2026	—	7,179,807	NA
69th/Ashland	1/11/1900	2028	813,600	12,163,057	1395.0%
71st/Stony Island	3/4/2005	2021	53,506,725	125,500,464	134.6%
72nd/Cicero	11/17/1993	2016	6,531,993	13,542,697	107.3%
73rd/Kedzie	11/17/1993	2016	14,587,780	14,432,211	-1.1%
73rd University	9/13/2006	2030	16,998,947	36,072,384	112.2%
79th Street Corridor	7/8/1998	2021	21,576,305	39,421,773	82.7%
79th/SW Highway	10/3/2001	2025	36,347,823	65,104,907	79.1%
79th Cicero	6/8/2005	2029	8,018,405	14,009,350	74.7%
79th Vincennes	9/27/2007	2031	32,132,472	43,384,444	35.0%
83rd/Stewart	3/21/2004	2028	10,618,689	18,586,796	75.0%
87th/Cottage Grove	11/13/2002	2026	53,959,824	97,495,001	80.7%
89th/State	4/1/1998	2021	3,827,328	11,184,155	192.2%



## CITY OF CHICAGO TAX INCREMENT FINANCING (TIF) DISTRICTS (continued)

<u>TIF District</u>	<u>Date TIF Initiated</u>	<u>Date TIF Matures</u>	<u>Initial EAV \$</u>	<u>2008 EAV \$</u>	<u>% Change in EAV (for 2008)</u>
95th/Stony Island	5/16/1990	2013	\$ 2,622,436	\$ 25,752,223	882.0%
95th/Western	7/13/1995	2018	16,035,773	32,310,085	101.5%
			<u>\$10,700,772,936</u>	<u>\$19,847,268,625</u>	

## Notes:

State law empowers cities to create Tax Increment Financing Districts (TIFs) to finance redevelopment of blighted areas or areas at risk of blight. Taxes subsequently generated by new development and increases in property values in TIF districts are reinvested for further development. Increased tax revenues pay for general improvements such as roadways, viaducts, sewers, and sidewalk replacement or for financial assistance for developers.

State law requires the City to call a meeting of the Joint Review Board in order for the City to legally create any TIF. The Chicago Public Schools serves on this committee.

Source: Office of the Cook County Clerk Tax Increment Agency

Total 2008 EAV for the City of Chicago is \$80,983,239,311



**CHICAGO PUBLIC SCHOOLS**  
Chicago Board of Education

**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

For the fiscal year ended June 30, 2009

(Thousands of dollars)

Fiscal Year	CPS Debts	PBC Leases	Total CPS and PBC Debt	Total
2010	\$ 322,533	\$ 51,830	\$ 374,363	\$ 374,363
2011	323,371	51,874	375,245	375,245
2012	335,996	51,926	387,922	387,922
2013	316,618	51,963	368,581	368,581
2014	337,640	51,981	389,621	389,621
2015	327,324	52,029	379,353	379,353
2016	337,929	52,001	389,930	389,930
2017	328,922	52,019	380,941	380,941
2018	331,835	52,070	383,905	383,905
2019	330,425	52,099	382,524	382,524
2020	353,112	30,636	383,748	383,748
2021	388,327	—	388,327	388,327
2022	381,897	—	381,897	381,897
2023	383,044	—	383,044	383,044
2024	376,411	—	376,411	376,411
2025	376,508	—	376,508	376,508
2026	377,400	—	377,400	377,400
2027	377,173	—	377,173	377,173
2028	372,696	—	372,696	372,696
2029	376,581	—	376,581	376,581
2030	371,900	—	371,900	371,900
2031	357,414	—	357,414	357,414
2032	354,389	—	354,389	354,389
2033	91,795	—	91,795	91,795
2034	74,211	—	74,211	74,211
2035	57,397	—	57,397	57,397
2036	42,290	—	42,290	42,290
2037	22,500	—	22,500	22,500
TOTAL:	<u>\$8,427,638</u>	<u>\$550,428</u>	<u>\$8,978,066</u>	<u>\$8,978,066</u>



## CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

## DETAILED SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY — CPS Issues

For the fiscal year ended June 30, 2009

(Thousands of dollars)

Fiscal Year	4/26/1996 Series 1996 \$350 Million Bond Issue		5/7/1997 Series 1997 \$500 Million Bond Issue		12/3/1997 Series 1997A \$499.9 Million Bond Issue	
	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$10,495	\$2,551	\$11,465	\$3,036	\$ —	\$ —
2011	11,145	1,875	12,235	2,236	—	—
2012	11,830	1,157	13,050	1,383	7,332	7,913
2013	12,600	394	13,960	471	6,907	8,338
2014	—	—	—	—	6,501	8,744
2015	—	—	—	—	6,113	9,132
2016	—	—	—	—	5,743	9,502
2017	—	—	—	—	5,389	9,856
2018	—	—	—	—	—	—
2019	—	—	—	—	—	—
2020	—	—	—	—	—	—
2021	—	—	—	—	—	—
2022	—	—	—	—	—	—
2023	—	—	—	—	—	—
2024	—	—	—	—	—	—
2025	—	—	—	—	—	—
2026	—	—	—	—	—	—
2027	—	—	—	—	—	—
2028	—	—	—	—	—	—
2029	—	—	—	—	—	—
2030	—	—	—	—	—	—
2031	—	—	—	—	—	—
2032	—	—	—	—	—	—
2033	—	—	—	—	—	—
2034	—	—	—	—	—	—
2035	—	—	—	—	—	—
2036	—	—	—	—	—	—
2037	—	—	—	—	—	—
TOTAL	<u>\$46,070</u>	<u>\$5,977</u>	<u>\$50,710</u>	<u>\$7,126</u>	<u>\$37,985</u>	<u>\$53,485</u>

Statistical Section

CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

DETAILED SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY — CPS Issues (continued)

For the fiscal year ended June 30, 2009

(Thousands of dollars)

Fiscal Year	9/24/1998 Series 1998 \$14 Million Bond Issue		10/29/1998 Series 1998B-1 \$328.7 Million Bond Issue		2/25/1999 Series 1999A \$532.5 Million Bond Issue	
	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$ —	\$—	\$ 17,825	\$ 11,535	\$ 24,342	\$ 27,382
2011	—	—	16,843	12,522	23,019	28,710
2012	14,000	—	7,650	6,495	13,984	23,741
2013	—	—	10,384	10,016	13,267	24,642
2014	—	—	9,753	10,647	16,588	29,277
2015	—	—	9,215	11,185	16,149	30,243
2016	—	—	8,698	11,702	15,270	31,104
2017	—	—	8,202	12,198	14,517	31,882
2018	—	—	7,763	12,637	30,694	32,162
2019	—	—	7,344	13,056	30,896	31,919
2020	—	—	14,190	27,710	31,251	31,522
2021	—	—	20,686	43,614	31,661	31,016
2022	—	—	19,607	44,693	32,201	30,458
2023	—	—	18,624	45,676	32,849	29,774
2024	—	—	16,232	42,768	33,595	29,104
2025	—	—	15,379	43,621	34,424	28,202
2026	—	—	14,607	44,393	35,381	27,259
2027	—	—	13,873	45,127	36,452	26,112
2028	—	—	13,176	45,824	7,334	25,691
2029	—	—	21,211	78,789	12,351	46,259
2030	—	—	20,145	79,855	11,722	46,888
2031	—	—	19,134	80,866	11,125	47,485
2032	—	—	18,173	81,827	19,958	90,842
2033	—	—	—	—	—	—
2034	—	—	—	—	—	—
2035	—	—	—	—	—	—
2036	—	—	—	—	—	—
2037	—	—	—	—	—	—
TOTAL	<u>\$14,000</u>	<u>\$—</u>	<u>\$328,714</u>	<u>\$816,756</u>	<u>\$529,030</u>	<u>\$781,674</u>

## CHICAGO PUBLIC SCHOOLS

## Chicago Board of Education

## DETAILED SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY — CPS Issues (continued)

For the fiscal year ended June 30, 2009

(Thousands of dollars)

Fiscal Year	12/22/1999 IDFA Series 1999A \$12 Million Bond Issue		7/20/2000 Series 2000A \$106.9 Million Bond Issue		9/7/2000 Series 2000B,C,D \$303 Million Bond Issue	
	Principal	Interest	Principal	Interest	Principal	Estimated Interest (1)
2010	\$ —	\$—	\$ 2,365	\$ 851	\$ 3,600	\$ 17,274
2011	—	—	2,505	716	4,500	17,045
2012	12,000	—	2,635	577	4,700	16,810
2013	—	—	—	502	5,000	16,485
2014	—	—	—	502	5,400	16,179
2015	—	—	—	502	5,900	15,848
2016	—	—	—	502	6,800	15,515
2017	—	—	—	502	7,700	15,058
2018	—	—	—	502	8,200	14,589
2019	—	—	—	501	11,100	14,053
2020	—	—	—	501	12,700	13,392
2021	—	—	4,385	378	13,600	12,587
2022	—	—	4,635	127	14,400	11,759
2023	—	—	—	—	15,300	10,881
2024	—	—	—	—	16,200	10,052
2025	—	—	—	—	17,200	9,124
2026	—	—	—	—	18,200	8,161
2027	—	—	—	—	19,300	7,142
2028	—	—	—	—	20,500	6,073
2029	—	—	—	—	21,700	4,914
2030	—	—	—	—	23,000	3,698
2031	—	—	—	—	24,400	2,411
2032	—	—	—	—	23,600	1,071
2033	—	—	—	—	—	—
2034	—	—	—	—	—	—
2035	—	—	—	—	—	—
2036	—	—	—	—	—	—
2037	—	—	—	—	—	—
TOTAL	<u>\$12,000</u>	<u>\$—</u>	<u>\$16,525</u>	<u>\$6,663</u>	<u>\$303,000</u>	<u>\$260,121</u>

(1) Variable rate interest calculated at an assumed rate of 6% per annum

\* outstanding unhedged principal (\$241,900,00)

Interest on swapped securities assumes current interest rates remain the same as of June 30, 2009.

Series 2000C computed:  $(1.000\% \times \$61,100,000 \text{ swapped outstanding principal}) + (3.823\% - 0.216125\%) \times \$61,100,000 \text{ swapped outstanding principal}$ .

Statistical Section

CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

DETAILED SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY — CPS Issues (continued)

For the fiscal year ended June 30, 2009

(Thousands of dollars)

Fiscal Year	12/19/2000 Series 2000E \$13.4 Million Bond Issue		3/1/2001 Series 2001A \$45.1 Million Bond Issue		10/24/2001 Series 2001B \$9.4 Million Bond Issue	
	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$ —	\$—	\$ 905	\$167	\$ —	\$—
2011	—	—	945	128	—	—
2012	—	—	1,000	81	—	—
2013	—	—	1,045	27	—	—
2014	13,390	—	—	—	—	—
2015	—	—	—	—	—	—
2016	—	—	—	—	9,440	—
2017	—	—	—	—	—	—
2018	—	—	—	—	—	—
2019	—	—	—	—	—	—
2020	—	—	—	—	—	—
2021	—	—	—	—	—	—
2022	—	—	—	—	—	—
2023	—	—	—	—	—	—
2024	—	—	—	—	—	—
2025	—	—	—	—	—	—
2026	—	—	—	—	—	—
2027	—	—	—	—	—	—
2028	—	—	—	—	—	—
2029	—	—	—	—	—	—
2030	—	—	—	—	—	—
2031	—	—	—	—	—	—
2032	—	—	—	—	—	—
2033	—	—	—	—	—	—
2034	—	—	—	—	—	—
2035	—	—	—	—	—	—
2036	—	—	—	—	—	—
2037	—	—	—	—	—	—
TOTAL	<u>\$13,390</u>	<u>\$—</u>	<u>\$3,895</u>	<u>\$403</u>	<u>\$9,440</u>	<u>\$—</u>



## CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

## DETAILED SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY — CPS Issues (continued)

For the fiscal year ended June 30, 2009

(Thousands of dollars)

Fiscal Year	12/11/2001 Series 2001C \$217.3 Million Bond Issue		9/24/2002 Series 2002A \$49 Million Bond Issue		2/13/2003 Series 2003A \$75.9 Million Bond Issue	
	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$ 4,545	\$ 918	\$ 1,675	\$ 2,220	\$ 5,640	\$ 2,567
2011	4,770	679	1,825	2,147	5,900	2,290
2012	5,020	422	2,315	2,061	6,195	2,012
2013	5,285	145	2,405	1,969	6,455	1,713
2014	—	—	3,000	1,846	6,795	1,365
2015	—	—	3,150	1,692	7,150	999
2016	—	—	3,310	1,531	7,525	614
2017	—	—	3,475	1,361	7,925	208
2018	—	—	3,645	1,183	—	—
2019	—	—	3,830	992	—	—
2020	—	—	4,025	786	—	—
2021	—	—	4,240	569	—	—
2022	—	—	4,460	346	—	—
2023	—	—	4,685	117	—	—
2024	—	—	—	—	—	—
2025	—	—	—	—	—	—
2026	—	—	—	—	—	—
2027	—	—	—	—	—	—
2028	—	—	—	—	—	—
2029	—	—	—	—	—	—
2030	—	—	—	—	—	—
2031	—	—	—	—	—	—
2032	—	—	—	—	—	—
2033	—	—	—	—	—	—
2034	—	—	—	—	—	—
2035	—	—	—	—	—	—
2036	—	—	—	—	—	—
2037	—	—	—	—	—	—
TOTAL	<u>\$19,620</u>	<u>\$2,164</u>	<u>\$46,040</u>	<u>\$18,820</u>	<u>\$53,585</u>	<u>\$11,768</u>

Statistical Section

CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

DETAILED SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY — CPS Issues (continued)

For the fiscal year ended June 30, 2009

(Thousands of dollars)

Fiscal Year	10/28/2003 Series 2003C \$4.6 Million Bond Issue		4/6/2004 Series 2004A \$205.410 Million Bond Issue		11/10/2004 Series 2004CDE \$222.080 Million Bond Issue	
	Principal	Interest	Principal	Interest	Principal	Estimated Interest (2)
2010	\$ —	\$ —	\$ —	\$10,270	\$ 4,340	\$ 8,054
2011	—	—	—	10,270	4,535	7,936
2012	—	—	25	10,270	4,740	7,695
2013	—	—	2,965	10,195	4,955	7,420
2014	—	—	15,840	9,725	5,175	7,145
2015	—	—	18,615	8,864	5,410	6,857
2016	—	—	36,230	7,493	5,655	6,564
2017	—	—	38,020	5,636	5,910	6,241
2018	4,585	—	23,025	4,110	6,175	5,913
2019	—	—	24,190	2,930	6,450	5,542
2020	—	—	25,410	1,690	6,740	5,215
2021	—	—	21,090	526	7,045	4,836
2022	—	—	—	—	7,360	4,444
2023	—	—	—	—	7,695	4,034
2024	—	—	—	—	—	3,718
2025	—	—	—	—	—	3,718
2026	—	—	—	—	—	3,718
2027	—	—	—	—	—	3,718
2028	—	—	—	—	—	3,718
2029	—	—	—	—	—	3,718
2030	—	—	—	—	—	3,718
2031	—	—	—	—	—	3,718
2032	—	—	—	—	11,435	3,718
2033	—	—	—	—	11,945	2,849
2034	—	—	—	—	12,485	1,941
2035	—	—	—	—	13,045	992
2036	—	—	—	—	—	—
2037	—	—	—	—	—	—
TOTAL	<u>\$4,585</u>	<u>\$—</u>	<u>\$205,410</u>	<u>\$81,979</u>	<u>\$131,095</u>	<u>\$127,140</u>

(2) Variable rate interest calculated at an assumed rate of 4.50% per annum

\* \$82,184,000 in outstanding principal

Series 2004C computed: (5.50%\* \$48,910,000 swapped outstanding principal) + (3.825%  
– 0.216125%)\* \$48,910,000 swapped outstanding principal

## CHICAGO PUBLIC SCHOOLS

## Chicago Board of Education

## DETAILED SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY — CPS Issues (continued)

For the fiscal year ended June 30, 2009

(Thousands of dollars)

Fiscal Year	12/10/2004 Series 2004FGH \$56.000 Million Bond Issue		6/27/2005 Series 2005AB \$246.10 Million Bond Issue		12/8/2005 Series 2005DE \$325.000 Million Bond Issue	
	Principal	Interest	Principal	Estimated Interest	Principal	Estimated Interest (3)
2010	\$ —	\$ 710	\$ —	\$ 13,180	\$ —	\$ 15,699
2011	—	710	—	13,180	—	15,699
2012	260	704	—	13,180	—	15,699
2013	270	693	—	13,180	—	15,699
2014	775	670	20,660	12,663	—	15,699
2015	815	633	21,700	11,604	—	15,699
2016	915	588	6,720	10,886	—	15,699
2017	965	537	7,085	10,523	—	15,699
2018	1,220	473	7,455	10,132	—	15,699
2019	1,290	398	7,860	9,711	—	15,699
2020	1,370	318	8,300	9,267	—	15,699
2021	1,450	234	8,755	8,798	—	15,699
2022	1,540	144	31,975	7,734	—	15,699
2023	1,630	49	9,750	6,644	—	15,699
2024	—	—	10,290	6,093	—	15,699
2025	—	—	10,855	5,511	—	15,699
2026	—	—	11,455	4,898	4,775	15,699
2027	—	—	12,090	4,250	12,715	15,221
2028	—	—	12,760	3,567	13,215	13,950
2029	—	—	13,465	2,846	13,740	12,629
2030	—	—	14,200	2,085	14,280	11,256
2031	—	—	14,990	1,282	14,845	9,829
2032	—	—	15,815	435	15,430	8,345
2033	—	—	—	—	16,040	6,802
2034	—	—	—	—	16,670	5,199
2035	—	—	—	—	17,330	3,533
2036	—	—	—	—	18,015	1,801
2037	—	—	—	—	—	—
TOTAL	<u>\$12,500</u>	<u>\$6,861</u>	<u>\$246,180</u>	<u>\$181,649</u>	<u>\$157,055</u>	<u>\$355,448</u>

(3) Interest on swapped securities assumes current interest rates remain the same as of June 30, 2009 calculated at:

Series 2005DE computed:  $(6.55\% \times \text{swapped outstanding principal}) + (3.6617\% - 0.216125\%) \times \text{swapped outstanding principal}$

Statistical Section

CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

DETAILED SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY — CPS Issues (continued)

For the fiscal year ended June 30, 2009

(Thousands of dollars)

Fiscal Year	6/27/2005 Series 2006A \$6.853 Million		9/27/2006 Series 2006B \$355.805 Million		9/5/2007 Series 2007BC \$204.3 Million	
	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$ —	\$—	\$ 6,170	\$ 16,698	\$ 305	\$ 10,166
2011	—	—	6,430	16,406	320	10,153
2012	—	—	6,750	16,110	330	10,140
2013	—	—	7,020	15,835	345	10,127
2014	—	—	7,305	15,548	360	10,113
2015	—	—	7,595	15,212	375	10,098
2016	—	—	7,975	14,823	390	10,081
2017	—	—	8,375	14,414	410	10,061
2018	—	—	8,795	13,985	15,670	9,661
2019	—	—	9,230	13,534	16,450	8,861
2020	—	—	9,695	13,061	17,270	8,022
2021	6,853	—	10,180	12,564	25,610	6,953
2022	—	—	10,685	12,043	26,885	5,644
2023	—	—	11,220	11,495	28,230	4,269
2024	—	—	11,785	10,920	34,830	2,695
2025	—	—	12,370	10,316	36,560	913
2026	—	—	12,990	9,682	—	—
2027	—	—	13,640	9,016	—	—
2028	—	—	14,320	8,317	—	—
2029	—	—	15,040	7,602	—	—
2030	—	—	15,750	6,871	—	—
2031	—	—	16,500	6,105	—	—
2032	—	—	17,285	5,302	—	—
2033	—	—	18,105	4,439	—	—
2034	—	—	19,010	3,511	—	—
2035	—	—	19,960	2,537	—	—
2036	—	—	20,960	1,514	—	—
2037	—	—	22,005	495	—	—
TOTAL	<u>\$6,853</u>	<u>\$—</u>	<u>\$347,145</u>	<u>\$288,355</u>	<u>\$204,340</u>	<u>\$127,957</u>





## CHICAGO PUBLIC SCHOOLS

## Chicago Board of Education

## DETAILED SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY — CPS Issues (continued)

For the fiscal year ended June 30, 2009

(Thousands of dollars)

Fiscal Year	12/13/2007 Series 2007D \$238.7 Million		5/1/2008 Series 2008A \$262.8 Million		5/1/2008 Series 2008B \$240.9 Million	
	Principal	Interest	Principal	Estimated Interest (4)	Principal	Estimated Interest (5)
2010	\$ 6,875	\$ 11,224	\$ —	\$ 14,122	\$ 5,100	\$ 9,851
2011	7,150	10,943	—	14,122	5,350	9,638
2012	7,440	10,651	—	14,122	5,600	9,414
2013	7,735	10,348	—	14,122	5,925	9,180
2014	8,045	9,992	—	14,122	6,275	8,932
2015	8,445	9,580	—	14,122	7,125	8,669
2016	8,870	9,147	—	14,122	7,500	8,370
2017	9,310	8,693	—	14,122	7,925	8,057
2018	9,780	8,215	—	14,122	7,800	7,726
2019	10,265	7,714	—	14,122	8,125	7,400
2020	10,780	7,188	—	14,122	8,475	7,060
2021	11,320	6,636	—	14,122	8,825	6,706
2022	11,885	6,055	—	14,122	9,225	6,337
2023	12,480	5,446	—	14,122	9,400	5,951
2024	13,105	4,807	—	14,122	9,750	5,558
2025	13,760	4,135	—	14,122	10,200	5,151
2026	14,445	3,430	38,390	14,003	10,650	4,724
2027	15,170	2,690	40,410	11,933	11,100	4,279
2028	15,930	1,912	42,530	9,755	11,550	3,815
2029	16,725	1,096	44,760	7,463	12,050	3,332
2030	13,550	339	47,110	5,050	12,550	2,828
2031	—	—	49,585	2,665	13,050	2,303
2032	—	—	—	—	13,600	1,757
2033	—	—	—	—	14,200	1,189
2034	—	—	—	—	14,800	595
2035	—	—	—	—	—	—
2036	—	—	—	—	—	—
2037	—	—	—	—	—	—
TOTAL	<u>\$233,065</u>	<u>\$140,241</u>	<u>\$262,785</u>	<u>\$276,821</u>	<u>\$236,150</u>	<u>\$148,822</u>

Interest on variable rate securities assumes current interest rates remain the same as of June 30, 2009 calculated at:

- (4) Series 2008A computed:  $(0.62\% \times \$262,785,000 \text{ outstanding principal}) + (5.25\% - 0.496125\%)*$   
 $\$262,785,000 \text{ swapped outstanding principal}$
- (5) Series 2008B computed:  $(0.62\% \times \$236,150,000 \text{ outstanding principal}) + (3.771\% - 0.216125\%)*$   
 $\$236,150,000 \text{ swapped outstanding principal}$

Statistical Section

CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

DETAILED SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY — CPS Issues (continued)

For the fiscal year ended June 30, 2009

(Thousands of dollars)

Fiscal Year	5/13/2008 Series 2008C \$464.7 Million		3/18/2009 Series 2009A \$130.0 Million		6/25/2009 Series 2009B \$75.4 Million	
	Principal	Interest	Principal	Interest (6)	Principal	Interest (7)
2010	\$ —	\$ 23,641	\$ —	\$ 4,820	\$ —	\$ 2,721
2011	—	23,641	—	4,837	—	2,721
2012	—	23,641	—	4,837	—	2,721
2013	—	23,641	7,395	4,837	—	2,721
2014	—	23,641	7,685	4,562	—	2,721
2015	—	23,641	7,990	4,276	—	2,721
2016	—	23,641	8,305	3,978	—	2,721
2017	—	23,641	8,635	3,669	—	2,721
2018	7,420	23,455	8,975	3,348	—	2,721
2019	8,815	23,083	9,330	3,014	—	2,721
2020	9,615	22,655	9,695	2,667	—	2,721
2021	10,120	22,162	10,080	2,306	—	2,721
2022	10,660	21,642	10,480	1,931	—	2,721
2023	41,535	20,337	10,890	1,541	—	2,721
2024	43,720	18,151	11,320	1,136	8,040	2,721
2025	46,145	15,792	11,765	715	8,400	2,431
2026	48,595	13,305	7,455	277	8,780	2,128
2027	51,265	10,684	—	—	9,175	1,811
2028	80,365	7,329	—	—	9,585	1,480
2029	20,940	4,797	—	—	10,020	1,134
2030	22,040	3,722	—	—	10,470	773
2031	23,195	2,591	—	—	10,940	395
2032	24,395	1,401	—	—	—	—
2033	15,830	396	—	—	—	—
2034	—	—	—	—	—	—
2035	—	—	—	—	—	—
2036	—	—	—	—	—	—
2037	—	—	—	—	—	—
TOTAL	<u>\$464,655</u>	<u>\$400,630</u>	<u>\$130,000</u>	<u>\$52,751</u>	<u>\$75,410</u>	<u>\$50,967</u>

Interest on variable rate securities assumes current interest rates remain the same as of June 30, 2009 calculated at:

- (6) Series 2009A computed:  $(0.275\% \times \$130,000,000 \text{ outstanding principal}) + (3.6617\% - 0.216125\%)*$   
\$130,000,000 swapped outstanding principal
- (7) Series 2009B computed:  $(0.180\% \times \$75,410,000 \text{ outstanding principal}) + (3.825\% - 0.216125\%)*$   
\$75,410,000 swapped outstanding principal

**CHICAGO PUBLIC SCHOOLS**  
**Chicago Board of Education**

**DETAILED SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY — CPS Issues (continued)**  
**For the fiscal year ended June 30, 2009**  
**(Thousands of dollars)**

Fiscal Year	6/25/2009 Series 2009C \$20.3 Million		Total		
	Principal	Interest (8)	G.O. Debt Principal	G.O. Debt Interest	Total CPS Debts
2010	\$ 6,450	\$ 779	\$ 112,097	\$ 210,436	\$ 322,533
2011	6,750	545	114,222	209,149	323,371
2012	7,065	239	133,921	202,075	335,996
2013	—	—	113,918	202,700	316,618
2014	—	—	133,547	204,093	337,640
2015	—	—	125,747	201,577	327,324
2016	—	—	139,346	198,583	337,929
2017	—	—	133,843	195,079	328,922
2018	—	—	151,202	180,633	331,835
2019	—	—	155,175	175,250	330,425
2020	—	—	169,516	183,596	353,112
2021	—	—	195,900	192,427	388,327
2022	—	—	195,998	185,899	381,897
2023	—	—	204,288	178,756	383,044
2024	—	—	208,867	167,544	376,411
2025	—	—	217,058	159,450	376,508
2026	—	—	225,723	151,677	377,400
2027	—	—	235,190	141,983	377,173
2028	—	—	241,265	131,431	372,696
2029	—	—	202,002	174,579	376,581
2030	—	—	204,817	167,083	371,900
2031	—	—	197,764	159,650	357,414
2032	—	—	159,691	194,698	354,389
2033	—	—	76,120	15,675	91,795
2034	—	—	62,965	11,246	74,211
2035	—	—	50,335	7,062	57,397
2036	—	—	38,975	3,315	42,290
2037	—	—	22,005	495	22,500
<b>TOTAL</b>	<b>\$20,265</b>	<b>\$1,563</b>	<b>\$4,221,497</b>	<b>\$4,206,141</b>	<b>\$8,427,638</b>

(8) Variable rate interest calculated at an assumed rate of 4.50% per annum \* \$20,265,000 in outstanding principal

**Statistical Section**

**CHICAGO PUBLIC SCHOOLS**

Chicago Board of Education

**DETAILED SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY — PBC Issues**

For the fiscal year ended June 30, 2009

(Thousands of dollars)

Fiscal Year	1/1/1992 1992 Series A			4/1/1993 1993 Series A		
	Principal	Interest	Admin Fee	Principal	Interest	Admin Fee
2010	\$ 16,375	\$14,615	\$ 1,350	\$10,420	\$1,464	\$ 1,233
2011	17,400	13,592	1,350	11,025	902	1,212
2012	18,500	12,504	1,350	11,660	306	1,214
2013	19,650	11,348	1,350	—	—	1,205
2014	20,850	10,120	1,350	—	—	1,203
2015	22,150	8,817	1,350	—	—	1,205
2016	22,025	7,433	1,300	—	—	1,204
2017	23,325	6,111	1,300	—	—	1,204
2018	24,725	4,712	1,300	—	—	1,204
2019	26,125	3,228	1,300	—	—	1,208
2020	27,675	1,661	1,300	—	—	—
2021	—	—	—	—	—	—
2022	—	—	—	—	—	—
2023	—	—	—	—	—	—
2024	—	—	—	—	—	—
2025	—	—	—	—	—	—
2026	—	—	—	—	—	—
2027	—	—	—	—	—	—
2028	—	—	—	—	—	—
2029	—	—	—	—	—	—
2030	—	—	—	—	—	—
2031	—	—	—	—	—	—
2032	—	—	—	—	—	—
<b>TOTAL</b>	<b>\$238,800</b>	<b>\$94,141</b>	<b>\$14,600</b>	<b>\$33,105</b>	<b>\$2,672</b>	<b>\$12,092</b>



## STATISTICAL SECTION

**Statistical Section**

**CHICAGO PUBLIC SCHOOLS**  
**Chicago Board of Education**

**ASBESTOS LOAN REPAYMENT SCHEDULE**  
**For the fiscal year ended June 30, 2009**

<u>Fiscal Year</u>	<u>Loan J855547-01-0</u>	<u>Loan J858353-01-0</u>	<u>Total</u>
2010	\$135,326	\$ 736,621	\$ 871,947
2011	—	736,621	736,621
2012	—	736,621	736,621
2013	—	364,979	364,979
	<u>\$135,326</u>	<u>\$2,574,842</u>	<u>\$2,710,168</u>

## CHICAGO PUBLIC SCHOOLS

## Chicago Board of Education

## BOND ISSUES OUTSTANDING RELATED TO THE CHICAGO PUBLIC SCHOOLS

For the fiscal year ended June 30, 2009

(Thousands of dollars)

	Date		Interest Rate	Outstanding at June 30, 2008	Issue or (Redeemed)	Outstanding at June 30, 2009
	Issued	Maturity				
Direct Debt (A):						
PBC GO Lease Certificate 1992 Series A	1/1/1992	1/1/2020	6.00% to 6.50%	\$ 254,250	\$ (15,450)	\$ 238,800
PBC Building Revenue Bonds 1993 Series A	4/1/1993	12/1/2018	3.00% to 5.75%	42,960	(9,855)	33,105
PBC Building Revenue Refunding Bonds 1999 Series B	3/11/1999	12/1/2018	5.00% to 5.25%	114,480	—	114,480
Unlimited Tax G.O. Bonds Series 1996	4/1/1996	12/1/2026	4.80% to 6.25%	49,460	(3,390)	46,070
Unlimited Tax G.O. Bonds Series 1997	5/7/1997	12/1/2027	5.08% to 6.75%	61,315	(10,605)	50,710
Unlimited Tax G.O. Bonds Series 1997A	12/3/1997	12/1/2030	5.30% to 5.55%	37,985	—	37,985
Qualified Zone Academy G.O. Bonds Series 1998	9/24/1998	9/23/2011	0.00%	14,000	—	14,000
Unlimited Tax G.O. Bonds Series 1998 B-1	10/28/1998	12/1/2031	4.55% to 5.22%	328,714	—	328,714
Unlimited Tax G.O. Bonds Series 1999A	2/25/1999	12/1/2031	4.30% to 5.30%	531,325	(2,295)	529,030
Qualified Zone Academy G.O. Bonds IDFA Series 1999A	12/22/1999	12/21/2011	0.00%	12,000	—	12,000
Unlimited Tax G.O. Bonds Series 2000A	7/20/2000	12/1/2031	5.10% to 6.00%	16,525	—	16,525
Unlimited Tax G.O. Bonds Series 2000B,C,D	9/7/2000	3/1/2032	Variable	303,000	—	303,000
Qualified Zone Academy G.O. Bonds Series 2000E	12/19/2000	12/18/2013	0.00%	13,390	—	13,390
Unlimited Tax G.O. Bonds Series 2001A	3/1/2001	12/1/2031	4.00% to 5.75%	4,765	(870)	3,895
Qualified Zone Academy G.O. Bonds Series 2001B	10/24/2001	10/23/2015	0.00%	9,440	—	9,440
Unlimited Tax G.O. Bonds Series 2001C	12/11/2001	12/1/2031	5.00% to 5.50%	23,950	(4,330)	19,620
Unlimited Tax G.O. Bonds Series 2002A	9/24/2002	12/1/2022	3.00% to 5.25%	47,175	(1,135)	46,040

# Statistical Section

## CHICAGO PUBLIC SCHOOLS

### Chicago Board of Education

#### BOND ISSUES OUTSTANDING RELATED TO THE CHICAGO PUBLIC SCHOOLS (continued)

For the fiscal year ended June 30, 2009

(Thousands of dollars)

	Date		Interest Rate	Outstanding at June 30, 2008	Issue or (Redeemed)	Outstanding at June 30, 2009
	Issued	Maturity				
Unlimited Tax G.O. Bonds Series 2003A	2/13/2003	12/1/2016	2.50% to 5.25%	\$ 58,960	\$ (5,375)	\$ 53,585
Qualified Zone Academy G.O. Bonds Series 2003C	10/28/2003	10/27/2017	0.00%	4,585	—	4,585
Unlimited Tax G.O. Bonds Series 2004A	4/6/2004	12/1/2020	4.00% to 5.00%	205,410	—	205,410
Unlimited Tax G.O. Bonds Series 2004CDE	11/10/2004	3/1/2035	Variable	210,660	(79,565)	131,095
Unlimited Tax G.O. Bonds Series 2004FGH	12/10/2004	3/1/2032	4.00% to 6.00%	12,500	—	12,500
Unlimited Tax G.O. Bonds Series 2005AB	6/27/2005	3/1/2031	5.00% to 5.50%	246,180	—	246,180
Unlimited Tax G.O. Bonds Series 2005DE	12/8/2005	3/1/2036	Variable	313,485	(156,430)	157,055
Qualified Zone Academy G.O. Bonds Series 2006A	6/7/2006	6/1/2021	0.00%	6,853	—	6,853
Unlimited Tax G.O. Bonds Series 2006B	9/27/2006	12/1/2036	4.25% to 5.00%	353,060	(5,915)	347,145
Unlimited Tax G.O. Bonds Series 2007BC	9/5/2007	12/1/2024	4.125% to 5.00%	204,635	(295)	204,340
Unlimited Tax G.O. Bonds Series 2007D	12/13/2007	12/1/2029	4.00% to 5.00%	238,720	(5,655)	233,065
Unlimited Tax G.O. Bonds Series 2008A	5/13/2008	12/1/2030	Variable	262,785	—	262,785
Unlimited Tax G.O. Bonds Series 2008B	5/13/2008	3/1/2034	Variable	240,975	(4,825)	236,150
Unlimited Tax G.O. Bonds Series 2008C	5/1/2008	12/1/2032	4.25% to 5.00%	464,655	—	464,655
Unlimited Tax G.O. Bonds Series 2009A	3/18/2009	3/1/2026	Variable	—	130,000	130,000
Unlimited Tax G.O. Bonds Series 2009BC	6/25/2009	3/1/2031	Variable	—	95,675	95,675
Total Direct Debt				<u>\$4,688,197</u>	<u>\$ (80,315)</u>	<u>\$4,607,882</u>





## CHICAGO PUBLIC SCHOOLS

## Chicago Board of Education

## BOND ISSUES OUTSTANDING RELATED TO THE CHICAGO PUBLIC SCHOOLS (continued)

For the fiscal year ended June 30, 2009

(Thousands of dollars)

	<u>Issued</u>	<u>Maturity</u>	<u>Interest Rate</u>	<u>Outstanding at June 30, 2008</u>	<u>Issued or (Redeemed)</u>	<u>Outstanding at June 30, 2009</u>
<b>School Finance Authority Debt(B):</b>						
(Not included in financial statements)						
SFA Series 1992A	4/1/1992	6/1/2009	3.50% to 6.25%	\$ 17,780	\$ (17,780)	\$ —
SFA Series 1993A	4/1/1993	6/1/2009	2.60% to 5.50%	10,290	(10,290)	—
SFA Series 2004B	5/20/2004	6/1/2009	5.00%	38,575	(38,575)	—
SFA Total . . . . .				<u>\$ 66,645</u>	<u>\$ (66,645)</u>	<u>\$ —</u>
GRAND TOTAL . . . . .				<u>\$4,754,842</u>	<u>\$(146,960)</u>	<u>\$4,607,882</u>

## NOTES:

- A. Excludes total accreted interest of \$467,390,020 on Series 1997A, Series 1998B-1, and Series 1999A bonds (\$32,542,892, \$234,309,367, and \$200,537,761, respectively).
- B. The Chicago School Finance Authority (SFA) is a separate body politic and corporate and a unit of local government. SFA has no outstanding debt at this time. See Note 14 of the notes to the basic financial statements. The Board has no obligation for this debt. Accordingly, this debt has not been recorded in the financial statements.

## Statistical Section

### CHICAGO PUBLIC SCHOOLS Chicago Board of Education

#### TOTAL AUTHORIZED BOND ISSUANCES As of June 30, 2009 (Thousands of dollars)

Bond Authorization	Amount Authorized	Amount Issued	Lien Closed	Defeased	Principal (1) Outstanding June 30, 2009	Remaining Authorization
1995 COP Board Authorization . . . . .	\$ 45,000	\$ 45,000	\$ —	\$ —	\$ —	\$ —
1996 Alternate Bond Authorization . . . . .	1,150,000	850,000 (A)	300,000	658,975	96,780 (A)	—
1997 Alternate Bond Authorization . . . . .	1,500,000	1,497,703 (B)	—	462,010	1,032,169 (B)	2,297
1998 Alternate Bond Authorization . . . . .	900,000	870,195 (C)	—	308,140	240,395 (C)	29,805
2001 Alternate Bond Authorization . . . . .	500,000	500,000 (D)	—	381,425	73,205 (D)	—
2002 Alternate Bond Authorization . . . . .	500,000	500,000 (E)	—	434,080	46,040 (E)	—
2004 Alternate Bond Authorization . . . . .	965,000	965,000 (F)	—	322,925	601,486 (F)	—
2006 Alternate Bond Authorization . . . . .	750,000	558,538 (G)	—	162,785	388,477 (G)	191,462
2008 Alternate Bond Authorization . . . . .	1,900,000	1,098,415 (H)	—	—	1,093,590 (H)	801,585
<b>TOTAL . . . . .</b>	<b>\$8,210,000</b>	<b>\$6,884,851</b>	<b>\$300,000</b>	<b>\$2,730,340</b>	<b>\$3,572,142</b>	<b>\$1,025,149</b>

1. Debt Reform Act Section 15 of the State of Illinois states that Alternate Bonds may, upon meeting certain requirements of the Debt Reform Act, be issued to refund previously issued Alternate Bonds without utilizing additional authorization. CPS has issued four series of refunding bonds which met these requirements: \$205,410,000 Series 2004A, \$193,585,000 Series 2005A, \$52,595,000 Series 2005B and \$197,765,000 Series 2007B which are not included in the authorization table. Total principal amount outstanding including these series is \$4,221,497.

#### NOTES:

A. The total issued and outstanding debt for the 1996 Authorization is the issuance as outlined below:

	Date Issued	Amount Issued	Principal Outstanding
Unlimited Tax GO Bonds Series 1996 . . . . .	4/17/1996	\$350,000	\$46,070
Unlimited Tax GO Bonds Series 1997 . . . . .	5/7/1997	500,000	50,710
		<u>\$850,000</u>	<u>\$96,780</u>

## CHICAGO PUBLIC SCHOOLS

## Chicago Board of Education

## TOTAL AUTHORIZED BOND ISSUANCES (continued)

As of June 30, 2009

(Thousands of dollars)

B. The total issued and outstanding debt for the 1997 Authorization is the issuance as outlined below:

	<u>Date Issued</u>	<u>Amount Issued</u>	<u>Principal Outstanding</u>
Unlimited Tax GO Bonds Series 1997A .....	12/3/1997	\$ 499,995	\$ 37,985
Unlimited Tax GO Bonds Series 1998 .....	9/24/1998	14,000	14,000
Unlimited Tax GO Bonds Series 1998 B-1 .....	10/28/1998	328,714	328,714
Unlimited Tax GO Bonds Series 1999A .....	2/25/1999	532,554	529,030
Unlimited Tax GO Bonds, IDFA Series 1999A .....	12/22/1999	12,000	12,000
Unlimited Tax GO Bonds, Series 2000D .....	9/7/2000	101,000	101,000
Unlimited Tax GO Bonds, Series 2001B .....	12/21/2001	9,440	9,440
		<u>\$1,497,703</u>	<u>\$1,032,169</u>

C. The total issued and outstanding debt for the 1998 Authorization is the issuance as outlined below:

	<u>Date Issued</u>	<u>Amount Issued</u>	<u>Principal Outstanding</u>
Unlimited Tax GO Bonds, PBC Series C of 1999 .....	9/30/1999	\$316,255	\$ —
Unlimited Tax GO Bonds, Series 2000A .....	7/20/2000	106,960	16,525
Unlimited Tax GO Bonds, Series 2000B,C .....	9/7/2000	202,000	202,000
Unlimited Tax GO Bonds, Series 2000E .....	12/19/2000	13,390	13,390
Unlimited Tax GO Bonds, Series 2001A .....	3/1/2001	45,110	3,895
Unlimited Tax GO Bonds, Series 2003C .....	10/28/2003	4,585	4,585
Unlimited Tax GO Refunding Bonds, Series 2004B .....	4/6/2004	81,895	—
Unlimited Tax GO Refunding Bonds, Series 2007A .....	9/5/2007	100,000	—
Total issued and outstanding debt: .....		<u>\$870,195</u>	<u>\$240,395</u>

D. The total issued and outstanding debt for the 2001 Authorization is the issuance as outlined below:

	<u>Date Issued</u>	<u>Amount Issued</u>	<u>Principal Outstanding</u>
Unlimited Tax GO Bonds, Series 2001C .....	12/11/2001	\$217,260	\$19,620
Unlimited Tax GO Bonds, Series 2003A .....	2/13/2003	75,890	53,585
Unlimited Tax GO Bonds, Series 2003B .....	2/13/2003	183,775	—
Unlimited Tax GO Refunding Bonds, Series 2004B .....	4/6/2004	23,075	—
		<u>\$500,000</u>	<u>\$73,205</u>

E. The total issued and outstanding debt for the 2002 Authorization is the issuance as outlined below:

	<u>Date Issued</u>	<u>Amount Issued</u>	<u>Principal Outstanding</u>
Unlimited Tax GO Bonds, Series 2002A .....	9/24/2002	\$ 48,970	\$46,040
Unlimited Tax GO Bonds, Series 2003D .....	12/12/2003	257,925	—
Unlimited Tax GO Refunding Bonds, Series 2004B .....	4/6/2004	193,105	—
		<u>\$500,000</u>	<u>\$46,040</u>

## Statistical Section

### CHICAGO PUBLIC SCHOOLS

#### Chicago Board of Education

#### TOTAL AUTHORIZED BOND ISSUANCES (continued)

As of June 30, 2009

(Thousands of dollars)

F. The total issued and outstanding debt for the 2004 Authorization is the issuance as outlined below:

	<u>Date Issued</u>	<u>Amount Issued</u>	<u>Principal Outstanding</u>
Unlimited Tax GO Bonds, Series 2004CDE . . . . .	11/10/2004	\$222,080	\$131,095
Unlimited Tax GO Bonds, Series 2004FGH . . . . .	12/2/2004	56,000	12,500
Unlimited Tax GO Bonds, Series 2005C . . . . .	11/15/2005	53,750	—
Unlimited Tax GO Bonds, Series 2005DE . . . . .	12/8/2005	325,000	157,055
Unlimited Tax GO Bonds, Series 2006A . . . . .	6/7/2006	6,853	6,853
Unlimited Tax GO Bonds, Series 2006B . . . . .	9/27/2006	301,317	293,983
		<u>\$965,000</u>	<u>\$601,486</u>

G. The total issued and outstanding debt for the 2006 Authorization is the issuance as outlined below:

	<u>Date Issued</u>	<u>Amount Issued</u>	<u>Principal Outstanding</u>
Unlimited Tax GO Bonds, Series 2006B . . . . .	9/27/2006	\$ 54,488	\$ 53,162
Unlimited Tax GO Refunding Bonds, Series 2007A . . . . .	9/5/2007	162,785	—
Unlimited Tax GO Refunding Bonds, Series 2007C . . . . .	9/5/2007	6,870	6,575
Unlimited Tax GO Bonds, Series 2007D . . . . .	12/13/2007	238,720	233,065
Unlimited Tax GO Refunding Bonds, Series 2009B . . . . .	6/25/2009	75,410	75,410
Unlimited Tax GO Refunding Bonds, Series 2009C . . . . .	6/25/2009	20,265	20,265
		<u>\$558,538</u>	<u>\$388,477</u>

H. The total issued and outstanding debt for the 2008 Authorization is the issuance as outlined below:

	<u>Date Issued</u>	<u>Amount Issued</u>	<u>Principal Outstanding</u>
Unlimited Tax GO Refunding Bonds, Series 2008A . . . . .	5/13/2008	\$ 262,785	\$ 262,785
Unlimited Tax GO Refunding Bonds, Series 2008B . . . . .	5/13/2008	240,975	236,150
Unlimited Tax GO Refunding Bonds, Series 2008C . . . . .	5/1/2008	464,655	464,655
Unlimited Tax GO Refunding Bonds, Series 2009A . . . . .	3/18/2009	130,000	130,000
		<u>\$1,098,415</u>	<u>\$1,093,590</u>





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## Statistical Section

### CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

#### OUTSTANDING DEBT PER CAPITA

Last Ten Fiscal Years

(Dollars in thousands, except per capita)

As of June 30, 2009

Fiscal Year	General Obligation Bonds	Leases Securing PBC Bonds	Asbestos Abatement Loan	Capital Leases	Note Payable	Total Primary Government
2000	\$2,062,947	\$884,589	\$15,438	\$4,281	\$ —	\$2,967,255
2001	2,474,893	849,784	13,253	4,958	—	3,342,888
2002	2,691,983	785,844	11,833	3,130	—	3,492,790
2003	2,989,853	698,899	10,413	7,124	—	3,706,289
2004	3,275,193	607,094	8,994	—	—	3,891,281
2005	3,510,968	476,044	7,574	—	5,500	4,000,086
2006	3,866,956	458,030	6,154	2,975	4,598	4,338,713
2007	4,091,856	435,535	4,885	2,800	3,606	4,538,682
2008	4,276,507	411,690	3,747	2,625	2,516	4,697,085
2009	4,221,497	386,385	2,710	2,450	1,317	4,614,359



Percentage of Personal Income	Percentage of Actual Taxable Value of Property	Population	Total Outstanding Debt Per Capita	Total General Obligation Debt Per Capita
3.02%	14.93%	2,896,016	\$1,024.60	\$ 712.34
3.32%	16.71%	2,896,016	1,154.31	854.59
3.42%	17.19%	2,896,016	1,206.07	929.55
3.62%	14.42%	2,896,016	1,279.79	1,032.40
3.63%	15.12%	2,896,016	1,343.67	1,130.93
3.50%	15.25%	2,896,016	1,381.24	1,212.34
3.57%	13.00%	2,896,016	1,498.17	1,335.27
3.46%	13.50%	2,896,016	1,567.22	1,412.93
n/a	13.82%	2,896,016	1,621.91	1,476.69
n/a	n/a	2,896,016	1,593.35	1,457.69

**CHICAGO PUBLIC SCHOOLS**  
Chicago Board of Education

**LEGAL DEBT MARGIN INFORMATION**

Last Ten Fiscal Years

As of June 30, 2009

(Dollars in thousands)

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Debt Limit . . . . .	\$4,879,951	\$5,587,224	\$5,794,463	\$6,256,611
General obligation . . . . .	1,165,919	1,161,290	1,069,366	979,083
Less: Amount set aside for repayment of bonds . . . . .	<u>(37,921)</u>	<u>(38,379)</u>	<u>(37,965)</u>	<u>(37,486)</u>
Total Net Debt applicable to Limit (A) . . . . .	<u>\$1,127,998</u>	<u>\$1,122,911</u>	<u>\$1,031,401</u>	<u>\$ 941,597</u>
Legal debt margin . . . . .	<u>\$3,751,953</u>	<u>\$4,464,313</u>	<u>\$4,763,062</u>	<u>\$5,315,014</u>
Total net debt applicable to the limit as a percentage of debt limit . . . .	23.11%	20.10%	17.80%	15.05%

(A) Pursuant to Section 15 of the Debt Reform Act, this table does not reflect the following bonds because these bond series do not count against the debt limit until the tax levy supporting them is extended for collection:

\$350.0 million Series 1996	\$4.6 million Series 2003C
\$500.0 million Series 1997	\$205.4 million Series 2004A
\$500.0 million Series 1997A	\$222.1 million Series 2004CDE
\$14.0 million Series 1998	\$56.0 million Series 2004FGH
\$328.7 million Series 1998B-1	\$246.2 million Series 2005AB
\$532.6 million Series 1999A	\$157.1 million Series 2005DE
\$12.0 million IDFA Series 1999A	\$6.9 million Series 2006A
\$106.9 million Series 2000A	\$355.8 million Series 2006B
\$303.0 million Series 2000B,C,D	\$204.6 million Series 2007BC
\$13.4 million Series 2000E	\$238.7 million Series 2007D
\$45.1 million Series 2001A	\$262.8 million Series 2008A
\$9.4 million Series 2001B	\$241.0 million Series 2008B
\$217.3 million Series 2001C	\$464.7 million Series 2008C
\$49.0 million Series 2002A	\$130.0 million Series 2009A
\$75.9 million Series 2003A	\$95.7 million Series 2009BC



<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$7,338,200	\$7,629,142	\$8,184,894	\$9,593,382	\$10,163,860	\$11,175,687
917,855	764,761	711,982	658,947	606,009	553,134
<u>(36,226)</u>	<u>(38,913)</u>	<u>(39,984)</u>	<u>(37,322)</u>	<u>(36,238)</u>	<u>(34,719)</u>
<u>\$ 881,629</u>	<u>\$ 725,848</u>	<u>\$ 671,998</u>	<u>\$ 621,625</u>	<u>\$ 569,771</u>	<u>\$ 518,415</u>
<u>\$6,456,571</u>	<u>\$6,903,294</u>	<u>\$7,512,896</u>	<u>\$8,971,757</u>	<u>\$ 9,594,089</u>	<u>\$10,657,272</u>
12.01%	9.51%	8.21%	6.48%	5.61%	4.64%

**CHICAGO PUBLIC SCHOOLS**  
Chicago Board of Education

**Direct and Overlapping Governmental Activities Debt**  
**As of June 30, 2009**  
**(dollars in thousands)**

<u>Governmental Unit</u>	<u>Debt Outstanding (a)</u>	<u>Estimated Percentage Applicable (b)</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
City of Chicago . . . . .	\$6,558,654	100.00%	\$ 6,558,654
Chicago Park District . . . . .	814,290	100.00%	814,290
Water Reclamation District . . . . .	1,379,237	47.61%	656,608
County . . . . .	2,897,975	46.63%	1,351,464
Forest Preserve District . . . . .	115,105	46.63%	53,679
Subtotal, overlapping debt . . . . .			\$ 9,434,695
Chicago Public Schools Direct Debt . . . . .			4,221,497
Total Direct and Overlapping Debt . . . . .			<u>\$13,656,192</u>

- (a) Debt outstanding data provided by each governmental unit.  
(b) Assessed value data used to estimate applicable percentage provided by the Office of the Cook County Clerk.

**CHICAGO PUBLIC SCHOOLS****Chicago Board of Education****CPS' DEBT RATING HISTORY**

CPS has issued \$7.5 billion of general obligation bonds to date, of which \$4.2 billion is currently outstanding, for the purpose of financing its Capital Improvement Program or refunding outstanding debt. In addition, CPS also has issued general obligation lease obligations with the Public Building Commission (the "PBC") securing \$386 million (principal amount) currently outstanding. The CPS' current lease obligations to the PBC mature in 2020.

**Secure Structure:** All of the CPS general obligation debt has been issued as alternate revenue bonds. Alternate revenue bonds are secured by at least one other revenue stream in addition to the Board's unlimited tax general obligation pledge. The CPS has pledged revenues from Personal Property Replacement Taxes ("PPRT"), revenues from an Intergovernmental Agreement ("IGA") with the City of Chicago, revenues from City Notes and Intergovernmental Agreements with the City of Chicago, and both State Aid and State Grant revenues as alternate revenue sources. The following table indicates which revenues support each of the CPS' general obligation debt issues:

<u>Series</u>	<u>Date Issued</u>	<u>Security Revenue Source</u>	
1996 .....	04/17/96	PPRT	Unlimited Tax Levy
1997 .....	05/07/97	PPRT	Unlimited Tax Levy
1997A .....	12/03/97	PPRT/IGA	Unlimited Tax Levy
1998 .....	09/24/98	IGA	Unlimited Tax Levy
1998B-1 .....	10/28/98	IGA	Unlimited Tax Levy
1999A .....	02/25/99	PPRT/IGA	Unlimited Tax Levy
PBC Series C of 1999 .....	09/22/99	State Grant/Aid	Unlimited Tax Levy
IDFA Series 1999A .....	12/22/99	State Aid	Unlimited Tax Levy
2000A .....	07/20/00	State Aid	Unlimited Tax Levy
2000B,C,D .....	09/07/00	State Aid	Unlimited Tax Levy
2000E .....	12/19/00	State Aid	Unlimited Tax Levy
2001A .....	03/01/01	State Aid	Unlimited Tax Levy
2001C .....	12/11/01	State Aid	Unlimited Tax Levy
2002A .....	09/24/02	City Note/IGA	Unlimited Tax Levy
2003A,B .....	2/13/03	State Aid	Unlimited Tax Levy
2003C .....	10/28/03	State Aid	Unlimited Tax Levy
2003D .....	12/11/03	State Aid	Unlimited Tax Levy
2004A,B .....	4/6/04	PPRT/ State Aid	Unlimited Tax Levy
2004C,D,E .....	11/10/04	State Aid	Unlimited Tax Levy
2004F,G,H .....	12/10/04	City Note/IGA	Unlimited Tax Levy
2005A,B .....	6/27/05	PPRT/ State Aid	Unlimited Tax Levy
2005C .....	11/15/05	City Note/ IGA	Unlimited Tax Levy
2005D,E .....	12/08/05	State Aid	Unlimited Tax Levy
2006A .....	6/27/06	State Aid	Unlimited Tax Levy
2006B .....	09/27/06	State Aid	Unlimited Tax Levy
2007A .....	09/05/07	PPRT/IGA	Unlimited Tax Levy
2007B,C .....	09/05/07	State Aid	Unlimited Tax Levy
2007D .....	12/13/07	State Aid	Unlimited Tax Levy
2008A .....	05/13/08	PPRT/IGA	Unlimited Tax Levy
2008B .....	05/13/08	State Aid	Unlimited Tax Levy
2008C .....	05/01/08	State Aid	Unlimited Tax Levy
2009A .....	03/18/09	State Aid	Unlimited Tax Levy
2009BC .....	06/25/09	State Aid	Unlimited Tax Levy

## Statistical Section

**CPS Debt Rating History:** The following table presents the increased debt ratings for the CPS since 2002. The increase in debt rating has provided CPS with a wider market for its bonds as well as lower pricing and insurance costs. These ratings reflect the secure structure of the bonds as well as increased confidence in the CPS management team and financial stability.

CPS' Rating History 2002 – 2009								
Name of Agency	2002	2003	2004	2005	2006	2007	2008	2009
Standard & Poor's Rating Services . . . . .	A+	A+	A+	A+	A+	AA-	AA-	AA-
Moody's Investor Services . . . . .	A2	A2	A2	A2	A2	A1	A1	A1
Fitch Investor Services, L.P. . . . .	A+	A+	A+	A+	A+	A+	A+	A+



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## CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

### DEMOGRAPHIC AND ECONOMIC STATISTICS FOR LAST TEN YEARS

<u>Year</u>	<u>City of Chicago Population (A)</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Income (B)</u>	<u>Median Age (C)</u>	<u>Number of Households (C)</u>
1999	2,783,726	\$ 88,166,170	\$31,672	34.70	1,026,900
2000	2,896,016	98,232,863	33,920	31.50	1,061,928
2001	2,896,016	100,735,021	34,784	34.80	1,074,200
2002	2,896,016	102,009,268	35,224	31.90	1,059,960
2003	2,896,016	102,298,869	35,324	32.60	1,067,823
2004	2,896,016	107,239,472	37,030	32.60	1,051,018
2005	2,896,016	114,169,639	39,423	33.14	1,045,282
2006	2,896,016	121,612,400	41,993	33.48	1,042,014
2007	2,896,016	130,986,804	45,230	33.75	1,033,328
2008	2,896,016	N/A	N/A	34.13	1,032,746

Notes:

- A. Source: U.S. Census Bureau. The census is conducted decennially at the start of each decade.
- B. Source: Bureau of Economic Analysis. These rates are for Cook County.
- C. Source: World Business Chicago Website
- D. Source: Illinois Workforce Info Center Website

Civilian Labor Force (D)		Employment (D)		
Number	Percent of Population	Number	Percent of Population	Unemployment Rate
1,355,681	48.70%	1,275,174	45.81%	5.90%
1,383,496	47.77%	1,307,918	45.16%	5.50%
1,377,439	47.56%	1,284,252	44.35%	6.80%
1,347,074	46.51%	1,235,053	42.65%	8.30%
1,322,712	45.67%	1,214,943	41.95%	8.10%
1,309,514	45.22%	1,211,707	41.84%	7.50%
1,296,359	44.76%	1,204,723	41.60%	7.10%
1,303,304	45.00%	1,234,349	42.62%	5.30%
1,328,536	45.87%	1,252,179	43.24%	5.70%
1,330,867	45.96%	1,237,430	42.73%	7.00%

## Statistical Section

### Chicago Public Schools

### Chicago Board of Education

### CITY OF CHICAGO PRINCIPAL EMPLOYERS (NON-GOVERNMENT)

### Last Three Fiscal Years

Employer	2008			2007		
	Number of Employees	Rank	Percentage of Total City Employment	Number of Employees	Rank	Percentage of Total City Employment
J.P. Morgan Chase . . . . .	8,865	1	0.81%	9,114	1	0.73%
United Airlines . . . . .	6,403	2	0.58%	6,102	2	0.49%
Jewel Food Stores, Inc. . . . .	5,977	3	0.55%	5,424	3	0.43%
Northern Trust . . . . .	5,084	4	0.46%	4,787	4	0.38%
Accenture LLP . . . . .	4,532	5	0.41%	4,283	5	0.34%
American Airlines . . . . .	3,582	6	0.33%	3,645	7	0.29%
SBC/AT&T . . . . .	3,459	7	0.32%	4,002	6	0.32%
Ford Motor Company . . . . .	3,325	8	0.30%	3,367	8	0.27%
CVS Corporation . . . . .	3,161	9	0.29%	3,120	9	0.25%
Bonded Maintenance Company . . . . .	2,955	10	0.27%	—	—	—
Deloitte & Touche . . . . .	—	—	—	2,988	10	0.24%
Bank of America . . . . .	—	—	—	—	—	—

#### NOTES:

- (1) Source: City of Chicago, Department of Revenue, Employers Expense Tax Return, June 30, 2008.
- (2) J.P. Morgan Chase formerly known as Bank One.
- (3) SBC/AT&T formerly known as Ameritech
- (4) Beginning with fiscal year 2007, the Chicago Board of Education will accumulate 10 years of data.



2006		
<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
8,979	1	0.82%
5,944	2	0.55%
5,453	3	0.50%
4,610	4	0.42%
4,470	5	0.41%
3,750	7	0.34%
3,834	6	0.35%
3,480	8	0.32%
—	—	—
3,298	9	0.30%
—	—	—
3,108	10	0.29%



# CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

## METROPOLITAN CHICAGO TOP PUBLIC COMPANIES RANKED BY 2008 NET REVENUES

(Millions of dollars)

Company Name	2008 Net Revenues	Number of Employees (1)
Archer Daniels Midland Co. (2) . . . . .	\$69,816.0	27,600
Boeing Co. . . . .	60,909.0	162,200
Walgreen Co. (3) . . . . .	59,034.0	237,000
Caterpillar Inc. . . . .	51,324.0	112,887
Sears Holdings Corp. (4) . . . . .	46,770.0	324,000
Kraft Foods Inc. . . . .	42,201.0	98,000
Motorola Inc. . . . .	30,146.0	64,000
Abbott Laboratories . . . . .	29,527.6	69,000
Allstate Corp. . . . .	29,394.0	38,900
Deere & Co. (5) . . . . .	28,437.6	56,653
McDonald's Corp. . . . .	23,522.4	400,000
UAL Corp. . . . .	20,194.0	50,000
Exelon Corp. . . . .	18,859.0	19,610
Illinois Tool Works Inc. . . . .	15,869.4	65,000
Navistar International Corp. (5) . . . . .	14,724.0	15,900
Integrus Energy Group Inc. . . . .	14,047.8	5,191
Sara Lee Corp. (2) . . . . .	13,212.0	44,000
Baxter International Inc. . . . .	12,348.0	48,500
R.R. Donnelley & Sons Co. . . . .	11,581.6	62,000
Officemax Inc. . . . .	8,267.0	33,000

Source: **Crain's Chicago Business**, "Chicago's Largest Public Companies", from May 19, 2009, issue.  
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1. Most recent employee count available
2. Fiscal year ends in June
3. Fiscal year ends in August
4. Fiscal year ends in January
5. Fiscal year ends in October

**CHICAGO PUBLIC SCHOOLS**  
Chicago Board of Education

**NEW CONSTRUCTION PERMITS ISSUED IN THE CITY OF CHICAGO**  
The Last Ten Calendar Years  
(Thousands of dollars)

<u>Year</u>	<u>Residential</u>		<u>Residential and Non-Residential Estimated Cost</u>
	<u>Units</u>	<u>Estimated Cost</u>	
1999	8,644	\$ 611,862	\$1,483,672
2000	6,550	862,148	1,663,062
2001	7,418	902,250	1,826,076
2002	8,403	1,094,958	1,925,440
2003	9,476	1,332,758	3,027,185
2004	15,750	1,600,000	4,200,000
2005	17,131	1,537,877	3,408,474
2006	23,150	3,178,050	7,985,728
2007	26,221	2,510,718	4,444,199
2008	14,293	1,657,020	3,023,079

NOTES:

Source: City of Chicago Construction and Permits.

## CHICAGO PUBLIC SCHOOLS

## Chicago Board of Education

## GENERAL OPERATING FUND

## SCHEDULE OF REVENUES AND EXPENDITURES

## CURRENT APPROPRIATIONS AND ACTUAL

For the fiscal year ended June 30, 2009

With Comparative Amounts for the Fiscal Year Ended June 30, 2008

(Thousands of dollars)

	Approved Budget	Transfers In (Out)	Final Appropriations	Fiscal Year 2009 Actual	Variance	Fiscal Year 2008 Actual	2009 Over (Under) 2008
<b>REVENUES:</b>							
Property taxes . . . . .	\$1,831,160	\$ —	\$1,831,160	\$1,867,350	\$ 36,190	\$1,763,282	\$ 104,068
Replacement taxes . . . . .	135,820	—	135,820	132,819	(3,001)	159,805	(26,986)
State aid . . . . .	1,732,817	—	1,732,817	1,333,182	(399,635)	1,692,351	(359,169)
Federal aid . . . . .	868,808	—	868,808	1,122,805	253,997	832,526	290,279
Interest and investment income . . . . .	32,400	—	32,400	21,405	(10,995)	40,905	(19,500)
Other . . . . .	108,716	—	108,716	102,107	(6,609)	96,816	5,291
Total Revenues . . . . .	<u>\$4,709,721</u>	<u>\$ —</u>	<u>\$4,709,721</u>	<u>\$4,579,668</u>	<u>\$(130,053)</u>	<u>\$4,585,685</u>	<u>\$ (6,017)</u>
<b>EXPENDITURES:</b>							
Teachers' salaries . . . . .	\$2,016,166	\$ (29,056)	\$1,987,110	\$1,975,940	\$ 11,170	\$1,885,400	\$ 90,540
Career service salaries . . . . .	598,041	24,526	622,567	597,533	25,034	559,741	37,792
Energy . . . . .	88,736	2	88,738	92,354	(3,616)	86,759	5,595
Food . . . . .	90,746	(1,867)	88,879	89,592	(713)	83,326	6,266
Textbooks . . . . .	78,392	19,518	97,910	86,356	11,554	89,514	(3,158)
Supplies . . . . .	58,811	3,065	61,876	44,572	17,304	46,030	(1,458)
Other commodities . . . . .	1,329	(309)	1,020	998	22	910	88
Professional fees . . . . .	376,532	92,814	469,346	440,921	28,425	360,277	80,644
Charter schools . . . . .	205,000	51,340	256,340	256,154	186	189,006	67,148
Transportation . . . . .	89,342	15,753	105,095	109,351	(4,256)	102,828	6,523
Tuition . . . . .	69,741	(5,458)	64,283	63,858	425	65,105	(1,247)
Telephone and telecommunications . . . . .	5,784	(370)	5,414	19,426	(14,012)	17,671	1,755
Other services . . . . .	12,539	6,319	18,858	13,935	4,923	13,253	682
Equipment — Educational . . . . .	18,602	16,785	35,387	34,450	937	39,003	(4,553)
Repairs and replacements . . . . .	33,810	298	34,108	34,772	(664)	36,999	(2,227)
Capital outlay . . . . .	22	—	22	12	10	10	2
Teachers' pension . . . . .	400,350	(1,522)	398,828	392,801	6,027	350,483	42,318
Career service pension . . . . .	96,675	210	96,885	93,791	3,094	89,776	4,015
Hospitalization and dental insurance . . . . .	301,735	(13,758)	287,977	299,206	(11,229)	260,386	38,820
Medicare . . . . .	36,934	(1,415)	35,519	33,667	1,852	31,075	2,592
Unemployment compensation . . . . .	10,937	(315)	10,622	8,599	2,023	5,764	2,835
Workers' compensation . . . . .	31,431	(766)	30,665	28,148	2,517	29,757	(1,609)
Rent . . . . .	12,091	1,218	13,309	12,000	1,309	11,020	980
Debt service . . . . .	1,037	—	1,037	1,037	—	21,704	(20,667)
Other fixed charges . . . . .	220,138	(177,012)	43,126	13,306	29,820	18,888	(5,582)
Total Expenditures . . . . .	<u>\$4,854,921</u>	<u>\$ —</u>	<u>\$4,854,921</u>	<u>\$4,742,779</u>	<u>\$ 112,142</u>	<u>\$4,394,685</u>	<u>\$ 348,094</u>



Educate • Inspire • Transform

**CHICAGO PUBLIC SCHOOLS**

Chicago Board of Education

**GENERAL OPERATING FUND**

**SCHEDULE OF REVENUE — BY PROGRAM**

For the Fiscal Year Ended June 30, 2009

(Thousands of dollars)

	<u>Educational Program</u>	<u>Individuals with Disabilities Education Act (IDEA) Program</u>	<u>Other Government Funded Program</u>	<u>Supplementary General State Aid</u>
REVENUES:				
Property taxes . . . . .	\$1,785,788	\$ —	\$ —	\$ —
Replacement taxes . . . . .	91,625	—	—	—
State aid . . . . .	784,264	—	20,086	216,087
Federal aid . . . . .	180,943	95,230	187,098	48,138
Interest and investment income . . . . .	20,114	—	—	—
Other . . . . .	68,461	—	182	6,352
Total Revenues . . . . .	<u>\$2,931,195</u>	<u>\$95,230</u>	<u>\$207,366</u>	<u>\$270,577</u>

NOTE:

This schedule was prepared using the modified accrual basis of accounting.

Elementary and Secondary Education Act (ESEA) Program	School Lunch Program	Workers' and Unemployment Compensation/ Tort Immunity Program	Public Building Commission Operations and Maintenance Program	Total
\$ —	\$ —	\$81,562	\$ —	\$1,867,350
—	41,194	—	—	132,819
—	13,460	—	299,285	1,333,182
369,352	139,096	—	102,948	1,122,805
—	—	1,291	—	21,405
1	15,574	3,342	8,195	102,107
<u>\$369,353</u>	<u>\$209,324</u>	<u>\$86,195</u>	<u>\$410,428</u>	<u>\$4,579,668</u>

**Statistical Section**

**CHICAGO PUBLIC SCHOOLS**

**Chicago Board of Education**

**GENERAL OPERATING FUND**

**SCHEDULE OF EXPENDITURES — BY PROGRAM**

**For the Fiscal Year Ended June 30, 2009**

**(Thousands of dollars)**

	<b>Educational Program</b>	<b>Individuals with Disabilities Education Act (IDEA) Program</b>	<b>Other Government Funded Program</b>	<b>Supplementary General State Aid</b>
Teachers' salaries . . . . .	\$1,629,641	\$58,461	\$ 80,878	\$ 84,333
Career service salaries . . . . .	275,190	10,043	25,359	68,458
Energy . . . . .	2,834	—	—	—
Food . . . . .	804	44	720	11
Textbooks . . . . .	46,600	231	10,695	8,225
Supplies . . . . .	14,364	375	4,903	9,524
Other commodities . . . . .	293	1	5	152
Professional fees . . . . .	128,130	1,288	27,930	10,323
Charter Schools . . . . .	237,172	—	5	18,966
Transportation . . . . .	96,464	406	4,090	2,230
Tuition . . . . .	56,015	2,538	4,659	—
Telephone and telecommunications . . . . .	340	—	2	—
Other services . . . . .	6,946	256	2,693	1,354
Equipment — Educational . . . . .	14,491	133	5,557	6,828
Repairs and replacements . . . . .	3,289	36	322	2,086
Capital outlay . . . . .	12	—	—	—
Teachers' pension . . . . .	336,169	11,739	13,151	15,413
Career service pension . . . . .	43,241	1,664	3,777	10,677
Hospitalization and dental insurance . . . . .	205,673	7,643	9,573	20,745
Medicare . . . . .	24,656	900	1,372	2,181
Unemployment compensation . . . . .	6,558	241	311	490
Workers' compensation . . . . .	21,169	778	1,003	1,581
Rent . . . . .	1,679	60	265	—
Debt service . . . . .	—	—	—	—
Other fixed charges . . . . .	(23,491)	12	808	79
<b>Total Expenditures . . . . .</b>	<b><u>\$3,128,239</u></b>	<b><u>\$96,849</u></b>	<b><u>\$198,078</u></b>	<b><u>\$263,656</u></b>

**NOTE:**

This schedule was prepared using the modified accrual basis of accounting.



Elementary and Secondary Education Act (ESEA) Program	School Lunch Program	Workers' and Unemployment Compensation/ Tort Immunity Program	Public Building Commission Operations and Maintenance Program	Total
\$122,596	\$ 1	\$ 27	\$ 3	\$1,975,940
27,952	65,941	37,791	86,799	597,533
—	—	—	89,520	92,354
192	87,821	—	—	89,592
16,546	—	2	4,057	86,356
7,562	256	250	7,338	44,572
97	—	—	450	998
123,548	3,037	15,073	131,592	440,921
11	—	—	—	256,154
6,008	21	32	100	109,351
646	—	—	—	63,858
—	—	—	19,084	19,426
2,079	429	72	106	13,935
3,423	—	169	3,849	34,450
537	—	35	28,467	34,772
—	—	—	—	12
16,304	15	8	2	392,801
4,090	10,769	5,451	14,122	93,791
11,761	24,528	7,567	11,716	299,206
1,975	871	775	937	33,667
352	226	118	303	8,599
1,136	730	778	973	28,148
23	—	—	9,973	12,000
—	—	—	1,037	1,037
13,031	14,679	8,188	—	13,306
<u>\$359,869</u>	<u>\$209,324</u>	<u>\$76,336</u>	<u>\$410,428</u>	<u>\$4,742,779</u>

## Statistical Section

### CHICAGO PUBLIC SCHOOLS

#### Chicago Board of Education

#### ANALYSIS OF COMPOUNDED GROWTH OF REVENUES — ALL FUNDS

For the Last Ten Fiscal Years and 2010 Budget

(Modified Accrual Basis of Accounting)

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Local Revenue:					
Property Taxes . . . . .	\$1,403,657	\$1,429,871	\$1,479,968	\$1,546,335	\$1,571,065
Replacement Taxes . . . . .	147,657	137,744	114,313	105,960	120,427
Investment Income . . . . .	85,075	103,520	68,050	49,161	39,501
Other . . . . .	<u>85,587</u>	<u>82,411</u>	<u>89,505</u>	<u>94,345</u>	<u>149,253</u>
Total Local . . . . .	<u>\$1,721,976</u>	<u>\$1,753,546</u>	<u>\$1,751,836</u>	<u>\$1,795,801</u>	<u>\$1,880,246</u>
State Revenue:					
General State Aid . . . . .	\$ 720,772	\$ 730,359	\$ 806,640	\$ 786,950	\$ 853,533
Teacher Pension . . . . .	65,045	65,045	65,045	65,045	—
Capital . . . . .	106,816	134,070	99,004	141,127	127,682
Other . . . . .	<u>481,994</u>	<u>502,303</u>	<u>497,225</u>	<u>476,445</u>	<u>500,233</u>
Total State . . . . .	<u>\$1,374,627</u>	<u>\$1,431,777</u>	<u>\$1,467,914</u>	<u>\$1,469,567</u>	<u>\$1,481,448</u>
Federal Revenue:					
Elementary and Secondary Education Act (ESEA) . . . . .	\$ 168,268	\$ 172,943	\$ 177,841	\$ 209,971	\$ 244,118
Individuals with Disabilities Education Act (IDEA) . . . . .	40,039	56,056	62,850	71,477	86,289
School Lunchroom . . . . .	136,464	138,958	142,057	146,247	151,207
Medicaid . . . . .	46,910	70,297	38,200	31,765	35,772
Other . . . . .	<u>147,886</u>	<u>195,840</u>	<u>133,802</u>	<u>149,233</u>	<u>213,118</u>
Total Federal . . . . .	<u>\$ 539,567</u>	<u>\$ 634,094</u>	<u>\$ 554,750</u>	<u>\$ 608,693</u>	<u>\$ 730,504</u>
Total Revenue . . . . .	<u>\$3,636,170</u>	<u>\$3,819,417</u>	<u>\$3,774,500</u>	<u>\$3,874,061</u>	<u>\$4,092,198</u>
Change in Revenue from Previous Year . .	\$ 246,712	\$ 183,247	\$ (44,917)	\$ 99,561	\$ 218,137
Percent Change in Revenue . . . . .	7.3%	5.0%	—1.2%	2.6%	5.6%

## Operating Information

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>Budget 2010</u>	<u>Ten Year Compounded Growth Rate</u>	<u>Five Year Compounded Growth Rate</u>
\$1,639,237	\$1,718,249	\$1,767,760	\$1,813,917	\$1,896,540	\$2,076,900	4.0%	4.8%
145,724	184,700	201,509	215,489	188,503	161,501	0.9%	2.1%
43,215	71,947	116,907	85,895	43,693	9,400	-19.8%	-26.3%
<u>102,654</u>	<u>163,765</u>	<u>286,230</u>	<u>181,028</u>	<u>253,376</u>	<u>445,644</u>	17.9%	34.1%
<u>\$1,930,830</u>	<u>\$2,138,661</u>	<u>\$2,372,406</u>	<u>\$2,296,329</u>	<u>\$2,382,112</u>	<u>\$2,693,445</u>	4.6%	6.9%
\$ 908,330	\$ 978,672	\$1,040,241	\$1,107,408	\$ 879,658	\$ 924,200	2.5%	0.3%
65,045	74,922	75,242	75,218	74,845	37,595	-5.3%	-10.4%
3,061	—	—	—	—	—	-100.0%	-100.0%
<u>530,679</u>	<u>549,041</u>	<u>586,102</u>	<u>663,408</u>	<u>557,383</u>	<u>876,118</u>	6.2%	10.5%
<u>\$1,507,115</u>	<u>\$1,602,635</u>	<u>\$1,701,585</u>	<u>\$1,846,034</u>	<u>\$1,511,886</u>	<u>\$1,837,913</u>	2.9%	4.0%
\$ 277,610	\$ 273,900	\$ 269,446	\$ 350,515	\$ 369,352	\$ 336,200	7.2%	3.9%
105,835	99,908	81,721	106,051	95,230	108,200	10.5%	0.4%
145,668	147,899	147,407	150,394	139,096	166,716	2.0%	2.7%
26,000	33,422	24,257	31,671	50,758	44,500	-0.5%	11.3%
<u>207,842</u>	<u>220,502</u>	<u>223,198</u>	<u>237,410</u>	<u>471,144</u>	<u>822,569</u>	18.7%	31.7%
<u>\$ 762,955</u>	<u>\$ 775,631</u>	<u>\$ 746,029</u>	<u>\$ 876,041</u>	<u>\$1,125,580</u>	<u>\$1,478,185</u>	10.6%	14.1%
<u>\$4,200,900</u>	<u>\$4,516,927</u>	<u>\$4,820,020</u>	<u>\$5,018,404</u>	<u>\$5,019,578</u>	<u>\$6,009,543</u>	5.2%	7.4%
\$ 108,702	\$ 316,027	\$ 303,093	\$ 198,384	\$ 1,174	\$ 989,965		
2.7%	7.5%	6.7%	4.1%	0.0%	19.7%		

**Statistical Section**

**CHICAGO PUBLIC SCHOOLS**

**Chicago Board of Education**

**ANALYSIS OF COMPOUNDED GROWTH OF EXPENDITURES — ALL FUNDS**

**For the Last Ten Fiscal Years and 2010 Budget**

**(Modified Accrual Basis of Accounting)**

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Compensation:						
Teacher Salaries . . . . .	\$1,573,412	\$1,639,064	\$1,690,449	\$1,749,974	\$1,820,063	\$1,850,403
ESP Salaries . . . . .	420,119	452,502	495,123	495,154	520,267	515,427
Total Salaries . . . . .	\$1,993,531	\$2,091,566	\$2,185,572	\$2,245,128	\$2,340,330	\$2,365,830
Teacher Pension . . . . .	180,051	181,775	179,011	190,259	194,511	198,065
ESP Pension . . . . .	63,351	64,104	70,843	73,754	79,498	81,560
Hospitalization . . . . .	150,139	161,192	192,342	196,457	229,045	230,204
Medicare . . . . .	17,815	20,261	22,212	23,358	25,480	26,719
Workers' Compensation . . . . .	10,021	8,312	14,690	13,806	16,997	17,953
Unemployment Insurance . . . . .	1,350	1,740	2,336	3,374	4,711	8,558
Total Benefits . . . . .	\$ 422,727	\$ 437,384	\$ 481,434	\$ 501,008	\$ 550,242	\$ 563,059
Total Compensation . . . . .	<u>\$2,416,258</u>	<u>\$2,528,950</u>	<u>\$2,667,006</u>	<u>\$2,746,136</u>	<u>\$2,890,572</u>	<u>\$2,928,889</u>
Non-Compensation:						
Energy . . . . .	\$ 45,222	\$ 71,234	\$ 53,453	\$ 62,388	\$ 63,233	\$ 64,647
Food . . . . .	88,415	90,691	86,145	92,539	96,712	89,628
Textbooks . . . . .	71,201	74,305	77,948	72,118	74,377	79,677
Supplies . . . . .	38,564	37,702	40,655	40,653	42,380	45,210
Commodities — Other . . . . .	995	1,091	949	1,155	1,306	1,314
Professional fees . . . . .	207,969	185,746	186,398	217,917	226,306	292,517
Charter schools . . . . .	31,634	38,898	46,951	54,444	66,643	82,537
Transportation . . . . .	101,300	105,373	95,502	98,901	96,775	93,639
Tuition . . . . .	27,149	68,593	73,172	67,779	78,582	66,854
Telephone and telecommunications . . . . .	21,677	24,543	24,880	13,981	6,208	8,635
Services — Other . . . . .	14,151	15,767	21,425	26,485	19,431	11,516
Equipment . . . . .	49,560	48,924	51,947	42,398	43,315	44,081
Repairs and Replacements . . . . .	57,173	52,112	58,707	48,739	45,353	35,224
Capital Outlays . . . . .	547,398	527,566	381,156	443,890	365,351	389,450
Rent . . . . .	6,639	7,283	8,104	9,468	7,974	10,393
Debt Service . . . . .	148,854	195,310	219,894	255,239	259,590	315,809
Other . . . . .	4,294	428	(894)	(1,097)	(2,092)	6,215
Unallocated Appropriations (budget only) . . . . .	—	—	—	—	—	—
Total Non-Compensation . . . . .	<u>\$1,462,195</u>	<u>\$1,545,566</u>	<u>\$1,426,392</u>	<u>\$1,546,997</u>	<u>\$1,491,444</u>	<u>\$1,637,346</u>
Total Expenditures . . . . .	<u>\$3,878,453</u>	<u>\$4,074,516</u>	<u>\$4,093,398</u>	<u>\$4,293,133</u>	<u>\$4,382,016</u>	<u>\$4,566,235</u>
Change in Expenditures from Previous Year . . . . .	\$ 30,966	\$ 196,063	\$ 18,882	\$ 199,735	\$ 88,883	\$ 184,219
Percent Change in Expenditures . . . . .	0.8%	5.1%	0.5%	4.9%	2.1%	4.2%

## Operating Information

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>Budget 2010</u>	<u>Ten Year Compounded Growth Rate</u>	<u>Five Year Compounded Growth Rate</u>
\$1,916,378	\$1,924,109	\$1,885,400	\$1,975,940	\$2,028,831	2.6%	1.9%
<u>537,346</u>	<u>535,148</u>	<u>559,741</u>	<u>597,533</u>	<u>608,081</u>	3.8%	3.4%
\$2,453,724	\$2,459,257	\$2,445,141	\$2,573,473	\$2,636,912	2.8%	2.2%
247,585	282,488	350,483	392,801	510,923	11.0%	20.9%
87,530	83,317	89,776	93,791	97,853	4.4%	3.7%
243,003	250,765	260,386	299,206	329,981	8.2%	7.5%
29,989	25,279	31,075	33,667	37,337	7.7%	6.9%
21,004	24,619	29,757	28,148	26,954	10.4%	8.5%
<u>6,382</u>	<u>8,236</u>	<u>5,764</u>	<u>8,599</u>	<u>10,351</u>	22.6%	3.9%
\$ 635,493	\$ 674,704	\$ 767,241	\$ 856,212	\$1,013,399	9.1%	12.5%
<u>\$3,089,217</u>	<u>\$3,133,961</u>	<u>\$3,212,382</u>	<u>\$3,429,685</u>	<u>\$3,650,311</u>	4.2%	4.5%
\$ 70,760	\$ 77,133	\$ 86,759	\$ 92,354	\$ 90,978	7.2%	7.1%
85,815	83,798	83,326	89,592	106,930	1.9%	3.6%
71,942	65,772	89,514	86,356	99,560	3.4%	4.6%
46,965	45,945	46,030	44,572	66,529	5.6%	8.0%
1,135	1,072	910	998	676	-3.8%	-12.4%
319,904	322,252	360,277	440,921	345,309	5.2%	3.4%
118,445	141,030	189,006	256,154	270,000	23.9%	26.7%
92,589	97,076	102,828	109,351	100,968	0.0%	1.5%
62,890	63,103	65,105	63,858	73,980	10.5%	2.0%
16,944	13,701	17,671	19,426	4,596	-14.4%	-11.8%
13,104	13,271	13,253	13,935	17,822	2.3%	9.1%
38,335	34,614	39,003	34,450	16,981	-10.2%	-17.4%
35,556	32,973	36,999	34,772	33,133	-5.3%	-1.2%
310,821	345,020	463,067	648,314	1,035,641	6.6%	21.6%
14,174	12,965	11,020	12,000	12,970	6.9%	4.5%
214,652	342,179	282,142	302,206	497,253	12.8%	9.5%
5,894	6,429	18,888	13,306	439,336	58.9%	134.4%
—	—	—	—	—		
<u>\$1,519,925</u>	<u>\$1,698,333</u>	<u>\$1,905,798</u>	<u>\$2,262,565</u>	<u>\$3,212,662</u>	8.2%	14.4%
<u>\$4,609,142</u>	<u>\$4,832,294</u>	<u>\$5,118,180</u>	<u>\$5,692,250</u>	<u>\$6,862,973</u>	5.9%	8.5%
\$ 42,907	\$ 223,152	\$ 285,886	\$ 574,070	\$1,170,723		
0.9%	4.8%	5.9%	11.2%	20.6%		

## Statistical Section

### CHICAGO PUBLIC SCHOOLS

#### Chicago Board of Education

### REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES (USES) — ALL FUNDS

For the Last Ten Fiscal Years and 2010 Budget

(Modified Accrual Basis of Accounting)

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Revenues:					
Local . . . . .	\$1,721,976	\$1,753,546	\$1,751,836	\$1,795,801	\$1,880,246
State . . . . .	1,374,626	1,431,777	1,467,914	1,469,567	1,481,448
Federal . . . . .	539,567	634,094	554,750	608,693	730,504
Total Revenues . . . . .	\$3,636,169	\$3,819,417	\$3,774,500	\$3,874,061	\$4,092,198
Total Expenditures . . . . .	3,878,453	4,074,516	4,093,398	4,293,133	4,382,016
Revenues less Expenditures . . . . .	\$ (242,284)	\$ (255,099)	\$ (318,898)	\$ (419,072)	\$ (289,818)
Other Financing Sources:					
Bond Proceeds . . . . .	\$ 331,299	\$ 474,460	\$ 232,693	\$ 308,635	\$ 765,995
Net premiums/discounts . . . . .	—	(2,644)	(9)	8,803	21,043
Proceeds from Swaps . . . . .	—	—	—	—	—
Capital Leases . . . . .	—	—	—	—	—
Insurance Proceeds . . . . .	—	—	—	—	—
Sales of general capital assets . . . . .	—	—	—	—	—
Payment to Bond Escrow Agent . . . . .	—	—	—	—	(534,375)
Total Other Financing Sources . . . . .	\$ 331,299	\$ 471,816	\$ 232,684	\$ 317,438	\$ 252,663
Revenues and Other Financing Sources					
Less Expenditures . . . . .	\$ 89,015	\$ 216,717	\$ (86,214)	\$ (101,634)	\$ (37,155)
Accounting Adjustment . . . . .	—	(152,490)	—	—	—
Change in Fund Balance . . . . .	\$ 89,015	\$ 64,227	\$ (86,214)	\$ (101,634)	\$ (37,155)
Fund Balance — Beginning of Period . . . . .	1,192,030	1,281,045	1,345,272	1,259,058	1,157,424
Fund Balance — End of Period . . . . .	\$1,281,045	\$1,345,272	\$1,259,058	\$1,157,424	\$1,120,269
Revenues as a Percent of Expenditures . . . . .	93.8%	93.7%	92.2%	90.2%	93.4%
Composition of Fund Balance					
Reserved:					
Reserved for Encumbrances . . . . .	\$ 390,861	\$ 415,068	\$ 380,340	\$ 245,902	\$ 291,730
Reserved for restricted donations . . . . .	2,836	3,638	429	429	1,439
Reserved for specific purposes . . . . .	66,436	56,579	36,096	41,289	42,015
Reserved for debt services . . . . .	246,997	407,458	459,524	437,711	385,015
Unreserved:					
Designated to Provide Operating Capital . . . . .	295,900	201,520	201,500	161,233	171,300
Undesignated . . . . .	278,015	261,009	181,169	270,860	228,770
Total Fund Balance . . . . .	\$1,281,045	\$1,345,272	\$1,259,058	\$1,157,424	\$1,120,269
Unreserved Fund Balance as a Percent of Revenues . . . . .	15.8%	12.1%	10.1%	11.2%	9.8%
Total Fund Balance as a Percent of Revenues . . . . .	35.2%	35.2%	33.4%	29.9%	27.4%

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>Budget 2010</u>
\$1,930,830	\$2,138,661	\$2,372,406	\$ 2,296,329	\$2,382,112	\$2,693,445
1,507,115	1,602,635	1,701,585	1,846,034	1,511,886	1,837,913
762,955	775,631	746,029	876,041	1,125,580	1,478,185
\$4,200,900	\$4,516,927	\$4,820,020	\$ 5,018,404	\$5,019,578	\$6,009,543
4,566,235	4,609,142	4,832,294	5,118,180	5,692,250	6,862,973
<u>\$ (365,335)</u>	<u>\$ (92,215)</u>	<u>\$ (12,274)</u>	<u>\$ (99,776)</u>	<u>\$ (672,672)</u>	<u>\$ (853,430)</u>
\$ 529,760	\$ 385,603	\$ 355,805	\$ 1,674,555	\$ 225,675	
43,450	3,798	14,444	41,226	—	
—	—	—	—	—	
—	3,700	—	—	—	
—	—	—	—	1,155	
—	7,596	25,673	6,404	91	
(282,478)	—	—	(1,474,081)	(226,408)	
<u>\$ 290,732</u>	<u>\$ 400,697</u>	<u>\$ 395,922</u>	<u>\$ 248,104</u>	<u>\$ 513</u>	
\$ (74,603)	\$ 308,482	\$ 383,648	\$ 148,328	\$ (672,159)	
—	—	—	—	—	
\$ (74,603)	\$ 308,482	\$ 383,648	\$ 148,328	\$ (672,159)	
1,120,269	1,045,666	1,354,148	1,578,331	1,726,659	
<u>\$1,045,666</u>	<u>\$1,354,148</u>	<u>\$1,737,796</u>	<u>\$ 1,726,659</u>	<u>\$1,054,500</u>	
92.0%	98.0%	99.7%	98.1%	88.2%	
\$ 238,238	\$ 323,251	\$ 296,799	\$ 401,281	\$ 211,422	
1,459	1,503	1,765	1,826	3,695	
43,675	84,388	129,597	102,695	101,072	
294,700	353,267	264,867	272,471	272,273	
190,000	218,400	233,200	258,000	181,200	
277,594	373,339	811,568	690,386	284,838	
<u>\$1,045,666</u>	<u>\$1,354,148</u>	<u>\$1,737,796</u>	<u>\$ 1,726,659</u>	<u>\$1,054,500</u>	
11.1%	13.1%	21.7%	18.9%	9.3%	
24.9%	30.0%	36.1%	34.4%	21.0%	

## Statistical Section

### CHICAGO PUBLIC SCHOOLS

#### Chicago Board of Education

### ANALYSIS OF COMPOUNDED GROWTH OF GENERAL OPERATING FUND REVENUES

For the Last Ten Fiscal Years and 2010 Budget

(Modified Accrual Basis of Accounting)

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Local Revenue:					
Property Taxes . . . . .	\$1,352,374	\$1,379,010	\$1,429,307	\$1,495,382	\$1,520,557
Replacement Taxes . . . . .	89,142	71,230	57,193	48,852	61,897
Investment Income . . . . .	36,347	42,501	16,505	20,803	18,779
Other . . . . .	65,515	78,107	66,917	76,609	87,545
Total Local . . . . .	<u>\$1,543,378</u>	<u>\$1,570,848</u>	<u>\$1,569,922</u>	<u>\$1,641,646</u>	<u>\$1,688,778</u>
State Revenue:					
General State Aid . . . . .	\$ 700,135	\$ 708,359	\$ 774,316	\$ 765,739	\$ 829,157
Teacher Pension . . . . .	65,045	65,045	65,045	65,045	—
Other . . . . .	481,994	502,303	497,225	476,445	500,233
Total State . . . . .	<u>\$1,247,174</u>	<u>\$1,275,707</u>	<u>\$1,336,586</u>	<u>\$1,307,229</u>	<u>\$1,329,390</u>
Federal Revenue:					
Elementary and Secondary Education Act (ESEA) . . .	\$ 168,268	\$ 172,943	\$ 177,841	\$ 209,971	\$ 244,118
Individuals with Disabilities Education Act (IDEA) . . .	40,039	56,056	62,850	71,477	86,289
School Lunch Program . . . . .	136,464	138,958	142,057	146,247	151,207
Medicaid . . . . .	46,910	70,297	38,200	31,765	35,772
Other . . . . .	105,992	114,057	118,625	143,217	186,435
Total Federal . . . . .	<u>\$ 497,673</u>	<u>\$ 552,311</u>	<u>\$ 539,573</u>	<u>\$ 602,677</u>	<u>\$ 703,821</u>
Total Revenue . . . . .	<u>\$3,288,225</u>	<u>\$3,398,866</u>	<u>\$3,446,081</u>	<u>\$3,551,552</u>	<u>\$3,721,989</u>
Change in Revenue from Previous Year . . . . .	\$ 139,599	\$ 110,641	\$ 47,215	\$ 105,471	\$ 170,437
Percent Change in Revenue . . . . .	4.43%	3.36%	1.39%	3.06%	4.80%



## Operating Information

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>Budget 2010</u>	<u>Ten Year Compounded Growth Rate</u>	<u>Five Year Compounded Growth Rate</u>
\$1,587,803	\$1,666,118	\$1,716,516	\$1,763,282	\$1,867,350	\$2,065,070	4.32%	5.40%
94,546	131,639	147,403	159,805	132,819	105,820	1.73%	2.28%
14,003	36,874	61,595	40,905	21,405	5,600	-17.06%	-16.75%
85,377	101,129	95,534	96,816	102,107	106,150	4.94%	4.45%
<u>\$1,781,729</u>	<u>\$1,935,760</u>	<u>\$2,021,048</u>	<u>\$2,060,808</u>	<u>\$2,123,681</u>	<u>\$2,282,640</u>	3.99%	5.08%
\$ 821,699	\$ 868,398	\$ 888,220	\$ 953,783	\$ 700,954	\$ 728,504	0.40%	-2.38%
65,045	74,922	75,233	75,210	74,845	37,595	-5.33%	-10.38%
530,679	549,041	586,040	663,358	557,383	700,518	3.81%	5.71%
<u>\$1,417,423</u>	<u>\$1,492,361</u>	<u>\$1,549,493</u>	<u>\$1,692,351</u>	<u>\$1,333,182</u>	<u>\$1,466,617</u>	1.63%	0.68%
\$ 277,610	\$ 273,900	\$ 269,446	\$ 350,515	\$ 369,352	\$ 336,200	7.17%	3.90%
105,835	99,908	81,721	106,051	95,230	108,200	10.45%	0.44%
145,668	147,899	147,407	150,394	139,096	166,716	2.02%	2.74%
26,000	33,422	24,257	31,671	50,758	44,500	-0.53%	11.35%
191,290	202,602	189,132	193,895	468,369	816,569	22.65%	33.68%
<u>\$ 746,403</u>	<u>\$ 757,731</u>	<u>\$ 711,963</u>	<u>\$ 832,526</u>	<u>\$1,122,805</u>	<u>\$1,472,185</u>	11.46%	14.55%
<u>\$3,945,555</u>	<u>\$4,185,852</u>	<u>\$4,282,504</u>	<u>\$4,585,685</u>	<u>\$4,579,668</u>	<u>\$5,221,442</u>	4.73%	5.76%
\$ 223,566	\$ 240,297	\$ 96,652	\$ 303,181	\$ (6,017)	\$ 641,774		
6.01%	6.09%	2.31%	7.08%	-0.13%	14.01%		

## Statistical Section

### Chicago Public Schools Chicago Board of Education

#### ANAYLSIS OF COMPOUNDED GROWTH OF GENERAL OPERATING FUND EXPENDITURES For the Last Ten Fiscal Years and 2010 Budget (Modified Accrual Basis of Accounting)

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Compensation:						
Teacher Salaries . . . . .	\$1,573,412	\$1,639,064	\$1,690,449	\$1,749,974	\$1,820,063	\$1,850,403
ESP Salaries . . . . .	420,119	452,502	495,123	495,154	520,267	515,427
Total Salaries . . . . .	\$1,993,531	\$2,091,566	\$2,185,572	\$2,245,128	\$2,340,330	\$2,365,830
Teacher Pension . . . . .	180,051	181,775	179,011	190,259	194,511	198,065
ESP Pension . . . . .	63,351	64,104	70,843	73,754	79,498	81,560
Hospitalization . . . . .	150,139	161,192	192,342	196,457	229,045	230,204
Medicare . . . . .	17,815	20,261	22,212	23,358	25,480	26,719
Workers' Compensation . . . . .	10,021	8,312	14,690	13,806	16,997	17,953
Unemployment Insurance . . . . .	1,350	1,740	2,336	3,374	4,711	8,558
Total Benefits . . . . .	\$ 422,727	\$ 437,384	\$ 481,434	\$ 501,008	\$ 550,242	\$ 563,059
Total Compensation . . . . .	\$2,416,258	\$2,528,950	\$2,667,006	\$2,746,136	\$2,890,572	\$2,928,889
Non-Compensation:						
Energy . . . . .	\$ 45,222	\$ 71,234	\$ 53,453	\$ 62,388	\$ 63,233	\$ 64,647
Food . . . . .	88,415	90,691	86,145	92,539	96,712	89,628
Textbooks . . . . .	71,201	74,305	77,948	72,118	74,377	79,677
Supplies . . . . .	38,564	37,702	40,655	40,653	42,380	45,210
Commodities — Other . . . . .	995	1,091	949	1,155	1,306	1,314
Professional fees . . . . .	207,969	185,746	186,398	217,917	226,306	292,517
Charter schools . . . . .	31,634	38,898	46,951	54,444	66,643	82,537
Transportation . . . . .	101,300	105,373	95,502	98,901	96,775	93,639
Tuition . . . . .	27,149	68,593	73,172	67,779	78,582	66,854
Telephone and telecommunications . . . . .	21,677	24,543	24,880	13,981	6,208	8,635
Services — Other . . . . .	14,151	15,767	21,425	26,485	19,431	11,516
Equipment . . . . .	49,560	48,924	51,947	42,398	43,315	44,081
Repairs and Replacements . . . . .	57,173	52,112	58,707	48,739	45,353	35,224
Capital Outlays . . . . .	33	58	118	17	15	—
Rent . . . . .	6,639	7,283	8,104	9,468	7,974	10,393
Debt Service . . . . .	2,268	1,421	1,420	1,420	1,420	1,420
Other . . . . .	4,294	428	(894)	(1,097)	(2,092)	6,215
Unallocated Appropriations (budget only) . . . . .	—	—	—	—	—	—
Total Non-Compensation . . . . .	\$ 768,244	\$ 824,169	\$ 826,880	\$ 849,305	\$ 867,938	\$ 933,507
Total Expenditures . . . . .	\$3,184,502	\$3,353,119	\$3,493,886	\$3,595,441	\$3,758,510	\$3,862,396
Change in Expenditures from Previous Year . . . . .	\$ 123,774	\$ 168,617	\$ 140,767	\$ 101,555	\$ 163,069	\$ 103,886
Percent Change in Expenditures . . . . .	4.04%	5.29%	4.20%	2.91%	4.54%	2.76%

## Operating Information

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>Budget 2010</u>	<u>Ten Year Compounded Growth Rate</u>	<u>Five Year Compounded Growth Rate</u>
\$1,916,378	\$1,924,109	\$1,885,400	\$1,975,940	\$2,028,831	2.57%	1.86%
<u>537,346</u>	<u>535,148</u>	<u>559,741</u>	<u>597,533</u>	<u>608,081</u>	3.77%	3.36%
\$2,453,724	\$2,459,257	\$2,445,141	\$2,573,473	\$2,636,912	2.84%	2.19%
247,585	282,488	350,483	392,801	510,923	10.99%	20.87%
87,530	83,317	89,776	93,791	97,853	4.44%	3.71%
243,003	250,765	260,386	299,206	329,981	8.19%	7.47%
29,989	25,279	31,075	33,667	37,337	7.68%	6.92%
21,004	24,619	29,757	28,148	26,954	10.40%	8.47%
<u>6,382</u>	<u>8,236</u>	<u>5,764</u>	<u>8,599</u>	<u>10,351</u>	22.59%	3.88%
<u>\$ 635,493</u>	<u>\$ 674,704</u>	<u>\$ 767,241</u>	<u>\$ 856,212</u>	<u>\$1,013,399</u>	9.14%	12.47%
<u>\$3,089,217</u>	<u>\$3,133,961</u>	<u>\$3,212,382</u>	<u>\$3,429,685</u>	<u>\$3,650,311</u>	4.21%	4.50%
\$ 70,760	\$ 77,133	\$ 86,759	\$ 92,354	\$ 90,978	7.24%	7.07%
85,815	83,798	83,326	89,592	106,930	1.92%	3.59%
71,942	65,772	89,514	86,356	99,532	3.41%	4.55%
46,965	45,945	46,030	44,572	66,521	5.60%	8.03%
1,135	1,072	910	998	676	-3.79%	-12.45%
319,904	322,252	360,277	440,921	345,309	5.20%	3.37%
118,445	141,030	189,006	256,154	270,000	23.91%	26.75%
92,589	97,076	102,828	109,351	100,968	-0.03%	1.52%
62,890	63,103	65,105	63,858	73,980	10.54%	2.05%
16,944	13,701	17,671	19,426	4,596	-14.37%	-11.85%
13,104	13,271	13,253	13,935	11,663	-1.92%	0.25%
38,335	34,614	39,003	34,450	16,965	-10.17%	-17.38%
35,556	32,973	36,999	34,772	33,121	-5.31%	-1.22%
4	5	10	12	—	-100.00%	0.00%
14,174	12,965	11,020	12,000	12,970	6.93%	4.53%
1,420	1,269	21,704	1,037	2,710	1.80%	13.80%
5,894	6,429	18,888	13,306	440,641	58.90%	134.49%
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>		
<u>\$ 995,876</u>	<u>\$1,012,408</u>	<u>\$1,182,303</u>	<u>\$1,313,094</u>	<u>\$1,677,560</u>	8.12%	12.44%
<u>\$4,085,093</u>	<u>\$4,146,369</u>	<u>\$4,394,685</u>	<u>\$4,742,779</u>	<u>\$5,327,871</u>	5.28%	6.64%
\$ 222,697	\$ 61,276	\$ 248,316	\$ 348,094	\$ 585,092		
5.77%	1.50%	5.99%	7.92%	12.34%		

**Statistical Section**

**CHICAGO PUBLIC SCHOOLS**

**Chicago Board of Education**

**GENERAL OPERATING FUND REVENUES, EXPENDITURES AND OTHER FINANCING  
SOURCES (USES)**

**For the Last Ten Fiscal Years and 2010 Budget**

**(Modified Accrual Basis of Accounting)**

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Revenues:				
Local . . . . .	\$1,543,378	\$1,570,848	\$1,569,922	\$1,641,646
State . . . . .	1,247,174	1,275,707	1,336,586	1,307,229
Federal . . . . .	497,673	552,311	539,573	602,677
Total Revenues . . . . .	\$3,288,225	\$3,398,866	\$3,446,081	\$3,551,552
Total Expenditures . . . . .	3,184,502	3,353,119	3,493,886	3,595,441
Revenues — Expenditures . . . . .	\$ 103,723	\$ 45,747	\$ (47,805)	\$ (43,889)
Other Financing Sources — Transfers . . . . .	11,436	(46,797)	1,527	7,711
Revenues and Other Financing Sources				
Less Expenditures . . . . .	\$ 115,159	\$ (1,050)	\$ (46,278)	\$ (36,178)
Equity Transfer . . . . .	—	—	—	—
Accounting Adjustment . . . . .	—	(152,490)	—	—
Change in Fund Balance . . . . .	\$ 115,159	\$ (153,540)	\$ (46,278)	\$ (36,178)
Fund Balance — Beginning of Period . . . . .	449,793	564,952	411,412	365,134
Fund Balance — End of Period . . . . .	<u>\$ 564,952</u>	<u>\$ 411,412</u>	<u>\$ 365,134</u>	<u>\$ 328,956</u>
Revenues as a Percent of Expenditures . . . . .	103.3%	101.4%	98.6%	98.8%
Composition of Fund Balance				
Reserved:				
Reserved for Encumbrances . . . . .	\$ 102,623	\$ 149,675	\$ 118,726	\$ 78,879
Reserved for restricted donations . . . . .	2,836	3,638	429	429
Reserved by law for specific purposes . . . . .	66,436	56,579	36,096	41,289
Unreserved:				
Designated to Provide Operating				
Capital . . . . .	295,900	201,520	201,500	161,233
Undesignated . . . . .	97,157	—	8,383	47,126
Total Fund Balance . . . . .	<u>\$ 564,952</u>	<u>\$ 411,412</u>	<u>\$ 365,134</u>	<u>\$ 328,956</u>
Unreserved Fund Balance as a Percent of				
Revenues . . . . .	12.0%	5.9%	6.1%	5.9%
Total Fund Balance as a Percent of				
Revenues . . . . .	17.2%	12.1%	10.6%	9.3%

<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>Budget 2010</u>
\$1,688,778	\$1,781,729	\$1,935,760	\$2,021,048	\$2,060,808	\$2,123,681	\$2,282,640
1,329,390	1,417,423	1,492,361	1,549,493	1,692,351	1,333,182	1,466,617
<u>703,821</u>	<u>746,403</u>	<u>757,731</u>	<u>711,963</u>	<u>832,526</u>	<u>1,122,805</u>	<u>1,472,185</u>
\$3,721,989	\$3,945,555	\$4,185,852	\$4,282,504	\$4,585,685	\$4,579,668	\$5,221,442
<u>3,758,510</u>	<u>3,862,396</u>	<u>4,085,093</u>	<u>4,146,369</u>	<u>4,394,685</u>	<u>4,742,779</u>	<u>5,327,871</u>
\$ (36,521)	\$ 83,159	\$ 100,759	\$ 136,135	\$ 191,000	\$ (163,111)	<u>\$ (106,429)</u>
<u>15,071</u>	<u>328</u>	<u>4,145</u>	<u>1,904</u>	<u>3,813</u>	<u>20,389</u>	
\$ (21,450)	\$ 83,487	\$ 104,904	\$ 138,039	\$ 194,813	\$ (142,722)	
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	
\$ (21,450)	\$ 83,487	\$ 104,904	\$ 138,039	\$ 194,813	\$ (142,722)	
<u>328,956</u>	<u>307,506</u>	<u>390,993</u>	<u>495,897</u>	<u>474,783</u>	<u>669,596</u>	
<u>\$ 307,506</u>	<u>\$ 390,993</u>	<u>\$ 495,897</u>	<u>\$ 633,936</u>	<u>\$ 669,596</u>	<u>\$ 526,874</u>	
99.0%	102.2%	102.5%	103.3%	104.3%	96.6%	
\$ 67,542	\$ 97,313	\$ 102,286	\$ 97,731	\$ 132,684	\$ 110,685	
1,439	1,459	1,503	1,765	1,826	3,695	
42,015	43,675	84,388	129,597	102,695	101,072	
171,300	190,000	218,400	233,200	258,000	181,200	
<u>25,210</u>	<u>58,546</u>	<u>89,320</u>	<u>171,643</u>	<u>174,391</u>	<u>130,222</u>	
<u>\$ 307,506</u>	<u>\$ 390,993</u>	<u>\$ 495,897</u>	<u>\$ 633,936</u>	<u>\$ 669,596</u>	<u>\$ 526,874</u>	
5.3%	6.3%	7.4%	9.5%	9.4%	6.8%	
8.3%	9.9%	11.8%	14.8%	14.6%	11.5%	

**CHICAGO PUBLIC SCHOOLS**

Chicago Board of Education

**SCHEDULE OF TORT EXPENDITURES**

**As Required Under Section 9-103 (a-5) of the Tort Immunity Act**

**For the Fiscal Year Ended June 30, 2009**

**Eligible Expenditures:**

Other General Charges . . . . .	\$ 398,179
Physical Education — Athletic Claims . . . . .	200,000
Guidance SVCS-EL-GT50% SP ED . . . . .	27,153
Tort Claims — Administration Fee . . . . .	591,581
Tort Claims — Major Settlements . . . . .	1,969,147
Tort Claims — Casualty . . . . .	885,036
General Liability Insurance . . . . .	1,499,112
Property Damage Insurance . . . . .	2,481,153
Property Loss Reserve Fund . . . . .	514,585
Compensation and Benefits Management . . . . .	185,637
Property Loss . . . . .	307,446
Life Safety . . . . .	1,651,120
School Safety Administration . . . . .	327,480
School Safety Services . . . . .	2,474,523
Student Identification Cards . . . . .	204,134
Personnel Security Services . . . . .	45,511,070
Security Police Officers . . . . .	13,101,356
Central Service Security . . . . .	3,669,831
Bureau Of Risk & Benefits Management . . . . .	5,268
Risk Management Administration . . . . .	331,945
Total Eligible Expenditures . . . . .	<u>\$76,335,756</u>

**CHICAGO PUBLIC SCHOOLS**  
Chicago Board of Education

**SCHEDULE OF STUDENT ACTIVITY FUNDS**

For the fiscal year ended June 30, 2009

**CASH AND INVESTMENTS HELD FOR STUDENT ACTIVITIES**

	<u>Beginning Balance</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Amounts Held for Student Activities</u>
Checking:				
Elementary Schools . . . . .	\$15,044,271	\$30,112,259	\$30,166,342	\$14,990,188
Child Parent Centers . . . . .	52,732	65,606	68,682	49,656
Alternative Schools . . . . .	44,439	61,132	74,176	31,395
Middle Schools . . . . .	358,962	677,895	661,304	375,553
High Schools . . . . .	10,485,779	29,048,758	28,374,360	11,160,177
	<u>\$25,986,183</u>	<u>\$59,965,650</u>	<u>\$59,344,864</u>	<u>\$26,606,969</u>
Investments:				
Elementary Schools . . . . .				480,189
Middle Schools . . . . .				1,321
High Schools . . . . .				3,270,363
Total Cash and Investments Held for Student Activities . . . . .				<u>\$30,358,842</u>

**STUDENT FEES**

	<u>Graduation Fees (A)</u>	<u>Student Activity Fees (B)</u>	<u>Total</u>
Total Elementary School Fees . . . . .	\$1,419,257	\$1,506,700	\$2,925,957
Total Elementary Students . . . . .	274,875	274,875	274,875
Average Fee per Student . . . . .	<u>\$ 5.16</u>	<u>\$ 5.48</u>	<u>\$ 10.64</u>
Total High School Fees . . . . .	\$1,207,991	\$6,313,129	\$7,521,120
Total High School Students . . . . .	90,055	90,055	90,055
Average Fee per Student . . . . .	<u>\$ 13.41</u>	<u>\$ 70.10</u>	<u>\$ 83.51</u>

**NOTES:**

- A. Graduation fees are defined as all mandatory graduation fees, including cap and gown.
- B. Student activity fees are defined as fees collected from students to cover activities and items necessary to complete a given curriculum and fees collected from students to cover the cost of extra-curricular activities and items.

## Statistical Section

### CHICAGO PUBLIC SCHOOLS Board of Education of the City of Chicago

#### SCHEDULE OF INSURANCE AND INSURANCE SERVICES

<u>Type of Coverage</u>	<u>Provider Broker/ Insurer/TPA</u>	<u>Term From — To</u>	<u>Annual Expense</u>	<u>Coverage Details Limits of Liability</u>
<b>Broker Services</b>	Mesirow Financial	04/01/08 — 04/01/09	\$ 135,000	Insurance placement and consultation. The contract with Mesirow for these services has been extended and continues.
<b>Property Insurance</b>				
All Risk-Property Insurance				
1st Layer of Property Insurance	Lexington Insurance	07/01/08 — 06/30/09	1,728,765	\$50 Million subject to \$500,000 deductible.
2nd Layer of Property Insurance	Travelers	07/01/08 — 06/30/09	300,000	\$150 million excess of \$50 million
Boiler & Machinery Insurance	Federal Chubb	07/01/08 — 06/30/09	124,994	\$100 Million subject \$50,000 deductible.
Commercial Crime Insurance				\$50 Million subject to \$500,000 deductible. Coverage including fidelity.
1st Layer of Crime Insurance	Great American	07/01/08 — 06/30/09	40,991	\$10 million excess of \$500,000 deductible
2nd Layer of Crime Insurance	Zurich-American Insurance	07/01/08 — 06/30/09	35,627	\$10 million excess of \$10 million
3rd Layer of Crime Insurance	Travelers Casualty & Surety	07/01/08 — 06/30/09	29,640	\$10 million excess of \$20 million
4th Layer of Crime Insurance	Great American	07/01/08 — 06/30/09	21,341	\$10 million excess of \$30 million
5th Layer of Crime Insurance	Hanover	07/01/08 — 06/30/09	16,300	\$10 million excess of \$40 million
			\$ 2,297,658	Total Property, Boiler & Machinery and Crime for year ending 6/30/09
Property Loss Reserve Fund			457,922	
Total Property Program			\$ 2,755,580	

(continued)



## Operating Information

<u>Type of Coverage</u>	<u>Provider Broker/ Insurer/TPA</u>	<u>Term From — To</u>	<u>Annual Expense</u>	<u>Coverage Details Limits of Liability</u>
<b>Liability Insurance</b>				
General Liability and School Board Legal Liability Insurance				\$75 million in excess of \$10 million Self-Insured Retention for General and School Board Legal Liability for Personal Injury, Property Damage, Employers Liability, Discrimination and other "Wrongful Acts." Includes Terrorism Coverage and Surplus Lines Tax and Fees. Liability coverage effective 07/01/08 to 6/30/09. Policies were short-termed to move the expiration date.
1st Layer Liability Insurance	Princeton E&S	07/01/08 — 06/30/09	\$ 391,699	\$10 million per loss excess \$10 million self-insured retention
2nd Layer Liability Insurance	Westchester	07/01/08 — 06/30/09	271,639	\$15 Million excess \$10 Million
3rd Layer Liability Insurance	Great American Assurance	07/01/08 — 06/30/09	223,250	\$15 Million excess \$25 Million
4th Layer Liability Insurance	Lexington Insurance	07/01/08 — 06/30/09	202,287	\$15 Million excess \$40 Million
5th Layer Liability Insurance	Firemans Fund	07/01/08 — 06/30/09	140,896	\$20 Million excess \$55 Million
Special Events	Admiral	06/10/08 — 06/10/09	46,620	
Workfare Insurance	Liberty Mutual	12/13/08 — 12/13/09	4,163	Statutory Workers Compensation/ \$1,000,000. Employers Liability for non-compensated students in intern and job shadow programs
			<u>\$ 1,280,554</u>	Total Liability Insurance Premiums and Related Expenses
Total Insurance Cost			<u>\$ 4,171,134</u>	
<b>Self Insurance Programs</b>				
General Liability Claims	Cannon Cochran Management Services, Inc.	07/01/08 — 06/30/09	\$ 403,184	Claim administration services including investigation and adjustment of liability claims; pay medical costs, legal expense and settlements.
			443,944	Amounts paid through escrow accounts to claimants, attorneys and expenses.
			1,882,517	Law Department settlements
			<u>200,000</u>	Amounts paid through escrow accounts for medical and other related claims and expenses for Interscholastic & Extracurricular Activity Claims payments
			<u>\$ 2,929,645</u>	Total General Liability Claims and Expenses

(continued)

## Statistical Section

<u>Type of Coverage</u>	<u>Provider Broker/ Insurer/TPA</u>	<u>Term From — To</u>	<u>Annual Expense</u>	<u>Coverage Details Limits of Liability</u>
Workers Compensation Claims	Sedgwick Claims Management Services, Inc.	07/01/08 — 06/30/09	\$ 1,310,000	Claim administration services including receive and review for compensability all employee accident claims. Review and apply PPO discount to medical claims. Pay indemnity costs for compensable claims. Determine case management needs. Provide claim statistics and establish safety initiatives. Escrow funding for claims authorized up to \$14,000,000.
			26,838,308	Amounts paid through escrow accounts to claimants, attorneys and expenses.
			<u>\$ 28,148,308</u>	Total Workers' Compensation Claims and Expenses
Risk Management	Various		<u>\$ 47,785</u>	Consulting, printing, temporary services and other
Life Safety	Various		<u>\$ 1,738,233</u>	Promotes safety programs
Total Self Insured Programs			<u>\$ 32,863,971</u>	

(continued)

## Operating Information

<u>Type of Coverage</u>	<u>Provider Broker/ Insurer/TPA</u>	<u>Term From — To</u>	<u>Annual Expense</u>	<u>Coverage Details Limits of Liability</u>
<b>Health Insurance/HMO/PPO</b>				
Medical-Administrative Services	Blue Cross/Blue Shield of Illinois	07/01/08 — 06/30/09	\$ 3,702,918	PPO Health care for eligible employees and dependents.
	United Healthcare PPO	07/01/08 — 06/30/09	1,292,014	PPO Health care for eligible employees and dependents.
	United Healthcare PPO w/HRA	07/01/08 — 06/30/09	452,904	PPO and Health Reimbursement Account for eligible employees and dependents.
	Blue Cross HMO Illinois	07/01/08 — 06/30/09	5,204,785	HMO Health care for eligible employees and dependents.
	United Healthcare HMO (EPO)	07/01/08 — 06/30/09	1,039,859	HMO Health care for eligible employees and dependents.
Medical Total Admin. Fees			<u>\$ 11,692,480</u>	
Medical PPO Claim	Blue Cross/Blue Shield of Illinois	07/01/08 — 06/30/09	\$ 66,272,512	PPO Health care for eligible employees and dependents and retirees.
	United Healthcare PPO	07/01/08 — 06/30/09	21,750,810	PPO Health care of eligible employees, dependents & retirees.
	United Healthcare PPO w/HRA	07/01/08 — 06/30/09	<u>4,551,672</u>	PPO and Health Reimbursement Account for eligible employees and dependents.
Medical Total PPO Claims			<u>\$ 92,574,994</u>	
Medical HMO Claims	Blue Cross HMO Illinois	07/01/08 — 06/30/09	\$146,676,871	HMO Healthcare for eligible employees and dependents. Claims and Physician Service Fees.
	United Healthcare HMO	07/01/08 — 06/30/09	<u>27,473,141</u>	HMO Healthcare for eligible employees and dependents.
Medical Total HMO Claims			<u>\$174,150,012</u>	
Medical Claims Total		07/01/08 — 06/30/09	<u>\$266,725,006</u>	
Medical Claims and Administration		07/01/08 — 06/30/09	<u>\$278,417,486</u>	
Managed Mental Health Service	United Behavioral Health	07/01/08 — 06/30/09	<u>\$ 703,046</u>	Mental health care for PPO eligible employees and dependents.
Utilization Review and Case Management	Encompass	07/01/08 — 06/30/09	<u>\$ 663,064</u>	Pre-certification, utilization review and case management for PPO eligible employees and dependents.
Prescription Drugs	Caremark	07/01/08 — 06/30/09	<u>\$ 49,964,541</u>	Pharmaceutical services for PPO and HMO eligible employees and dependents.
Total Medical Expenses		07/01/08 — 06/30/09	<u>\$329,748,137</u>	

(continued)

## Statistical Section

<u>Type of Coverage</u>	<u>Provider Broker/ Insurer/TPA</u>	<u>Term From — To</u>	<u>Annual Expense</u>	<u>Coverage Details Limits of Liability</u>
<b>Other Insurance</b>				
Dental Insurance	Delta Dental HMO	07/01/08 — 06/30/09	\$ 1,824,854	Dental HMO for eligible employees and dependents.
	Delta Dental	07/01/08 — 06/30/09	<u>7,065,276</u>	Dental PPO for eligible employees and dependents.
Dental Insurance Total			<u>\$ 8,890,130</u>	
Vision Plan	Vision Service Plan (VSP)	07/01/08 — 06/30/09	<u>\$ 1,544,509</u>	Vision services for eligible employees and dependents.
Term Life Insurance	Prudential Life Insurance	07/01/08 — 06/30/09	<u>\$ 2,433,874</u>	Life insurance policy at \$10,000 per eligible employee.
Total Dental/Vision/Life			<u>\$ 12,868,513</u>	
Total Health/Life Benefit Expenses			<u>\$342,616,650</u>	



Educate • Inspire • Transform

**Statistical Section**

**CHICAGO PUBLIC SCHOOLS**

Chicago Board of Education

**SCHEDULE OF CAPITAL IMPROVEMENT PROGRAM — BY ACTIVITY**

For the fiscal year ended June 30, 2009

(Millions of dollars)

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Unexpended . . . . .	\$519.9	\$ 449.2	\$514.3	\$433.1	\$386.1
Proceeds Available from Bond Issuance . . . . .	331.3	469.2	232.7	313.6	257.3
State Aid . . . . .	49.5	—	—	58.1	82.2
Federal Aid . . . . .	41.9	81.8	15.2	6.0	26.7
Investment Income . . . . .	37.1	42.8	33.1	13.3	8.1
Other Income . . . . .	19.6	4.3	1.1	9.6	11.8
Total . . . . .	<u>\$999.3</u>	<u>\$1,047.3</u>	<u>\$796.4</u>	<u>\$833.7</u>	<u>\$772.2</u>
Expenditures . . . . .	544.6	519.8	363.3	441.6	360.8
Operating Transfers In/(Out) . . . . .	(5.5)	(13.2)	—	(6.0)	15.1
Unexpended . . . . .	\$449.2	\$ 514.3	\$433.1	\$386.1	\$426.5
Encumbrances . . . . .	288.2	265.4	261.6	175.2	223.6
Available Balance . . . . .	<u>\$161.0</u>	<u>\$ 248.9</u>	<u>\$171.5</u>	<u>\$210.9</u>	<u>\$202.9</u>

Note:

The above amounts do not include construction expenditures made by the Public Building Commission.

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>Program to Date as of June 30, 2009</u>
\$426.5	\$359.3	\$496.8	\$ 646.4	\$565.7	\$ —
284.0	389.4	370.2	252.5	—	2,900.2
3.1	—	18.1	0.1	—	211.1
16.6	17.9	34.1	43.5	2.8	286.5
13.2	22.4	35.6	25.9	12.5	244.0
12.2	21.4	36.6	60.4	127.5	304.5
<u>\$755.6</u>	<u>\$810.4</u>	<u>\$991.4</u>	<u>\$1,028.8</u>	<u>\$708.5</u>	<u>\$3,946.3</u>
389.0	310.8	345.0	463.1	634.6	4,372.6
(7.3)	(2.8)	—	—	—	(19.7)
<u>\$359.3</u>	<u>\$496.8</u>	<u>\$646.4</u>	<u>\$ 565.7</u>	<u>\$ 73.9</u>	<u>\$ (446.0)</u>
140.8	220.2	199.1	268.6	73.9	73.9
<u>\$218.5</u>	<u>\$276.6</u>	<u>\$447.3</u>	<u>\$ 297.1</u>	<u>\$ —</u>	<u>\$ (519.9)</u>

## Statistical Section

### CHICAGO PUBLIC SCHOOLS

#### Chicago Board of Education

### SCHOOL FOOD SERVICE PROGRAM

For the last five fiscal years

(Thousands of dollars)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
DAYS MEALS SERVED:					
National School Lunch Program . . . . .	173	173	173	173	173
PUPIL LUNCHES SERVED:					
Paid lunches (regular) . . . . .	3,648,536	3,332,446	2,827,976	3,057,617	2,596,483
Reduced lunches (regular) . . . . .	3,577,319	3,646,341	3,480,051	3,390,609	3,198,477
Free lunches (regular) . . . . .	<u>45,899,056</u>	<u>45,029,271</u>	<u>43,011,934</u>	<u>42,203,781</u>	<u>41,759,323</u>
TOTAL PUPIL LUNCHES SERVED . . . . .	<u>53,124,911</u>	<u>52,008,058</u>	<u>49,319,961</u>	<u>48,652,007</u>	<u>47,554,283</u>
DAILY AVERAGE . . . . .	307,080	300,625	285,086	281,225	274,880
Change from Previous Year . . . . .	(2,870,185)	(1,116,853)	(2,688,097)	(667,954)	(1,097,724)
DAILY PERCENTAGE CHANGE . . . . .	-5.1%	-2.1%	-5.2%	-1.4%	-2.3%
PUPIL BREAKFASTS SERVED:					
Paid breakfasts (regular) . . . . .	521,750	455,803	312,752	306,185	302,130
Reduced breakfasts (regular) . . . . .	467,460	486,385	451,567	413,987	453,628
Free breakfasts (regular) . . . . .	<u>13,562,132</u>	<u>13,504,698</u>	<u>12,962,522</u>	<u>12,681,324</u>	<u>13,432,581</u>
TOTAL PUPIL BREAKFASTS SERVED . . . . .	<u>14,551,342</u>	<u>14,446,886</u>	<u>13,726,841</u>	<u>13,401,496</u>	<u>14,188,339</u>
DAILY AVERAGE . . . . .	84,112	83,508	79,346	77,465	82,014
Change from Previous Year . . . . .	(1,168,027)	(104,456)	(720,045)	(325,345)	786,843
DAILY PERCENTAGE CHANGE . . . . .	-7.4%	-0.7%	-5.0%	-2.4%	5.9%
TOTAL MEALS SERVED . . . . .	<u>67,676,253</u>	<u>66,454,944</u>	<u>63,046,802</u>	<u>62,053,503</u>	<u>61,742,622</u>
DAILY AVERAGE . . . . .	391,192	384,133	364,432	358,691	356,894
TOTAL CHANGE FROM PREVIOUS YEAR . . . . .	(4,038,212)	(1,221,309)	(3,408,142)	(993,299)	(310,881)
DAILY PERCENTAGE CHANGE . . . . .	-5.6%	-1.8%	-5.1%	-1.6%	-0.5%
NUMBER OF ADULT LUNCHES (REGULAR) . . . . .	<u>532,469</u>	<u>387,624</u>	<u>301,213</u>	<u>262,999</u>	<u>205,062</u>
DAILY AVERAGE . . . . .	3,078	2,241	1,741	1,520	1,185
TOTAL CHANGE FROM PREVIOUS YEAR . . . . .	(135,396)	(144,845)	(86,411)	(38,214)	(57,937)
DAILY PERCENTAGE CHANGE . . . . .	-20.3%	-27.2%	-22.3%	-12.7%	-22.0%



**CHICAGO PUBLIC SCHOOLS**  
**Chicago Board of Education**

**SCHOOL FOOD SERVICE PROGRAM (continued)**  
**For the last five fiscal years**  
**(Thousands of dollars)**

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<b>REVENUE:</b>					
Federal and State Sources . . . . .	\$156,062	\$180,175	\$158,166	\$161,174	\$152,556
Local Sources . . . . .	<u>9,553</u>	<u>9,317</u>	<u>35,303</u>	<u>40,889</u>	<u>56,767</u>
Total Revenue . . . . .	<u>\$165,615</u>	<u>\$189,492</u>	<u>\$193,469</u>	<u>\$202,063</u>	<u>\$209,323</u>
<b>EXPENDITURES:</b>					
Career Service Salaries . . . . .	\$ 57,543	\$ 59,199	\$ 61,025	\$ 63,501	\$ 65,941
Career Service Pension . . . . .	3,853	4,310	10,255	10,733	10,769
Hospitalization . . . . .	19,130	19,501	20,897	21,737	24,528
Food . . . . .	88,606	84,634	82,331	81,539	87,821
Professional and Special Services . . . . .	3,256	2,910	2,748	2,650	3,037
Administrative Allocation . . . . .	12,163	15,456	12,270	13,141	14,677
Other . . . . .	<u>2,562</u>	<u>3,467</u>	<u>3,946</u>	<u>2,687</u>	<u>2,549</u>
Total Expenditures . . . . .	<u>\$187,113</u>	<u>\$189,477</u>	<u>\$193,472</u>	<u>\$195,988</u>	<u>\$209,322</u>
Revenues Less Than Expenditures . . . . .	<u>\$ (21,498)</u>	<u>\$ 15</u>	<u>\$ (3)</u>	<u>\$ 6,075</u>	<u>\$ 1</u>
<b>DAILY AVERAGE</b>					
Revenues . . . . .	\$ 957	\$ 1,095	\$ 1,118	\$ 1,168	\$ 1,210
Expenditures . . . . .	\$ 1,082	\$ 1,095	\$ 1,118	\$ 1,133	\$ 1,210
<b>PERCENTAGE CHANGE</b>					
Revenues . . . . .	-4.1%	14.4%	2.1%	4.4%	3.6%
Expenditures . . . . .	-3.6%	1.3%	2.1%	1.3%	6.8%

## Statistical Section

### CHICAGO PUBLIC SCHOOLS

#### Chicago Board of Education

#### ANALYSIS OF UTILITY CONSUMPTION

For fiscal year ended June 30, 2009

With Comparative Amounts for the Period Ended June 30, 2008

	2009 Schools	2009 Administrative Center	Total
<u>Electricity</u>			
Commonwealth Edison			
Total Electricity Charges (A) . . . . .	\$ 52,677,963	\$ 636,935	\$ 53,314,898
Kilowatt Hours . . . . .	533,174,060	10,273,147	543,447,207
Charge per Kilowatt Hour . . . . .	\$ 0.09880	\$ 0.06200	\$ 0.09811
<u>Gas</u>			
Total Gas Charges . . . . .	\$ 38,411,370	\$ 627,634	\$ 39,039,004
Therms . . . . .	39,890,730	669,557	40,560,287
Charge per Therm . . . . .	\$ 0.96291	\$ 0.93739	\$ 0.96249
	2008 Schools	2008 Administrative Center	Total
<u>Electricity</u>			
Commonwealth Edison			
Total Electricity Charges (B) . . . . .	\$ 49,423,877	\$ 830,418	\$ 50,254,295
Kilowatt Hours . . . . .	559,130,145	12,053,162	571,183,307
Charge per Kilowatt Hour . . . . .	\$ 0.08839	\$ 0.06890	\$ 0.08798
<u>Gas</u>			
Total Gas Charges . . . . .	\$ 36,452,527	\$ 51,814	\$ 36,504,341
Therms . . . . .	32,100,751	462,642	32,563,393
Charge per Therm . . . . .	\$ 1.13557	\$ 0.11200	\$ 1.12102

#### NOTES:

- Fiscal year 2009 electricity and consumption amounts represent amounts that have been billed for service during fiscal year 2009 and have been paid to Commonwealth Edison as of July 31, 2009.
- Fiscal year 2008 electricity and consumption amounts represent amounts that have been billed for service during fiscal year 2008 and have been paid to Commonwealth Edison as of July 31, 2008.

**CHICAGO PUBLIC SCHOOLS**  
Chicago Board of Education

**PROPERTY SALES AND PURCHASES**  
For the Fiscal Year Ending June 30, 2009

Sales				
<u>Unit Location</u>	<u>Date Acquired</u>	<u>Net Book Value</u>	<u>Gross/Sales Proceeds</u>	<u>Gain/(Loss) on Sale</u>
5009 W. Flournoy . . . . .	Oct. 1899	\$ —	\$91,000	\$91,000
		<u>\$ —</u>	<u>\$91,000</u>	<u>\$91,000</u>
Purchases				
<u>Unit Location</u>	<u>Date Acquired</u>	<u>School</u>	<u>Purchase Cost</u>	
7600 S. Homan . . . . .	11/10/2008	Southwest Area HS	\$10,500,000	
3721-29 S. St. Louis . . . . .	10/13/2008	Brighton Park I	3,063,000	
3701-3705 S. St. Louis . . . . .	12/19/2008	Brighton Park I	925,043	
4800 S. Rockwell . . . . .	6/30/2009	Brighton Park II	3,655,000	
			<u>\$18,143,043</u>	

**CHICAGO PUBLIC SCHOOLS**  
Chicago Board of Education

**TEACHERS' BASE SALARIES**  
(Annual School Year Salary)  
For the last ten fiscal years

<u>Fiscal Year</u>	<u>Minimum Salary (A)</u>	<u>Median Salary</u>	<u>Maximum Salary (B)</u>	<u>Percent Change (C)</u>
2000.....	\$32,546	\$45,227	\$57,907	3.00%
2001.....	33,197	46,421	59,644	2.00%
2002.....	33,861	47,647	61,433	2.00%
2003.....	34,538	48,907	63,276	2.00%
2004.....	35,920	50,864	65,807	4.00%
2005.....	37,357	52,898	68,439	4.00%
2006.....	38,851	55,014	71,177	4.00%
2007.....	40,405	57,215	74,025	4.00%
2008.....	42,021	59,504	76,986	4.00%
2009.....	43,702	62,384	81,065	4.00%

NOTES:

- A. The minimum salary represents the minimum amount a CPS teacher with a bachelor's degree may earn for regular classroom instruction during the school year according to the lane and step salary schedule dependent on education attainment and years of service. Minimum salary excludes pension and hospitalization benefits.
- B. The maximum salary represents the maximum amount a CPS teacher with a doctoral degree may earn for regular classroom instruction during the school year according to the lane and step salary schedule dependent on educational attainment and years of service. The majority of the Chicago Public Schools Teaching Staff receives the maximum salary due to the 14 year minimum needed to reach the highest pay scale dependent on years of service only. Maximum salary excludes pension and hospitalization benefits.
- C. The percent change is the official CTU (Chicago Teachers Union) agreed to minimum salary increase for that year, net of any changes to the salary schedule or step advances on the pay schedule.

## CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

## TEACHERS' PENSION FUNDING ANALYSIS

For the last five fiscal years

(Thousands of dollars)

<u>Fiscal Year</u>	<u>Employer and Employee Contribution</u>	<u>Net Assets of Plan (Fair Market Value)</u>	<u>Unfunded Obligation (Assets at Fair Market Value)</u>	<u>% Funded of Pension Obligation Fund at Year End (Assets at Fair Market Value)</u>	<u>% Unfunded (Assets at Fair Market)</u>
2004.....	\$194,511	\$10,392,193	\$1,713,488	85.8%	14.2%
2005.....	198,065	10,506,471	2,789,405	79.0%	21.0%
2006.....	247,585	10,947,998	3,087,629	78.0%	22.0%
2007.....	282,488	11,759,699	2,917,485	80.1%	19.9%
2008.....	350,483	12,069,417	3,134,324	79.4%	20.6%

**CHICAGO PUBLIC SCHOOLS**

Chicago Board of Education

**AVERAGE DAILY ATTENDANCE AND PER PUPIL COSTS**

For the last five fiscal years

<u>Fiscal Year</u>	<u>School Year</u>	<u>Average Daily Attendance (A)</u>	<u>Operating Expenses Per Pupil (B)</u>	<u>Per Capita Tuition Charge (C)</u>
2005 .....	2004-05	385,461	\$10,555	\$9,488
2006 .....	2005-06	380,288	10,409	7,482
2007 .....	2006-07	370,500	11,033	8,009
2008 .....	2007-08	364,088	11,536	7,957
2009 .....	2008-09	362,618	n/a	n/a

NOTES:

- A. *Source:* Office of Accountability, Department of Compliance.
- B. *Source:* Illinois State Board of Education — Operating Expense Pupil is the total operating cost of regular K-12 programs divided by nine-month average daily attendance. This measure excludes expenditures related to Preschool, Summer School, Adult Education, Capital Expenditures, and Board Principal and Interest.
- C. *Source:* Illinois State Board of Education — Per Capita Tuition Charge is the amount a local school district charges as tuition for nonresident students per Section 18-3 of the School Code. It is a reasonable measure of basic education program costs. Per Capita Tuition is calculated by deducting the costs of supplemental programs from operating expenses and dividing the result by nine-month average daily attendance.



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**Statistical Section**

**CHICAGO PUBLIC SCHOOLS**

Chicago Board of Education

**TOTAL STUDENT MEMBERSHIP**

For the last ten fiscal years

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Elementary				
Pre-Kindergarten . . . . .	19,891	21,793	21,109	21,788
Kindergarten . . . . .	35,221	33,733	32,458	31,655
Grades 1-3 . . . . .	122,098	118,739	117,181	114,470
Grades 4-6 . . . . .	100,249	106,587	107,091	107,575
Grades 7-8 . . . . .	59,172	58,429	60,606	62,037
Total Elementary . . . . .	<u>336,631</u>	<u>339,281</u>	<u>338,445</u>	<u>337,525</u>
Secondary				
9th Grade . . . . .	34,472	34,258	34,116	33,895
10th Grade . . . . .	27,010	27,491	28,186	28,780
11th Grade . . . . .	18,498	20,008	20,755	21,519
12th Grade . . . . .	15,139	14,432	16,116	16,870
Total Secondary . . . . .	<u>95,119</u>	<u>96,189</u>	<u>99,173</u>	<u>101,064</u>
Grand Total . . . . .	<u>431,750</u>	<u>435,470</u>	<u>437,618</u>	<u>438,589</u>

**NOTES:**

Source: Department of Compliance — Office of REA



<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
22,085	21,417	21,205	21,363	21,388	23,325
31,539	29,986	29,502	28,403	27,901	28,975
107,677	101,944	98,157	95,744	93,853	93,416
105,633	103,005	100,065	94,235	90,701	89,234
<u>63,262</u>	<u>64,205</u>	<u>62,921</u>	<u>62,385</u>	<u>62,217</u>	<u>59,839</u>
<u>330,196</u>	<u>320,557</u>	<u>311,850</u>	<u>302,130</u>	<u>296,060</u>	<u>294,789</u>
35,813	35,529	36,735	37,514	35,151	34,233
27,925	29,218	29,555	30,286	31,994	32,177
22,347	22,711	23,764	23,871	24,608	25,292
<u>18,138</u>	<u>18,797</u>	<u>19,078</u>	<u>19,893</u>	<u>20,788</u>	<u>21,464</u>
<u>104,223</u>	<u>106,255</u>	<u>109,132</u>	<u>111,564</u>	<u>112,541</u>	<u>113,166</u>
<u>434,419</u>	<u>426,812</u>	<u>420,982</u>	<u>413,694</u>	<u>408,601</u>	<u>407,955</u>

**Statistical Section**

**CHICAGO PUBLIC SCHOOLS**

**Chicago Board of Education**

**TEACHER - TO - STUDENT - RATIO**

**For the last eight fiscal years**

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Elementary . . . . .	22.6	19.3	22.7	20.2	21.7	21.1	20.0	23.5
Secondary . . . . .	20.0	19.0	19.6	16.9	19.3	19.6	16.3	19.5

*Source:* Illinois State Board of Education

*Note:*

Information is not available prior to fiscal year 2002.

Starting in 2009, the ratio includes Charter Schools

**CHICAGO PUBLIC SCHOOLS**  
**Chicago Board of Education**

**SCHEDULE OF GOVERNMENT EMPLOYEES BY FUNCTION**

**For the last two fiscal years**

**As of June 30, 2009**

<u>Functions</u>	<u>2009</u>	<u>2008</u>
Instruction . . . . .	28,184	28,917
Support services:		
Pupil support services . . . . .	4,535	4,428
Administrative support services . . . . .	1,418	1,351
Facilities support services . . . . .	1,789	1,781
Instructional Support services . . . . .	3,807	3,883
Food services . . . . .	3,901	4,009
Community Services . . . . .	387	437
Total Government Employees . . . . .	<u>44,021</u>	<u>44,806</u>

Note:

Information is not available prior to fiscal year 2008

**CHICAGO PUBLIC SCHOOLS**

Chicago Board of Education

**NUMBER OF SCHOOLS, SCHOOL ENROLLMENT AND HIGH SCHOOL GRADUATES**

For the last ten fiscal years

	<u>1999-2000</u>	<u>2000-2001</u>	<u>2001-2002</u>	<u>2002-2003</u>
Number of Schools				
Elementary (A) . . . . .	478	478	480	479
Special . . . . .	27	26	28	27
High School . . . . .	71	72	70	75
Vocational/Technical . . . . .	7	7	7	7
Charter Schools . . . . .	14	13	15	14
Total Schools . . . . .	<u>597</u>	<u>596</u>	<u>600</u>	<u>602</u>
School Enrollment (B)				
Elementary (A) . . . . .	330,588	332,811	331,385	328,261
Special . . . . .	5,491	4,996	6,348	5,111
High School . . . . .	80,712	81,516	84,759	87,740
Vocational/Technical . . . . .	9,424	9,414	9,042	8,633
Charter Schools . . . . .	5,535	6,733	6,084	8,844
Total School Enrollment . . . . .	<u>431,750</u>	<u>435,470</u>	<u>437,618</u>	<u>438,589</u>
Number of High School Graduates . . . . .	<u>14,875</u>	<u>14,091</u>	<u>15,752</u>	<u>15,753</u>

NOTES:

Source: Department of Compliance — Office of REA

A. Elementary schools include the traditional classification of middle schools.

B. School enrollment includes the number of students in each type of school regardless of the students' grades.

<u>2003-2004</u>	<u>2004-2005</u>	<u>2005-2006</u>	<u>2006-2007</u>	<u>2007-2008</u>	<u>2008-2009</u>
482	475	475	472	474	474
25	19	18	18	17	17
82	93	98	93	98	98
6	6	12	12	10	10
18	20	22	27	28	67
<u>613</u>	<u>613</u>	<u>625</u>	<u>622</u>	<u>627</u>	<u>666</u>
319,966	309,818	298,030	287,252	279,823	274,875
4,937	3,730	3,076	3,222	2,846	2,762
90,888	92,787	88,490	88,487	88,936	90,055
8,135	8,203	15,970	15,313	14,219	11,251
10,493	12,274	15,416	19,420	22,777	29,012
<u>434,419</u>	<u>426,812</u>	<u>420,982</u>	<u>413,694</u>	<u>408,601</u>	<u>407,955</u>
<u>16,057</u>	<u>16,487</u>	<u>16,898</u>	<u>18,235</u>	<u>20,285</u>	<u>18,972</u>

**CHICAGO PUBLIC SCHOOLS**

**Chicago Board of Education**

**SCHOOL INFORMATION DESCRIPTION**

The school general information tables contain student and financial data as of June 30, 2009. The following is an explanation of each data element.

<b><u>COLUMN NAME</u></b>	<b><u>DESCRIPTION</u></b>
Unit Name	School Name
Student Membership	Total membership as of September 30, 2008
Per Pupil Regular Expenditures	Total Fiscal Year 2009 school expenses per student
Per Pupil Capital Expenditures	Total Fiscal Year 2009 capital expenses per student
Per Pupil Supplementary Expenditures	Total Fiscal Year 2009 State, Federal Chapter 1, PL94-142 and desegregation expenses per student at the school (included in Per Pupil Regular Expenditures).

## General Information For High Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for High Schools	810	\$11,150	\$ 627	\$1,067
ACE TECH CHRTR HS	476	\$10,658	\$ 2,679	\$ 989
ACT CHRTR HS	319	10,810	252	995
ALTERNATIVE SAFE SCHOOLS HS	453	467	—	467
AMANDLA CHRTR HS	103	7,444	1,865	901
AMUNDSEN HS	1,543	8,229	—	977
ASPIRA CHRTR — EARLY COLLEGE	374	9,697	758	909
ASPIRA CHRTR — RAMIREZ	402	7,450	42	976
AUSTIN BUS & ENTRP HS	392	7,323	585	905
AUSTIN POLYTECH HS	258	8,540	238	616
BEST HS	313	10,009	—	1,236
BEST PRACTICE HS	238	10,602	624	1,288
BIG PICT HS — METRO	19	45,025	—	4,442
BIG PICT HS — YARDS	25	38,493	118	2,605
BOGAN TECH HS	1,972	7,922	—	1,040
BRONZEVILLE HS	521	6,948	54	843
BROOKS CPHS	744	9,732	497	1,154
CARVER MIL ACAD HS	504	12,770	—	961
CHGO INTL CHRTR — NORTH TOWN	808	9,592	2	511
CHGO INTL CHRTR — ELLISON	447	9,817	377	473
CHGO VOC AA HS	232	10,163	—	1,398
CHICAGO ACAD HS	497	9,009	138	820
CHICAGO AGR SCI HS	589	12,723	14	1,054
CHICAGO DISCOVERY HS	422	8,616	—	1,106
CHICAGO MIL ACAD HS	514	11,240	78	732
CHICAGO VOC HS	1,666	10,044	71	1,081
CLARK MAGNET HS	1,013	8,513	—	966
CLEMENTE AA HS	218	9,749	—	1,488
CLEMENTE HS	1,858	9,872	309	1,394
COLLINS ACAD HS	241	11,492	352	1,026
COLLINS HS	151	26,058	25,471	2,270
COMM SERVICES WEST	105	13,533	—	762
CORLISS HS	1,032	9,949	115	1,365
CRANE AA HS	350	10,263	—	897
CRANE TECH HS	666	15,233	399	1,438
CURIE HS	3,473	7,543	9	1,061
DEVRY ADVANTAGE HS	197	4,605	—	276
DOUGLASS HS	556	11,061	104	1,445
DUNBAR VOC HS	1,545	7,953	—	936
DYETT HS	569	10,388	3,263	1,264
ENGLEWOOD AA HS	106	14,627	—	2,365

## General Information For High Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for High Schools	810	\$11,150	\$ 627	\$1,067
ENTREPRENEURSHIP HS	440	\$ 9,087	\$ —	\$1,265
FARRAGUT HS	2,079	8,029	451	1,246
FENDER HS	1,196	9,073	156	1,224
FENDER AA HS	99	14,264	—	2,243
FORD ACAD — POWER HSE CHRTR HS	111	12,624	1,810	888
FOREMAN HS	1,961	7,869	—	882
GAGE PARK HS	1,672	8,280	53	1,234
GLOBAL VISIONS HS	260	10,888	—	1,424
GRAHAM, R. TRNG CTR	185	25,631	165	957
HANCOCK HS	933	7,310	2,304	897
HARLAN HS	1,308	8,905	66	1,232
HARPER HS	911	11,382	2,408	1,262
HIRSCH HS	832	10,747	8	1,414
HOPE CPHS	948	8,917	64	1,068
HUBBARD HS	1,743	7,502	—	1,085
HYDE PARK HS	1,969	7,700	153	962
IDOC/HEALY SOUTH HS	76	26,138	—	1,324
INFINITY HS	340	9,032	182	985
JEFFERSON, N	370	23,545	1	948
JONES CPHS	739	9,780	1,000	500
JUAREZ HS	1,560	8,545	7,931	1,074
JULIAN HS	1,748	7,749	39	1,190
KELLY HS	3,155	7,422	1,572	1,104
KELVYN PARK HS	1,480	9,523	127	1,361
KENNEDY HS	1,656	8,358	3	829
KENWOOD HS	1,676	7,505	1,491	856
KING CPHS	900	9,543	381	826
LAKE VIEW HS	1,610	7,857	146	931
LANE TECH HS	4,194	6,783	90	507
LAS CASAS HS	82	50,067	1,370	1,220
LINC ALT HS	533	595	—	487
LINCOLN PARK HS	2,175	7,240	—	497
LINDBLOM MSHS	654	10,902	44	907
MANLEY HS	1,058	9,606	110	1,456
MARINE MIL ACAD HS	240	10,349	49	692
MARSHALL HS	1,205	9,117	1,184	1,228
MATHER HS	1,630	8,402	797	1,247
MORGAN PARK HS	1,744	7,996	11	546
MULTICULTURAL ARTS HS	323	9,662	62	1,015
NEW MILLNM HS	316	9,189	—	1,549



## General Information For High Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for High Schools	810	\$11,150	\$ 627	\$1,067
NOBLE ST. CHRTR HS	494	\$10,639	\$ —	\$ 988
NOBLE ST. CHRTR HS — CLARK	279	10,131	631	821
NOBLE ST. CHRTR HS — COMER	153	9,505	1,617	902
NOBLE ST. CHRTR HS — GOLDER	284	9,799	716	799
NOBLE ST. CHRTR HS — PRTIZKER	428	9,971	407	909
NOBLE ST. CHRTR HS — RAUNER	409	10,190	415	855
NOBLE ST. CHRTR HS — UIC HS	182	8,842	1,831	768
NORTH LAWNDAL E CHRTR	405	10,021	21	1,183
NORTH-GRAND HS	929	8,603	9	1,138
NORTHSIDE CPHS	1,073	8,323	11	315
NORTHSIDE LRN CTR HS	307	23,965	111	958
NTH LAWNDAL E CHRTR — COLLINS	248	7,223	825	912
ORR ACAD HS	1,185	10,621	2,424	1,025
PAYTON CPHS	875	9,318	5	387
PEACE & EDUCATION ALT HS	103	17,324	—	1,344
PERSPECTIVES CHRTR — CAL TECH	327	9,765	365	727
PERSPECTIVES CHRTR — CALUMET	364	9,540	203	738
PERSPECTIVES CHRTR — MATH & SCI	261	9,729	1,171	686
PERSPECTIVES CHRTR — MIDDLE	383	8,431	239	997
PERSPECTIVES CHRTR HS	346	11,198	—	971
PHILLIPS HS	784	10,549	—	1,195
PHOENIX MIL ACAD HS	385	9,244	37	906
PORLOGUE EARLY COLLEGE HS	201	9,344	—	599
PROSSER HS	1,434	8,829	1,613	1,062
RABY HS	538	8,648	219	1,084
RICHARDS HS	595	8,358	1,350	1,120
RICKOVER NAVAL HS	397	9,455	85	840
ROBESON AA HS	187	9,770	—	1,250
ROBESON HS	1,332	7,963	108	1,303
ROOSEVELT HS	1,559	8,996	157	1,156
SCH OF LEADRSH P HS	373	10,551	—	1,687
SCH OF SOC JUST HS	350	9,553	—	1,290
SCH OF TECH HS	365	9,378	—	1,117
SCH OF THE ARTS HS	411	9,469	—	1,384
SCHURZ HS	2,156	7,906	48	1,084
SENN AA HS	71	18,571	—	1,048
SENN HS	1,155	9,541	379	1,031
SIMEON HS	1,612	8,623	106	1,058
SIMPSON HS	167	14,799	50	1,348
SOUTHSIDE OCCP HS	172	32,682	463	1,603

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for High Schools	810	\$11,150	\$ 627	\$1,067
SPRY COMM LINKS HS	134	\$10,031	\$ —	\$1,162
STEINMETZ HS	1,910	8,566	1,799	1,014
SULLIVAN HS	774	11,164	136	1,337
TAFT HS	2,605	7,485	12	500
TEAM ENGLEWOOD HS	282	11,204	291	951
TILDEN AA HS	213	9,843	—	1,181
TILDEN HS	899	11,596	47	1,479
U OF CHICAGO CHRTR HS	440	8,540	376	380
UNO CHRTR — ARCHER HGHTS	149	12,155	142	923
UPLIFT COMMUNITY HS	558	10,750	167	1,304
URBAN PREP CHTR HS	445	7,770	459	793
VAUGHN OCCP HS	215	20,020	110	1,215
VOISE ACAD HS	149	8,156	863	849
VON STEUBEN HS	1,612	7,510	5,095	649
WASHINGTON, G. HS	1,460	8,587	217	837
WELLS HS	681	11,621	12	1,210
WORLD LANGUAGE HS	342	8,577	—	802
YNG WOMEN LDRSHP CHRTR	356	10,427	40	911
YORK ALT HS	309	28,464	—	993
YOUNG MAGNET HS	2,259	7,395	347	372
YOUTH CONNCTNS CHRTR	3,071	9,603	—	1,042

## General Information for Elementary Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for Elementary Schools	560	\$ 8,621	\$ 864	\$1,235
ABBOTT	115	\$18,917	\$ 63	\$1,193
ADDAMS	880	6,847	21	1,000
AGASSIZ	349	10,748	816	1,546
ALBANY PARK	277	8,254	1,970	1,059
ALCOTT	488	8,794	451	256
ALDRIDGE	270	8,681	1,342	1,723
ALTGELD	669	7,070	41	1,210
AMES	740	6,945	20	1,163
ANDERSEN	269	13,309	5,101	3,504
ARIEL	454	7,369	12	1,160
ARMOUR	354	8,855	—	1,113
ARMSTRONG, G.	1,436	6,324	7	1,076
ARMSTRONG, L.	144	13,028	1,739	3,084
ASHBURN	518	7,719	54	807
ASHE	584	6,465	90	1,392
ASPIRA CHRTR — HAUGAN	500	8,577	28	1,097
ATTUCKS	325	9,765	—	1,592
AUDUBON	482	8,840	165	486
AVALON PARK	603	7,695	4	1,382
AVONDALE	704	5,890	—	878
BANNEKER	378	8,623	46	1,246
BARNARD	279	10,180	10	1,437
BARRY	907	6,527	58	1,047
BARTON	663	7,491	20	1,286
BASS	508	8,005	130	1,303
BATEMAN	1,003	6,572	62	894
BEARD	162	29,860	—	999
BEASLEY MAGNET	1,423	6,202	160	1,477
BEAUBIEN	1,127	6,083	38	701
BEETHOVEN	411	9,130	—	1,745
BEIDLER	456	8,689	93	1,424
BELDING	543	6,842	45	724
BELL	948	8,753	21	345
BELMONT-CRAGIN	626	6,529	32,149	652
BENNETT	593	7,228	6	1,041
BETHUNE	353	7,850	47	1,149
BLACK MAGNET	458	8,557	584	1,129
BLAINE	811	6,310	275	170
BLAIR	124	34,285	88	1,054
BOND	419	10,779	64	1,310
BONTEMPS	393	7,459	—	1,088
BOONE	1,036	7,442	178	946
BOUCHET	897	7,176	11	1,427
BRADWELL	770	6,504	1,830	1,255
BRENNEMANN	330	10,036	1,787	1,532
BRENTANO	531	7,106	77	988
BRIDGE	752	6,128	—	614
BRIGHT	314	8,634	173	1,127
BRIGHTON PARK	910	6,081	12	815
BRONZEVILLE LH CHRTR	404	7,579	187	974

## General Information for Elementary Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for Elementary Schools	560	\$ 8,621	\$ 864	\$1,235
BROWN, R.	321	\$ 8,171	\$ 128	\$1,315
BROWN, W.	251	12,873	342	1,401
BROWNELL	298	8,121	—	1,112
BRUNSON	806	6,927	47	1,450
BUCKINGHAM	33	53,749	1,877	1,682
BUDLONG	856	7,170	27	914
BURBANK	1,300	6,645	22	1,220
BURKE	241	9,567	151	1,226
BURLEY	519	6,981	—	210
BURNHAM	274	9,607	120	2,269
BURNSIDE	765	7,412	17	1,726
BURR	334	7,876	26	1,388
BURROUGHS	537	7,598	1,443	1,499
BYRNE	694	7,035	22	396
CALDWELL	390	9,079	513	1,377
CALHOUN NORTH	424	8,601	270	1,620
CAMERON	984	6,888	10	1,159
CANTER MID	237	9,756	166	1,654
CANTY	703	6,550	46	342
CARDENAS	606	7,154	182	1,090
CARNEGIE	660	6,718	—	1,193
CARPENTER	318	12,712	36	2,006
CARROLL	678	7,012	144	1,009
CARSON	1,305	6,105	54	1,255
CARTER	441	8,130	50	1,208
CARVER PRIMARY	483	10,669	436	2,758
CASALS	511	8,632	91	1,116
CASELL	320	10,048	16	305
CASTELLANOS	554	7,675	26	1,611
CATALYST CHARTER	331	6,678	284	913
CATALYST CIRCLE ROCK	274	7,687	283	652
CATHER	210	11,808	14,036	2,243
CHALMERS	259	9,744	1,179	1,994
CHAPPELL	423	9,449	2,256	1,016
CHASE	528	8,778	23	1,566
CHAVEZ	874	8,301	46	1,134
CHGO CHILD CHOIR CHTR	141	6,139	66	834
CHGO INTL CHRTR — BASIL	726	7,770	—	995
CHGO INTL CHRTR — BUCKTOWN	624	8,222	—	844
CHGO INTL CHRTR — FRIESSE	568	7,786	—	833
CHGO INTL CHRTR — IRVING PK	349	58	9,845	—
CHGO INTL CHRTR — LONGWOOD	1,480	9,089	—	944
CHGO INTL CHRTR — PRAIRIE	416	8,637	—	1,064
CHGO INTL CHRTR — SOUTH SHORE	406	8,381	120	850
CHGO INTL CHRTR — W. BELDEN	500	8,971	—	1,042
CHGO INTL CHRTR — WASHINGTON	449	8,868	—	1,079
CHGO INTL CHRTR — WRIGHTWOOD	699	8,196	—	880
CHGO MATH/SCI CHRTR	483	10,034	—	805
CHICAGO ACAD	588	6,973	9	506
CHICAGO VIRTUAL CHRTR	600	7,748	—	383

## General Information for Elementary Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for Elementary Schools	560	\$ 8,621	\$ 864	\$1,235
CHOPIN	313	\$ 8,682	\$ 426	\$ 769
CHRISTOPHER	264	26,271	114	1,163
CLAREMONT	584	8,697	—	1,776
CLARK, G. R.	313	10,266	—	1,647
CLAY	687	8,270	2,295	1,172
CLEVELAND	656	7,717	293	987
CLINTON	1,243	5,915	3	1,049
CLISSOLD	602	7,302	6	913
COLEMON, J.	286	7,889	51	856
COLES	625	7,740	2	1,334
COLUMBIA EXPLORERS	1,004	6,484	15	1,040
COLUMBUS	326	7,481	104	959
COOK	673	8,321	258	1,187
COONLEY	442	9,605	8,300	618
COOPER	734	7,477	—	998
COPERNICUS	346	7,540	3,815	1,269
CORKERY	660	6,270	—	1,136
COURTENAY	235	12,548	85	748
CROWN	352	9,172	599	2,216
CUFFE	594	7,086	17	1,302
CULLEN	326	7,985	19	1,239
CURTIS	470	8,064	281	1,224
DALEY	892	6,273	—	1,427
DARWIN	682	8,353	246	1,370
DAVIS DEV CTR	87	25,401	—	430
DAVIS, MILES	558	8,281	4,259	1,151
DAVIS, N.	1,546	5,989	78	1,164
DAWES	1,164	6,795	54	1,214
DE DIEGO	993	7,158	116	1,311
DE LA CRUZ	72	21,492	17	3,950
DECATUR CLASSICAL	274	7,884	35	1,573
DELANO	498	9,171	146	2,311
DENEEN	511	8,094	510	1,257
DEPRIEST	667	7,431	6	1,221
DETT	246	10,110	212	859
DEVER	780	5,982	10	335
DEWEY	431	9,003	37	2,751
DIRKSEN	692	6,712	54	345
DISNEY II	205	9,346	442	1,575
DISNEY MAGNET	1,577	6,703	3,483	1,304
DIXON	654	6,299	—	1,098
DODGE	432	7,799	5,043	964
DOOLITTLE	431	9,858	14	1,569
DORE	628	6,409	137	426
DRAKE	284	10,670	—	1,810
DRUMMOND	276	8,622	173	2,943
DUBOIS	196	11,264	300	2,332
DULLES	429	8,503	14	1,374
DUMAS	382	8,240	8,766	1,671
DUNNE	418	7,753	3,799	1,557

## General Information for Elementary Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for Elementary Schools	560	\$ 8,621	\$ 864	\$1,235
DURKIN PARK	497	\$ 6,762	\$ 262	\$ 952
DVORAK	604	7,716	350	1,600
EARHART	279	9,935	204	846
EARLE	394	8,171	—	1,084
EBERHART	1,824	6,215	42	1,264
EBINGER	551	7,869	619	144
EDGEBROOK	424	7,039	38	81
EDISON	264	7,684	69	1,400
EDISON PARK	258	6,907	531	130
EDWARDS	1,248	7,273	6	1,210
ELLINGTON	470	8,833	—	1,512
EMMET	538	7,153	2,502	1,761
ERICSON	585	7,336	15	1,717
ERIE CHARTER	207	8,880	245	944
ESMOND	430	9,623	272	1,370
EVERETT	363	7,660	2,229	894
EVERGREEN	427	8,216	14	1,071
EVERS	386	8,314	168	1,635
FAIRFIELD	646	6,405	91	1,031
FALCONER	1,560	5,871	771	1,010
FARADAY	247	9,113	621	1,424
FARNSWORTH	612	8,341	11	236
FERMI	239	10,094	33	948
FERNWOOD	440	7,287	49	1,408
FIELD	335	9,370	4,758	2,021
FINKL	679	6,325	2	749
FISKE	322	9,647	110	2,167
FORT DEARBORN	612	7,035	—	1,334
FOSTER PARK	546	9,685	196	1,466
FOUNDATIONS	81	14,601	—	1,265
FRANKLIN MAGNET	358	8,687	67	1,486
FRAZIER INTL MAGNET	173	13,431	98	3,031
FRAZIER PREP ACAD	437	6,159	132	703
FULLER	283	9,059	—	1,735
FULTON	654	5,701	1,684	1,117
FUNSTON	564	7,528	32	1,091
GALAPAGOS CHARTER	314	8,325	146	1,055
GALE	539	9,126	132	1,649
GALILEO	612	7,456	78	1,502
GALLISTEL	1,379	6,405	44	1,382
GARVEY, M.	421	8,539	—	1,573
GARVY, J.	644	6,602	—	316
GARY	1,232	6,249	95	1,015
GILLESPIE	536	8,831	24	1,624
GLOBAL CITIZENSHIP	89	8,957	819	750
GOETHE	764	6,608	4	956
GOLDBLATT	331	7,976	163	1,528
GOMPERS	358	7,528	1,072	1,606
GOODLOW MAGNET	533	7,319	145	1,341
GOUDY	712	7,222	147	1,193

## General Information for Elementary Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for Elementary Schools	560	\$ 8,621	\$ 864	\$1,235
GRAHAM, A.	537	\$ 9,039	\$ 21	\$1,445
GRAY	1,252	7,210	82	930
GREELEY	530	7,844	—	1,408
GREEN, W.	266	8,544	183	1,358
GREENE, N.	596	7,241	2	1,055
GREGORY	425	7,225	38	1,546
GRESHAM	453	8,406	—	1,147
GRIMES	500	7,815	44	961
GRISSOM	346	7,639	—	719
GUGGENHEIM	296	8,532	26	1,514
GUNSAULUS	729	6,969	148	1,476
HAINES	732	7,014	3	1,440
HALE	897	6,558	2,177	690
HALEY	600	7,905	153	1,527
HAMILTON	209	14,668	604	719
HAMLIN	815	6,638	234	1,084
HAMMOND	506	7,457	—	1,219
HAMPTON	701	7,407	—	1,192
HANSON PARK	1,620	7,912	25	992
HARTE	424	8,062	211	1,431
HARVARD	519	7,383	3,173	1,164
HAUGAN	1,172	6,468	21	1,061
HAWTHORNE	561	6,592	16	890
HAY	713	6,430	34	1,320
HAYT	940	6,285	34	963
HEALY	1,294	6,352	4	1,083
HEARST	521	9,559	—	1,652
HEDGES	931	6,994	—	1,304
HEFFERAN	418	8,617	40	1,250
HENDERSON	461	8,809	109	1,525
HENDRICKS	294	10,418	32	2,359
HENRY	664	7,200	36	1,263
HENSON	391	8,571	160	895
HERBERT	431	11,008	2,634	1,303
HERZL	630	8,894	27	2,656
HIBBARD	1,197	6,775	77	1,126
HIGGINS	424	8,063	50	1,815
HINTON	421	7,397	95	1,176
HITCH	465	6,905	84	658
HOLDEN	625	7,558	—	1,028
HOLMES	462	8,301	834	1,268
HOWE	540	7,644	6,629	1,130
HOYNE	344	7,496	—	1,414
HUGHES, C.	386	6,453	309	1,271
HUGHES, L.	255	10,251	83,326	1,349
HURLEY	979	7,401	—	1,266
INTER-AMERICAN	670	7,020	—	1,224
IRVING	506	7,253	13	1,049
JACKSON, A.	545	7,446	94	1,280
JACKSON, M.	321	13,299	—	1,519

## General Information for Elementary Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for Elementary Schools	560	\$ 8,621	\$ 864	\$1,235
JAHN	437	\$ 7,860	\$ 107	\$1,249
JAMIESON	789	7,319	3	798
JENNER	429	9,023	17	1,840
JENSEN	440	7,962	221	1,887
JOHNSON	281	10,086	159	2,010
JOPLIN	604	6,134	2,056	821
JORDAN	701	6,360	—	1,352
JUNGMAN	327	8,663	13	981
KANOON MAGNET	701	6,729	292	1,465
KELLER MAGNET	227	9,005	—	1,389
KELLMAN	305	8,930	162	1,950
KELLOGG	271	10,118	107	1,655
KERSHAW	273	11,455	8,702	1,443
KEY	389	7,825	463	1,174
KILMER	850	6,626	43	1,121
KING EL	316	9,001	—	1,143
KINZIE	729	9,754	—	459
KIPLING	455	8,321	5	1,597
KIPP ASCEND CHRTR	325	7,592	—	952
KOHN	532	8,168	99	1,323
KOZMINSKI	452	7,960	165	1,892
KWAME	64	11,901	452	696
LAFAYETTE	627	9,130	107	1,335
LARA	590	6,286	6	1,130
LASALLE	573	7,277	838	1,346
LASALLE II	228	12,932	68	1,207
LATHROP	322	7,943	318	1,803
LAVIZZO	506	7,281	34	1,386
LAWNDALE	568	7,979	645	1,788
LAWRENCE	456	9,224	74	1,876
LEARN CHRTR — NORTH LAWNDALE	433	8,017	—	897
LEARN CHRTR — WEST GARFIELD	146	10,959	875	1,357
LEE	1,111	6,708	29	1,238
LEGACY CHARTER	303	7,412	218	899
LELAND	199	11,198	319	2,065
LENART	322	7,149	—	1,018
LEWIS	813	6,559	12	1,184
LIBBY	569	8,081	3,863	1,460
LINCOLN	662	6,206	231	492
LINNE	645	7,404	—	1,144
LITTLE VILLAGE	805	6,200	—	1,061
LLOYD	1,331	6,047	12	899
LOCKE, A. CHARTER	507	7,328	—	921
LOCKE, J	1,301	5,990	13	876
LOGANDALE MID	311	8,499	21	1,223
LOVETT	504	7,558	160	975
LOWELL	756	7,166	36	1,009
LOZANO BILINGUAL	411	10,026	446	1,526
LYON	1,270	6,557	11	1,082
MADERO MID	327	9,164	42	1,313



## General Information for Elementary Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for Elementary Schools	560	\$ 8,621	\$ 864	\$1,235
MADISON	437	\$ 8,033	\$ —	\$1,865
MANIERRE	507	9,345	96	3,318
MANN	637	7,534	11	1,415
MARCONI	279	8,687	602	2,241
MARQUETTE	1,579	7,641	6	1,096
MARSH	858	7,158	114	1,186
MARSHALL MID	665	8,120	163	1,158
MASON	547	9,898	360	1,624
MAY	588	8,404	463	2,098
MAYER	565	8,520	3,196	1,048
MAYO	478	7,942	644	1,180
MAYS	352	7,570	5	1,157
MCAULIFFE	844	6,587	26	1,102
MCCLELLAN	227	10,913	329	969
MCCORKLE	310	7,543	—	1,646
MCCORMICK	916	6,876	16	1,103
MCCOSH	635	8,392	115	1,642
MCCUTCHEON	333	9,118	701	1,789
MCDADE CLASSICAL	192	9,178	55	2,632
MCDOWELL	205	8,731	—	836
MCKAY	1,052	7,435	533	1,233
MCKINLEY PARK	310	7,523	—	1,105
MCNAIR	576	8,179	—	1,195
MCPHERSON	695	8,496	224	871
MEDILL	147	16,822	19	2,433
MELODY	409	7,867	52	1,379
METCALFE	647	7,418	118	1,865
MIRELES	1,082	6,785	455	1,490
MITCHELL	296	9,200	725	1,254
MOLLISON	293	7,644	917	1,203
MONROE	1,247	6,601	180	1,175
MONTEFIORE	62	56,881	131	1,480
MOOS	575	7,900	76	1,279
MORGAN	299	13,054	53	1,328
MORRILL	911	7,073	118	1,241
MORTON	284	9,670	13,625	954
MOZART	873	5,969	18	1,051
MT GREENWOOD	716	6,182	26	212
MT VERNON	314	10,295	245	1,098
MURPHY	553	7,008	179	1,094
MURRAY	474	8,343	—	1,411
NAMASTE CHARTER	313	9,347	162	850
NASH	584	7,311	60	1,408
NATL TEACHERS ACAD	434	8,711	25	1,280
NEIL	379	15,998	883	1,103
NETTELHORST	525	7,987	90	277
NEW FIELD	708	6,931	—	1,115
NEWBERRY MAGNET	518	7,581	—	1,017
NIA	52	14,994	—	1,814
NICHOLSON	405	8,962	6,675	1,653

## General Information for Elementary Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for Elementary Schools	560	\$ 8,621	\$ 864	\$1,235
NIGHTINGALE	1,416	\$ 6,327	\$ 157	\$1,070
NINOS HEROES	599	7,857	64	1,780
NIXON	1,015	5,971	11	1,144
NOBEL	828	6,053	77	1,011
NORTH RIVER	302	8,116	—	959
NORTHWEST MID	966	6,584	—	1,124
NORWOOD PARK	362	9,275	1,030	98
NR NORTH SPED CTR	106	32,418	1,092	1,338
OGDEN	684	7,703	989	609
OGLESBY	558	6,939	1,088	902
O'KEEFFE	675	6,844	—	1,147
ONAHAN	601	6,333	46	210
ORIOLE PARK	640	6,347	12	143
OROZCO	663	8,018	2	1,926
ORTIZ DE DOMINGUEZ	789	6,528	42	1,028
OTIS	439	10,530	388	1,562
O'TOOLE	746	6,943	131	1,214
OVERTON	429	8,746	18	2,770
OWEN	240	9,950	5,883	1,725
OWENS	418	8,472	—	1,794
PADEREWSKI	182	10,932	21	2,660
PALMER	961	5,732	612	812
PARK MANOR	378	8,326	369	1,200
PARKER	716	8,915	9,476	2,144
PARKMAN	156	13,023	916	1,284
PARKSIDE	373	7,861	8,456	1,536
PASSAGES CHRTR	209	8,445	272	1,053
PASTEUR	1,391	6,571	346	942
PEABODY	264	8,804	—	1,058
PECK	1,532	5,952	11	1,118
PEIRCE	880	6,941	82	1,085
PENN	398	10,015	606	1,501
PEREZ	502	8,715	323	1,283
PERSHING E. MAGNET	254	7,939	234	1,711
PERSHING W. MAGNET	274	9,276	—	554
PETERSON	925	5,898	8,590	722
PICCOLO	757	7,257	—	1,213
PICKARD	652	7,369	—	1,254
PILSEN	452	8,598	41	1,466
PIRIE	476	7,528	17	1,453
PLAMONDON	207	10,745	—	1,114
PLATO	291	7,725	104	808
POE CLASSICAL	183	9,178	791	2,206
POLARIS CHARTER ACAD	182	7,474	369	844
POPE	181	10,631	493	1,752
PORTAGE PARK	1,121	6,628	10	822
POWELL	548	7,747	2,500	1,382
PRESCOTT	227	10,945	74	1,661
PRICE	196	10,535	71	1,833
PRINCETON A C	152	11,710	65	1,443

## General Information for Elementary Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for Elementary Schools	560	\$ 8,621	\$ 864	\$1,235
PRITZKER	632	\$ 6,673	\$ 220	\$1,093
PROVIDENCE-ENGLEWOOD CHRTR	399	7,152	119	758
PRUSSING	688	6,794	119	749
PULASKI	827	7,089	—	1,509
PULLMAN	342	8,494	22	1,247
RANDOLPH	752	5,762	34	1,363
RAVENSWOOD	432	8,304	156	828
RAY	672	8,339	112	319
REAVIS	391	8,334	118	1,015
REED	297	8,548	30	1,758
REILLY	1,554	6,218	5	1,110
REINBERG	1,348	7,348	37	874
REVERE	452	9,295	21	1,837
ROBINSON	228	9,296	78	1,454
ROGERS	720	6,582	37	711
ROQUE DE DUPREY	314	6,776	—	1,322
ROSS	411	9,985	42	1,547
RUDOLPH LRNG CTR	109	34,005	58	745
RUGGLES	478	7,281	7,196	1,092
RUIZ	1,008	6,117	37	1,227
RYDER	369	10,220	467	1,589
RYERSON	507	7,982	68	1,306
SABIN MAGNET	610	7,050	275	1,637
SALAZAR BILINGUAL	385	6,820	27	925
SANDOVAL	1,282	5,853	—	1,136
SAUCEDO	1,269	6,526	4	1,421
SAUGANASH	506	6,561	19	243
SAWYER	2,098	5,478	4	1,183
SAYRE	557	7,406	790	1,113
SCAMMON	1,097	5,590	78	976
SCHILLER	190	11,323	46	2,146
SCHMID	247	8,763	202	1,040
SCHNEIDER	146	14,268	741	1,415
SCHUBERT	1,335	5,830	16	1,005
SEWARD	910	7,427	98	1,321
SEXTON	422	9,431	—	1,279
SHABAZZ CHARTER	297	8,352	—	786
SHABAZZ CHRTR — DUSABLE	383	7,513	56	579
SHABAZZ CHRTR — SIZMORE	202	8,425	176	670
SHERIDAN MAGNET	535	7,240	129	1,391
SHERMAN	584	6,886	49	887
SHERWOOD	393	7,575	—	1,193
SHIELDS	1,810	6,075	1	1,087
SHOESMITH	341	8,509	38	1,395
SHOOP	745	7,316	242	1,483
SKINNER CLASSICAL	618	8,599	36,068	883
SMITH, W.	419	8,196	56	1,238
SMYSER	937	6,361	8	704
SMYTH, J.	592	9,113	1,218	2,157
SOLOMON	367	10,053	14	322

## General Information for Elementary Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for Elementary Schools	560	\$ 8,621	\$ 864	\$1,235
SONGHAI	388	\$ 9,582	\$ 434	\$1,550
SOUTH CHICAGO	213	10,705	389	702
SOUTH LOOP	567	8,248	99	539
SPENCER	892	6,916	2,496	1,510
SPRY	838	6,863	1,663	1,363
STAGG	614	7,328	1,900	1,088
STEVENSON	1,350	6,304	35	898
STEWART	374	10,109	3	1,559
STOCK	265	12,503	174	76
STOCKTON	515	9,812	18	1,511
STONE	630	7,584	—	1,206
STOWE	979	8,262	90	1,259
SUDER MONTESSORI	206	9,316	486	671
SULLIVAN	554	8,610	—	1,475
SUMNER	480	8,555	2,986	1,712
SUTHERLAND	760	6,195	32	341
SWIFT	699	7,364	1,132	1,035
TALCOTT	537	8,273	30	1,237
TALMAN	347	7,078	4	919
TANNER	522	7,196	19	1,245
TARKINGTON	1,089	6,134	46	960
TAYLOR	712	6,963	—	1,388
TELPOCHCALLI	252	9,815	—	1,552
THORP, J. N.	537	8,901	1,390	1,234
THORP, O. A.	827	6,644	39	1,196
TILTON	414	7,963	206	1,423
TONTI	1,251	6,011	22	1,134
TRUMBULL	466	9,817	136	1,464
TURNER-DREW	387	8,459	44	1,992
TWAIN	1,039	6,038	414	885
U OF C CHRTR — DONOGHUE	334	7,697	—	869
U OF C CHRTR — NTH KENWOOD	310	8,524	—	1,339
U OF C CHRTR — WOODSON SOUTH	193	9,465	—	—
UNO CHARTER — ARCHER HGHTS NORTH	559	9,527	88	748
UNO CHARTER — ARCHER HGHTS SOUTH	565	9,403	86	738
UNO CHARTER — FUENTES	539	8,229	—	972
UNO CHARTER — LAS CASAS	264	8,601	—	1,063
UNO CHARTER — MARQUEZ	540	8,800	—	888
UNO CHARTER — PAZ	472	9,917	—	1,777
UNO CHARTER — TAMAYO	276	8,050	—	1,032
VANDERPOEL MAGNET	327	6,667	10	1,257
VELMA THOMAS EC CTR	174	10,028	—	394
VICK EC CTR	240	10,939	47	88
VOLTA	1,002	6,142	—	1,010
VON HUMBOLDT	563	8,797	7,975	2,093
WACKER	237	7,877	3,242	1,681
WADSWORTH	354	8,721	336	1,618
WALSH	519	8,574	16	1,597
WARD, J.	464	8,784	179	1,405
WARD, L.	443	7,513	30	1,193

## General Information for Elementary Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for Elementary Schools	560	\$ 8,621	\$ 864	\$1,235
WARREN	385	\$ 7,620	\$ 182	\$1,643
WASHINGTON, G.	778	6,658	2,043	791
WASHINGTON, H.	667	6,816	135	1,033
WATERS	449	7,877	5,419	889
WEBSTER	439	9,294	—	2,632
WELLS PREP	149	8,834	—	1,118
WENTWORTH	427	7,892	4	1,147
WEST PARK	714	6,671	—	1,203
WEST PULLMAN	424	8,643	5,436	1,478
WESTCOTT	547	7,425	—	1,398
WHISTLER	431	9,675	113	1,645
WHITE	194	9,205	13	1,034
WHITNEY	1,092	6,369	107	1,037
WHITTIER	386	8,798	70	1,318
WILDWOOD	354	9,179	158	1,021
WILLIAMS HS — PREP MED	322	6,509	16	594
WILLIAMS MIDDLE	117	12,618	—	1,371
WILLIAMS MULTIPLEX	313	10,389	—	977
WOODLAWN	234	8,509	260	745
WOODS	511	7,374	78	1,653
WOODSON SOUTH	479	8,362	11,900	1,773
YALE	294	8,494	156	1,257
YATES	809	8,541	139	1,024
YOUNG	1,422	6,442	1,800	1,179
ZAPATA	976	6,236	—	1,043

## McGladrey & Pullen

Certified Public Accountants

### **Independent Auditor's Report on Internal Control Over Financial Reporting And on Compliance and Other Matters Based on an Audit Of Financial Statements Performed in Accordance with Government Auditing Standards**

To the Board of Education of the City of Chicago  
Chicago Public Schools  
Chicago, Illinois

We have audited the financial statements of Chicago Public Schools (Board of Education of the City of Chicago, the "CPS", a body politic and corporate of the State of Illinois), as of and for the year ended June 30, 2009, and have issued our report thereon dated December 10, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered CPS' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the CPS' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the CPS' internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential, will not be prevented or detected by the entity's internal control. We consider the deficiency described in the accompanying *Schedule of Findings and Questioned Costs* as item FS09-01 to be a significant deficiency in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we do not believe that the significant deficiency described above is a material weakness.

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**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether CPS' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of CPS in a separate letter dated December 10, 2009.

CPS' responses to the findings identified in our audit are described in the accompanying *Schedule of Findings and Questioned Costs*. We did not audit CPS' responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the Audit Committee, the Board of Education, management, the U.S. Department of Education, the Illinois State Board of Education, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

*McGladrey & Pullen, LLP*

Chicago, Illinois  
December 10, 2009



## McGladrey & Pullen

Certified Public Accountants

### **Independent Auditor's Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance In Accordance With OMB Circular A-133**

To the Board of Education of the City of Chicago  
Chicago Public Schools  
Chicago, Illinois

#### **Compliance**

We have audited the compliance of Chicago Public Schools (Board of Education of the City of Chicago, the "CPS", a body politic and corporate of the State of Illinois) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133, *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. CPS' major federal programs are identified in the summary of auditor's results section of the accompanying *Schedule of Findings and Questioned Costs*. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of CPS' management. Our responsibility is to express an opinion on CPS' compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about CPS' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on CPS' compliance with those requirements.

In our opinion, CPS complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying *Schedule of Findings and Questioned Costs* as items SA09-01, SA09-02, and SA09-03.

#### **Internal Control Over Compliance**

The management of CPS is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered CPS' internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of CPS' internal control over compliance.

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A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by any entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

CPS' responses to the findings identified in our audit are described in the accompanying *Schedule of Findings and Questioned Costs*. We did not audit CPS' responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the Audit Committee, the Board of Education, management, the U.S. Department of Education, the Illinois State Board of Education, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

*McGladrey & Pullen, LLP*

Chicago, Illinois  
December 10, 2009



## Statutory Reporting Section

### BOARD OF EDUCATION OF THE CITY OF CHICAGO SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2009

<u>FUNDING SOURCE Program Name</u>	<u>Name of Grant</u>	<u>ISBE Account Number</u>	<u>Federal Catalog Number</u>	<u>Contract Number</u>	<u>Contract Period</u>
<b>U.S. DEPARTMENT OF EDUCATION</b>					
<b>Direct Funding</b>					
Public Law (PL.) 81-874	Federal Impact Aid Grant	N/A	84.041	23-IL-2008-1711	07/01/07-06/30/08
		N/A	84.041	23-IL-2008-1711	07/01/08-06/30/09
Indian Education Act	Indian Elementary/Secondary School Assistance Program	N/A	84.060A	S060A070666	09/01/07-08/31/08
		N/A	84.060A	S060A080666	07/01/08-06/30/09
Magnet Schools Assistance	Magnet Schools Assistance Program	N/A	84.165A	U165A040101	08/01/07-07/31/08
		N/A	84.165A	U165A070070	10/01/07-09/30/09
Safe and Drug-Free Schools and Communities — National Programs	Alcohol Abuse Reduction Grant	N/A	84.184A	Q184A050172	08/15/05-05/31/09
Safe and Drug-Free Schools	Readiness Emergency	N/A	84.184E	Q184E070333	09/01/07-12/31/10
	Healthy Students	N/A	84.184L	Q184L070255-01	09/01/07-08/31/11
	Elementary and Secondary School Counseling	N/A	84.215E	Q215E080384	07/01/08-06/30/11
	Carol White Physical Education Program	N/A	84.215F	Q215F070096	06/01/07-05/31/11
Funds for the Improvement of Education	CPS Community Schools Initiative	N/A	84.215F	Q215F070003	06/01/08-05/31/10
		N/A	84.215K	U215K050111	06/01/06-05/31/07
	21st Century Learning Centers — After School Support	N/A	84.215K	U215K050113	09/08/06-08/31/08
		N/A	84.215K	U215K030108-04	09/01/03-08/29/08
	Smaller Learning Communities in CPS High School	N/A	84.215L	V215L032222	09/01/07-09/30/09
	Smaller Learning Communities	N/A	84.215L	S215L080581	07/10/08-07/09/13
	Smaller Learning Communities in CPS High School — Washington	N/A	84.215L	V215L042072	07/01/07-06/30/08
	Smaller Learning Communities in CPS High School — Oval	N/A	84.215L	S215L060071	10/01/07-09/30/10
	Teaching American History Grant	N/A	84.215X	U215X040022	10/01/07-09/30/08
		N/A	84.215X	U215X060094	07/01/06-06/30/09
		N/A	84.215X	U215X070140	07/01/07-06/30/10
Foreign Language Assistance Program	Foreign Language Assistance Program — LEA Spanish Heritage	N/A	84.293B	T293B040188	07/01/07-06/30/08
	Foreign Language Assistance Program — LEA Mandarin & Japanese	N/A	84.293B	T293B040158	07/01/07-06/30/08
	Foreign Language Assistance Program — LEA Klace	N/A	84.293B	T393B060037	09/15/07-09/14/09
Advance Placement Program	Advanced Placement Incentive Program	N/A	84.330C	U330C050139	06/01/07-05/31/09
		N/A	84.330C	S330C060067-01	10/01/06-09/30/10
Transition to Teaching Program	Teacher for Special Education (T-SPED) Project	N/A	84.350A	U350A070066	10/01/07-09/30/12
	Golden Teachers	N/A	84.350A	U350A040016	10/01/04-09/30/09

Amount of Grant	Accrued (Deferred) Grant Revenue June 30, 2008	Cash (Received) Refunded July 1, 2008 June 30, 2009	Revenue Recognized July 1, 2008 June 30, 2009	Expenditure July 1, 2008 June 30, 2009	Adjustments to Grant Revenue July 1, 2008 June 30, 2009	Accrued (Deferred) Grant Revenue June 30, 2009	Prior Years' Expenditures Through June 30, 2008	Final Status Cumulative Expenditures Through June 30, 2009
N/A	\$ 10,717	\$ (10,717)	\$ —	\$ —	\$ —	\$ —	\$ 101,946	\$ 101,946
N/A	—	(121,189)	121,189	121,189	—	—	—	121,189
101,955	49,561	(61,804)	12,243	12,243	—	—	92,116	104,359
120,039	—	(97,275)	120,039	120,039	—	22,764	—	120,039
2,838,025	624,195	(702,766)	78,571	78,571	—	—	2,135,721	2,214,292
5,790,822	361,297	(3,029,790)	3,281,854	3,281,854	—	613,361	829,792	4,111,646
1,407,997	95,735	(469,427)	373,692	373,692	—	—	1,034,305	1,407,997
927,370	22,996	(406,404)	426,115	426,115	—	42,707	108,412	534,527
8,462,276	153,679	(1,626,781)	1,825,965	1,825,965	—	352,863	460,346	2,286,311
1,197,318	—	(219,005)	235,352	235,352	—	16,347	—	235,352
1,207,343	33,687	(248,633)	236,224	236,224	—	21,278	163,186	399,410
1,207,343	154,303	(638,188)	532,592	532,592	—	48,707	389,374	921,966
223,200	21,474	(21,474)	—	—	—	—	187,363	187,363
337,280	5,003	(64,311)	78,140	78,140	—	18,832	198,916	277,056
93,778	19,483	(19,483)	—	—	—	—	19,483	19,483
2,520,500	172,414	(990,916)	990,340	990,340	—	171,838	860,908	1,851,248
5,186,222	—	(645,014)	820,088	820,088	—	175,074	—	820,088
214,303	26,406	(24,119)	(2,287)	(2,287)	—	—	181,294	179,007
2,959,854	110,543	(849,942)	950,726	950,726	—	211,327	1,869,173	2,819,899
1,213,290	74,010	(95,791)	26,969	26,969	—	5,188	1,179,467	1,206,436
1,705,755	92,354	(461,652)	540,670	540,670	—	171,372	429,830	970,500
1,557,815	12,587	(488,004)	551,964	551,964	—	76,547	139,646	691,610
94,428	14,301	(14,251)	(50)	(50)	—	—	56,822	56,772
61,375	6,884	(6,515)	(369)	(369)	—	—	51,650	51,281
529,867	51,583	(263,559)	218,346	218,346	—	6,370	215,368	433,714
2,693,048	25,359	(756,002)	730,643	730,643	—	—	1,962,405	2,693,048
2,851,267	109,011	(1,038,519)	1,155,135	1,155,135	—	225,627	870,473	2,025,608
2,279,140	14,180	(554,600)	665,250	665,250	—	124,830	169,252	834,502
1,620,873	142,984	(463,161)	320,177	320,177	—	—	1,300,696	1,620,873

## Statutory Reporting Section

### Supplementary Schedule of Expenditures of Federal Awards (continued)

<u>FUNDING SOURCE Program Name</u>	<u>Name of Grant</u>	<u>ISBE Account Number</u>	<u>Federal Catalog Number</u>	<u>Contract Number</u>	<u>Contract Period</u>
Arts in Education	Building Curriculum, Community & Leadership Through the Arts Program	N/A	84.351C	U351C050095	10/01/07-09/30/08
	Comm. Arts Partnership	N/A	84.351D	U351D050101	10/01/07-09/30/08
	Partnership For Arts Integration	N/A	84.351D	U351D060110	07/01/07-06/30/10
Early Reading First	Chicago Early Readers	N/A	84.359B	S359B050093	10/01/07-09/30/08
Voluntary Public School Choice Program	School Choice Program	N/A	84.361A	S361A020019-05	10/01/07-09/30/08
Chicago Comprehensive Choice Initiative	Voluntary School Choice Program	N/A	84.361A	U361A070036	08/01/07-07/31/12
School Leadership	Effective Leaders Improve Schools — Elis	N/A	84.363A	U363A050089	10/01/07-09/30/09
		N/A	84.363A	U363A080120	10/01/08-09/30/13
Literacy and School Libraries	The ABC's Library Literacy Program	N/A	84.364A	S364A070372-01	09/01/07-08/31/08
		N/A	84.364A	S364A070372-01	09/01/08-08/31/09
Striving Readers	Striving Readers Program	N/A	84.371A	S371A060097	03/01/06-02/28/07
		N/A	84.371A	S371A060097	03/01/07-02/28/08
		N/A	84.371A	S371A060097	03/01/08-02/28/09
Teachers Incentive Fund	Teachers Incentive Fund Program	N/A	84.374A	S374A070047-01	11/01/07-09/30/11
<b>Total U.S. Department of Education — Direct Funding</b>					
<b>Passed Through Loyola University</b>					
Chicago High Need Area Partnership for Teacher/Education Recruitment	Chicago High Need Area Partnership for Teachers	N/A	84.336C	P336C050062	10/01/06-12/31/07
	Chicago High Need Area Partnership for Teachers — Gray School	N/A	84.336C	P336C050062	10/01/06-12/31/07
		N/A	84.336C	P336C050062	10/01/07-06/30/09
	Chicago High Need Area Partnership for Teachers — Greeley School	N/A	84.336C	P336C050062	10/01/06-12/31/07
		N/A	84.336C	P336C050062	10/01/07-06/30/09
	Chicago High Need Area Partnership for Teachers — Hayt School	N/A	84.336C	P336C050062	10/01/06-12/31/07
		N/A	84.336C	P336C050062	10/01/07-06/30/09
	Chicago High Need Area Partnership for Teachers — Nettelhorst School	N/A	84.336C	P336C050062	10/01/06-12/31/07
		N/A	84.336C	P336C050062	10/01/07-06/30/09
	Chicago High Need Area Partnership for Teachers — Senn School	N/A	84.336C	P336C050062	10/01/06-12/31/07
		N/A	84.336C	P336C050062	10/01/07-06/30/09
	Chicago High Need Area Partnership for Teachers — Swift School	N/A	84.336C	P336C050062	10/01/07-06/30/09
	Chicago High Need Area Partnership for Teachers — Uplift School	N/A	84.336C	P336C050062	10/01/07-06/30/09
<b>Total U.S. Department of Education — Passed Through Loyola University</b>					



Amount of Grant	Accrued (Deferred) Grant Revenue June 30, 2008	Cash (Received) Refunded July 1, 2008 June 30, 2009	Revenue Recognized July 1, 2008 June 30, 2009	Expenditure July 1, 2008 June 30, 2009	Adjustments to Grant Revenue July 1, 2008 June 30, 2009	Accrued (Deferred) Grant Revenue June 30, 2009	Prior Years' Expenditures Through June 30, 2008	Final Status Cumulative Expenditures Through June 30, 2009
1,025,487	24,069	(104,990)	80,921	80,921	—	—	944,566	1,025,487
846,302	21,026	(188,499)	167,473	167,473	—	—	678,919	846,392
1,084,077	21,640	(289,295)	296,601	296,601	—	28,946	439,889	736,490
1,694,078	200,089	(959,981)	869,587	869,587	—	109,695	819,517	1,689,104
1,031,116	127,427	(255,116)	127,689	127,689	—	—	903,427	1,031,116
11,729,261	789,107	(2,691,257)	2,295,941	2,295,941	—	393,791	1,118,353	3,414,294
3,724,976	385,120	(1,104,081)	718,961	718,961	—	—	3,006,015	3,724,976
6,857,362	—	(313,490)	403,788	403,788	—	90,298	—	403,788
299,835	66,892	(133,386)	66,494	66,494	—	—	223,885	290,379
478,621	—	(287,164)	348,461	348,461	—	61,297	—	348,461
4,998,315	(467,441)	467,441	—	—	—	—	5,710,146	5,710,146
6,177,587	193,131	(3,838,779)	3,645,648	3,645,648	—	—	1,668,888	5,314,536
5,418,165	—	—	1,199,870	1,199,870	—	1,199,870	—	1,199,870
7,205,567	479,539	(4,900,562)	4,633,791	4,633,791	—	212,768	2,024,593	6,658,384
<b>\$101,973,232</b>	<b>\$4,245,345</b>	<b>\$(28,988,451)</b>	<b>\$29,144,803</b>	<b>\$29,144,803</b>	<b>\$ —</b>	<b>\$4,401,697</b>	<b>\$32,546,142</b>	<b>\$61,690,945</b>

\$ 16,600	\$ —	\$ (4,576)	\$ 4,576	\$ 4,576	\$ —	\$ —	\$ —	\$ 4,576
16,600	(5,092)	5,092	—	—	—	—	11,508	11,508
28,500	7,500	(24,100)	19,035	19,035	—	2,435	8,140	27,175
16,600	(3,768)	3,768	—	—	—	—	12,832	12,832
28,500	10,014	(17,316)	12,820	12,820	—	5,518	12,147	24,967
16,600	(9,947)	9,947	—	—	—	—	6,653	6,653
28,500	7,089	(17,351)	15,191	15,191	—	4,929	8,765	23,956
16,600	(7,256)	7,256	—	—	—	—	9,344	9,344
16,600	(1,143)	1,143	—	—	—	—	15,457	15,457
28,500	3,272	(26,874)	23,602	23,602	—	—	4,898	28,500
16,600	(9,241)	9,241	—	—	—	—	7,359	7,359
28,500	9,205	(20,739)	16,645	16,645	—	5,111	9,205	25,850
28,500	20,053	(28,370)	8,317	8,317	—	—	20,183	28,500
28,500	250	(26,472)	27,472	27,472	—	1,250	250	27,722
<b>\$ 315,700</b>	<b>\$ 20,936</b>	<b>\$ (129,351)</b>	<b>\$ 127,658</b>	<b>\$ 127,658</b>	<b>\$ —</b>	<b>\$ 19,243</b>	<b>\$ 126,741</b>	<b>\$ 254,399</b>

## Statutory Reporting Section

### Supplementary Schedule of Expenditures of Federal Awards (continued)

<u>FUNDING SOURCE Program Name</u>	<u>Name of Grant</u>	<u>ISBE Account Number</u>	<u>Federal Catalog Number</u>	<u>Contract Number</u>	<u>Contract Period</u>
<b>Passed Through Illinois Department of Human Services (IDHS)</b>					
Rehabilitation Service Vocational Rehabilitation Grants to States	Secondary Transitional Experience Program (STEP)	N/A N/A	84.126 84.126	40C6001797 40C6001797	07/01/07-06/30/08 07/01/08-06/30/09
<b>Total U.S. Department of Education Passed Through IDHS</b>					
<b>Passed Through Illinois Board of Higher Education</b>					
Improving Teacher Quality State Grants	Bilingual Summer math Lab — Columbia	N/A N/A	84.367B 84.367B	AGREEMENT AGREEMENT	09/30/07-08/31/08 02/05/08-09/30/09
<b>Total U.S. Department of Education Passed Through Illinois Board Higher Education</b>					
<b>Passed Through University of Illinois at Chicago</b>					
Teacher Quality Enhancement Grants	Teacher Quality Enhancement — Supporting Teachers	N/A	84.336B	03-4-547-1	07/01/05-06/30/06
<b>Total U.S. Department of Education Passed Through University of Illinois at Chicago</b>					
<b>Passed Through Northeastern Illinois University</b>					
Gaining Early Awareness and Readiness for Undergraduate Program	Gear — Up Grant/(NEIU)	N/A	84.334A	PO#44449	09/01/07-08/31/08
	Gear — Up Grant/(NEIU)	N/A	84.334A	PO#44449	09/01/08-08/31/09
	Gear — Up-Kelvyn Park High School/(NEIU)	N/A	84.334A	PO#7366	02/01/09-06/30/09
	Gear — Up-Wells High School/(NEIU)	N/A	84.334A	PO#6305	10/01/08-06/30/09
	Gear — Up-Roosevelt High School/(NEIU)	N/A	84.334A	PO#6598	10/01/08-06/30/09
	Gear — Up-Curie High School/(NEIU)	N/A	84.334A	PO#6537	10/01/08-06/30/09
	Gear — Up-Forman High School/(NEIU)	N/A	84.334A	PO#6594	10/01/08-06/30/09
	Gear — Up-Kelly High School/(NEIU)	N/A	84.334A	PO#002266 PO#6520	09/01/07-08/31/08 10/01/08-06/30/09
	Gear — Up-Social Justice /(NEIU)	N/A	84.334A	PO#6522	10/01/08-06/30/09
	Gear — Up Grant — Transition Program	N/A	84.334A	PO#3566	05/15/08-08/15/08
Twenty-First Century Community Learning Centers	Illinois 21st Century Community Learning Ctrs.(NEIU)/Peabody School	N/A	84.287	PO#50363	10/01/06-06/30/07
	Illinois 21st Century Community Learning Ctrs.(NEIU)/Wells High School	N/A	84.287	PO#48041	10/01/06-06/30/07

Amount of Grant	Accrued (Deferred) Grant Revenue June 30, 2008	Cash (Received) Refunded July 1, 2008 June 30, 2009	Revenue Recognized July 1, 2008 June 30, 2009	Expenditure July 1, 2008 June 30, 2009	Adjustments to Grant Revenue July 1, 2008 June 30, 2009	Accrued (Deferred) Grant Revenue June 30, 2009	Prior Years' Expenditures Through June 30, 2008	Final Status Cumulative Expenditures Through June 30, 2009
\$ 775,498 775,498	\$193,873 —	\$(175,638) (379,710)	\$ (18,235) 766,505	\$ (18,235) 766,505	\$ — —	\$ — 386,795	\$ 775,498 —	\$ 757,263 766,505
<b>\$1,550,996</b>	<b>\$193,873</b>	<b>\$(555,348)</b>	<b>\$ 748,270</b>	<b>\$ 748,270</b>	<b>\$ —</b>	<b>\$ 386,795</b>	<b>\$ 775,498</b>	<b>\$1,523,768</b>
\$ 142,050 —	\$(37,714) —	\$ 29,975 (141,690)	\$ 7,739 74,540	\$ 7,739 74,540	\$ — —	\$ — (67,150)	\$ 37,286 —	\$ 45,025 74,540
<b>\$ 142,050</b>	<b>\$(37,714)</b>	<b>\$(111,715)</b>	<b>\$ 82,279</b>	<b>\$ 82,279</b>	<b>\$ —</b>	<b>\$ (67,150)</b>	<b>\$ 37,286</b>	<b>\$ 119,565</b>
\$ 269,129	\$(13,601)	\$ 13,601	\$ —	\$ —	\$ —	\$ —	\$ 225,528	\$ 225,528
<b>\$ 269,129</b>	<b>\$(13,601)</b>	<b>\$ 13,601</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 225,528</b>	<b>\$ 225,528</b>
\$1,363,219	\$362,185	\$(540,610)	\$ 178,425	\$ 178,425	\$ —	\$ —	\$1,011,145	\$1,189,570
1,390,224	—	—	1,051,380	1,051,380	—	1,051,380	—	1,051,380
9,315	—	—	9,247	9,247	—	9,247	—	9,247
9,892	—	—	2,752	2,752	—	2,752	—	2,752
4,545	—	—	3,761	3,761	—	3,761	—	3,761
4,566	—	—	3,010	3,010	—	3,010	—	3,010
5,681	—	—	5,681	5,681	—	5,681	—	5,681
13,421	8,218	(8,218)	—	—	—	—	12,593	12,593
9,374	—	—	6,554	6,554	—	6,554	—	6,554
3,196	—	—	2,405	2,405	—	2,405	—	2,405
253,097	62,314	—	124,175	124,175	—	186,489	62,314	186,489
31,450	(18,594)	—	18,594	18,594	—	—	12,406	31,000
19,029	(9,608)	—	9,608	9,608	—	—	8,086	17,694

## Statutory Reporting Section

### Supplementary Schedule of Expenditures of Federal Awards (continued)

<u>FUNDING SOURCE Program Name</u>	<u>Name of Grant</u>	<u>ISBE Account Number</u>	<u>Federal Catalog Number</u>	<u>Contract Number</u>	<u>Contract Period</u>
	Illinois 21st Century Community Learning Ctrs.(NEIU)/Barton School	N/A	84.287	PO#48040	10/01/06-06/30/07
	Illinois 21st Century Community Learning Ctrs.(NEIU)/Cook Elem. School	N/A	84.287	PO#48043	10/01/06-06/30/07
	Illinois 21st Century Community Learning Ctrs.(NEIU)/Salazar Bil. School	N/A N/A	84.287 84.287	PO#48045 PO#002869	10/01/06-06/30/07 02/08/08-06/30/08
	Illinois 21st Century Community Learning Ctrs.(NEIU)/Otis	N/A	84.287	PO#50325	10/01/06-06/30/07
<b>Total U.S. Department of Education Passed Through Northeastern Illinois University</b>					
<b>Passed Through Mexican Fine Arts Museum</b>					
Twenty-First Century Community Learning Centers	21st Century Mexican Fine Arts Museum	N/A N/A N/A N/A	84.287 84.287 84.287 84.287	DISTRICT 201 DISTRICT 201 DISTRICT 201 DISTRICT 201	07/19/04-06/30/05 07/01/06-06/30/07 07/01/08-06/30/09 07/01/09-06/30/10
<b>Total U.S. Department of Education Passed Through Mexican Fine Arts Museum</b>					
<b>Passed Through Illinois State Board of Education</b>					
Improving Teacher Quality State Grants	Class Size Reduction (NCLB)	4932 4932	84.367A 84.367A	08-4932-00 09-4932-00	07/01/07-08/31/08 07/01/08-08/31/09
	Title II Teacher Quality Leadership	4935	84.367A	08-4935-SS	04/07/08-08/31/08
Career and Technical Education — Basic Grants to States	V.E. — Perkins — Title IIC — Secondary	4745 4745	84.048 84.048	08-4745-00 09-4745-00	7/1/2007-08/31/08 7/1/2008-08/31/09
	V.E. — Perkins — State Leadership — Clemente	4720 4720	84.048A 84.048A	08-4720-00 09-4720-00	08/01/07-07/31/08 08/01/08-07/31/09
	V.E. — Perkins — State Leadership — Chgo Agricultural	4720 4720	84.048A 84.048A	08-4720-01 09-4720-01	08/01/07-07/31/08 08/01/08-07/31/09
	V.E. — Perkins — State Leadership — Marshall	4720 4720	84.048A 84.048A	08-4720-02 09-4720-02	08/01/07-07/31/08 08/01/08-07/31/09
	V.E. — Perkins — State Leadership — Corliss	4720 4720 4720	84.048A 84.048A 84.048A	07-4720-03 08-4720-03 09-4720-03	08/01/06-07/31/07 08/01/07-07/31/08 08/01/08-07/31/09
Reading First State Grants	Title 1 — Reading First 11	4334 4334	84.357 84.357	08-4334-07 09-4334-07	07/01/07-08/31/08 07/01/08-08/31/09
	Reading First — School Assistance Part B	4337 4337	84.357 84.357	08-4337-00 09-4337-00	07/01/07-08/31/08 07/01/08-08/31/09
	Reading First — Technical Assistance	4337 4337	84.357 84.357	08-4337-04 09-4337-04	07/01/07-08/31/08 07/01/08-08/31/09
Title I Grants to Local Education Agencies	ESEA Title I — Low Income	4300 4300 4300	84.010 84.010 84.010	07-4300-00 08-4300-00 09-4300-00	07/01/06-08/31/07 07/01/07-08/31/08 07/01/08-08/31/09
	ESEA — School Improvement	4331 4331	84.010 84.010	08-4331-SS 09-4331-SS	07/05/07-08/31/08 09/01/08-08/31/09
	ESEA — Title I — Low Income — Neglected Private	4305 4305 4305	84.010 84.010 84.010	07-4305-00 08-4305-00 09-4305-00	07/01/06-08/31/07 07/01/07-08/31/08 07/01/08-08/31/09



Amount of Grant	Accrued (Deferred) Grant Revenue June 30, 2008	Cash (Received) Refunded July 1, 2008 June 30, 2009	Revenue Recognized July 1, 2008 June 30, 2009	Expenditure July 1, 2008 June 30, 2009	Adjustments to Grant Revenue July 1, 2008 June 30, 2009	Accrued (Deferred) Grant Revenue June 30, 2009	Prior Years' Expenditures Through June 30, 2008	Final Status Cumulative Expenditures Through June 30, 2009
9,079	(3,103)	—	3,103	3,103	—	—	4,832	7,935
9,385	1,688	—	(1,688)	(1,688)	—	—	9,385	7,697
36,522	(10,780)	—	10,780	10,780	—	—	25,717	36,497
10,827	9,828	(9,828)	—	—	—	—	9,828	9,828
26,377	(20,171)	—	20,171	20,171	—	—	5,829	26,000
<b>\$ 3,209,199</b>	<b>\$ 381,977</b>	<b>\$ (558,656)</b>	<b>\$ 1,447,958</b>	<b>\$ 1,447,958</b>	<b>\$ —</b>	<b>\$ 1,271,279</b>	<b>\$ 1,162,135</b>	<b>\$ 2,610,093</b>

\$ 96,840	\$ 1,784	\$ —	\$ (1,784)	\$ (1,784)	\$ —	\$ —	\$ 96,824	\$ 95,040
102,760	(498)	—	498	498	—	—	102,260	102,758
92,484	22,627	(25,049)	2,422	2,422	—	—	90,059	92,481
—	—	(47,696)	77,490	77,490	—	29,794	—	77,490
<b>\$ 292,084</b>	<b>\$ 23,913</b>	<b>\$ (72,745)</b>	<b>\$ 78,626</b>	<b>\$ 78,626</b>	<b>\$ —</b>	<b>\$ 29,794</b>	<b>\$ 289,143</b>	<b>\$ 367,769</b>

\$ 54,364,915	\$ 17,054,976	\$ (20,598,489)	\$ 3,543,513	\$ 3,543,513	\$ —	\$ —	\$ 40,022,533	\$ 43,566,046
53,682,416	—	(41,394,016)	36,639,648	36,639,648	—	(4,754,368)	—	36,639,648
540,648	270,324	(270,324)	—	—	—	—	540,648	540,648
9,088,855	(548,714)	(249,385)	798,099	798,099	—	—	8,290,756	9,088,855
8,362,737	—	(7,345,010)	7,062,106	7,062,106	—	(282,904)	—	7,062,106
10,000	(2,938)	3,553	(615)	(615)	—	—	5,320	4,705
10,000	—	(7,761)	3,060	3,060	—	(4,701)	—	3,060
10,000	(763)	(727)	1,490	1,490	—	—	7,074	8,564
10,000	—	(7,200)	4,993	4,993	—	(2,207)	—	4,993
20,000	(3,595)	(878)	4,473	4,473	—	—	7,474	11,947
15,000	—	(14,649)	11,778	11,778	—	(2,871)	—	11,778
25,000	115	—	(115)	(115)	—	—	25,000	24,885
20,000	1,562	(2,488)	926	926	—	—	15,039	15,965
15,000	—	(10,373)	7,332	7,332	—	(3,041)	—	7,332
9,818,912	4,930,589	(7,604,455)	2,673,866	2,673,866	—	—	16,213,032	18,886,898
15,324,376	—	(11,498,500)	13,227,088	13,227,088	—	1,728,588	—	13,227,088
1,338,185	291,993	(733,005)	441,012	441,012	—	—	897,173	1,338,185
1,415,078	—	(640,491)	878,966	878,966	—	238,475	—	878,966
895,691	172,850	(548,192)	375,342	375,342	—	—	517,245	892,587
261,254	—	(150,000)	90,888	90,888	—	(59,112)	—	90,888
303,184,767	(1)	—	1	1	—	—	260,848,330	260,848,331
352,351,060	106,174,889	(133,367,005)	27,192,116	27,192,116	—	—	278,252,173	305,444,289
353,145,200	—	(333,047,248)	314,384,242	314,384,242	—	(18,663,006)	—	314,384,242
10,708,974	2,605,218	(5,233,974)	2,628,756	2,628,756	—	—	8,080,218	10,708,974
9,200,000	—	(9,200,000)	7,603,834	7,603,834	—	(1,596,166)	—	7,603,834
850,356	(164)	—	164	164	—	—	544,369	544,533
1,122,390	228,885	(556,185)	327,300	327,300	—	—	614,441	941,741
822,756	—	(686,545)	577,078	577,078	—	(109,467)	—	577,078

## Statutory Reporting Section

### Supplementary Schedule of Expenditures of Federal Awards (continued)

<u>FUNDING SOURCE Program Name</u>	<u>Name of Grant</u>	<u>ISBE Account Number</u>	<u>Federal Catalog Number</u>	<u>Contract Number</u>	<u>Contract Period</u>
Special Education — Preschool Grants	ESEA — Title I — Low Income — Delinquent Private	4306	84.010	08-4306-00	07/01/07-08/31/08
		4306	84.010	09-4306-00	07/01/08-08/31/09
	IDEA — Pre-School Flow Through	4600	84.173A	08-4600-00	07/01/07-08/31/08
		4600	84.173A	09-4600-00	07/01/08-08/31/09
Special Education Grants to State	IDEA — Pre-School Discretionary	4605	84.173A	08-4605-01	07/01/07-06/30/08
		4605	84.173A	09-4605-01	07/01/08-06/30/09
	IDEA — Flow Through/Low Incidence	4620	84.027	08-4620-00	07/01/07-08/31/08
		4620	84.027	09-4620-00	07/01/08-08/31/09
	Room and Board	4625	84.027	08-4625-00	09/01/07-08/31/08
		4625	84.027	09-4625-00	09/01/08-08/31/09
	IDEA — Discretionary — Corey H Training Tech	4630	84.027	08-4630-04	07/01/07-06/30/08
		4630	84.027	09-4630-04	07/01/08-06/30/09
	IDEA — Parent Mentor	4630	84.027A	08-4630-05	07/01/07-06/30/08
		4630	84.027A	09-4630-05	07/01/08-06/30/09
Special Education — State Personnel Development	IDEA — Regional Professional Development Center	4631	84.323A	08-4631-RC	10/01/07-09/30/08
		4631	84.323A	09-4631-RC	10/01/08-09/30/09
State Grants for Innovative Programs	Title V — Innovative Programs — Formula	4100	84.298	08-4100-00	07/01/07-08/31/08
		4100	84.298	09-4100-00	03/30/09-08/31/09
Twenty-First Century Community Learning Centers	Title IV — 21st Century Comm Learning Centers	4421	84.287C	08-4421-05	07/01/07-08/31/08
		4421	84.287C	09-4421-05	07/23/08-08/31/09
		4421	84.287C	08-4421-07	07/01/07-08/31/08
		4421	84.287C	09-4421-07	07/23/08-08/31/09
		4421	84.287C	08-4421-08	07/01/07-08/31/08
		4421	84.287C	09-4421-08	07/23/08-08/31/09
Safe and Drug-Free Schools and Communities State Grant	Title IV — Safe & Drug-Free School Formula	4400	84.186	08-4400-00	07/01/07-08/31/08
		4400	84.186	09-4400-00	07/01/08-08/31/09
Education for Homeless Children and Youth	McKinney Education for Homeless Children	4920	84.196	09-4920-00	07/01/08-08/31/09
English Language Acquisition Grants	Title III — Lang Inst Prog — Limited Eng LIPLEP	4909	84.365A	08-4909-00	09/01/07-08/31/08
		4909	84.365A	09-4909-00	09/01/08-08/31/09
Education Technology State Grants	Technology — Enhancing Education — Formula	4971	84.318	08-4971-00	11/27/07-08/31/08
		4971	84.318	09-4971-00	01/23/09-08/31/09
Advanced Placement Program	International Baccalaureate	4999	84.330B	08-4999-1B	07/01/07-06/30/08
		4999	84.330B	08-4999-1B	07/01/08-06/30/09
Mathematics and Science Partnerships	Mathematics and Science Partnerships	4936	84.366	08-4936-01	09/07/07-08/31/08
School Improvement Grants	School Improvement Grant — Harper	4339	84.377A	09-4339-90	08/15/08-09/30/09
	School Improvement Grant — Fulton	4339	84.377A	09-4339-91	08/15/08-09/30/09
ARRA General State Aid Sec 18-8	ARRA General State Aid Sec 18-8	4850	84.394	09-4850-00	04/01/09-06/30/09
<b>Total U.S. Department of Education Passed Through Illinois State Board of Education</b>					
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>					

Amount of Grant	Accrued (Deferred) Grant Revenue June 30, 2008	Cash (Received) Refunded July 1, 2008 June 30, 2009	Revenue Recognized July 1, 2008 June 30, 2009	Expenditure July 1, 2008 June 30, 2009	Adjustments to Grant Revenue July 1, 2008 June 30, 2009	Accrued (Deferred) Grant Revenue June 30, 2009	Prior Years' Expenditures Through June 30, 2008	Final Status Cumulative Expenditures Through June 30, 2009
1,333,001	173,367	(263,896)	90,529	90,529	—	—	703,247	793,776
1,011,217	—	(675,757)	795,766	795,766	—	120,009	—	795,766
1,550,250	(316,070)	241,524	74,546	74,546	—	—	1,234,180	1,308,726
1,529,107	—	(1,529,107)	1,287,812	1,287,812	—	(241,295)	—	1,287,812
475,000	25,449	(25,449)	—	—	—	—	472,694	472,694
475,000	—	(475,000)	470,469	470,469	—	(4,531)	—	470,469
102,708,327	6,169,615	(7,282,118)	1,112,503	1,112,503	—	—	96,881,440	97,993,943
95,085,571	—	(89,590,387)	88,952,441	88,952,441	—	(637,946)	—	88,952,441
N/A	411,421	(835,651)	424,230	424,230	—	—	1,863,719	2,287,949
N/A	—	(1,141,050)	1,141,050	1,141,050	—	—	—	1,141,050
2,750,000	391,098	(388,361)	(2,737)	(2,737)	—	—	1,566,098	1,563,361
2,796,545	—	(963,212)	604,314	604,314	—	(358,898)	—	604,314
38,649	7,894	(7,894)	—	—	—	—	26,510	26,510
61,961	—	(41,014)	61,909	61,909	—	20,895	—	61,909
453,000	(100,171)	34,265	65,906	65,906	—	—	184,335	250,241
453,000	—	(334,741)	214,328	214,328	—	(120,413)	—	214,328
2,517,048	58,168	(229,566)	171,398	171,398	—	—	1,664,137	1,835,535
681,512	—	(681,512)	681,279	681,279	—	(233)	—	681,279
3,125,700	(684,919)	(108,921)	793,840	793,840	—	—	2,331,860	3,125,700
2,604,700	—	(2,113,675)	2,329,888	2,329,888	—	216,213	—	2,329,888
1,177,500	(112,788)	(132,339)	245,127	245,127	—	—	932,373	1,177,500
1,236,400	—	(999,100)	1,040,806	1,040,806	—	41,706	—	1,040,806
2,440,459	(304,664)	(390,459)	695,123	695,123	—	—	1,745,336	2,440,459
2,562,500	—	(2,448,125)	1,967,276	1,967,276	—	(480,849)	—	1,967,276
5,091,294	3,409,436	(3,409,414)	(22)	(22)	—	—	5,091,294	5,091,272
3,564,335	—	(2,592,229)	3,564,335	3,564,335	—	972,106	—	3,564,335
780,295	—	(767,987)	775,564	775,564	—	7,577	—	775,564
10,196,290	2,938,436	(3,499,504)	561,068	561,068	—	—	8,675,501	9,236,569
10,191,639	—	(10,191,639)	6,823,336	6,823,336	—	(3,368,303)	—	6,823,336
3,825,833	(164,116)	(91,152)	255,268	255,268	—	—	2,985,706	3,240,974
3,438,717	—	(2,530,000)	2,555,766	2,555,766	—	25,766	—	2,555,766
—	—	—	—	—	—	—	—	—
217,642	—	—	217,942	217,942	—	217,942	—	217,942
250,000	55,687	(77,078)	21,391	21,391	—	—	200,590	221,981
285,000	—	(190,000)	140,293	140,293	—	(49,707)	—	140,293
345,000	—	(322,461)	157,461	157,461	—	(165,000)	—	157,461
N/A	—	(260,053,385)	260,053,385	260,053,385	—	—	—	260,053,385
<b>\$1,451,866,062</b>	<b>\$143,133,069</b>	<b>\$(967,269,741)</b>	<b>\$796,820,931</b>	<b>\$796,820,931</b>	<b>\$ —</b>	<b>\$(27,315,741)</b>	<b>\$741,439,845</b>	<b>\$1,538,260,776</b>
<b>\$1,559,618,452</b>	<b>\$147,947,798</b>	<b>\$(997,672,406)</b>	<b>\$828,450,525</b>	<b>\$828,450,525</b>	<b>\$ —</b>	<b>\$(21,274,083)</b>	<b>\$776,602,318</b>	<b>\$1,605,052,843</b>

## Statutory Reporting Section

### Supplementary Schedule of Expenditures of Federal Awards (continued)

FUNDING SOURCE Program Name	Name of Grant	ISBE Account Number	Federal Catalog Number	Contract Number	Contract Period
NATIONAL SECURITY AGENCY					
Startalk Language Institute	Startalk Arabic Language Institute	N/A	12.900	H98230-08-1-0266	02/22/07-02/28/08
		N/A	12.900	H98230-08-1-0266	01/09/08-04/30/09
	Startalk Chinese Language Institute	N/A	12.900	H98230-08-1-0267	02/01/08-12/31/08
		N/A	12.900	H98230-08-1-0267	02/01/08-12/31/08
		N/A	12.900	H98230-08-1-0267	01/09/08-04/30/09
TOTAL NATIONAL SECURITY AGENCY					
U. S. DEPARTMENT OF STATE					
Summer Language Institute	Summer Language Institute for American Youth	N/A	DNA	S-ECAPY-08-GR-072(JY)	04/30/08-12/31/08
		N/A	DNA	S-ECAPY-08-GR-072(JY)	04/30/08-12/31/08
TOTAL U.S. DEPARTMENT OF STATE					
U.S. DEPARTMENT OF AGRICULTURE Passed Through Illinois State Board of Education (ISBE)					
National School Lunch Program	Lunch Program	4210	10.555	08-4210-00	07/01/07-09/30/08
		4210	10.555	08-4210-00	07/01/08-09/30/09
	Federal Snacks	4210	10.555	08-4210-00	07/01/07-09/30/08
		4210	10.555	08-4210-00	07/01/08-09/30/09
School Breakfast Program	Breakfast Program	4220	10.553	08-4220-00	07/01/07-09/30/08
		4220	10.553	08-4220-00	07/01/08-09/30/09
	Breakfast Program (Needy)	4220	10.553	08-4220-00	07/01/07-09/30/08
		4220	10.553	08-4220-00	07/01/08-09/30/09
Child and Adult Care Food Program	Child & Adult Care Food Program	4226	10.558	08-4226-00	09/01/07-09/30/08
		4226	10.558	09-4226-00	09/01/08-09/30/09
Food Donation Program	Food Donation Program	4228	10.553/ 10.555	03-4228-00	07/01/08-06/30/09
Fresh Fruit and Vegetable Program	Fresh Fruits and Vegetables — Morrill	4240	10.582	09-4240-09	10/01/08-06/30/09
	Fresh Fruits and Vegetables — Interamerican Magnet	4240	10.582	09-4240-09	10/01/08-06/30/09
Total U.S. Department of Agriculture Passed Through Illinois State Board of Education					
Passed Through Illinois Department of Human Services					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	Homeless Services Food	N/A	10.561	81X8116000-H	07/01/07-06/30/09
	Homeless Services and Supportive Housing — Refugee & Immigrant Services	N/A	10.561	81X8116000-H/K	07/01/07-06/30/08
Total U.S. Department of Agriculture Passed Through Illinois Department of Human Services					
TOTAL U.S. DEPARTMENT OF AGRICULTURE					

Amount of Grant	Accrued (Deferred) Grant Revenue June 30, 2008	Cash (Received) Refunded July 1, 2008 June 30, 2009	Revenue Recognized July 1, 2008 June 30, 2009	Expenditure July 1, 2008 June 30, 2009	Adjustments to Grant Revenue July 1, 2008 June 30, 2009	Accrued (Deferred) Grant Revenue June 30, 2009	Prior Years' Expenditures Through June 30, 2008	Final Status Cumulative Expenditures Through June 30, 2009
\$105,226	\$ 635	\$ (635)	\$ —	\$ —	\$ —	\$ —	\$ 105,226	\$ 105,226
117,999	—	(100,470)	117,999	117,999	—	17,529	—	117,999
94,923	6,968	(6,968)	—	—	—	—	6,968	6,968
117,999	19,553	(19,553)	—	—	—	—	89,294	89,294
117,999	—	(39,445)	117,994	117,994	—	78,549	—	117,994
<b>\$554,146</b>	<b>\$ 27,156</b>	<b>\$ (167,071)</b>	<b>\$ 235,993</b>	<b>\$ 235,993</b>	<b>\$ —</b>	<b>\$ 96,078</b>	<b>\$ 201,488</b>	<b>\$ 437,481</b>
\$248,675	\$ 80,621	\$ (80,621)	\$ 153,519	\$ 153,519	\$ —	\$ 153,519	\$ 80,621	\$ 234,140
199,234	—	(153,519)	32,492	32,492	—	(121,027)	—	32,492
<b>\$447,909</b>	<b>\$ 80,621</b>	<b>\$ (234,140)</b>	<b>\$ 186,011</b>	<b>\$ 186,011</b>	<b>\$ —</b>	<b>\$ 32,492</b>	<b>\$ 80,621</b>	<b>\$ 266,632</b>
N/A	\$18,620,525	\$ (35,092,290)	\$ 16,471,765	\$ 16,471,765	\$ —	\$ —	\$ 97,609,749	\$114,081,514
N/A	—	(80,694,610)	99,364,631	99,364,631	—	18,670,021	—	99,364,631
N/A	45,215	(58,875)	13,660	13,660	—	—	780,608	794,268
N/A	—	(730,676)	776,828	776,828	—	46,152	—	776,828
N/A	37,935	(85,739)	47,804	47,804	—	—	202,322	250,126
N/A	—	(193,891)	241,680	241,680	—	47,789	—	241,680
N/A	3,484,581	(6,506,056)	3,021,475	3,021,475	—	—	18,247,084	21,268,559
N/A	—	(15,808,419)	19,913,712	19,913,712	—	4,105,293	—	19,913,712
N/A	225,195	(305,474)	80,279	80,279	—	—	4,077,428	4,157,707
N/A	—	(5,033,492)	5,045,449	5,045,449	—	11,957	—	5,045,449
N/A	—	(10,522,189)	10,522,189	10,522,189	—	—	—	10,522,189
56,097	—	(11,178)	51,004	51,004	—	39,826	—	51,004
34,721	—	(3,989)	17,944	17,944	—	13,955	—	17,944
<b>\$ 90,818</b>	<b>\$22,413,451</b>	<b>\$ (155,046,878)</b>	<b>\$155,568,420</b>	<b>\$155,568,420</b>	<b>\$ —</b>	<b>\$22,934,993</b>	<b>\$120,917,191</b>	<b>\$276,485,611</b>
\$258,238	\$ 17,370	\$ (17,370)	\$ —	\$ —	\$ —	\$ —	\$ 258,238	\$ 258,238
N/A	—	(277,981)	386,511	386,511	—	108,530	—	386,511
<b>\$258,238</b>	<b>\$ 17,370</b>	<b>\$ (295,351)</b>	<b>\$ 386,511</b>	<b>\$ 386,511</b>	<b>\$ —</b>	<b>\$ 108,530</b>	<b>\$ 258,238</b>	<b>\$ 644,749</b>
<b>\$349,056</b>	<b>\$22,430,821</b>	<b>\$ (155,342,229)</b>	<b>\$155,954,931</b>	<b>\$155,954,931</b>	<b>\$ —</b>	<b>\$23,043,523</b>	<b>\$121,175,429</b>	<b>\$277,130,360</b>

## Statutory Reporting Section

### Supplementary Schedule of Expenditures of Federal Awards (continued)

<u>FUNDING SOURCE Program Name</u>	<u>Name of Grant</u>	<u>ISBE Account Number</u>	<u>Federal Catalog Number</u>	<u>Contract Number</u>	<u>Contract Period</u>
<b>HOUSING URBAN DEVELOPMENT</b>					
<b>Passed Through Chicago Housing Authority</b>					
Housing and Urban Development	U.S. Department of Housing and Urban Development	N/A	14.251	B-05-SP-IL-0793	03/15/07-06/30/09
Demolition and Revitalization of Severely	Employability Plus	N/A	14.866	Agreement	07/01/07-06/30/08
		N/A	14.866	Agreement	07/01/08-06/30/09
<b>TOTAL HOUSING URBAN DEVELOPMENT</b>					
<b>U.S. DEPARTMENT OF ENERGY</b>					
<b>Direct Funding</b>					
CPS School Laboratory Enhancement Project	CPS School Laboratory Enhancement	N/A	81.119	DEFG0208ER67414	09/15/08-09/14/09
<b>TOTAL U.S. DEPARTMENT OF ENERGY</b>					
<b>OFFICE OF JUSTICE PROGRAMS</b>					
<b>Direct Funding</b>					
Office of Juvenile Justice and Delinquency Prevention	OJJDP Academic After school Program	N/A	16.540	2008JLFX0164	07/01/08-06/30/09
Bryne Disc Programs	DOJ Bryne Disc After School Counts	N/A	16.753	2008DDBX0589	09/01/08-08/31/09
<b>TOTAL U.S. DEPARTMENT OF JUSTICE</b>					
<b>U.S. DEPARTMENT OF LABOR</b>					
<b>Direct Funding</b>					
WIA Pilots, Demonstrations, and Research Projects	WIA Youth Young Offenders	N/A	17.261	YE163290760A-17	07/01/07-08/31/08
<b>Total U.S. Department of Labor Direct Funding</b>					
<b>Passed Through Mayors' Office of Workforce Development</b>					
WIA Youth Activities	WIA In School Youth (MOWD) FY2008	N/A	17.259	9105-3	07/01/07-06/30/08
<b>Total U.S. Department of Labor Passed Through Mayor's Office of Workforce</b>					
<b>TOTAL U.S. DEPARTMENT OF LABOR</b>					
<b>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</b>					
<b>Direct Funding</b>					
Corporation For National and Community Service	The Chicago Summer of Service	N/A	94.007	07CGHI-001	03/01/08-02/28/09
<b>Total Corporation for National and Community Service Direct Funding</b>					
<b>Passed Through Illinois State Board of Education</b>					
Learn and Serve America — School and Community Based Programs	Learn and Serve America	4910	94.004	08-4910-00	10/05/07-09/30/08
		4910	94.004	09-4910-00	09/01/08-07/10/09
<b>Total Corporation for National and Community Service Passed Through Illinois State Board of Education</b>					
<b>TOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</b>					

Amount of Grant	Accrued (Deferred) Grant Revenue June 30, 2008	Cash (Received) Refunded July 1, 2008 June 30, 2009	Revenue Recognized July 1, 2008 June 30, 2009	Expenditure July 1, 2008 June 30, 2009	Adjustments to Grant Revenue July 1, 2008 June 30, 2009	Accrued (Deferred) Grant Revenue June 30, 2009	Prior Years' Expenditures Through June 30, 2008	Final Status Cumulative Expenditures Through June 30, 2009
\$ 72,168	\$ —	\$ —	\$ 72,168	\$ 72,168	\$ —	\$ 72,168	\$ —	\$ 72,168
82,742	14,674	(14,674)	—	—	—	—	82,742	82,742
82,742	—	(85,735)	85,775	85,775	—	40	—	85,775
<b>\$ 237,652</b>	<b>\$ 14,674</b>	<b>\$ (100,409)</b>	<b>\$ 157,943</b>	<b>\$ 157,943</b>	<b>\$ —</b>	<b>\$ 72,208</b>	<b>\$ 82,742</b>	<b>\$ 240,685</b>
\$ 956,000	\$ —	\$ (106,199)	\$ 154,161	\$ 154,161	\$ —	\$ 47,962	\$ —	\$ 154,161
<b>\$ 956,000</b>	<b>\$ —</b>	<b>\$ (106,199)</b>	<b>\$ 154,161</b>	<b>\$ 154,161</b>	<b>\$ —</b>	<b>\$ 47,962</b>	<b>\$ —</b>	<b>\$ 154,161</b>
\$ 983,783	\$ —	\$ (283,837)	\$ 338,777	\$ 338,777	\$ —	\$ 54,940	\$ —	\$ 338,777
178,869	—	(4,582)	16,689	16,689	—	12,107	—	16,689
<b>\$1,162,652</b>	<b>\$ —</b>	<b>\$ (288,419)</b>	<b>\$ 355,466</b>	<b>\$ 355,466</b>	<b>\$ —</b>	<b>\$ 67,047</b>	<b>\$ —</b>	<b>\$ 355,466</b>
\$4,800,000	\$111,164	\$(1,661,193)	\$1,774,410	\$1,774,410	\$ —	\$224,381	\$174,959	\$1,949,369
<b>\$4,800,000</b>	<b>\$111,164</b>	<b>\$(1,661,193)</b>	<b>\$1,774,410</b>	<b>\$1,774,410</b>	<b>\$ —</b>	<b>\$224,381</b>	<b>\$174,959</b>	<b>\$1,949,369</b>
\$ 176,055	\$ 12,449	\$ (12,449)	\$ —	\$ —	\$ —	\$ —	\$ 43,465	\$ 43,465
<b>\$ 176,055</b>	<b>\$ 12,449</b>	<b>\$ (12,449)</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 43,465</b>	<b>\$ 43,465</b>
<b>\$4,976,055</b>	<b>\$123,613</b>	<b>\$(1,673,642)</b>	<b>\$1,774,410</b>	<b>\$1,774,410</b>	<b>\$ —</b>	<b>\$224,381</b>	<b>\$218,424</b>	<b>\$1,992,834</b>
\$ 123,151	\$ —	\$ (123,151)	\$ 123,151	\$ 123,151	\$ —	\$ —	\$ —	\$ 123,151
<b>\$ 123,151</b>	<b>\$ —</b>	<b>\$ (123,151)</b>	<b>\$ 123,151</b>	<b>\$ 123,151</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 123,151</b>
\$ 169,000	\$ (4,264)	\$ (95,000)	\$ 99,264	\$ 99,264	\$ —	\$ —	\$ 69,736	\$ 169,000
167,381	—	(122,458)	84,602	84,602	—	(37,856)	—	84,602
<b>\$ 336,381</b>	<b>\$ (4,264)</b>	<b>\$ (217,458)</b>	<b>\$ 183,866</b>	<b>\$ 183,866</b>	<b>\$ —</b>	<b>\$ (37,856)</b>	<b>\$ 69,736</b>	<b>\$ 253,602</b>
<b>\$ 459,532</b>	<b>\$ (4,264)</b>	<b>\$ (340,609)</b>	<b>\$ 307,017</b>	<b>\$ 307,017</b>	<b>\$ —</b>	<b>\$ (37,856)</b>	<b>\$ 69,736</b>	<b>\$ 376,753</b>

## Statutory Reporting Section

### Supplementary Schedule of Expenditures of Federal Awards (continued)

FUNDING SOURCE Program Name	Name of Grant	ISBE Account Number	Federal Catalog Number	Contract Number	Contract Period
INSTITUTE OF MUSEUM AND LIBRARY Pass Through Illinois State Library					
Grants to State	Bridging the Gap Between Community Brentano	N/A	45.310	07-9314	10/01/06-06/30/07
	Bridging the Gap Between Community Humboldt	N/A	45.310	07-9314	10/01/06-06/30/07
	Bridging the Gap Between Community Orozco	N/A	45.310	07-9314	10/01/06-06/30/07
	Bridging the Gap Between Community DuSable	N/A	45.310	07-9314	10/01/06-06/30/07
	Bridging the Gap Between Community Chgo H.S. Agriculture	N/A	45.310	07-9314	10/01/06-06/30/07
	Bridging the Gap Between Community Manley	N/A	45.310	07-9314	10/01/06-06/30/07
	School Librarian for a Day	N/A	45.310	07-5093	10/01/06-06/30/07
	Library Services Multi User	N/A	45.310	08-5398	10/01/07-06/30/08
Laura Bush 21st Century Librarian Program	Librarians 21st Century	N/A	45.313	RE0104004704	10/01/07-09/30/08
	Chicago Teacher — Librarians for the 21st Century	N/A	45.313	RE0106006706	10/01/06-09/30/09
Total Institute of Museum and Library Pass Through Illinois State Library					
Pass Through Secretary of State					
Grants to State	LSTA — Taking it to the Streets Kennedy School	N/A	45.310	08-2312	10/01/07-06/30/08
	LSTA — Taking it to the Streets Ace Tech School	N/A	45.310	08-2312	10/01/07-06/30/08
Total Institute of Museum and Library Pass Through Secretary of State					
TOTAL INSTITUTE OF MUSEUM AND LIBRARY					
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Direct Funding					
Cooperative Agreements to Support Comprehensive School Health Programs	Comprehensive School Health	N/A	93.938	U87/CCU5226581-05	03/01/07-02/28/08
		N/A	93.938	1U87DP001234-01	03/01/08-02/28/09
Refugee and Entrant Assistance Discretionary Grants	Refugee Children Impact Grant	N/A	93.576	81X8116000K	07/01/07-06/30/08
		N/A	93.576	81X8116000K	07/01/08-06/30/09
		N/A	93.576	81X8116000K	08/15/08-01/14/09
Total U.S. Department of Health & Human Services — Direct Funding					
Passed Through City of Chicago					
Head Start	Pre-Kindergarten — Child Development	N/A	93.600	PO#9743/3	12/01/07-11/30/08
		N/A	93.600	PO#18117	12/01/08-11/30/09
	Headstart — Supp Dis SP Initiative	N/A	93.600	PO#10752	12/01/05-11/30/06
		N/A	93.600	PO#10752	12/01/06-11/30/07
		N/A	93.600	PO#10752-3	12/01/07-11/30/08
		N/A	93.600	PO#10752-3	12/01/08-11/30/09
Total U.S. Department of Health & Human Services Passed Through City of Chicago					



Amount of Grant	Accrued (Deferred) Grant Revenue June 30, 2008	Cash (Received) Refunded July 1, 2008 June 30, 2009	Revenue Recognized July 1, 2008 June 30, 2009	Expenditure July 1, 2008 June 30, 2009	Adjustments to Grant Revenue July 1, 2008 June 30, 2009	Accrued (Deferred) Grant Revenue June 30, 2009	Prior Years' Expenditures Through June 30, 2008	Final Status Cumulative Expenditures Through June 30, 2009
\$ 3,000	\$ (406)	\$ —	\$ 406	\$ 406	\$ —	\$ —	\$ 2,594	\$ 3,000
3,000	(365)	—	365	365	—	—	2,635	3,000
3,000	(168)	—	168	168	—	—	2,832	3,000
3,000	(260)	—	260	260	—	—	2,740	3,000
3,000	(856)	—	856	856	—	—	2,144	3,000
3,000	(839)	—	839	839	—	—	2,161	3,000
4,500	(201)	—	201	201	—	—	4,299	4,500
25,000	(1,450)	1,450	—	—	—	—	23,550	23,550
319,501	66,614	(149,142)	82,528	82,528	—	—	66,614	149,142
310,769	65,502	(88,258)	64,245	64,245	—	41,489	65,502	129,747
<b>\$ 677,770</b>	<b>\$ 127,571</b>	<b>\$ (235,950)</b>	<b>\$ 149,868</b>	<b>\$ 149,868</b>	<b>\$ —</b>	<b>\$ 41,489</b>	<b>\$ 175,071</b>	<b>\$ 324,939</b>
\$ 4,900	\$ (8)	\$ —	\$ 8	\$ 8	\$ —	\$ —	\$ 4,092	\$ 4,100
3,600	—	3,600	(3,600)	(3,600)	—	—	—	(3,600)
<b>\$ 8,500</b>	<b>\$ (8)</b>	<b>\$ 3,600</b>	<b>\$ (3,592)</b>	<b>\$ (3,592)</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 4,092</b>	<b>\$ 500</b>
<b>\$ 686,270</b>	<b>\$ 127,563</b>	<b>\$ (232,350)</b>	<b>\$ 146,276</b>	<b>\$ 146,276</b>	<b>\$ —</b>	<b>\$ 41,489</b>	<b>\$ 179,163</b>	<b>\$ 325,439</b>
\$ 315,865	\$ 23,311	\$ (129,061)	\$ 105,750	\$ 105,750	\$ —	\$ —	\$ 284,343	\$ 390,093
555,000	—	(417,737)	471,191	471,191	—	53,454	—	471,191
150,000	22,127	(22,127)	—	—	—	—	150,000	150,000
150,000	—	(51,741)	114,590	114,590	—	62,849	—	114,590
150,000	—	(53,356)	55,459	55,459	—	2,103	—	55,459
<b>\$ 1,320,865</b>	<b>\$ 45,438</b>	<b>\$ (674,022)</b>	<b>\$ 746,990</b>	<b>\$ 746,990</b>	<b>\$ —</b>	<b>\$ 118,406</b>	<b>\$ 434,343</b>	<b>\$ 1,181,333</b>
\$38,798,170	\$13,035,799	\$(29,514,674)	\$16,478,875	\$16,478,875	\$ —	\$ —	\$22,027,140	\$38,506,015
37,698,124	—	(15,700,394)	21,320,729	21,320,729	—	5,620,335	—	21,320,729
824,883	2,516	—	(2,516)	(2,516)	—	—	800,675	798,159
859,054	26,479	—	(26,479)	(26,479)	—	—	827,541	801,062
867,864	500,427	(861,770)	361,343	361,343	—	—	500,427	861,770
—	—	(450,321)	590,818	590,818	—	140,497	—	590,818
<b>\$79,048,095</b>	<b>\$13,565,221</b>	<b>\$(46,527,159)</b>	<b>\$38,722,770</b>	<b>\$38,722,770</b>	<b>\$ —</b>	<b>\$5,760,832</b>	<b>\$24,155,783</b>	<b>\$62,878,553</b>

## Statutory Reporting Section

### Supplementary Schedule of Expenditures of Federal Awards (continued)

<u>FUNDING SOURCE</u> <u>Program Name</u>	<u>Name of Grant</u>	<u>ISBE</u> <u>Account</u> <u>Number</u>	<u>Federal</u> <u>Catalog</u> <u>Number</u>	<u>Contract</u> <u>Number</u>	<u>Contract</u> <u>Period</u>
<b>Passed through Illinois Department of Healthcare and Family Services (IDHFS)</b>					
Medical Assistance Program	Medicaid — Administrative Services	N/A N/A	93.778 93.778	95-4900-00 95-4900-00	07/01/07-06/30/08 07/01/08-06/30/09
<b>Total U.S. Department of Health &amp; Human Services Passed Through IDHFS</b>					
<b>TOTAL DEPARTMENT OF HEALTH &amp; HUMAN SERVICE</b>					
<b>U.S. DEPARTMENT OF ENVIRONMENTAL PROTECTION AGENCY</b>					
Brownfields Assessment and Cleanup Cooperative Agreements	CPS-Marshall Faraday Campus PK	N/A	66.818	BF96568101	01/01/06-03/31/07
Environmental Education Grants	Adopt an Ecosystem	N/A	66.951	NE-83361601-0	08/01/07-11/30/08
<b>TOTAL U.S. DEPARTMENT OF ENVIRONMENT AGENCY</b>					
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>					
<b>Passed Through Illinois Department of Aviation</b>					
Airport Improvement Program	Noise Abatement — Project Administration	N/A	20.106	Agreement	N/A
	Noise Abatement — Tonti Branch	N/A	20.106	3-17-0025-54	07/01/04-06/30/08
	Noise Abatement — Hancock	N/A	20.106	3-17-0025-62	12/12/08-12/15/08
	Noise Abatement — Dore	N/A	20.106	3-17-0025-64	N/A
<b>Total U.S. Department of Transportation Passed Through IL Dept of Aviation</b>					
<b>Passed Through Illinois Department of Transportation (IDOT)</b>					
Injury Prevention	Illinois Department of Transportation	N/A	20.600	OP7-1051-101	02/01/08-09/30/08
<b>Total U.S. Department of Transportation Passed Through IDOT</b>					
<b>TOTAL DEPARTMENT OF TRANSPORTATION</b>					
<b>U.S. DEPARTMENT OF DEFENSE DIRECT FUNDING:</b>					
U.S. Army	R.O.T.C. Salaries: Army	N/A	12.609	Agreement	07/01/07-06/30/08
		N/A	12.609	Agreement	07/01/08-06/30/09
U.S. Navy	Navy Salaries — W. Young HS	N/A	12.609	Agreement	07/01/07-06/30/08
		N/A	12.609	Agreement	07/01/08-06/30/09
	Navy Salaries — Simeon HS	N/A	12.609	Agreement	07/01/07-06/30/08
		N/A	12.609	Agreement	07/01/08-06/30/09
	Navy Salaries — Taft HS	N/A	12.609	Agreement	07/01/07-06/30/08
		N/A	12.609	Agreement	07/01/08-06/30/09
	Navy JROTC — Corliss HS	N/A	12.609	Agreement	07/01/07-06/30/08
		N/A	12.609	Agreement	07/01/08-06/30/09
	Navy JROTC — Rickover HS	N/A	12.609	Agreement	07/01/07-06/30/08
		N/A	12.609	Agreement	07/01/08-06/30/09

Amount of Grant	Accrued (Deferred) Grant Revenue June 30, 2008	Cash (Received) Refunded July 1, 2008 June 30, 2009	Revenue Recognized July 1, 2008 June 30, 2009	Expenditure July 1, 2008 June 30, 2009	Adjustments to Grant Revenue July 1, 2008 June 30, 2009	Accrued (Deferred) Grant Revenue June 30, 2009	Prior Years' Expenditures Through June 30, 2008	Final Status Cumulative Expenditures Through June 30, 2009
N/A N/A	\$ 7,393,217 —	\$ (7,393,217) (7,907,058)	\$ — 11,356,113	\$ — 11,356,113	\$ — —	\$ — 3,449,055	\$ 8,227,084 —	\$ 8,227,084 11,356,113
\$ —	\$ 7,393,217	\$ (15,300,275)	\$ 11,356,113	\$ 11,356,113	\$ —	\$ 3,449,055	\$ 8,227,084	\$ 19,583,197
\$80,368,960	\$21,003,876	\$ (62,501,456)	\$50,825,873	\$50,825,873	\$ —	\$9,328,293	\$32,817,210	\$83,643,083
\$ 134,483	\$ 4,668	\$ 4,668	\$ (4,668)	\$ (4,668)	\$ —	\$ 4,668	\$ 77,809	\$ 73,141
86,303	13,215	(80,064)	70,856	70,856	—	4,007	13,215	84,071
\$ 220,786	\$ 17,883	\$ (75,396)	\$ 66,188	\$ 66,188	\$ —	\$ 8,675	\$ 91,024	\$ 157,212
N/A	\$ 180,881	\$ (95,113)	\$ (85,768)	\$ (85,768)	\$ —	\$ —	\$ 294,103	\$ 208,335
1,165,135	54,372	—	(54,372)	(54,372)	—	—	1,245,508	1,191,136
5,837,000	1,685,600	—	—	—	—	1,685,600	6,376,446	6,376,446
1,420,000	—	—	19,190	19,190	—	19,190	—	19,190
\$ 8,422,135	\$ 1,920,853	\$ (95,113)	\$ (120,950)	\$ (120,950)	\$ —	\$1,704,790	\$ 7,916,057	\$ 7,795,107
\$ 126,000	\$ —	\$ (80,379)	\$ 80,379	\$ 80,379	\$ —	\$ —	\$ —	\$ 80,379
\$ 126,000	\$ —	\$ (80,379)	\$ 80,379	\$ 80,379	\$ —	\$ —	\$ —	\$ 80,379
\$ 8,548,135	\$ 1,920,853	\$ (175,492)	\$ (40,571)	\$ (40,571)	\$ —	\$1,704,790	\$ 7,916,057	\$ 7,875,486
N/A N/A	\$ 316,816 —	\$ (316,816) (3,021,813)	\$ — 3,265,055	\$ — 3,265,055	\$ — —	\$ — 243,242	\$ 3,237,275 —	\$ 3,237,275 3,265,055
N/A N/A	15,325 —	(15,325) (40,096)	— 52,897	— 52,897	— —	— 12,801	51,343 —	51,343 52,897
N/A N/A	25,956 —	(25,956) (68,420)	— 94,472	— 94,472	— —	— 26,052	90,812 —	90,812 94,472
N/A N/A	22,236 —	(22,236) (58,557)	— 80,810	— 80,810	— —	— 22,253	77,580 —	77,580 80,810
N/A N/A	15,703 —	(15,703) (39,267)	— 54,203	— 54,203	— —	— 14,936	52,160 —	52,160 54,203
N/A N/A	34,981 —	(34,981) (109,953)	— 151,778	— 151,778	— —	— 41,825	116,673 —	116,673 151,778

## Statutory Reporting Section

### Supplementary Schedule of Expenditures of Federal Awards (continued)

<u>FUNDING SOURCE Program Name</u>	<u>Name of Grant</u>	<u>ISBE Account Number</u>	<u>Federal Catalog Number</u>	<u>Contract Number</u>	<u>Contract Period</u>
U.S. Marines	Marine Salaries — Curie HS	N/A	12.609	Agreement	07/01/07-06/30/08
		N/A	12.609	Agreement	07/01/08-06/30/09
	Marine Salaries — Juarez HS	N/A	12.609	Agreement	07/01/07-06/30/08
		N/A	12.609	Agreement	07/01/08-06/30/09
U.S. Air Force	Air Force Junior Reserve-Phillips	N/A	12.609	Agreement	07/01/07-06/30/08
		N/A	12.609	Agreement	07/01/08-06/30/09
U.S. Navy	Navy JROTC HS CPS — Rickover Academy	N/A	12.300	N00014-05-1-0815	06/03/07-06/02/08
		N/A	12.300	N00014-05-1-0815	06/03/08-06/02/09
TOTAL U.S. DEPARTMENT OF DEFENSE					
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION					
Aerospace Education Services Program	NASA Explorer School Barton	N/A	43.001	AGREEMENT	10/06/05-10/05/08
	NASA Explorer School Harlan	N/A	43.001	AGREEMENT	10/13/05-10/12/08
TOTAL NATIONAL AERONAUTICS AND SPACE ADMINISTRATION					
GRAND TOTAL					

Amount of Grant	Accrued (Deferred) Grant Revenue June 30, 2008	Cash (Received) Refunded July 1, 2008 June 30, 2009	Revenue Recognized July 1, 2008 June 30, 2009	Expenditure July 1, 2008 June 30, 2009	Adjustments to Grant Revenue July 1, 2008 June 30, 2009	Accrued (Deferred) Grant Revenue June 30, 2009	Prior Years' Expenditures Through June 30, 2008	Final Status Cumulative Expenditures Through June 30, 2009
N/A	5,411	(5,411)	—	—	—	—	107,122	107,122
N/A	—	(52,463)	52,463	52,463	—	—	—	52,463
N/A	5,667	(5,667)	—	—	—	—	54,550	54,550
N/A	—	(54,020)	56,590	56,590	—	2,570	—	56,590
N/A	4,538	(4,538)	—	—	—	—	44,385	44,385
N/A	—	(44,589)	44,589	44,589	—	—	—	44,589
205,135	146,774	(146,774)	—	—	—	—	—	—
—	—	(1,280)	214,873	214,873	—	213,593	291,168	506,041
<b>\$ 205,135</b>	<b>\$ 593,407</b>	<b>\$ (4,083,865)</b>	<b>\$ 4,067,730</b>	<b>\$ 4,067,730</b>	<b>\$ —</b>	<b>\$ 577,272</b>	<b>\$ 4,123,068</b>	<b>\$ 8,190,798</b>
<b>\$ 2,500</b>	<b>\$ (148)</b>	<b>\$ (2,500)</b>	<b>\$ 2,489</b>	<b>\$ 2,489</b>	<b>\$ —</b>	<b>\$ (159)</b>	<b>\$ 14,852</b>	<b>\$ 17,341</b>
2,500	(3,499)	—	3,360	3,360	—	(139)	14,001	17,361
<b>\$ 5,000</b>	<b>\$ (3,647)</b>	<b>\$ (2,500)</b>	<b>\$ 5,849</b>	<b>\$ 5,849</b>	<b>\$ —</b>	<b>\$ (298)</b>	<b>\$ 28,853</b>	<b>\$ 34,702</b>
<b>\$1,658,795,740</b>	<b>\$194,280,355</b>	<b>\$(1,222,996,183)</b>	<b>\$1,042,647,802</b>	<b>\$1,042,647,802</b>	<b>\$ —</b>	<b>\$13,931,973</b>	<b>\$943,586,133</b>	<b>\$1,986,233,935</b>

BOARD OF EDUCATION OF THE CITY OF CHICAGO

OMB CIRCULAR A-133

NOTES TO SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS

As of and for the Year Ended June 30, 2009

1. SCOPE OF AUDIT PURSUANT TO OMB CIRCULAR A-133

**General** — The Board of Education of the City of Chicago (the “CPS”) is a body politic and corporate of the State of Illinois. All significant federal financial and compliance operations of the CPS are included in the scope of the OMB Circular A-133 audit (the “Single Audit”). The U.S. Department of Education (the “USDEd”) is the CPS’ cognizant federal agency for the single audit. Cognizant duties have been delegated to the Illinois State Board of Education (the “ISBE”) by the USDEd, which, in turn, oversees the performance of such duties.

**Fiscal Period Audited** — Contractual funding periods are indicated in the Schedule of Expenditures of Federal Award (the “Schedule”). Single Audit testing procedures were performed for federal financial assistance transactions occurring during the fiscal year ended June 30, 2009.

2. NATURE OF FEDERAL FINANCIAL ASSISTANCE

Generally, federal awards are granted for the purpose of providing specific services or aid to specific individuals. In addition to the purposes they serve, federal programs can be classified according to the basis under which the federal programs are funded. For certain federal programs, funds are received based upon actual qualified expenditures up to the total federal awards amount (expenditure-driven federal programs). For other federal programs, funds are received based on an approved formula such as a standard reimbursement rate applied to qualified unit of service provided (formula-driven federal program.)

The majority of the CPS’ federal awards are passed through and received from the ISBE. For those pass-through federal awards, the CPS’ direct reporting responsibility is to ISBE, which, in their capacity as sub-grantors, oversee and monitor the utilization of such federal awards by the CPS.

3. BASIS OF PRESENTATION IN THE STATEMENT OF GRANT ACTIVITY

**General** — All federal programs considered active during the year ended June 30, 2009, are reflected on the Schedule. An active federal program is defined as a federal program for which there were receipts or disbursements of funds or accrued (deferred) grant revenue adjustments during the fiscal year or a federal program considered as not completed or closed out at the beginning of the fiscal year.

**Revenues** — Grant revenues for expenditure-driven federal programs and federal loans are recognized in the Schedule based on expenditure incurred during the fiscal year. Grant revenues for formula-driven federal programs are recognized based on units of services provided as of June 30, 2009.

Grant revenues for the Food Donation Program are based upon commodities received, at amounts per standard price listing, published quarterly by the United States Department of Agriculture (the “USDA”).

**Expenditures** — For all expenditure-driven federal programs, expenditure included on the schedules represent actual expenditures incurred during the fiscal year ended June 30, 2009.

For formula-driven federal programs, expenditures are presented on the Schedule as follows:

- The expenditures for the National School Lunch and Breakfast Program in the schedule only reflected the portion funded by the Program.

- Expenditures for the Food Donation Program represent commodities received at amounts per the USDA standard price listings.

**Adjustments to Increase (Decrease) Accrued Grant Revenue** — Adjustments reflected in the Schedule of Expenditures of Federal Awards represent (1) adjustments for recorded expenditures that have been determined to be unallowable by respective funding agencies, (2) corrections of prior year's estimated accruals.

**Accrued and Deferred Grant Revenue** — Various funding schedules are used for the federal awards received by the CPS. Consequently, timing differences between the recognition of revenues and related cash receipts can exist at the beginning and end of the fiscal year. Accrued grant revenue balance represent the excess of revenue recognized over cash received to date. Deferred grant revenue balances represent the excess of cash received over revenue recognized to date.

#### 4. RELATIONSHIP TO THE FINANCIAL STATEMENTS INCLUDED IN THE COMPREHENSIVE ANNUAL FINANCIAL REPORT

The following is a reconciliation of federal grant revenues as reflected in the Schedule of Federal Grant Revenues reflected in the CPS' Comprehensive Annual Financial Reports:

"Revenue recognized" per the Schedule . . . . .	\$1,042,647,802
E-Rate program revenues not included in the Schedule . . . . .	18,663,624
Medicare Part D Revenue not included in the Schedule . . . . .	916,900
Medicaid Fee for Service Revenue not included in the Schedule . .	33,641,983
Adjustments to record revenue not collected within 30 days ("available") . . . . .	<u>29,709,411</u>
Federal revenues per the CPS' Comprehensive Annual Financial Report . . . . .	<u><u>\$1,125,579,720</u></u>

Expenditures relating to individual federal programs are not represented separately from other CPS expenditures in the CPS' Comprehensive Annual Financial Report. Accordingly, a similar reconciliation of expenditures is not included herein.

#### 5. FINAL CLAIMS

Some final claims for federal programs with contractual funding period ended June 30, 2009, were filed prior to recording certain year-end adjustments and, therefore, do not agree with the related amounts accrued and reported in the Schedule. The CPS plans to submit a program liquidation report to the respective grantor agencies, which will revise the outstanding obligation amounts per the final claim, thereby reflecting the appropriate year-end adjustments for these federal awards.

## Statutory Reporting Section

### 6. SUBRECIPIENTS

Included in the total federal expenditure of \$1,042,647,802 presented on the schedule of expenditures of federal awards for the year ended June 30, 2009 is \$44,510,003 of federal awards provided to subrecipients. The following is a summary of the subrecipient amounts passed through CPS for the fiscal year ended June 30, 2009.

<u>Program Name</u>	<u>Name of Grant</u>	<u>CFDA</u>	<u>Amount</u>
WIA Pilot, Demonstrations, and Research Project	WIA Youth Young Offenders	17.261	\$ 181,125
Environmental Education Grants	Adopt an Ecosystem	66.951	6,000
CPS School Laboratory Enhancement Project	CPS School Laboratory Enhancement	81.119	24,500
Title I Grants to Local Education Agencies	ESEA Title I — Low Income	84.010	30,269,665
	ESEA Title I — Neglected Private	84.010	868,642
	ESEA — School Improvement	84.010	27,420
Special Education Grants to State	IDEA — Flow Through/Low Incidence	84.027	1,672,734
Career and Technical Education	V.E. Perkins — Title IIC — Secondary	84.048	185,240
Magnet Schools Assistance	Magnet Schools Assistance Program	84.165A	5,652
Safe and Drug-Free Schools and Communities — National Programs	Alcohol Abuse Reduction Grant	84.184A	253,097
Safe and Drug-Free Schools	Healthy Students	84.184L	257,686
Safe and Drug-Free Schools and Communities State Grant	Title IV — Safe & Drug-Free Formula	84.186	1,262,777
Funds for the Improvement of Education	CPS Community Schools Initiative	84.215K	6,525
	Smaller Learning Communities	84.215L	231,110
	Teaching American History Grant	84.215X	442,218
Twenty-First Century Community Learning Centers	Title IV — 21st Century Comm Learning Centers	84.287C	3,222,433
State Grants for Innovative Programs	Title V — Innovative Programs — Formula	84.298	7,231
Education Technology State Grants	Technology — Enhancing Education — Formula	84.318	390,396
Special Education — State Personnel Development	IDEA — Regional Professional Development Center	84.323A	24,000
Advance Placement Program	Advanced Placement Incentive Program	84.330C	634,098
Transition to Teaching Program	Golden Teachers	84.350A	90,000
Arts in Education	Building Curriculum, Community & Leadership Through the Arts Program	84.351C	24,999
	Partnership for Arts Integration	84.351D	140,030
Reading First State Grants	Title 1 — Reading First 11	84.357	18,500
Early Reading First	Chicago Early Readers	84.359B	148,092
Voluntary School Choice	School Choice Program	84.361A	156,979
School Leadership	Effective Leaders Improvement Schools — Elis	84.363A	119,929
English Language Acquisition Grants	Title II — Lang Inst Prog — Limited Eng LIPLEP	84.365A	237,554
Improving Teacher Quality State Grants	Class Size Reduction (NCLB)	84.367A	3,039,675
Striving Readers	Striving Readers Program	84.371A	294,129
Teachers Incentive Fund	Teachers Incentive Fund Program	84.374A	267,567
	Total Awards to Subrecipients		<u>\$44,510,003</u>

### 7. FINDINGS AND QUESTIONED COSTS

The findings and questioned costs identified in connection with the fiscal year ended June 30, 2009, Single Audit are disclosed in the accompanying Schedule of Findings and Questioned Costs and Auditee Corrective Action Plan. The presentation conforms to the formatting requirements of the ISBE. The questioned cost reflected in such schedule reflect the potential reimbursement effect of costs which were deemed as inappropriately allocated to a federal program or which could have been allocated to a federal program, but were not.



**BOARD OF EDUCATION OF THE CITY OF CHICAGO**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2009**

**I. SUMMARY OF INDEPENDENT AUDITOR'S RESULTS**

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified?	<u>      </u>	Yes	<u>  X  </u>	No
Significant deficiency (ies) identified that is not considered to be material weaknesses?	<u>  X  </u>	Yes	<u>      </u>	None Reported
Noncompliance material to financial statements noted?	<u>      </u>	Yes	<u>  X  </u>	No

Federal Awards

Internal control over major programs:

Material weaknesses identified?	<u>      </u>	Yes	<u>  X  </u>	No
Significant deficiency (ies) identified that is not considered to be material weakness(es)?	<u>      </u>	Yes	<u>  X  </u>	None Reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?

<u>  X  </u>	Yes	<u>      </u>	No
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## Statutory Reporting Section

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>	<u>Amount Expended</u>
10.553	Breakfast Program	\$ 23,224,671 (1)
10.555	National School Lunch Program	116,626,884 (1)
10.553/10.555	Food Donation Program	10,522,189 (1)
10.558	Child & Adult Care Food Program	5,125,728
84.010	Title I — Low Income	353,599,785
84.027	IDEA Flow-through	92,293,710 (2)
84.048	Vocational Education Title IIC	7,893,527
84.165	Magnet Schools Assistance Program	3,360,425
84.173	IDEA Preschool	1,832,827 (2)
84.186	Title IV — Safe and Drug Free Schools	3,564,313
84.215	Elementary and Secondary School Counseling	4,960,777
84.287	Title IV — 21st Century Community Learning Centers	7,211,254
84.298	Innovative Programs	852,677
84.365	Title III — Lang Inst Prog — Limited Eng LIPLEP	7,384,404
84.367	Class Size Reduction (NCLB)	40,265,440
84.374	Teachers Incentive Fund Program	4,633,791
84.394	ARRA General State Aid Sec 18-8	260,053,385
93.778	Medicaid Admin Outreach	11,356,113
		<u>\$954,761,900</u>

Notes:

- (1) Part of Nutrition cluster
- (2) Part of Special Education cluster

Dollar threshold used to distinguish between type A  
and type B programs:

\$3,127,943

Auditee qualified as low-risk auditee?

\_\_\_\_\_ Yes

\_\_\_\_\_ X No

## II. FINANCIAL STATEMENT FINDINGS

### Finding FS09-01: School Operations — Attendance Records Lack Proper Controls, System Enhancement Required

**Criteria:**

The District should have adequate controls over attendance record adjustments.

**Condition:**

The documentation and control over changes to classroom attendance records needs improvement.

Attendance records are extremely important to the District not only from an academic standpoint, but from a financial one as well. The following is a table showing average daily attendance figures and related revenue generated for the past three fiscal years.

<u>Fiscal Year</u>	<u>Average Daily Attendance</u>	<u>General State Aid Received Related to Student Attendance</u>	<u>Total Amount of General State Aid Received Annually</u>
2007	358,000	\$670 million	\$1.04 billion
2008	350,000	677 million	1.11 billion
2009	347,000	643 million	1.16 billion

Since the prior three years' average daily attendance is used to calculate the General State Aid claim, for fiscal year 2010 CPS will receive \$1.18 billion, of which \$580 million will relate directly to student attendance. Because of the significance of attendance in the amount of General State Aid receipts, we placed a heavy emphasis on testing the attendance system in the current year audit.

In fiscal year 2007, the District implemented a new computerized attendance and student record keeping system called Instructional Management Program and Academic Communication Tool (IMPACT). This system replaced the old manual record keeping systems that were used for student attendance and grading in previous years. Except for certain charter schools, all schools used IMPACT to record attendance during fiscal year 2009.

The IMPACT system has several benefits over previous systems for recording attendance. Some of the benefits include:

- Ability to record attendance in real time by teachers in the classroom
- Instantaneous record keeping
- Ability for administration to know immediately who is present and absent
- Electronic audit trail of information
- Better organized data
- Ability to record attendance for each period in high school
- Complete historical records
- Consistent approach used by all schools
- Generate reports on attendance
- Better tracking of trends

The IMPACT system enables each teacher to report exceptions to attendance on a computer at the start of each day for elementary schools and at the start of each period for high schools. The reporting is on an exception basis. In other words, the default is "all present" and if a child is not present, the teacher is required to make an entry to record the child's absence. There are approximately 1.1 million transactions

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daily in the IMPACT system (200 million transactions annually). During our audit, we observed several teachers in the classroom using the system and they appeared to use it appropriately.

After data is entered into the system by the teachers at the start of class, information is summarized daily, then monthly. The summarized data is utilized by the District to calculate the amount of General State Aid. There is a direct connection between the attendance figures and the General State Aid. The higher the level of attendance reported, the greater the amount of General State Aid received. Student attendance also affects the school's budget and the number of teaching positions.

In our testing of the data used in the calculation of the General State Aid, we found numerous adjustments that were made after the initial entries by the teacher. Some of the adjustments were to change students reported by the teacher as present to absent and vice versa. We tested several schools covering 20,000 high school students and 7,000 elementary school students. The following is a summary of the adjustments for fiscal year 2009 for the sample of schools tested:

<u>Type of Adjustment</u>	<u>Annual Amount</u>
1. Change from present to absent . . . . .	441,000
2. Change from absent to present . . . . .	122,000
3. Change from unexcused absence to excused absence. . . . .	410,000
4. Change from absent to school function. . . . .	66,000
5. Other changes . . . . .	<u>352,000</u>
Total Adjustments for the Schools Visited . . . . .	Nearly 1.4 million

Some of the adjustments took place the same day as the initial attendance and some adjustments were made weeks and even months later. Some adjustments took place as many as 280 days after the initial report was made.

Adjustments in Category 1, change from present to absent, would reduce the amount of General State Aid claimed and the adjustments in Category 2, change from absent to present, would increase the amount of General State Aid claimed. Adjustments in Category 5, other changes, include tardy, suspension, school function, medical absence and religious holiday changes. Although there is a field within IMPACT to record a detailed explanation of the adjustment, the field is not used. The lack of documentation and control associated with these adjustments is a control deficiency.

In addition to Category 1 and 2 adjustments, we noticed inconsistent use of Category 4 adjustments, change from absent to school function. These adjustments were more prevalent in certain schools affecting some individual student attendance records almost daily. As with Category 1 and 2 adjustments, a many of the adjustments in Category 4 were made weeks and even months later. These adjustments would increase the amount of General State Aid claimed.

The weaknesses associated with IMPACT are as follows:

- There is no review of edit or change reports
- Reasons for adjustments are not documented even though a field for this exists
- Adjustments are not approved by an independent reviewer
- The audit trail for adjustments is not used consistently
- The system contains specific adjustment codes, but they should be expanded to incorporate all of the various types of adjustments
- Multiple adjustments can be made for the same person for the same day
- There are no flags to indicate excessive adjustments of a specified type for a particular location

The weaknesses associated with IMPACT could have a significant financial effect on direct funding and school budgets.

**Context:**

Numerous adjustments were made to the IMPACT system which did not have adequate supporting documentation.

**Cause and Effect:**

Inadequate controls over IMPACT attendance adjustments may lead to either increased or decreased amounts of General State Aid received by the District.

**Recommendation**

We recommend the District obtain appropriate documentation for each adjustment made to IMPACT. The IMPACT System needs a modification to require better tracking of adjustments. A notation should be made in the system documenting the nature of each adjustment, reason, person making the adjustment and reference to any supporting information kept in a separate file. Periodically representatives from student records should review the adjustments to ensure they are proper and adequately documented and supported.

The District should be preparing routine edit reports of adjustments by type and by location. The District should monitor adjustments by school and investigate those schools where attendance adjustments are above the normal range. At least monthly, an attendance summary should be prepared and discussed with school officials to highlight any unusual trends in attendance.

**Corrective Action Plan**

Management concurs that additional monitoring and oversight of IMPACT is necessary. Management also agrees that the required documentation necessary to make changes within the system should be expanded. Currently, the system includes an audit function which allows for the tracking of changes to the attendance values, however, this is not used consistently. This includes information associated with the change such as date, school, student affected, original attendance value, new attendance value, and the person that made the change. Management will make this a required field, and will also designate an internal department which will be charged with governance and enforcement. This initiative is targeted for implementation in Spring 2010.

### **III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

#### **Finding SA09-01: CASH MANAGEMENT — RECURRING (2004, 2005, 2006, 2007, 2008)**

Questioned Costs: \$52,688

Federal Agency: US Department of Education

Federal Program Title, Pass-Through Entity (if applicable), CFDA Number, Award Number, Award Year:

Title I Grants to Local Education Agencies (Low Income — Delinquent Private); Illinois State Board of Education; CFDA no. 84.010; ISBE contract numbers 08-4306-00 and 09-4306-00; award years July 1, 2007 through August 31, 2008 and July 1, 2008 through August 31, 2009, respectively

Special Education Grants to States — IDEA (Discretionary — Corey H Training Tech); Illinois State Board of Education; CFDA no. 84.027; ISBE contract numbers 08-4630-04 and 09-4630-04; award years July 1, 2007 through June 30, 2008 and July 1, 2008 through June 30, 2009, respectively

Special Education Grants to States — IDEA (Parent Mentor); Illinois State Board of Education; CFDA no. 84.027; ISBE contract number 09-4630-05; award year July 1, 2008 through June 30, 2009

Special Education — Preschool Grants — IDEA Preschool Flow-Through; Illinois State Board of Education; CFDA no. 84.173; ISBE contract numbers 08-4600-00 and 09-4600-00; award years July 1, 2007 through August 31, 2008 and July 1, 2008 through August 31, 2009, respectively

Twenty-First Century Community Learning Centers — Title IV — 21st Century Community Learning Centers; Illinois State Board of Education; CFDA no. 84.287; ISBE contract number 09-4421-08; award year July 23, 2008 through August 31, 2009

State Grants for Innovative Programs — Title V — Innovative Programs (Formula); Illinois State Board of Education; CFDA no. 84.298; ISBE contract number 09-4100-00; award year March 30, 2009 through August 31, 2009

Improving Teacher Quality State Grants — Class Size Reduction (NCLB); Illinois State Board of Education; CFDA no. 84.367; ISBE contract numbers 08-4932-00 and 09-4932-00; award years July 1, 2007 through August 31, 2008 and July 1, 2008 through August 31, 2009, respectively

**Criteria:**

Recipients of federal awards must follow procedures to minimize the time elapsing between the transfer of funds from the US Treasury or pass-through entity and disbursement.

**Condition:**

Certain grant programs had monthly cash balances exceeding the monthly expenditures for the next month for at least one month during the fiscal year.

**Context:**

Fiscal Year 2009 average month-ending cash in excess of expenditures was approximately as follows: CFDA 84.010 Title I (Program for Neglected & Delinquent Children) — \$243,704

CFDA 84.027 Special Education IDEA Parent Mentoring — \$17,162

CFDA 84.027 Special Education IDEA Corey H Training & Technology — \$540,794.

CFDA 84.173 Preschool Discretionary — \$19,702

CFDA 84.173 Preschool Incentive — \$224,236

CFDA 84.287 21st Century Community Learning Centers — \$491,066

CFDA 84.298 Innovative Programs — \$619,578

CFDA 84.367 Title II Improving Teacher Quality — \$2,931,226

**Cause and Effect:**

Continued cash balances in excess of the expenditures may cause the Federal government or pass-through grantor to reduce future budgeted amounts for these grants and frequency of cash funding to CPS. Consequently, this may result in reductions in funding for special programs at CPS.

**Recommendation**

- Ensure that payment requests are scheduled based on historical patterns of spending
- Continue to monitor unusually large cash balances and inform grant administrators of these conditions
- Consider regular meetings to discuss these large balances and allow the Office of Grants Management to revise the payment schedule directly with the federal government or pass-through grantor.

**Corrective action plan**

Staff from the Office of Grants Management will continue to monitor grant payments and cash on hand balances and compare them to average monthly expenditures for the next month. All month-end excess cash on hand balances will be reported to grant administrators. Instances of excessive cash on hand will include specific instructions to the administrators to modify grant payment/draw down schedules. Additionally, the Office of Grants Management will initiate efforts to acquire authority to modify grant payment schedules when grant administrators fail to address excess cash situations. These corrective actions will be fully implemented to address excess cash calculations prepared for February 2010.

**Finding SA09-02: EQUIPMENT AND REAL PROPERTY MANAGEMENT**

Questioned costs: \$559,432

Federal Agency: US Department of Education

Federal Program Title, Pass-Through Entity (if applicable), CFDA Number, Award Number, Award Year:

Title I Grants to Local Education Agencies (Low Income); Illinois State Board of Education; CFDA no. 84.010; ISBE contract numbers 08-4300-00 and 09-4300-00; award years July 1, 2007 through August 31, 2008 and July 1, 2008 through August 31, 2009, respectively

Special Education Grants to States — IDEA Flow-Through (Low Incidence); Illinois State Board of Education; CFDA no. 84.027; ISBE contract number 09-4620-00; award year July 1, 2008 through August 31, 2009

Career and Technical Education — Basic Grants to States — V.E. — Perkins — Title IIC (Secondary); Illinois State Board of Education; CFDA no. 84.048; ISBE contract numbers 08-4745-00 and 09-4745-00; award years July 1, 2007 through August 31, 2008 and July 1, 2008 through August 31, 2009, respectively

Funds for the Improvement of Education (Community Schools Initiative); CFDA no. 84.215; award number U215K050113; award period September 8, 2006 through August 31, 2008

Funds for the Improvement of Education (Carol White Physical Education Program); CFDA no. 84.215; award number Q215F070003; award period June 1, 2008 through May 31, 2010

**Criteria:**

Subrecipients of States who are local governments must follow State laws and procedures for equipment acquired under a subgrant from the state.



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### Condition:

The following conditions were noted during testing for Fiscal year 2009:

- 18 out of 60 equipment purchases tested met the State definition for equipment, but are not tracked on CPS equipment registers.
- 11 out of 60 equipment purchases tested were recorded in the CPS asset registers, but were missing required information as to the use, location, and condition of the property.
- 5 out of 60 equipment purchases tested were recorded in the CPS asset registers, but were missing required information as to the purchase date and purchase price of the property.
- 2 out of 60 equipment purchases tested were recorded in the CPS asset registers, but were missing required information as to the unique identification number assigned to the property.

### Context:

The total combined expenditures in fiscal year 2009 for the affected grant programs were approximately \$461 million. Equipment purchases do not represent a significant portion of the total expenditures of the affected grant programs.

### Cause and Effect:

- CPS requires individual schools to track equipment in registers that are designed to comply with State laws and procedures.
- The equipment register for the Central Office unit does not include all attributes required by State laws and procedures.
- By not following up on improperly submitted equipment registers from individual schools, CPS is unable to ensure that it is properly tracking all equipment purchased with Federal funds.
- By not properly tracking all equipment purchased with Federal funds, CPS may be unable to location certain pieces of equipment that were purchased with Federal funds.
- Recipients that do not comply with all the requirements related to a particular grant risk future reductions in funding from the grantor agency.

### Recommendation

Improve equipment management practices and procedures by including the following:

- Update the Central Office equipment register to include all information required by State laws and procedures.
- Communicate specific requirements to individual schools as to their responsibilities with regards to equipment management and how to properly complete asset register information and equipment inventories.
- Establish procedures to follow-up with individual schools that submit deficient equipment registers and require that they properly complete the registers.

### Corrective action plan

Schools receive information from Corporate Accounting regarding the requirements for fixed assets. Office of Grants Management provides schools with a reference manual which delineates equipment inventory requirements that support federal requirements and board policy and procedures. In response to the recommendations above, Office of Grants Management will assist Corporate Accounting to ensure that the equipment management practices and procedures include appropriate information per state and federal law. Office of Grants Management will also assist Corporate Accounting with the communication to schools and central office regarding these requirements which will highlight the federal requirements for



equipment inventory. As for follow-up and compliance, Office of Grants Management conducts random on-site school based testing of equipment items and fixed asset registers as part of federal compliance reviews conducted at a sample of schools each year. When there are compliance issues, the Office of Grants Management cites the school for irregularities and requests corrective action and evidence of compliance.

### **Finding SA09-03: SUBRECIPIENT MONITORING**

Questioned costs: N/A

Federal Agency: US Department of Education

Federal Program Title, Pass-Through Entity (if applicable), CFDA Number, Award Number, Award Year:

Title I Grants to Local Education Agencies (Low Income); Illinois State Board of Education; CFDA no. 84.010; ISBE contract numbers 09-4300-00 and 09-4331-SS; award years July 1, 2008 through August 31, 2009 and September 1, 2008 through August 31, 2009, respectively

Special Education Grants to States — IDEA Flow-Through (Low Incidence); Illinois State Board of Education; CFDA no. 84.027; ISBE contract number 09-4620-00; award year July 1, 2008 through August 31, 2009

Safe & Drug-Free Schools and Communities State Grant — Title IV — Safe & Drug Free Schools (Formula); Illinois State Board of Education; CFDA no. 84.186; ISBE contract number 09-4400-00; award year July 1, 2008 through August 31, 2009

Twenty-First Century Community Learning Centers — Title IV — 21st Century Community Learning Centers; Illinois State Board of Education; CFDA no. 84.287; ISBE contract numbers 08-4421-05, 08-4421-08, 09-4421-05, 09-4421-07, 09-4421-08; award years July 1, 2007 through August 31, 2008, July 1, 2007 through August 31, 2008, July 23, 2008 through August 31, 2009, July 23, 2008 through August 31, 2009, and July 23, 2008 through August 31, 2009, respectively

Improving Teacher Quality State Grants — Class Size Reduction (NCLB); Illinois State Board of Education; CFDA no. 84.367; ISBE contract number 09-4932-00; award year July 1, 2008 through August 31, 2009

#### **Criteria:**

At the time of an award, a pass-through grantor is required to identify to the subrecipient the Federal award information (i.e., CFDA title and number; award name and number; if the award is research and development; and name of Federal awarding agency) and applicable compliance requirements.

#### **Condition:**

In 11 out of 14 subrecipient contracts reviewed, the contract was missing required disclosures related to the Federal Funding source including, but not limited to, the CFDA title and number, the name of the Federal awarding agency, and applicable compliance requirements.

#### **Context:**

The amount of grant funds passing through to subrecipients is not a significant portion of total grant expenditures.

#### **Cause and Effect**

- Standard vendor contracts are typically used for subrecipients. The standard contracts lack the required language.
- CPS may not properly identify subrecipients at the time of award, which may cause it to be deficient in performing appropriate monitoring.

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- Subrecipients may not be aware of Federal compliance requirements at the time of an award and may be deficient in complying with Federal laws and regulations and in reporting on compliance with Federal requirements. Such failure to comply with Federal requirements may cause CPS to be deficient in its' own compliance.

#### **Recommendation**

Improve subrecipient monitoring procedures by including the following:

- A process to assess whether a contractor qualifies as a subrecipient or vendor prior to awarding a new contract.
- Implement changes in systems to include the appropriate language in contracts with subrecipients at the time of award.

#### **Corrective action plan**

The electronic Board report approval and contract processes have been modified as a result of subrecipient monitoring single audit findings from prior years. The overall goal of these modifications is to 1). Identify instances where subrecipient relationships are being established prior to awarding a contract. 2). Establish a "flag" in the electronic process that alerts the Law Department to include appropriate subrecipient specific language in the related contract. 3). Create a tracking mechanism so that future subrecipient monitoring efforts are more focused and comprehensive. These corrective actions were in place for the November 2009 Board agenda.

**SUMMARY SCHEDULE OF PRIOR AUDIT FINANCIAL STATEMENT FINDINGS  
YEAR ENDED JUNE 30, 2009**

- I. Payroll — Controls Over Manually Calculated Payouts
  - Corrective Action Plan — See prior year report
  - Current Status — No exceptions were noted in FY 2009.



**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2009**

**I. Internal Control Lapses Over Payroll**

Corrective Action Plan — See prior year report

Current Status — No exceptions were noted in FY 2009.

**II. Procedures for Subrecipient Monitoring**

Corrective Action Plan — See prior year report

Current Status — No exceptions were noted in FY 2009. The FY 2009 Subrecipient Monitoring finding is unrelated to the prior audit finding.

**III. Cash Management- several programs (recurring)**

Corrective Action Plan — See Finding SA09-01

Current Status — The finding was reported as a control deficiency in the prior year due to cash balances in excess of expenditures. CPS has focused its cash management efforts on all the grants; however, there were still some exceptions in the current year. The size of the exceptions and the frequency of exceptions was reduced compared to the previous year; therefore, this finding remains a control deficiency in the current year. See Finding SA09-01 for more details.



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