

APPENDIX B

SCHOOL FUNDING FORMULAS

This appendix provides the funding formulas used to allocate resources to schools. This presentation is organized in the following sections:

- Quota Allocations for Elementary Schools
- Quota Allocations for High Schools
- Per-Pupil Rates for Performance and Per-Pupil Pilot Schools
- Per-Pupil Rates for Charter/Contract Schools
- Allocations of Special Education Teachers and Aides
- Special Education Funding for Charter/Contract Schools
- Allocations of Supplemental Bilingual Teachers for English Language Learners
- Allocations of Discretionary Funds

The first four sections determine the base amount of resources that a school receives, the number of teachers and support staff positions for quota schools and the amount of general education funds for per-pupil-funded schools. These resources are allocated based on enrollment projections calculated by the Office of Strategy, Planning, and Demographics within the Portfolio Office. The projections are based on five years of enrollment trend data and the cohort survival ratio for each school. The cohort survival ratio compares the number of students in a particular grade at a particular school to the number of students in the previous grade during the previous year. Ratios are computed for each grade progression and are then used to project future enrollments.

QUOTA ALLOCATIONS FOR ELEMENTARY SCHOOLS

To ensure equitable distribution, the number of quota teachers and support staff allocated to a school is calculated using staffing formulas that incorporate student enrollment projections and other inputs established by Board policy. It is important to note that quota positions are adjusted based on actual enrollment once the school year begins. Additional positions are allocated (based on formula) if actual school membership exceeds the projected enrollment. Similarly, positions may be closed if actual school membership is below the projected enrollment, although no positions can be closed after the 20th day of the school year.

Classroom Teachers

The following ratios are used to calculate an elementary school's quota teacher allocation:

Grade Level	Target Pupil-Teacher Ratio
Intermediate/Upper (4-8)	31:1
Primary (1-3)	28:1
Kindergarten*	56:1

* Note that kindergarten is a half-day program with enrollment based on 56 students (28 x 2), with assigned teachers holding both a morning and afternoon class each day.

Assistant Principals

Each elementary school is entitled to one Board-funded teaching assistant principal. However, the school does not receive a separate quota allocation for this position. The teaching assistant principal position is included as one of the classroom teacher quota positions.

Physical Education Teachers and Librarians

Elementary physical education and librarian positions are allocated based on the total number of a school's quota teachers plus the number of special education teachers who teach in self-contained classrooms. While the exact allocation amount is given in the chart below, a school is generally provided a minimum of one elementary PE/librarian position for every 15 teachers. Principals have the discretion to use this allocation for either PE teachers, librarians or both.

Art/Music Teachers

Elementary art and music positions are based on the total K-8 membership of a school. Pre-K students are not counted. Schools with a K-8 membership of greater than 750 students receive a 1.0 art and music position, while schools which have a K-8 membership of 750 or fewer students receive a 0.5 art and music position.

School Counselors

All elementary schools receive at least one counselor position. Schools that have a K-8 membership between 1,200 and 1,799 students receive 1.5 counselor positions, while schools with memberships of 1,800 or more students receive two counselor positions.

School Clerks

School clerks, like physical education teachers and librarian positions, are allocated based on the total number of a school's quota teachers plus the number of special education teachers who teach in self-contained classrooms. One school clerk is provided to all elementary schools. Schools containing between 46-75.5 quota classroom teachers receive a second clerk, and schools with 76 or more quota classroom teachers receive a third clerk.

Summary of Elementary Quota Formulas:

Number of Classroom Teachers + SPED Teachers in Self-Contained Classrooms	PE/Librarian Allocation
≤ 15	1.0
15.5 - 16	1.5
16.5 - 30	2.0
30.5 - 37	2.5
37.5 - 45	3.0
45.5 - 52	3.5
52.5 - 60	4.0
60.5 - 67	4.5
67.5 - 75	5.0
75.5 - 82	5.5
82.5 - 90	6.0
90.5 - 97	6.5

Number of Classroom Teachers + SPED Teachers in Self-Contained Classrooms	School Clerks Allocation
1 – 45.5	1.0
46 – 75.5	2.0
76 +	3.0

K – 8 Membership	Art/Music Allocation
0 – 750	0.5
751 +	1.0

K – 8 Membership	Counselor Allocation
Up to 1,199	1.0
1,200 – 1,799	1.5
1,800 +	2.0

Example: Application of Elementary Formula

ABC Elementary School has a projected fall membership of 498 students, which break down as follows:

ABC Elementary School	Pre-K	KG	Primary	Int/Upper	Special Ed	Total
Projected Enrollment	0	52	151	254	41	498

Given this scenario, the following chart shows the quota positions to which ABC Elementary would be entitled and the calculations used to determine the allocations:

Entitled positions	Calculations
8 Intermediate/Upper teachers	$254 \text{ Int/Upper} \div 31 = 8.2$. Round down to 8. ($8 \times 31 = 248$. $254 - 248 = 6$; we will use this number in our primary teacher calculation).
6 Primary teachers	$151 \text{ Primary} + 6 \text{ from above} = 157$. $157 \div 28 = 5.6$. Round up to 6.
1 Kindergarten teacher	$52 \text{ KG} \div 56 = 0.9$. Round up to 1.
3 Special Education teachers	Special education needs vary by widely by school; please refer to the diagram "CPS Special Education Formula" for specific staffing formulas. To simplify, we will assume ABC elementary school is entitled to 3 special education positions based on its projected membership of 41 special education students.
2 PE/Library positions	$8 \text{ Int/Upper} + 6 \text{ Primary} + 1 \text{ Kindergarten} + 3 \text{ self-contained Special Ed} = 18$ total quota classroom and special education teacher positions. This corresponds to 2 PE/Librarian positions.
0.5 Art/Music position	Based on projected K-8 membership of 498 students.
1 School Counselor	Based on projected K-8 membership of 498 students.
1 School Clerk	$8 \text{ Int/Upper} + 6 \text{ Primary} + 1 \text{ Kindergarten} = 15$ general education quota teacher positions.

QUOTA ALLOCATIONS FOR HIGH SCHOOLS

Classroom Teachers

The formulas used to allocate quota high school classroom teachers take into account targeted student-teacher classroom ratios and the typical school model for including students with special education needs in general education classrooms, according to least restrictive environment (LRE) classifications.

In the proposed FY2013 budget, quota teachers for the four core subjects (math, English, science and social studies) are allocated using a student-teacher ratio of 28:1, and quota teachers for the three elective subjects are allocated using a student-teacher ratio of 31:1.

Special education students are included in the student count depending on their LRE classification. LRE 1 students, who spend no more than 20 percent of the school day outside of a general education classroom, are included in the student count for all components of the high school classroom teacher formula. They are treated the same as general education students. LRE 2 students, who spend between 20 and 50 percent of the school day outside of a general education classroom, are not included in the student count for the Math/English component of the quota formula, but they are included for the other components. LRE 3 students, who spend more than 50 percent of the school day outside of a general education classroom, are included in the student count only for the elective subjects.

Thus, quota classroom teachers are calculated as follows:

Category of Teachers	Number of Positions
Math and English	(Projected General Education students + projected students with LRE1 classification)*2/28/5
Science and Social Studies	(Projected General Ed Students + projected students with + LRE1 and LRE2 classifications)*2/28/5
PE, Music, Electives	(Total School Membership*3)/31/5

The number of teachers is added together and rounded up to the nearest 0.2 FTE. Within the overall high school classroom quota teacher category, school administrators may allocate teachers at their discretion across subject areas.

Note that in the above formula, seven categories of teachers (math, English, science, social studies, and three electives) are added together, but the calculation in each category is divided only by a factor of five. This is how the formula incorporates the standard number of subjects each student takes (seven) and the standard number of classes each teacher must instruct (five).

Librarians

All high schools receive one librarian. Schools with a membership greater than 1,500 students receive a second librarian position.

School Counselors

High schools receive one counselor position for every 360 students, with a maximum of twelve counselor positions.

High School Membership	Number of Counselors
Up to 360	1
361 – 720	2
721 – 1,080	3
1,081 – 1,440	4
1,441 – 1,800	5
1,801 – 2,160	6
2,161 – 2,520	7
2,521 – 2,880	8
2,881 – 3,240	9
3,241 – 3,600	10
3,601 – 3,960	11
3,961 and above	12

Assistant Principals

Assistant principal (AP) positions are granted to schools with a membership of greater than 500 students. Additionally, high schools with a membership exceeding 1,500 students receive a second AP position, high schools with a membership exceeding 2,500 students receive a third AP position and high schools with a membership exceeding 3,500 students receive a fourth AP position.

Total school membership excluding pre-school	Number of Assistant Principals
501 – 1,500	1
1,501 – 2,500	2

2,501 – 3,500	3
3,501 and above	4

School Clerks

School clerks are allocated based on the total number of a school’s quota teachers, plus the number of special education teachers who teach in self-contained classrooms. The allocations are given according to the following chart:

Number of Classroom Teachers + SPED Teachers in Self-Contained Classrooms	Number of School Clerks
< 55	1
55.1 to 100	2
100.1 to 145	3
145.1 to 190	4
190 +	5

PER-PUPIL RATES FOR PERFORMANCE AND PER-PUPIL PILOT SCHOOLSCPS has two sets of schools that receive funding for core instruction on a per-pupil basis, rather than following the quota formula.

Performance Schools

Under this model, there is one per-pupil rate for elementary schools and another per-pupil rate for high schools.

Type of School	FY 2013 Per-Pupil Rates
Elementary School	\$6,126 / student
High School	\$7,658 / student

Per-Pupil Pilot Schools

Under this model, which includes only elementary schools, the rates are tiered, with smaller schools receiving a higher per-pupil rate and larger schools receiving a smaller per-pupil rate.

Number of Students	FY 2013 Per-Pupil Rates
0-300 students	\$6,969/student
301-450 students	\$5,845/student
451-900 students	\$5,077/student
> 900 students	\$4,531/student

Rates for both performance and per-pupil pilot schools are unchanged from FY2012.

The fact that there are two sets of per-pupil rates is a historical accident that the district plans to address in the next year. The goal is to have a single, unified per-pupil model that would apply to all per-pupil funded schools district wide.

PER-PUPIL RATES FOR CHARTER/CONTRACT SCHOOL Charter and contract schools receive their base general education funding on a per-pupil rate. Payments are made quarterly and adjusted to the school's 20th day enrollment (for the first two quarter payments) and 10th day of second semester enrollment (for the last two quarter payments).

The following chart shows the FY2013 per-pupil rate for charter and contract schools:

Base General Education	FY2013 Per-Pupil Rate*	FY2013 Expected Enrollment**	FY2013 Anticipated Per Pupil Tuition Spend
Elementary	\$6,070	25,489	\$154,178,174
High School	\$7,587	28,669	\$212,928,767
Total		54,158	\$367,106,941

*Rates are based on Gates Compact.

**Expected enrollment is based on FY2013 project enrollment, but adjusted for expected changes in second semester enrollment and expected enrollment counts for new charter schools.

ALLOCATIONS OF SPECIAL EDUCATION TEACHERS AND AIDES

To determine if a student is eligible to receive special education services, an evaluation is conducted, followed by the development of an Individualized Education Program (IEP). The IEP lists the special education and related services needed to ensure that the student receives a free, appropriate public education in the Least Restrictive Environment (LRE). If a student has a disability but does not qualify for special education services, a 504 plan may be developed. The 504 plan lists the accommodations and modifications that the student is to receive.

Special education teachers and classroom paraprofessionals are allocated to schools in accordance with Illinois state regulations and CPS policy. The CPS special education staffing formulas take into account a variety of factors including the disability (or disabilities) of individual students; the required instructional minutes, LRE classification and ages of the students (see formulas below); and the total number of students by disability to be served. In all cases, the formulas are in accordance with, or more generous than, state formulas. Additional staff may be allocated to a school based on specific criteria that is not addressed by the formula, such as paraprofessional support needs identified in a student's IEP.

Special education positions are allocated based on the formula below:

- **Amount of Required Services (ARS)** - based on the total minutes per week of instructional time
 - C = Less than 750 minutes of instructional time per week
 - F = 750 or more minutes of instructional time per week
- **Location of Services (LRE = Least Restrictive Environment)**
 - 1 = Less than 20 percent of week removed from General Education Setting (0-300 minutes per week)
 - 2 = 21-60 percent of week removed from General Education Setting (301-900 mpw)
 - 3 = More than 60 percent of week removed from General Education Setting (901+ mpw)

FY2013 CPS Special Education Staffing Formula				
Primary Disability Category	Least Restrictive Environment Code	Amount of Required Service Code	No. of Students to Qualify for 1 Teacher	No. of Students to Qualify for 1 Teacher + 1 Aide
Resource (0-300 minutes per week)	1	C	1-15	16-17
Cross-Categorical* (301-900 mpw)	2	C or F	1-10	11-15
Cross-Categorical* (901+ mpw)	3	F	1-8	9-13
EC Autism	3	C or F	-	5-7; 2 aides
Primary Autism	3	C or F	-	5-9; 2 aides
Intermediate/Upper & HS Autism	3	C or F	-	5-10; 2 aides
Severe Profound	3	C or F	-	4-8; 2 aides
Trainable Mentally Handicapped	3	C or F	-	8-13
Hearing Impaired (Elem)	3	C or F	6-8	-
Hearing Impaired (HS)	3	C or F	6-10	-
Visually Impaired (Elem)	3	C or F	6-8	-
Visually Impaired (HS)	3	C or F	9-12	-
Pre-School (all disabilities except HI, VI, and Aut)**	3	C or F	-	5-20 ***am/pm

* Cross-Categorical includes the following categories: learning disabilities (LD), emotional behavioral disturbance (EBD), traumatic brain injury (TBI), other health impairment (OHI), educable mentally handicapped (EMH), and physical disabilities (PHY), as well as low-incidence disabilities that are not self-contained.

** Schools utilizing a Pre-School Blended Model should account for this in their projection appeal narrative.

*** Not to exceed 10 students per section.

Additionally, CPS may allocate clinicians (e.g., nurses, social workers, psychologists, etc.) to a school based on services required by students' IEPs.

SPECIAL EDUCATION FUNDING FOR CHARTER/CONTRACT SCHOOLS

Charter and contract schools are assigned special education teacher and aide positions using the same staffing formulas as quota schools. However, charter and contract schools hire their own special education personnel and are reimbursed for their expenses at the following rates:

Special Education Reimbursement	FY2013 Budget
\$90,000 average per allocated teacher (cert. required), with no individual teacher exceeding \$110,000.	\$40.6 million
\$40,000 average per allocated paraprofessional (cert. required), with no individual paraprofessional exceeding \$53,000.	
\$90,000 average per allocated clinician, with no individual clinician exceeding \$110,000.	
Stipend of \$1,462.32 per semester for one qualified case manager.	
See additional details below.	

1. The charter and/or contract school will hire its own special education teacher(s) based on the school's population of students with disabilities. Chicago Public Schools (CPS) will reimburse the charter and/or contract school on a quarterly basis. This reimbursement will be based on CPS's determination that each special education teacher possesses the proper certification(s) as required by the State of Illinois and that the number of full-time equivalent teacher positions for reimbursement does not exceed the CPS-approved allocation for the charter and/or contract school. For the 2012-2013 school year, the maximum reimbursement rate for any full-time equivalent special education teacher is \$110,000 per year. The maximum reimbursement rate for all full-time equivalent special education teachers for each charter operator is an average per-teacher reimbursement rate of \$90,000 per full-time equivalent special education teacher. The quarterly reimbursement to the charter and/or contract school for full-time equivalent special education teachers will be the lesser of the (i) product of the maximum reimbursement rate multiplied by the number of CPS-approved, full-time equivalent teachers for the percentage of the quarter's instructional days for which the teacher was employed; or (ii) aggregate sum of the actual salaries and benefits paid to CPS-approved, special education teachers employed at the charter and/or contract school for the percentage of the quarter's instructional days for which the teacher was employed.

2. The charter and/or contract school will hire its own paraprofessionals to provide the necessary supports required by its students' IEPs. Chicago Public Schools (CPS) will reimburse the charter and/or contract school on a quarterly basis. This reimbursement will be based on CPS's determination that each special education paraprofessional providing instructional support is highly qualified in accordance with NCLB standards and that the number of full-time equivalent paraprofessional positions for reimbursement does not exceed the CPS-approved allocation for the charter and/or contract school. For the 2012-2013 school year, the maximum reimbursement rate for any full-time equivalent special education paraprofessional is \$53,000 per year. The maximum reimbursement rate for all full-time equivalent special education paraprofessionals for each charter operator is an average per-paraprofessional reimbursement rate of \$40,000 per full-time equivalent paraprofessional. The quarterly reimbursement to the charter and/or contract school for full-time equivalent special education paraprofessionals will be the lesser of the (i) product of the maximum reimbursement rate multiplied by the number of CPS-approved, full-time equivalent paraprofessionals for the percentage of the quarter's instructional days for which the paraprofessional was employed; or (ii) aggregate sum of the actual salaries and benefits paid to the CPS-approved, special education paraprofessionals employed at the charter and/or contract school for the percentage of the quarter's instructional days for which the paraprofessional was employed.

3. If clinicians are required by the students' IEPs, the charter and/or contract school will hire its own clinicians to provide the necessary supports. The charter and/or contract school may have the Board furnish clinicians to serve the charter and/or contract school's students with disabilities, only if a waiver is given by CPS. If the charter and/or contract school hires its own clinicians, then Chicago Public Schools (CPS) will reimburse the charter and/or contract school on a quarterly basis. This reimbursement will be based on CPS' determination that each clinician possesses the proper certification(s) as required by the State and that the number of full-time equivalent clinicians does not exceed the CPS-approved allocation for the charter and/or contract school. For the 2012-2013 school year, the maximum reimbursement rate is \$110,000 per year. The maximum reimbursement rate for all full-time equivalent clinicians for each charter operator is an average per-clinician reimbursement rate of \$90,000 per full-time equivalent clinician. The quarterly reimbursement to the charter and/or contract school for full-time equivalent clinicians will be the lesser of the (i) product of the maximum reimbursement rate multiplied by the number of CPS-approved full-time

equivalent clinicians at the charter and/or contract school for the percentage of the quarter's instructional days for which the clinician was employed; or (ii) aggregate sum of the actual salaries and benefits paid to the CPS-approved clinicians at the charter and/or contract school for the percentage of the quarter's instructional days for which the clinician was employed.

- The charter and/or contract school shall appoint and pay a salary and benefits to its own qualified case manager. In this case, Chicago Public Schools (CPS) will provide the charter and/or contract school with a stipend of \$1,462.32 per semester, per school for such a qualified case manager for the 2012-2013 school year. A case manager shall be deemed qualified if he or she has (1) a Type 10 (special), Type 03 (elementary), or Type 09 (secondary) ISBE certificate endorsed in a special education area, or with a special education teaching approval or supervisory approval, OR (2) a Type 73 (school service personnel) ISBE certificate endorsed as a school social worker, school psychologist, guidance specialist, or speech-language pathologist or have a supervisory endorsement. At least two years experience in the field of special education is recommended/preferred. The amount of the stipend is subject to the terms of the agreement between the Board and the Chicago Teachers Union.

Allocations of Supplemental Bilingual Teachers for English Language Learners

Allocation of supplemental bilingual education program teacher(s) is formula-based. The formula takes into account the actual number and/or the adjusted number of English Language Learners (ELLs) in each school. The adjusted number is based on the level of bilingual education program services an ELL receives as reported by the school. ELLs in kindergarten who receive at least five periods a week of bilingual education or English as a Second Language (ESL) count as one. ELLs in first through 12th grades who receive at least five but less than ten periods a week of bilingual education or ESL count as 0.5. ELLs in first through 12th grades who receive at least ten periods a week of bilingual education or ESL count as one.

The adjustment number of ELLs is used to determine the allocation of supplemental bilingual teachers based on the following tables:

		Number of ELLs (Same Language Background)	Supplemental Teacher Allocation
Transitional Bilingual Education (TBE)*	Elementary School TBE Program	1- 19	0.0
		20 – 49.5 (adjusted number)	0.5
		50 or more (adjusted number)	1.0
	High School TBE Program	1- 19	0.0
		20 or more	1.0

* = 20 or more ELLs of the same language background

		Number of ELLs	Supplemental Teacher Allocation
Transitional Program of Instruction (TPI) **	Elementary School TPI Program	0 – 15.5 (adjusted number)	0.0
		16- 49.5 (adjusted number)	0.5
		50 or more (adjusted number)	1.0
	High School TPI Program	0 – 40.5 (adjusted number)	0.0
		41 or more (adjusted number)	1.0

** = Fewer than 20 ELLs of the same language background

For example, a school with 30 ELLs of the same language background as described in the boxes below will have an adjusted ELL count of only 24 students. The adjusted count would determine the number of supplemental teachers the school will receive.



Six ELL kindergarten students who receive at least 5 periods of bilingual or ESL instruction per week (1 each)

Total adjusted number: 6



Twelve ELL 1st-12th grade students who receive between 5 and 9 periods of bilingual or ESL instruction per week (0.5 each)

Total adjusted number: 6



Twelve ELL 1st-12th grade students who receive at least 10 periods of bilingual or ESL instruction per week (1.0 each)

Total adjusted number: 12

ALLOCATIONS OF DISCRETIONARY FUNDS

Supplemental General State Aid (SGSA)

Supplemental General State Aid is part of the General State Aid that CPS receives from the State and is required by law to distribute directly to schools. SGSA funds are designed to supplement regular and basic programs supported by the General Education Fund. The amount of SGSA funds is based upon the concentration level of children from low-income households. Funds are distributed to the schools in proportion to the number of pupils enrolled who are eligible to receive free or reduced-price meals under the federal Child Nutrition Act of 1966 and the National School Lunch Act during the immediately preceding year. The poverty data is taken at one point in time for the entire school system (i.e., end of September). Once data is collected, CPS establishes a flat rate per-pupil amount and calculates the SGSA allocation based on the number of eligible students for each qualifying school. For FY2013, the per-pupil rate is \$745.67.

Schools receive SGSA funding for each qualifying student. If a school has only one student eligible for free or reduced-price (F/R) meals, the school will receive an allocation of \$745.67 for that student.

Charter and contract schools, like district-run schools, receive SGSA funding from CPS.

In FY2013, a one-time supplemental amount was given to district schools at a rate of \$90.19 per student eligible for F/R meals. This supplemental amount was funded by adjustments from prior years. The supplemental SGSA funding was not given to charter and contract schools.

NCLB Title I

CPS allocates NCLB Federal Title I funds to schools with high concentrations of low-income children to provide supplementary services for educationally disadvantaged students. The formula used to determine a school's eligibility for these funds is based on the ratio of TANF (Temporary Assistance to Needy Families) and free and reduced-price lunch school data as a percentage of enrollment. CPS uses poverty data generated yearly by the number of students, ages 5-17, who are eligible to receive free or reduced lunch (60 percent weight), and the number of children, ages 5-17, from families that receive financial assistance through TANF (40 percent weight). The data are taken at one point in time for the

entire school system (i.e., the end of September). Once data is collected, CPS ranks schools and allocates additional funding to those schools serving a population with greater than 40 percent poverty.

Schools with a poverty index below 40 percent do not receive Title I funds, even if the school has eligible students. Moreover, the per-pupil allocation rate increases as the poverty index for the schools increases. A school with a 40 percent poverty rate receives an allocation of \$430 per eligible student. As the poverty rate increases by 1 percent, the per-pupil allocation increases by \$22 per pupil. A school with a poverty index of 41 percent receives \$452 per pupil. A school with a poverty index of 50 percent receives \$650 per pupil. A school with a poverty index of 99 percent receives \$1,728 per pupil.

Thus, poorer schools receive significantly more Title I funding, not only because they have more eligible students, but also because they receive more funds per eligible students. This is illustrated in the following chart:

Poverty Index Examples	Allocation Rate	Eligible Students (assume total school enrollment of 1000)	Total Allocation
35%	\$0 (below threshold)	350	\$0
40%	\$430	400	\$172,000
41%	\$452	410	\$185,320
55%	\$760	550	\$418,000
99%	\$1,728	990	\$1,710,720

Charter and contract schools, like district-run schools, receive SGSA funding from CPS.

Schools can budget supplemental general state aid and NCLB Title I funds at their discretion but must remain in compliance with regulations and guidelines.

College-ready Funding

In FY 2013, CPS created a new pool of discretionary funds given to all district-run schools. The College-ready funding is part of the General Education Fund, which means that schools have the maximum flexibility on how to use the allocated amounts. College-ready funding included new funding to support instructional priorities, such as Common Core State Standards, teacher evaluation and Full School Day. It also included the per-pupil allocations that schools traditionally received for non-personnel items such as textbooks, supplies, repairs, furniture and equipment.