

## **APPENDIX C BUDGET PROCESS**

The Chicago Board of Education is required by the Illinois School Code to adopt an annual school budget for each fiscal year no later than 60 days after the beginning of the fiscal year. The Board's fiscal year starts July 1 and ends the following June 30.

- A proposed budget must be prepared and made available for public review at least 15 days prior to its finalization.
- The Board is required to hold at least two public hearings at least five days after copies of the proposed budget are made available for review.
- Notice of budget hearing dates must be published in a City of Chicago newspaper at least five days prior to the time of the hearing.
- The Board must adopt a budget within the first 60 days of each fiscal year.

Copies of the budget are made available for review at the Board office.

### **Budget Calendar and Process Development**

With a projected budget deficit for FY17 of over \$1 billion, CPS leadership worked with State of Illinois leadership to resolve funding issues before the end of the District's budget process. This included delaying budget guidance for schools and the release of this budget book until the latest possible moment. On June 30, a legislative solution emerged that will provide CPS with over \$600 million in budgetary relief, helping CPS avoid the devastating cuts the District was preparing for. Because of the delay, guidance to schools about their budgets was issued on July 13, 2016, and school budgets were received for review and incorporation by CPS on July 22.

### **Budget Planning**

FY17 is the fourth year CPS has utilized Student-Based Budgeting (SBB) to ensure funding follows students regardless of which CPS school they choose to attend. In addition, the CPS Office of Management and Budget engaged in strategic planning with departments to develop preliminary FY2017 budgets based on critical initiatives identified by senior leadership and the Board. As in previous years, the goal was to identify and implement administrative efficiencies to allow a continued prioritization of resources from Central Office to schools, and to give principals greater flexibility to make investments that drive student achievement. For the sixth year in a row, efficiencies were identified and reductions to Central Office were made, including through contract renegotiations and elimination of non-critical functions.

This fiscal year is also the second year using the Hyperion budgeting tool for both schools and Central Office. The new application enables better fiscal reporting and coordination across the District.

### **Public Involvement**

The announcement of the availability of the proposed budget for review the Board, stakeholders and the press is made before being presented in public hearings.

### **Board Adoption of the Budget**

The Board is anticipated to act on the FY17 Proposed Budget at their meeting on August 24, 2016.