

Appendix C Budget Process

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

Additionally, per the Illinois School Code:

- 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 proposed budget is available at cps.edu/budget. Copies of the budget are available at the Board Office for review.

Budget Planning

Budget planning consists of two main components: school budget planning and department budget planning.

In FY2025, the District implemented a new type of school funding that allocates positions for instructional and core administrative functions rather than tying dollars to enrollment. This ensures schools have an appropriate level of staffing to provide operational and instructional services for their students in an equitable manner and allows schools to staff teachers and educational support personnel without having to worry about their cost. Schools will receive both centrally allocated positions and flexible funding through enrollment and needs-based formulas. The investment supporting school budgets in FY2025 maintains and builds on the increase of more than \$480 million since FY2022, and aims to ensure that all schools can meet the following instructional and school design priorities:

- Reasonable class sizes
- Limited splits
- Access to arts
- Intervention supports
- Local-level priorities

The FY2025 budget maintains these investment strategies and builds on the District's mission to move away from strict student-based budgeting and toward a more holistic, needs-based funding formula for District elementary and high schools. This approach provides a foundational level of resources for every school while building on the foundation for schools with greater need.

Foundational Resources for Every School	Additional Resources Based on Need
<ul style="list-style-type: none"> ● Principal ● Assistant Principal ● Counselor ● Clerk ● Core classroom and holistic teachers ● Professional development funding ● Baseline discretionary funding ● Centrally-managed positions (custodians, engineers, security, lunchroom, nurse, social worker) ● Before- and after-school programming to support athletics, enrichment, and other activities 	<ul style="list-style-type: none"> ● Additional teachers to reduce class sizes ● Additional counselors ● Instructional coaches ● Tiered intervention supports ● Tutoring ● Advocates for Students in Temporary Living Situations ● Special education positions ● Supplemental English Learner resources ● Social and emotional supports ● Additional discretionary funding for high-needs schools

For the fifth consecutive year, school budget allocations were based on the prior school year’s (SY2023–24) 20th day enrollment figures, rather than projected enrollment for the upcoming year. The FY2025 budget also includes significant central investments to support schools, including instructional coaching, technology, curriculum, summer and out-of-school time funding, and other initiatives to support District and school-level priorities.

Department budgets were developed through rigorous engagement between CPS senior leadership and department leadership. The FY2025 department budget proposals prioritize critical initiatives, as identified by senior leadership and the Board, in an effort to direct as many resources as possible to schools and classrooms. Additionally, department budgets were developed with the goal of aligning with the District’s central values and commitments as outlined in the [CPS Three-Year Blueprint](#) and forthcoming [Five-Year Strategic Plan](#).

In FY2023, CPS implemented a new budgeting tool named Enterprise Performance Management (EPM) for school and central office budgets. The EPM system maintained similar functionality to the Hyperion system used in prior years, but incorporated upgrades to user interface and functionality to support school users. FY2025 marks the third year of CPS’ use of this budgeting system.

Budget Calendar

In the summer of 2023, the Office of Budget and Grants Management (OBGM) began the FY2025 budget planning process by developing revenue and expenditure assumptions for the upcoming fiscal year. OBGM released school budgets and guidance to principals in April 2024. Throughout the spring of 2024, OBGM worked closely with schools and departments to develop their budget proposals and integrate them into the FY2025 proposed budget.

Public Involvement

The FY2025 CPS budget, and specifically FY2025 individual school budgets, continue to be informed by stakeholder engagement and public feedback.

CPS once again held budget roundtables in fall 2023 to engage community members around budgetary priorities for FY2025. These sessions provided context around CPS' budget and the challenges the District is facing and allowed for robust discussion and feedback from stakeholders about which budget priorities are important to them moving forward. CPS engaged stakeholders through other forums as well, providing specific opportunities for principals, Local School Council (LSC) members, Community Action Councils, and other key groups to provide input into FY2025 budget priorities.

The District also engaged stakeholders as part of the District's strategic planning process, where community members provided feedback on the District's strategy to revamp school funding in a more equitable fashion.

Each year, before the school budget planning process is complete, the LSC from each school must hold public meetings to discuss and cast an approval vote on their school's budget proposal. During the LSC approval process, the District shares school budget documentation and budget guidance resources with each LSC.

As stated above, the Board is required by the Illinois School Code to make the proposed budget available for review by stakeholders and the press at least 15 days prior to its finalization. Additionally, CPS is required to hold at least two public hearings before the budget is voted on by the Board.

Board Adoption of the Budget

The Board is anticipated to vote on the proposed FY2025 budget at the July Board meeting scheduled for Thursday, July 25, 2024.