

CPS FY17 Budget Fact Sheet

Chicago Public School's FY17 budget includes important reforms and investments that will remove our deficit, stabilize district finances in the near- and long-term, and most importantly, ensure a greater certainty that our students can continue their academic progress in classrooms throughout our city.

After spending \$225 million less than budgeted in FY16, CPS is continuing efforts to streamline the District's administrative expenses. While directing the overwhelming majority of overall resources into our classrooms, the FY17 budget cuts the District's operating budget by \$232 million from FY16. In addition, this budget also incorporates \$250 million in increased property taxes on Chicago homeowners and additional funding from the State for pension costs (\$215 million), equity for students in poverty (\$102 million) and early childhood education (\$29 million). The District will continue to work with our partners in Springfield to reach a final agreement on long-term education funding reform and pension equity that would allow the District to restore its fiscal health.

A more detailed look at these numbers can be found at cps.edu/budget.

Overall Budget

(\$ in millions)	FY 15 Budget	FY 16 Budget	FY17 Budget	Change
Operating Budget	\$5,756.2	\$5,691.8	\$5,449.9	(\$231.9)
Capital Budget	\$465.9	\$177.6	\$337.5	\$159.9
Debt Budget	\$603.8	\$538.6	\$522.0	(\$16.6)

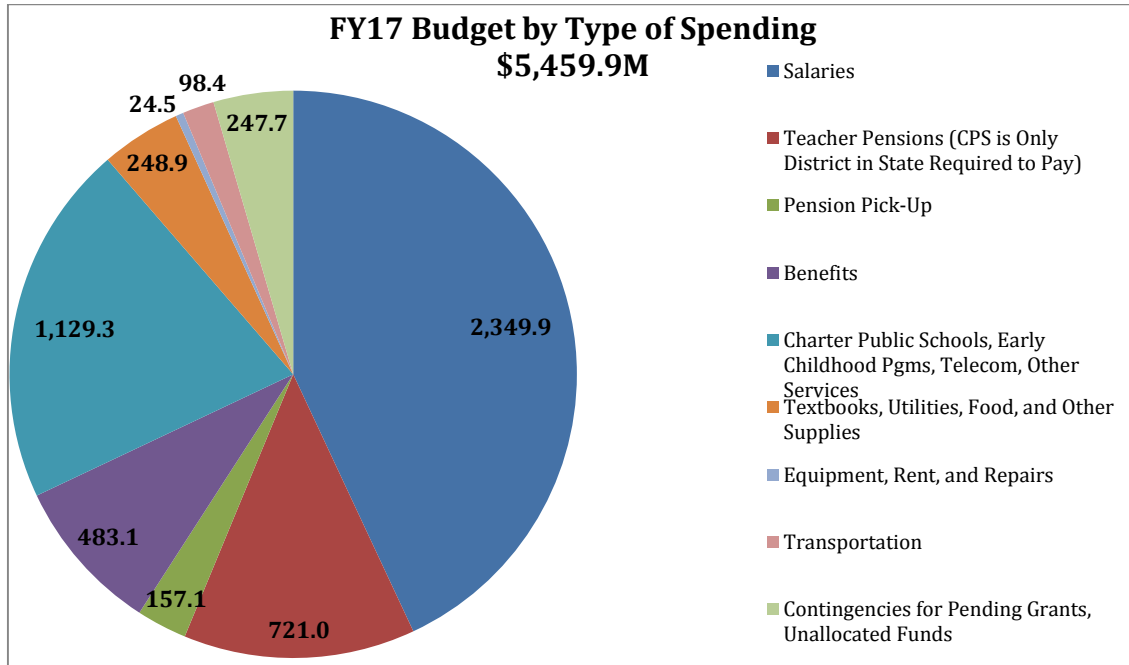
CPS initially projected the FY17 budget gap would be \$1.14 billion. Below is a summary of how CPS closed the FY17 budget gap.

How CPS Solved FY17's Budget Gap

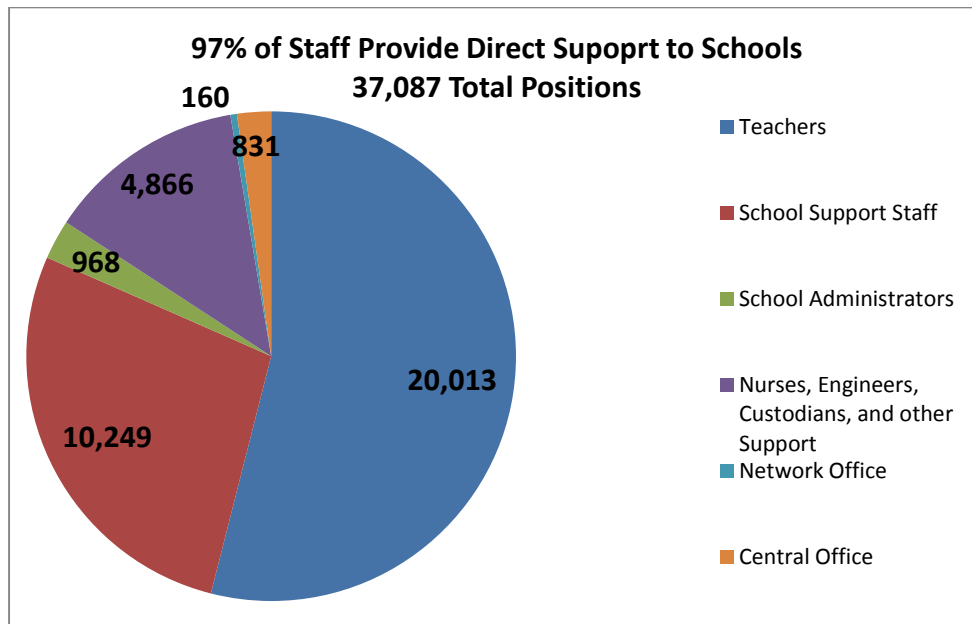
Savings Initiative	Savings, in millions
Beginning Deficit	\$1.14 Billion
FY2016 CPS Cost Savings Initiatives	\$173
GSA Poverty Grant	\$102
GSA Hold Harmless	\$74
Early Childhood Grant	\$29
Chicago Pension Property Tax	\$250
State Pension Contribution	\$215
Sweep Vacancy Savings for Deficit Reduction	\$58
Reprogramming Grants to Classrooms	\$35
Centralized Purchasing Savings	\$35
Anticipated Labor Savings	\$31
Phase-In of Shared Services	\$26
Charter School Share of Central Efficiencies	\$20
Reduction Non-School Based Employees (since Jan.)	\$17
Savings from Teacher Retirements & Resignations	\$17
New TIF Revenue	\$15
Scheduling Efficiencies	\$15
Improved Medicaid Collections	\$12
Additional Central Office Streamlining	\$10
Additional Revenue	\$6
Central Summer Program Reductions	\$3

CPS Spends Most of Its Resources on Schools

The numbers below show how the District spends its money – underscoring why statewide reforms are critical to solving the District’s long-term structural budget. In the FY17 budget, 50 percent of spending goes directly to support the salaries and benefits of employees – with 97% of funds going to teachers and other school staff. Another 16 percent covers pensions and the pension pickup benefit.



In addition to most of CPS’ spending going directly to schools, most staff serve students.



Future Outlook

The FY17 budget is an important return to stability for CPS students, families, educators and the community. However, in coming years, it is critically important to work with our partners in Springfield to finalize education funding reform and pension equity.