

## Management Reforms and Efficiencies in FY17

CPS must continue to streamline its administrative functions and operations to reduce its costs and ensure our classrooms are funded to the maximum extent possible. After listening to and working with Network Chiefs and many school principals, the District will launch several field-tested, innovative initiatives this school year. These new initiatives will not only help improve educational outcomes, they will lower the overall cost structure to deliver high-quality educational services. In some instances, these reforms will result in direct deficit reduction; in others, the changes will allow schools to re-program funds from administration and inefficient practices directly into their classrooms.

The initiatives include:

- **Efficient scheduling** initiative. Through new and rigorous standards and a dedicated training effort, CPS is ensuring that often complex school schedules meet all curricular needs while efficiently planning class times and personnel matches. This effort formalizes guiding principles, procedures, policies and training around appropriate class schedules. By more effectively scheduling, schools can collectively save millions of dollars to reinvest in classrooms.
- Instead of Title I and II grant funds being held in reserve or controlled by CPS central office staff for programmatic purposes, CPS will continue the practice of **reprogramming and directing those funds to schools**, which particularly helps those with the highest proportion of low-income students.
- **Centralization of Non-Educational Functions:** The district can better leverage its size and scale to reduce inefficiencies in certain administrative and operational functions. By assuming financial accounting and other services from schools, CPS can – through economies of scale and concentrated expertise – save tens of millions of dollars. This will assist principals in monitoring their schools' financial conditions and ease their administrative burdens so principals can focus on their core mission: educational improvement.
- **Further Streamlining of Central Office.** In addition to the District's central office reorganization in January, which yielded approximately \$45 million in annualized savings, CPS continues to reduce its administrative footprint, with an additional 175 fewer non-school based employees since the January layoffs. CPS is also reducing the cost of other services. Together with proportional savings from reduced spend on charter school administration, these changes save an additional \$70 million.
- **Procurement Reform.** CPS will use its economy of scale more than ever before to save tens of millions, centralizing and concentrating the district's purchasing power to reduce the cost of goods and services ordered by schools.
- **Better Management of Medicaid in Special Education.** Millions of dollars in federally reimbursable funds are lost annually through lack of training of staff and lack of documentation of eligible hours. Through a combination of technology, improved processes, management and training, CPS will capture approximately \$10 million in additional federal funds. CPS has asked the State to adopt the federal rules allowing for such reimbursements.
- **Further Transportation Efficiencies.** Working with principals, CPS will save millions of dollars through a series of 15 minute adjustments in bell times, strategically coordinated to maximize the efficiency of bus routes. CPS will share a portion of the savings with participating schools.