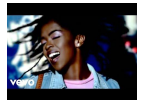


Chicago Public Schools School Funding Forum December 2021



WELCOME

thankful

AND

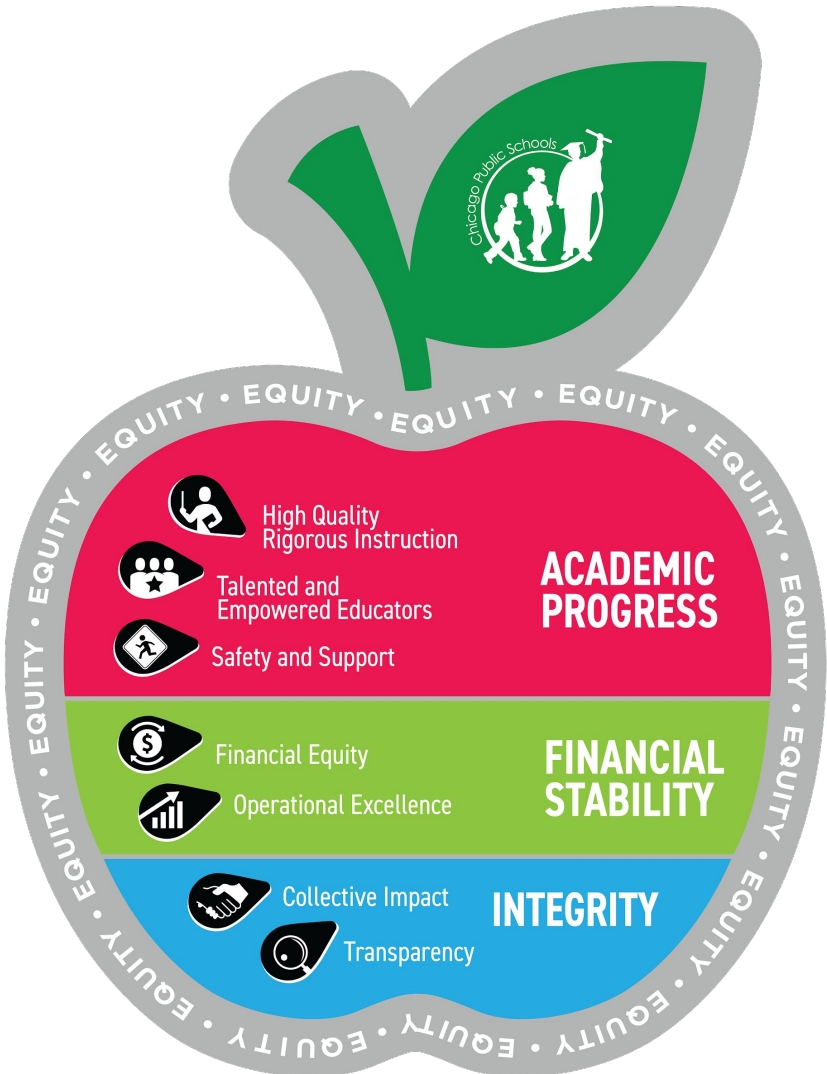
grateful

Agenda

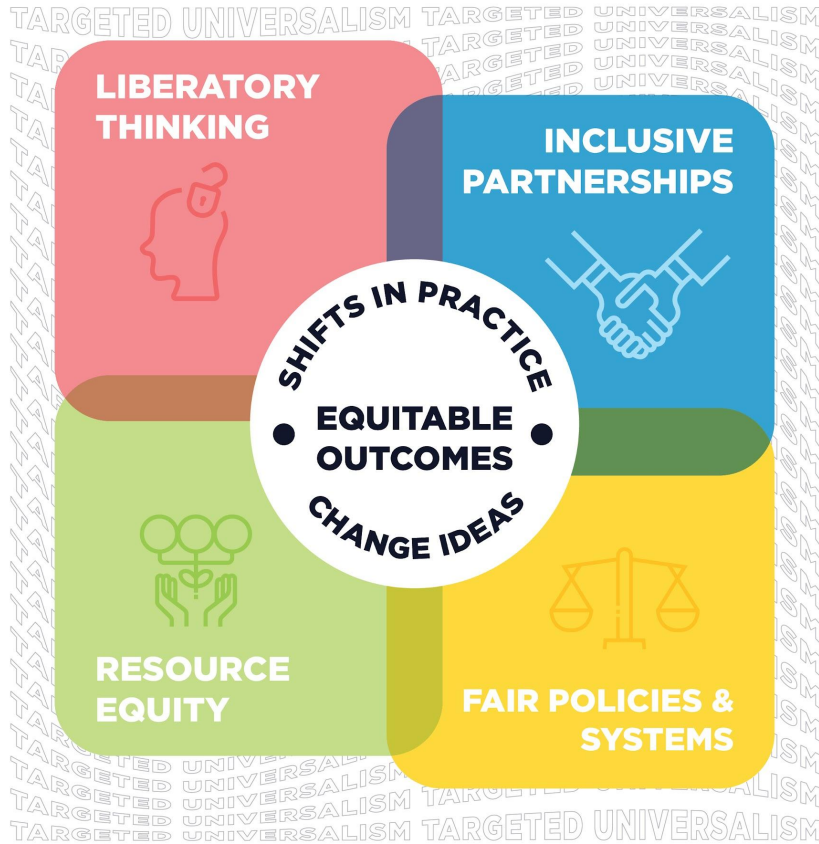
- Presentation: 35 minutes
- Small group discussions: 60 minutes
- Report out: 25 minutes



Five-Year Vision



What Does Equity Mean in CPS?





Why we are here

This is the third year of public forums, beginning back in winter 2020 ahead of the FY2020 budget process.

As described at the launch of our public engagement, our goal is:

to examine school funding formulas and resource allocations. Specifically, CPS will work to determine if there is a more equitable way to fund schools across the district.

Your feedback is essential to current and future decisions around school funding.



Public feedback is a key input for the School Funding Working Group

The School Funding Working Group was created in 2019 and is charged with providing recommendations to improve school funding in CPS, and includes:

- Principals
- CTU and charter school representatives
- Advocates and subject matter experts
- Governor's Office
- Leadership from the Mayor's Office, Board of Education, and CPS
- + Parents, Teachers, and Students

The working group issued a report in April 2020 which incorporated feedback from the public and outlined six recommendations which have served as priorities in the annual budget and planning processes since.



Working Group Recommendations

- 1) Empower Principals and LSCs to maximize their resources.
- 2) Refine methodologies and processes to improve equity and sustainability.
- 3) Commit to meaningful ongoing stakeholder engagement.**
- 4) Provide transparent budget data for LSCs and school communities.
- 5) Create individual, school-level adequacy targets for all schools.
- 6) Advocate for more city, state, and federal funding.



Stakeholder engagement is essential to guiding our work

The district strives to incorporate stakeholder feedback as a key input to continuously refine the approach to school funding with a focus on:

- Transparency
- Equity
- Stability
- Sustainability



Format for workshops is designed to support robust dialogue and capture feedback

Framing includes four level-setting questions to provide background knowledge and context

- Where does CPS get its funding?
- How does CPS allocate its funding?
- How does CPS fund schools?
- How has public input influenced budget decisions?



Guiding questions

- What should CPS be **prioritizing right now regarding school funding?**
 - *lens of the current state, return to school, ongoing pandemic impacts, etc.*
- What could CPS do to improve **transparency, equity, stability, and/or sustainability** in school funding?
- What should CPS be **considering in the long term?**



Takeaways, next steps, and other opportunities for engagement

Today:

- Authentic and diverse dialogue
- Your voice matters: Please speak up
- Minor concerns may inform major improvements

Near Term Next Steps:

- Compile feedback, elicit themes
- Incorporate into working group mtg + annual FY2023 planning

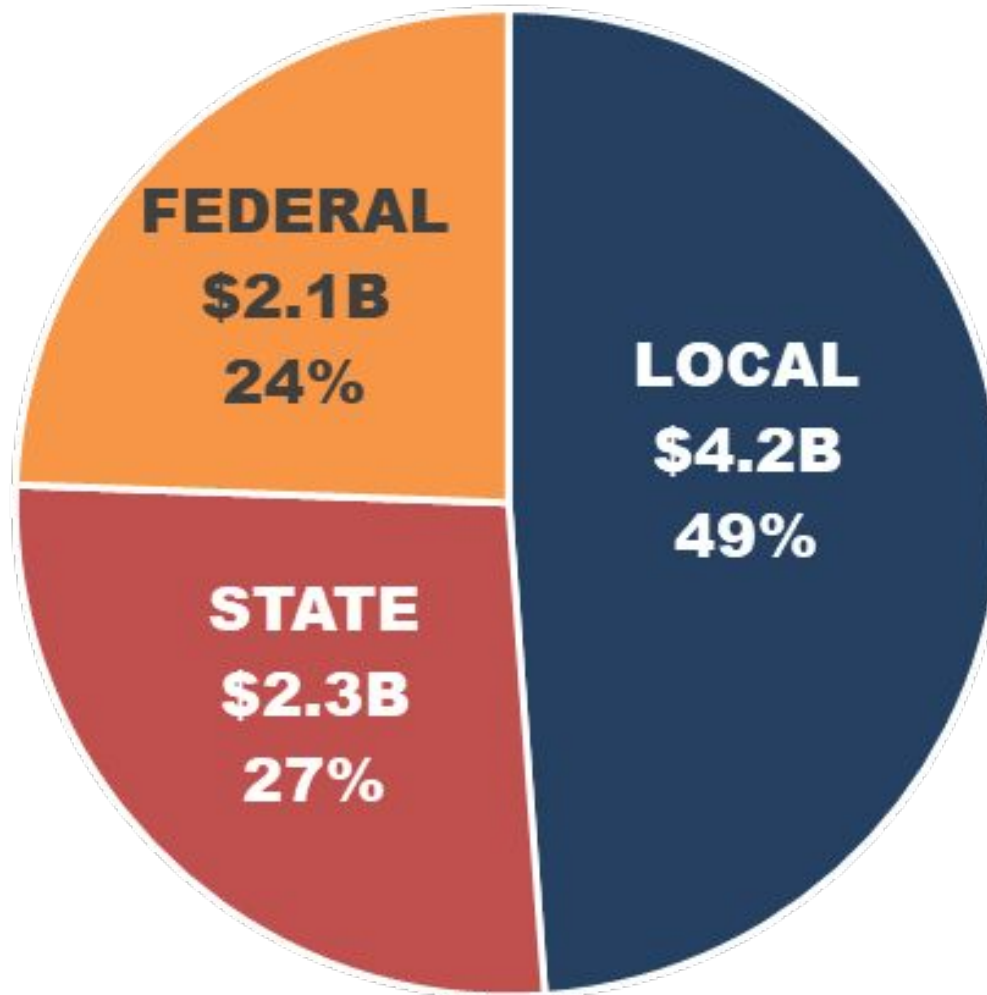
Longer Term:

- Explore themes with Working Group as it relates to recommendations
- Ongoing stakeholder engagement - this group + elsewhere



WHERE DOES CPS GET ITS FUNDING?

Where does CPS get its funding?



Totals include all operating and debt service revenues.



Despite recent improvements, CPS is still nearly \$2 billion short of adequate funding

	Total	Per-pupil equivalent*
Current CPS revenues (local and state)	\$6.5 billion	\$19.7K
Funding shortfall	\$1.9 billion	\$5.8K
CPS revenues if adequately funded	\$8.4 billion	\$25.5K

For a school of 400 students:
400 students \times \$5.8K per student
= \$2.3 million

*Represents per-pupil equivalent of all operating and debt service expenditures.



HOW DOES CPS ALLOCATE ITS RESOURCES?

How does CPS allocate its resources?

TOTAL CPS BUDGET (OPERATING AND DEBT SERVICE)—\$8.6 Billion



TOTAL CPS CAPITAL BUDGET—\$707 Million



HOW DOES CPS FUND SCHOOLS?

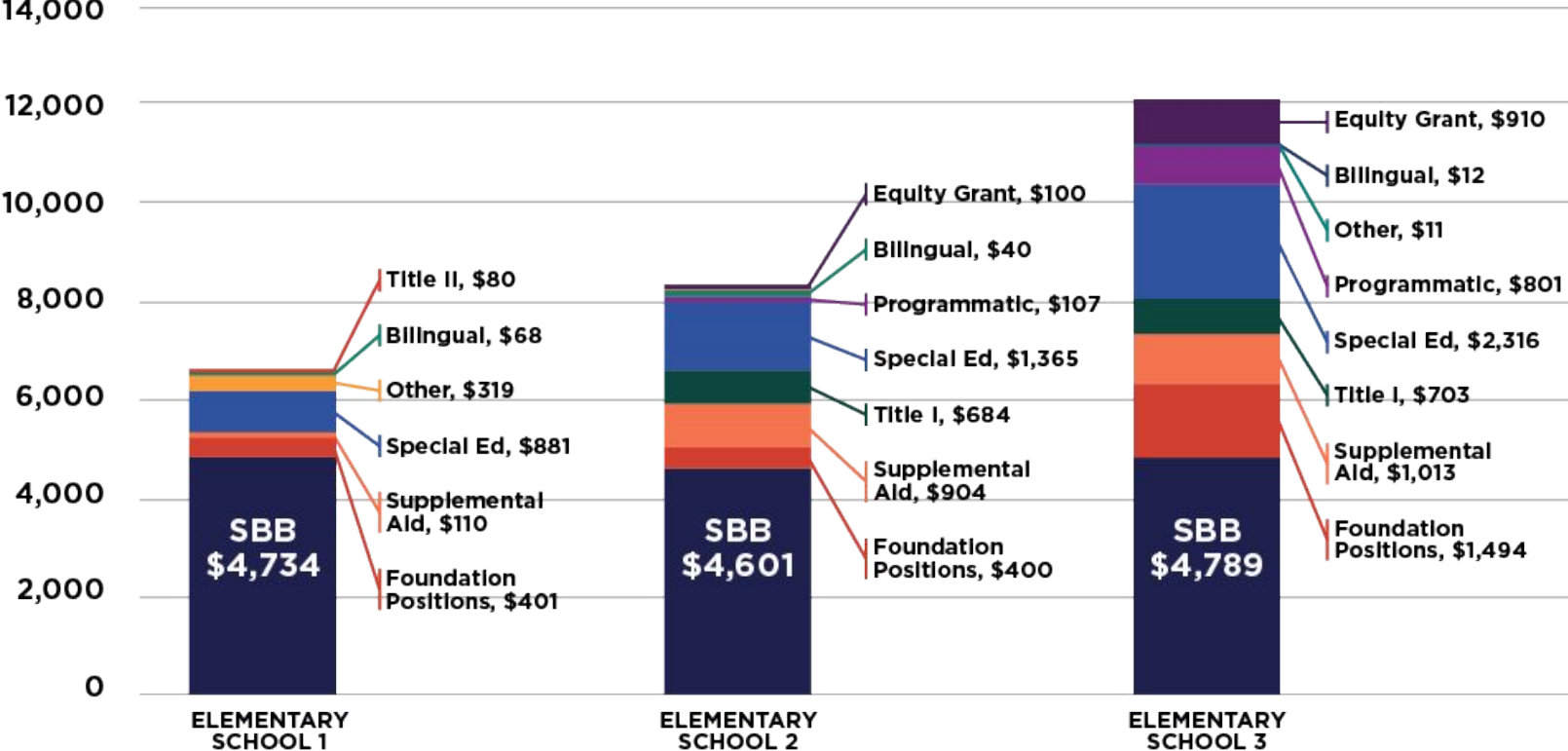
CPS delivers funding to schools through a variety of funding streams

Funding Stream	Total allocated	% of total
FOUNDATION POSITIONS Principal, counselor, and clerk allocated to every school	\$210 million	7%
SBB Per-pupil funds based on total enrollment	\$1.4 billion	49%
SUPPLEMENTAL AID Per-pupil funds based on total low-income enrollment	\$208 million	7%
SPECIAL EDUCATION Positions allocated based on student special ed needs	\$675 million	24%
PROGRAMMATIC RESOURCES Positions allocated to support specific programs or types of schools (STEM, IB, Magnet, etc)	\$87 million	3%
EQUITY GRANTS Supplemental funds for schools with low & declining enrollment + economic hardship funding	\$66 million	2%

Funding Stream	Total allocated	% of total
TEACHER SALARY ADJUSTMENT Supplemental funds for schools with above average teacher salaries	\$36 million	1%
STATE BILINGUAL Supplemental funds to support bilingual instruction	\$34 million	1%
TITLE I DISCRETIONARY Supplemental based on concentration and total enrollment of low-income students	\$130 million	5%
TITLE II Supplemental funds to support professional development and reduced class size	\$6 million	<1%
TITLE III Supplemental funds to support bilingual instruction	\$3 million	<1%



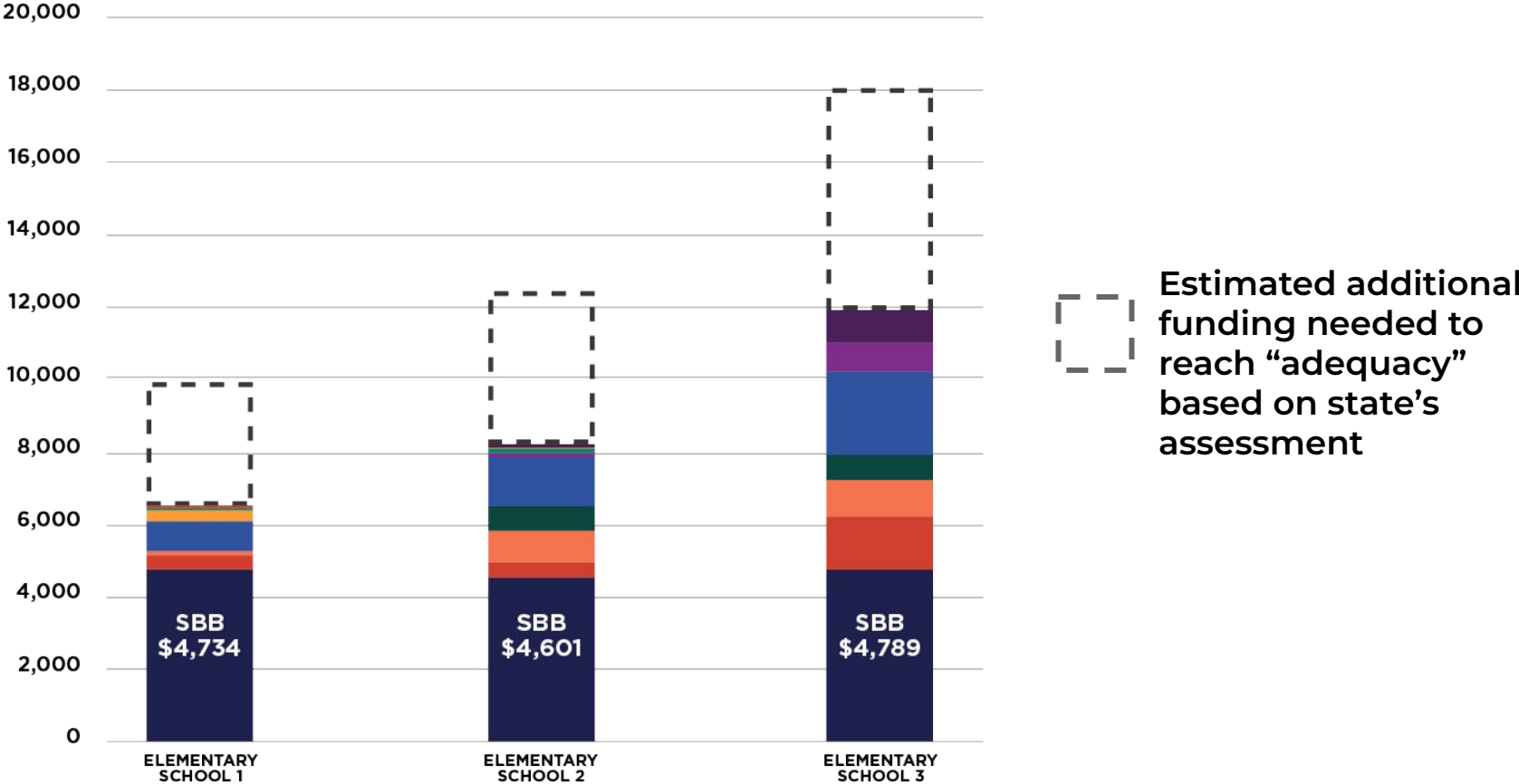
Different funding streams contribute to differences in per-pupil funding across schools



Totals reflect funding totals per student, based on total enrollment



Despite levels of need-based funding, all schools still need additional funding



Totals reflect funding totals per student, based on total enrollment



HOW HAS PUBLIC INPUT INFLUENCED BUDGET DECISIONS?

FY2022 budgets incorporated Opportunity Index to improve equity in school funding

Feedback: CPS should find ways to improve equity in funding

Investment:

FY2022 budget allocations included **\$66 million** in equity grant funding, **\$26 million** of which was tied directly to CPS's Opportunity Index

The Opportunity Index uses indicators to analyze differences in access to opportunity structures in order to support those most impacted by inequity to have strong, vibrant and healthy school communities.

This index allows us to better assess **specific, school- and student-level need**, and provide funding according to this need.



Opportunity Index Factors

Developed by the Equity Office, the Opportunity Index measures school hardship based on the student, school, and community factors outlined below.

Index Variable	Description
% Diverse Learner	Percent of diverse learner population (LRE 1, 2, or 3)
% FRL	Percent of students qualifying for Free or Reduced Lunch
% LEP	Percent Limited English Proficiency of attending students
% Not Enrolled in Medicaid	Percent of students enrolled (eligible) in FRM but not enrolled in Medicaid
% STLS	Percent of students in transitional living situations (homeless)
% students residing in INVEST S/W	Percent of students at a given school who reside in one of the city's INVEST South/West community areas
% Teacher Retention	Teacher Retention Rate
>90% majority one race/ethnicity	Indicates if a school has a student population over 90% single race or ethnicity (African American or Latinx)

Index Variable	Description
Average Student Hardship	Based on the student's residing community area, which is associated with a Hardship Index Score developed by UIC. All attending students' scores are averaged at the school level.
Community Life Expectancy	Life Expectancy Data (2010): Number of Years (based on community area in which the attending student resides)
Funding Index Score A	Budget FY20 V FY19 AND 3 Years of SBB (2018-2020)
Funding Index Score A	Capital Investment (2010-19) + TIF (1999-2019)
SQRP Rating Level 2/3	SQRP Rating for SY1920



FY2022 budgets included adjustments for pandemic-related enrollment impacts

Feedback: CPS should consider impact of pandemic on school-level enrollment

Investment:

FY2022 school budgets included **\$32 million** to address pandemic-related enrollment changes.

Intended to support school-level stability, this investment builds on the FY2019 change to use prior year enrollment as the basis for initial budgets, providing additional planning time for schools and eliminating fall budget cuts.

The **\$32 million** in additional FY2022 funding was provided to **262 schools** whose enrollment trend changed due to the pandemic.



Enrollment Adjustment Example

Below is an example of a school who experienced an enrollment loss greater than it three-year trend would indicate.

FY20 Enrollment	FY21 Enrollment	FY20 to FY21 % Change	Avg 3-Year % Change	Hypothetical FY21 Enrollment	Enrollment Input used for FY22
259	201	-22.4%	-6.8%	241	241

Though this school experienced an actual drop of 58 students (22 percent), trend data predicted that the drop would have been 18 students (7 percent) and a total enrollment of 241.

This school was funded at 241 students in FY2022.



FY2022 budget included over \$1 billion of federal funding to address school needs

Feedback: In response to new needs driven by the pandemic, school leaders, teachers, students, parents, and community partners indicated the following priorities for use of federal funding:

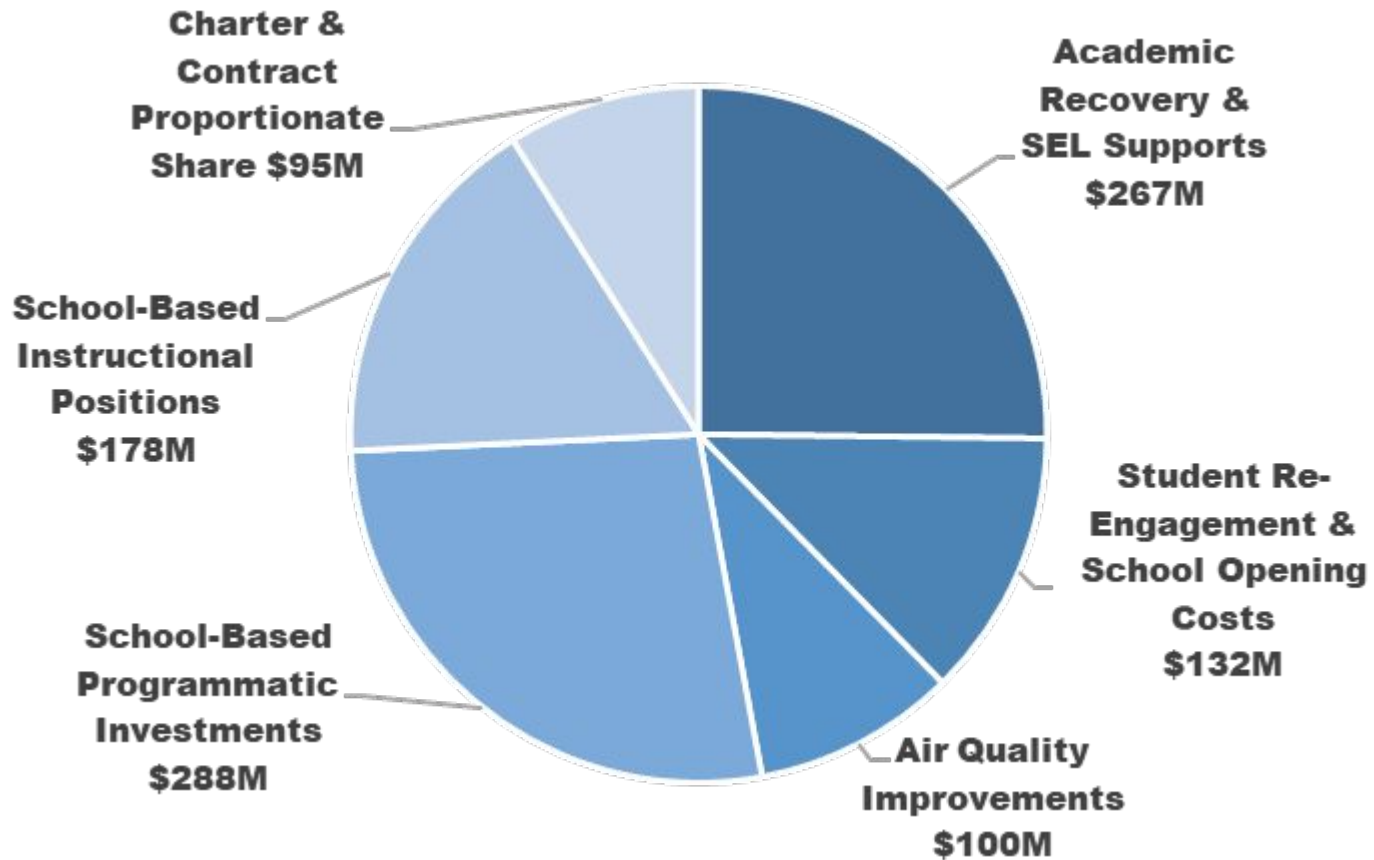
- Prioritizing resources for communities most impacted and harmed by COVID
- Funding for robust SEL and mental health supports
- Addressing enrollment impacts of the pandemic
- Mitigating learning loss
- Supporting stability and safe return to school
- Improving virtual learning and technology
- Providing decision-making at the school level to meet the unique needs of school communities



FY2022 budget included over \$1 billion of federal funding to address school needs

Investment:

The FY2022 budget included \$1.06 billion dollars of federal ESSER funding.



SMALL GROUP DISCUSSION

Guiding questions

- What should CPS be **prioritizing right now regarding school funding?**
 - *lens of the current state, return to school, ongoing pandemic impacts, etc.*
- What could CPS do to improve **transparency, equity, stability, and/or sustainability** in school funding?
- What should CPS be **considering in the long term?**



Hearing from the room

Your notetaker will record responses to the following three questions, as informed by the discussion of the group:

- List one key takeaway
- What's one area you'd like to know more about?
- What voices are missing from the room?

Identify a representative to read responses

One minute per group



Takeaways, next steps, and other opportunities for engagement

Near Term Next Steps:

- Compile feedback, elicit themes
- Incorporate into working group mtg + annual FY2023 planning

Longer Term:

- Explore themes with Working Group as it relates to recommendations
- Ongoing stakeholder engagement - this group + elsewhere

Accountability Redesign Survey:

- It's important for us to understand what you want to know about school and district performance.
- We want to hear from you! Please fill out [this survey](#) by December 23rd so that your priorities can help guide the district's decision making.



THANK YOU!