

## Chicago Public Schools' Budget Deficit

### *If the Current State Budget is Signed into Law, CPS Faces at Least a \$370M Shortfall*

#### WHY WILL CPS HAVE AT LEAST A \$370 MILLION DEFICIT?

- \$300 million in annual cost increases:
  - \$135 million for contractual increases mandated by union contracts.
  - \$34 million in new expenses generated by rising healthcare costs for employees.
  - \$86 million in operational increases, including energy, transportation and utility costs.
  - \$47 million in debt service increases in order to fund critical construction and repairs to schools.
- At least \$70 million in state cuts to education included in the fiscal year 2011 budget which passed in the General Assembly.

#### THE IMPACT OF THE DEFICIT:

Without any other concessions, a \$370 million budget deficit will force CPS to implement the following changes:

- **Maintain K-8 classroom size, but increase average high school classroom size to 33 students.**
- **Decrease funding** for magnet, Montessori, gifted and IB programs.
- **Significant reductions** to bilingual education programs.
- **Reduce** after-school and summer school programs.
- **Cut** non-mandatory transportation.
- **Reduce** funding for charter schools.
- **Continue cuts** in CPS Central Office and district administrative offices.

#### STATE FUNDS STILL OWED TO CPS:

The State of Illinois still owes **more than \$352 million** in late payments to CPS from fiscal year 2010. This number is not included in the above calculations.