CHICAGO PUBLIC SCHOOLS
PUBLIC HEARING
FISCAL YEAR 2013 BUDGET HEARING PROCESS
held on
Wednesday, July 11, 2012

STENOGRAPHIC REPORT OF PROCEEDINGS had in
the above-entitled matter at Malcolm X College,
1900 West Van Buren Street, Chicago, Illinois,
commencing at 6:10 o'clock p.m.

PRESENT:

MR. TIM CAWLEY, Presenter
MS. DANA BRINK
MS. AKESHIA CRAVEN
MS. BETH MASCITTI-MILLER
MR. BRIAN BOND
MR. COREY DAVIS

Reported By:  Karen Fatigato, CSR
License No.:  084-004072
MS. BURGOS: Good evening, everyone, and welcome to the 2013 budget presentation for the Chicago Public Schools. The budget hearing will begin at 6 p.m. and end promptly at 8 p.m. All who signed up to speak will be given an opportunity to ask a question until the meeting is adjourned at 8 p.m. Those wishing to ask questions must sign in from 5 p.m. to 6:30 p.m. on the speaker sign-in sheet labeled Operating Budget or Capital Budget at the entrance registration table and each speaker will be given a number. Please note that no one will be able to sign up to speak after 6:30 p.m. CPS speakers will be limited to addressing topics relating to the budget. Speakers are asked to limit their questions to two minutes so that everyone that would like to speak will have an opportunity to do so. Someone from our staff will come to you with a microphone so you can ask your question. If multiple speakers from the same organization or school are listed only one member per organization or school will be allowed to speak regarding the same issue. If the speaker has a
follow-up question we ask that you please speak
to CPS staff members who will be on site to help
you fill out a follow-up card. We also have
Spanish language translators and sign language
interpreters here, if you need to move down
they're to our left and right.

I'd like to welcome a few people from
the Chicago Public Schools. Our network chiefs,
Linda Williams from the Fullerton Elementary
Area Network; Denise Little from the Garfield
Humboldt Park Elementary Network; Craig Benes
from the Ravenswood Elementary Area Network
and Ana Alvarado from the O'Hare Elementary
Network.

We also have our board panel here with
Mr. Tim Cawley, our Chief Administrative
Officer; Dana Brink from the Office of
Management and Budget; Akeshia Craven, Chief
Officer for College and Career -- I'm sorry,
College and -- Pathways to College and Career;
Beth Mascitti-Miller from Early Childhood; Brian
Bond from the Office of Safety and Security and
Corey Davis from Capital Facilities.

And with that I'll turn it over to
Mr. Cawley.

MR. CAWLEY: Thank you, Monique.

Good evening, everybody. Thank you to those of you who wore bright-colored shirts to brighten up the room. Can you hear me okay?

MEMBERS OF THE PUBLIC: Yes.

MR. CAWLEY: I do want to thank you also for coming out on such a beautiful evening, it shows you're passionate about Chicago Public Schools and the decisions that we're making and we welcome your feedback this evening. We'd like to hear from you about what you think about what we've done in our budget and things that we can do to improve the way we're operating CPS.

We do have a panel here that will help me with some of those questions, and what I'll do from a setup standpoint is turn this microphone around and I'll go back and sit down at the table over there so the speakers can be heard and you won't have to shout. So with that let me get on with the presentation.

We're going to present two budgets this evening, the first on our operating funds.

There's two different budgets that we have to
prepare every year, first, our operating funds that reflects our day-to-day costs, what we do to operate the District, and then our capital budget. And this one is a little anticlimactic because we actually presented it back in May but we wanted to present it formally for this hearing because it is a big part of the budget that we have going forward.

In both cases these budgets reflect our priorities like any budget does. You know, a budget is kind of a very strategic document because it decides what the priorities in the District will be, the things that receive resources, the things that receive less resources. And as many of you know this is a very challenging time for us in the District and so those decisions are very important in deciding the strategy of the District and what we believe is important to help CPS provide better outcomes for students. And our real goal here is to invest to help every child, over 400,000 students in our care, be ready for college and career when they graduate from high school in Chicago. That's our mission, that's
what we're passionate about and that's what our
decisions reflect.

So let me go into the operating budget.
As it says here our goal is to invest to help
every child graduate college and career ready
and we're doing some very specific things to do
that. Number one, we're empowering our
principals as the key leaders. Now, that may
seem obvious to you since principals run
schools, but we know that there's so much that
they can do to influence the success of their
schools and that's why our school chiefs are
here, they're the ones who choose and develop in
partnership with the LSCs, of course, and
develop and coach and nurture and advise our
principals and they're such important leaders
for us in the District. And our principals have
a vital role because they end up selecting the
teachers and rallying them and helping them be
successful in the classroom. So priority number
one is for our principals, to invest in
principals and empower them as school leaders.

Number two is to expand higher quality
school options. Our CEO Jean Claude Brizard
always says that in Chicago the way that we're
going to be measured is not going to be on some
number that's the graduation rate or some test
score, it's going to be on whether or not we are
providing every family in the city with a high
quality option for schools, whether it's a
neighborhood school or a magnet school or if a
child is capable of getting into select
enrollment, but if not that there's another good
alternative for them. And we know that today
we're not offering enough alternatives so we
want to expand that list.

And then finally to engage families and
communities. We know that you are an important
part of our success and that's why we also have
people here from our family and community
engagement team but Jean Claude has been very
clear that we need to reach out and engage
because if we're not doing that our schools have
a much harder time being successful.

Now, doing all this sounds great, every
district aspires to do much of this, but CPS is
in a very challenging time with limited revenues
and a lot of expenses that are growing. So this
fiscal constraint makes it more challenging, you can't just keep throwing money after every problem. And I know we're going to hear tonight from people who wish we were throwing more money at their idea or their program or their pet project. And we wish we could. We wish we could add programs across the District, but we can't. We don't have enough resources to do everything we'd like to do so we have to make those trade-offs. So that's the challenging part of putting a budget together.

To make those trade-offs we've decided that the top priority is the money that we invest in the classroom. Now, that seems kind of natural, that's where the real work of the District is, but you'd be amazed at how many times you see a District start to become bloated in areas not related to actual instruction and student learning. And even here at CPS it has happened over the years so over the last two years, including this budget, we've enacted over a half a billion dollars worth of cuts, cutting out inefficiency, working with suppliers to get costs lower, looking at new ways of doing
things, to get more done with fewer people,
again because if you don't have unlimited funds
you've got to make every dollar work as hard as
you possibly can. And especially we've got to
find ways to cut expenses that are not directly
related to student learning.

We've used every tool available to us,
everything we know how to do to protect
investment in our kids. One thing we did to
increase our revenues is to increase our
property taxes to the cap. So all of us who pay
taxes here in Chicago will see an increase in
our property taxes. And we thought that that
was an appropriate thing to do because our State
revenues are declining, our Federal revenues are
decreasing, the amount that's coming into us --
we are using some carry-over funds to help prop
that up, but the amount flowing to us that's due
is going down both at the State and Federal
levels. The local revenues also would have gone
down, including property taxes, if we had not
taken this move. As it is, as I'll show you
later, even with maximizing our property tax to
the cap, we've only been able to hold local
revenues flat. So we're doing the things we can
to maximize revenues. We're clearly going to
need help in the future because we can't save
our way to prosperity at CPS, we're ultimately
going to need more revenue to invest in the
programs that include student outcomes.

So even after maximizing our revenues
with the property tax increase we're still
facing a significant deficit this year, which,
of course, was the big headline, and we're using
reserves to close that deficit. And a lot of
people are saying that that's not the right
thing to do, but we believe that making
additional cuts in what we're doing, cutting
teaching positions, cutting early childhood,
cutting maybe schools not cleaning because we
don't have enough people there to clean them,
cutting our magnet programs or select
enrollment, we think that making cuts in those
areas to then sit on a couple hundred million
dollars of reserves doesn't make sense so we're
using those reserves this year. We've used them
to balance the budget so that we could maintain
the programs that we got, even after the cuts
that we've done already to maintain the cuts,
and I'll talk to you more about this.

And then the future is tough as this
last bullet says. '14 and '15 we have enormous
challenges, and there was a lot of criticism
about using the reserves when we know those
challenges are out there. But as I said, we
can't make the cuts now and inflict pain on
students throughout the District. We'll deal
with this for '14 and '15 after we get this
budget approved so that we can -- we'll get on
then with that challenge and deal with the
future in the future, but right now we didn't
think it made sense to inflict more pain in the
present just to be able to say that we're
preserving reserves.

Now, this budget allows us to invest in
a full school day. We believe that is one of
the top priorities for our District, that we
were not doing a service to students by having
the shortest day and the shortest year, school
year, of any major district in the country.
Those are facts. And we don't know how it got
over the years but those are facts. And we know
that students are falling behind by not having the time to learn. So giving our teachers the time to spend with students to help them with interventions, to have prep time, we knew these were the things that were very important to invest in this year.

We also know that as required by State law we have to go to common core state standards. And so this is a complicated area, a more rigorous curriculum that many believe will be an important step for our students to grow over time and for our outcomes to be higher than they are today, not just Chicago versus other American districts, but Chicago versus districts around the world because we know American schools are falling behind, that again is an indisputable fact. And so having the time to embrace this curriculum and help our teachers have the prep time to prepare for it and the time to share it with their students was very important. So implementing the common core standards is another big benefit of going to a full school day.

And then finally going to a new
instructional framework which will be rolled out this year to help our teachers develop and learn to expand their practice. You know, our CEO is a teacher, was a teacher, for many, many years, he was a principal. He's passionate about helping our teachers grow in the profession, and so having the time and again more prep time to be able to do that in teams and individually, self-directed and principal directed needed at the time that we're investing in.

Our budget also allows us to protect investments in early childhood. Now, Beth is brand new in her job, but I can tell you she's got a big challenge because we really believe, again a strategic decision, we really believe that investing in students early will help us close the gap that we've got for children in their later years. For the teachers who are here who are teaching 9th grade and you know you have students who read at the 3rd grade level or 5th grade and you know you've got students who don't know how to do 5th grade math, they're still at 1st or 2nd grade levels, we've missed an opportunity with those students. We know
you're working hard to close that gap, but imagine if those students were delivered to you ready to go for 5th grade or ready to go for high school. And we really believe that a big investment in early childhood makes sense because getting those students on track reading effectively by 3rd grade is a big indicator of their success later. So we've maintained our investment in early childhood. We've maintained class sizes across the District. Again, not an incidental investment in a time of declining revenues but something we felt was important. And then finally we're investing in high quality choices for parents, which I'll talk about with some specific numbers.

I mentioned that we're empowering our principals and school leaders. We took a very significant step this year which was to start moving money away from the Central Office out to our schools. We felt that by empowering principals and giving them resources that they and their LSCs and their school teams could apply to the right programs for that school that we'd be giving them more flexibility on how to
structure their full day, on how to create enrichment programs, on what gaps to fill for their students. And so $130 million in new money and $70 million -- $60 million in kind of reallocated SCFA (sic) and title fund money that had been sitting at the Central Office provided a significant amount of flexibility for principals. And we rolled out the school budgets in May and the feedback was really good at a time when overall District resources are not going up, in fact, they're going down. The feedback from principals and the school teams was, you know what, that was not bad. And I think it was because they had the flexibility to make the decisions that were right for them. And, in fact, we know that with that extra money 276 teaching positions were added. We don't yet know which ones were in art or music or social studies, but we know that principals use that money to invest in more staffing for their schools.

By the way, we also know that in the discretionary money another 250 positions were added. So with the amount that we rolled out it
was over 500 positions that were added to
schools compared to last year with these
additional funds. That's a good step forward
for helping us accomplish our objectives in
schools.

Improving access to high quality
schools. Now, I know this is a controversial
slide, the bottom part anyway, but let me talk
about the top part first. We're seeing great
results from IB programs, in magnet schools, in
STEM schools, so we've provided additional seats
in those schools. These are existing programs
that are at schools. They've already got some
additional staffing, we added some in some of
these, but this is a way to provide more
opportunities for parents in schools that have
proven their success and that they're highly
desirable. And parents throughout the city are
trying to get into these schools, so the more
opportunity we can provide, the better. This is
a strategic decision. This is an investment.
So is the investment in charter schools.

(Whereupon, the public was
booming.)
MR. CAWLEY: I'm not surprised by your reaction. We have made strategic decisions to invest in charter schools.

(Whereupon, the public was booing.)

MR. CAWLEY: I promise I won't shout at you when you talk, I appreciate if you'd show me the same courtesy.

The District has made a decision to invest in charter schools because they perform well and they provide parents with alternatives. If the charter schools that we have are not effective they wouldn't have a waiting list. We would not see people lining up to get into it. So we don't -- we ever doubt that many of our teachers resent charter schools, we don't doubt that. We are making an investment in charter schools, we're standing tall on this, and we believe it's the right thing to do for the children of Chicago.

A VOICE: For the 1 percent.

MR. CAWLEY: You must not be a math teacher because 50,000 students are in charter schools, so it's about 12 percent. 12 percent
of the students in Chicago have chosen to go to charter schools.

A VOICE: Who is making money off those schools?

MR. CAWLEY: We also are making investments in student learning. I mentioned early childhood is an area for us. We're maintaining programs for 42,000 children in early childhood programs even though the State cut our funding by $19 million. We're also maintaining our investment in full-day kindergarten for 17,000 children, about a $30 million investment, even though part of that 30 was paid by Federal funding last year, the HR bill, $19 million, those numbers happen to be the same as a coincidence, a $19 million reduction in federal funding for that program. So the District has made a strategic decision to continue to invest in these areas because we think it will pay big dividends down the road.

We're also investing about $4-and-a-half-million in early childhood evaluation teams. This is adding more staff to do assessments of children who are struggling at
young ages so that we can head off the things
that make them special ed students later in
their life. If we can get them back on track at
age 4 or age 5 we believe that we have a much
higher likelihood of them having a successful
school career and career beyond school.

Now, this budget has a lot more
transparency than ever before. If you go to the
website -- if you go to the website you will see
that we have laid out budgets by department with
head count for every single department with the
specific achievements from fiscal '12 and goals
for '13. We have detailed numbers for school
budgets. We have detailed numbers for just
about anything you might want to look at and a
way to do analysis that's never been available
before.

So again, we know that not everybody in
Chicago agrees with every decision we made with
our budget, but what we could not tolerate was
people not understanding our budget. So it's
there for you to see and to pick apart and to
understand exactly how we're making our resource
allocation decisions.
I mentioned the challenge we have for this year. If you saw a graph of this, I showed it at a Board meeting back in March, basically you would see that since 1995 all the way up through 2011 revenue and expenses increased steadily every single year for CPS. It's a wonderful thing. Revenues went up every year. You could afford to do a bunch of new programs, throw money around, you always had an extra couple of hundred million dollars. Those days stopped actually back with the financial crisis in '08. '09 was our first tough year and then '10. So you might say if those were tough years why does the chart go up steadily through 2011? Well, I think some of you may know that a bunch of one-time fixes rode to the rescue, a lot of Federal stimulus money, $500 million directly to us, $500 million to the State that ended up flowing to us. We would have had cuts of 500 million if not for that. About a billion dollars in stimulus money, TIF surpluses and actually a bond restructuring that was done by the previous administration all helped to offset those deficits in 2010-2011 and a little bit in
2012. But even in 2012 we budgeted a significant deficit and sure enough we have a big deficit. About $140 million down, that is expenses $140 million higher than revenues, and we're going to have to cover the fiscal '12 deficit out of our fund balance. So fortunately all this stimulus money provided a significant amount of reserves for us that we were able to tap into in '12 and that we're going to be using in '13.

As it says here we took steps in fiscal '12 to cut about $400 million out of our expense rate. We economized on things like custodians and we kind of stretched them in schools. We stopped cleaning areas that were uninhabited. We've actually staffed by square feet even if a whole floor was uninhabited. We changed bus routes. We did a number of things to reduce the cost at Central Office, an area where a thousand -- if you look Central Office, city-wide positions and network offices were down a thousand positions from about 4800 to 3800 in three years, a thousand positions down. So we've made significant cuts to reduce the
cost structure to keep money in the classroom. That's how we were able to do that $130 million in extra money for principals this year.

If you look at our revenues here's the grim story about declining two years in a row, again, year after year after year have increased, some of it because of onetime stuff, but a lot of just revenue. We have steady increases in State, Federal, local money. In fiscal '12, which just ended on June 30th, our revenue was down $300 million on a base of $5 million to about $300 million. And then this year even after property tax increase our revenues are down $30 million. Let me show you the components of that. Oh, I guess we don't have that.

If you look at that the State is a tough situation. We've had three years of declining revenue from the State both in the general State aid and in our block grant after years of increases. And if you think of the difference in the trajectory, if we had continued with increases we would have hundreds of millions of dollars of money today that we
don't currently have. And it's great to hope that the State of Illinois is going to ride to our rescue and suddenly increase the revenues to us, but Illinois has its own challenges as everybody knows and so we have to be realistic about what our hopes are. And one area where we're working with a lot of different people, community groups and others, is to work with Springfield to figure out how do we get revenues back up again because it's hard to make the kinds of investments we need if we don't have more revenue.

So when we started this budget process back in March, February, our budget deficit was about a little over $600 million. It was a little over 600 then, when the State cut our revenue in May it went to 665. So the way we closed that was we increased revenue with the property tax increase and a few other things, we cut expenses by $144 million and then we're using reserves, about $432 million in reserves and that uses the entire fund balance that we have of unrestricted money. And that's my opening comment. We felt that was the right
thing to do rather than make cuts around the District that would inflict pain on students.

As it says here we've done everything we can. We don't have the power to increase Federal revenues. We don't have the power to increase State revenues except lobbying in Springfield, which we have a great team that does everything they can on that. We do have the power to recommend to our Board an increase in property taxes, and that was approved this year. So that's the $62 million increase you see there.

We also are going to benefit from the TIF surplus, about $30 million this year in fiscal '13 in the proposed budget. We had 16 last year so you can see an increase of 14 for more TIF surplus than we had last year. And then there was some other revenue adjustments that will provide about $12 million more in revenue. So we did everything we could to increase revenue by $88 million, and that is helping solve the problem, but not enough.

So then we had to figure out what cuts we were going to make. We cut a lot of areas in
operations, the way we run our facilities, in
our procurement area, driving costs down with
suppliers. We cut the IT budget, and that may
seem like, well, who cares about IT. Well, the
students take their -- they learn, they grow,
they find information on the Internet, that's
where they do their research. Many of them take
tests on their computers.

A VOICE: That's all they do.

MR. CAWLEY: So investing in IT is
really important. We have to have good working
networks in all of our schools. We reduced a
lot of non-personnel costs to stop spending
money on supplies that we don't need. We're
rerouting things in transportation. We believe
there are savings there. So looking at all of
these areas, again things that aren't going to
affect the classroom we were able to identify
$144 million in cuts.

We did have to go further and cut some
areas in education, again trying to identify the
things that would have the least impact on
students. I don't -- I'm sure there's somebody
here that's going to tell me we made the wrong
calls here, and we are here to listen to you for that very reason.

A VOICE: Why didn't you listen before?

MR. CAWLEY: We have made decisions to decide where we could invest the most and get the most bang. Where we could get the highest return on student learning. So we made decisions and some outdated or less effective programs. An outdated program would be -- we had a program called Advance Learning Options which was a technology-base extension of the school. The school day is now a full school day, it was no longer necessary to run that program. There are other things that we were doing that did not add as much value in the District as others thought. So a budget again is a series of decisions and trade-offs that we needed to make. We rationalized some of our staffing in magnet and IB schools and what we saw there was inconsistencies, some schools staff a lot more than others so we reallocated so that it would be more discipline in principal on how extra resources were allocated.

And our Culture of Calm, just to be
fair, we're big believers in Culture of Calm. We believe it has helped preserve the safety in our school environments. Chicago is facing a very challenging time right now, and we are not going to dial back on safety and security. But what we found with Culture of Calm is that we had a lot of coordinator roles in a lot of schools that were very expensive and so rather than cut programs that were directly touching students, what we did was we felt this was a cut that we could make without endangering the program's effectiveness.

As I said, we used reserves to close our budget gap, it's still an enormous gap. We were fortunate to have these reserves because the only alternative would have been to make more cuts, to make cuts in a lot of different areas around the District. So as we've said repeatedly on this point, we believe it made sense to use these reserves. This is the kind of year they're there for, for a time when you don't have the kind of revenue growth that you need and when you don't want to cut into effective programs for students, and so this is
the decision we've made and we believe that doing it opposite and leaving $200 million sitting in a reserve fund while we're cutting programs for students is the wrong decision. Our students can't wait. The students who are in our schools this year need this investment, and we believe that applying the reserves is the right decision.

Let me now move to our capital budget. As I said, this is a little anticlimactic because we presented our capital plan back in early May and there were actually separate hearings then, but I still want to review it very quickly for you here and then invite your comments and questions.

We've been going along spending hundreds of millions of dollars a year on capital, and I know it probably doesn't feel like it for those of you who have students in a non-air-conditioned school or in a school where you see the roof is leaking, but with 650 buildings we are so far behind in our ability to keep up with the capital needs and so investments were made to try and improve the
infrastructure, to add schools in overcrowded areas, and we have some, northwest side, southwest side, southeast side, to improve some of our old buildings. Our average building is about 70 years old. So we've had to make significant investments over the years. And, in fact, the fiscal '12 capital budget was over $600 million, now that included some TIF money to build a new Jones and some other things. So we had to make significant investments in the past. We cannot afford those anymore. We've cut our capital budget down to just over a hundred million dollars this year because we can't afford to keep adding interest expense in the future when we know we're not going to have the revenues. So we're taking a bit of a breather. It's going to come back up we think to about $200 million each year in the future, still well below what we spent in the past, but we just can't afford to do this. We're going to keep looking for other revenue sources. The State has some capital funding that we will use for our schools. TIF money if it's used in the TIF they've really helped us renovate and build
new schools, as I mentioned on Jones. So we're going to be trying for a lot of different sources that we can get revenue that doesn't create expense in the future.

As this slide shows pretty dramatically the scope of our plan is a lot smaller than in the past. We've been going along 4 to $600 million a year, we're dropping to hundred to 200 a year over the next few years, and again it's simply because we cannot afford to keep going the way we did in the past.

Our investments are a lot of programs that -- am I back on? STEM programs, CTE programs to help students get ready for a career after high school, teach the ones the new program that uses technology in a large classroom and we're going to try. It's been successful in another city and we're going to give it a try with a two school trial. We're investing in playgrounds because the full school day brought recess back, which many people are very happy about, but we need to have a facility for students when they go outside and play. And then the IT, we've got online curriculum and
other web page applications that require our
students be ready for the 21st Century. We
can't have -- and we're amazed -- I heard at a
recent Board meeting that there's a school where
every teacher doesn't even have a computer.
That's unacceptable in our view. We have got to
make sure every one of our teachers has a
dedicated computer for their own planning, for
their own work, for their own recordkeeping. So
we've got to make this investment throughout our
District so that our students and our staff are
clearly ready to do 21st Century education.

We also have other investments that we
make in capital, in safety, things to make sure
we have chimneys in a lot of our schools that
are falling down or are at risk of falling down.
So high, high priority is to shore those up so
that we don't endanger our students or staff on
the school grounds. We've got other masonry
coming off of buildings, roofs that are leaking,
windows that aren't sealed, and we've got to
make schools ADA ready, American Disabilities
Act, I think everybody knows that, and fix
mechanical so the boiler will not let us down in
January and February. We would love to add air conditioning to every one of our schools, we do not have the money to do that. So we're looking for other solutions on things like summer school that we can address to relieve some of the pain that many of our students felt over the last couple of weeks.

And then finally an investment that we're making in capital and energy programs allows us to do some logical things, like fix lighting in schools that might be 30 or 40 years old that are highly inefficient and wasting energy or to repair windows that make it three times more expensive than it ought to be to heat or keep a building cool. And so those investments pay for themselves in as little as a year sometimes but always in less than four years. We get the money back in energy savings and this will come out of the City's infrastructure. It's exactly the kind of thing that was envisioned when that was put together.

Now, any time when a budget like this is put together you've got to set priorities. So this very dramatic illustration of filters
shows how we think about this. We assessed the building conditions throughout the District. We looked for the most serious problems that needed to be addressed and we prioritized them. And so you may feel like why isn't my roof getting repaired in my child's school when I know there's a leak there? I can assure you if we're repairing a roof it's far worse than the one at your school. So we prioritized based on the severity, the impact on the students and safety as I said earlier about chimneys.

We looked at how these programs fit in. So if it's a school that's expanding its seats for magnet or selective enrollment or IB, we got to have the capacity for it. If you're doing that school appointed technology test, basically it's not a big deal, it's taking down a wall between two classrooms to make a larger classroom for the teachers to use the technology more wisely. So we look at the program initiatives and have to invest to support those.

And then we have -- we looked at whether or not this all aligns with a master plan. Now, we've got some work to do. State
law requires a ten-year educational facility master plan be a draft to be presented before January 1st. So we're working on that and getting input from communities all over the city on exactly how we ought to be thinking about the infrastructure in their neighborhoods. And then finally we do get community feedback. As I said, back when we presented the capital plan back in May we had separate hearings on the capital budget. Now, again we're very proud that the capital plan can be looked at in great detail, pictures and everything, project by project on where we've invested. The decisions we've made, how much we're spending there, why we're doing it, the condition of the building before and why we felt it needed to be a high priority. So if you're curious about that I urge you to go there. If you go on the website you'd be able to see -- I think we could go on the Internet hear, but I'd rather leave the time for your questions and comments, but you'd be able to click on every one of these projects that's highlighted in purple and you'll see the one-page or two-page
summary of what's going on at that school,
again, why, how much, when it will be completed,
the whole story.

So the bottom line on our entire budget
presentation is we're not just here to balance a
budget. We've got challenges, that's for sure.
We've got constrained resources. We've got
tough decisions. But we show up every day to
make things better for students. So as a team
from our school chiefs to our department heads
throughout the District we're trying to make the
decisions that we think will improve outcomes
for students. That's what we have to do every
day. And every one of those decisions is a
trade-off. Even the things that get money the
question might be why isn't it getting more
money. And the things that don't get money or
they get less, of course, there are people who
are very upset about that because it may be the
thing that their specific child benefitted the
most from. But we have to make those trade-offs
and we have to make the tough decisions
throughout the District. We used our reserves
because students can't wait another day. The
ones who are showing up in 3rd grade or 8th
grade or junior year in high school in August or
September need that investment that we're making
in them and applying our reserves makes sense.
We cannot expect them to take a hit while we sit
on $200 million of reserves. So we've got to
make those difficult choices without putting our
children's future at risk.

I mentioned earlier the work that we've
got to do in Springfield. We need an engagement
in our schools. Some of our schools are great
at raising additional funds from community
partners, from corporations, from foundations,
from parents who can afford to contribute,
they're great at adding additional resources.
So everybody got to pull together to do their
part to help CPS be successful in its mission,
and we've got to do this despite the challenges,
we've got to be successful and we ask your
support in doing that.

With that I will turn this over to
questions. Now, here's what we'll do, we'll
take comments or questions on the capital budget
first, and I think there were very few who
signed up to do that, but we'll definitely take
those first. We'll try to organize it so the
people on the panel who have got the most
insight to what we're doing can answer your
specific questions. If you just want to be
heard, that's fine too. People are documenting
it, we have a -- we're documenting everything
we're doing here. So we're going to post these
questions. And the ones we don't get to we're
going to prioritize and group them and we've got
a teletown hall coming up next week, we'll be
able to answer them there.

So with that we're going to take this
microphone and turn it around so the people who
want to be heard can speak in the microphone and
we'll be happy to answer your questions. And
because we started late we will be here until
ten after 8. I know we wanted to start at 6 and
go until 8, but we want to make sure we got a
full two hours so people could be heard. And I
ask those who speak to limit it to two minutes
so others can be heard, and naturally please
show respect for anybody who is talking. So
thank you very much.
MS. BURGOS: We'll start with the capital budget. Speaker CA 1.

MR. RITTER: Good evening. It's funny that we're here. Last time I was here was the Crane closing hearing where there were bus loads of paid protesters to be brought here to convince the Board to close Crane High School. We all know how that turned out. Who organized those paid protesters? Everybody remembers that story, right?

It's also funny that we're hear because is it not true, Mr. Cawley, that this building will be given to a charter school in less than two years? Is it true?

MR. CAWLEY: This building will become an art center for the city and Chicago School For Performing Arts, which is a contract school, not a charter school, will actually be one of the residents along with a bunch of arts organizations.

MR. RITTER: I want to find more cost savings for you, Mr. Cawley. I want you to close underperforming charter schools.
(Whereupon, the audience was screaming and cheering.)

MR. RITTER: All of them. I would like every charter school that is below meets and exceeds ratio elementary and high school, will you seriously examine and close them? There are a number of them. You can find millions of dollars there. They are below the scores of schools that you closed or turned around recently this past year. I see a little hypocrisy there.

I also have a follow-up with the fact that of all of the members of CTU Local 1 who are here fighting for a good contract, you created a budget that goes around our contract which doesn't factor in whatever the arbitrator says, whatever agreement we make. So there are massive changes that are probably going to occur to your budget. And my biggest worry is that you use all of these reserve funds and you hit zero next year so that you use that rationale to say we don't have anymore money, therefore, we must do what? Close more schools. Which if I had to take a quick survey of everybody here, do
you want them to close more schools?

(Whereupon, the audience was screaming and yelling.)

MR. RITTER: That's all I have to say.

MS. BURGOS: Speaker CA 2.

MS. COHEN: Hi, everybody, my name is Rachel. I'm here with a group called Chicago Teachers Solidarity Campaign. We're a group. We just formed. We're a community and union activists who go across the city from all sorts of different neighborhoods. We have actually written out a statement about why we oppose this budget. Folks should have gotten a flier with this on it and if you agree with us I hope you'll help me in making the statement to the Board.

What we say is what's happening to our schools is an injustice and a shame. 160 schools in this city lack libraries. Almost all of them are on the south and west sides. 42 percent of elementary schools don't have full funding for full-time music and art teachers. Charter schools get resources while public schools are slashed. You tell us we have the
deficit of $700 million so we can't pay teachers
or improve the schools our kids will be in for
an even longer school day. But Illinois is not
broke, $250 million in TIF money is taken out of
our schools each year to fund the projects of
the wealthy, like the $5 million Penny Pritzker
just got to build another hotel. Corporate
America doesn't pay their fair share and our
teachers pay with their jobs. And the Board of
Education has shown time and time again their
primary concern is not the children or the
teachers but the pocket books of the rich.
Here's your chance to do what's right, support
our teachers and stand for quality public
education. The bottom line is that the
millionaires and the billionaires on the Board
don't care about working families or our
schools, but we do. We stand in solidarity with
the Chicago Teachers Union because we are
parents, we are students, we are the community
and we will never bow down to the interest of
the 1 percent --

(Whereupon, the audience was
screaming and yelling.)
MS. BURGOS: Thank you. We'll now start with the operating budget. The first speaker OP 1.

MR. ESTVAN: For the transcriber, Rod Estvan, Access Living of Chicago.

Our position on the reserve fund is that the last time we had no reserve fund was before the fiscal collapse of 1979. And how we got into the fiscal collapse in '79 was based on short-term borrowing. Tim's old boss, Marty Kovac, became head of the school finance authority. I wrote my Masters thesis on the fiscal collapse of CPS, and it's like a pay day loan operation. So if this budget already identifies shortfalls and promised payments from the State repeated, it's in the budget, it's in the document, and this will happen again. The money that is in the reserve fund at the end of the year was not actually the cash balance throughout the whole year. The Board members all get cash flow packets and cash flow goes up and down. We've had to use this reserve fund historically many times to reach into it, not all of it, but parts of it, and we do not
support zeroing out the reserve fund. We do not think it's a wise policy.

(Whereupon, the audience was screaming and yelling.)

MR. ESTVAN: On the issue on the

budget, there are some critical tables that have existed since the 1990s that no longer adhere this, budget and for analytical purposes for both my organization and other organizations it makes it very difficult to do historical comparisons. So we're going to send you notes about restoring some of that data that's not in the report.

We support the increase of special ed funding for charter schools. I know many of you are not happy with charter schools. We're not advocates or opponents of charter schools, but we recognize the inequity and funding for special education in those charter schools and we support that increase in the budget and we think it's the right thing to do.

So, you know, there's many, many other things to discuss in an extensive budget like this and complex budget. We do not think it's
1 probably the most transparent of all budgets.
2 It is certainly simpler to read because we're
3 used to certain formats in the past it's harder
4 to find things in the present, but I'm sure with
5 time I'll figure out where everything is. And
6 you also heard what we thought about the capital
7 budget, we discussed that with CPS, and we're
8 not in agreement with the ADA money in the first
9 number of years in proposal, we don't think it's
10 viable in the long run. We think that there's
11 problems. We're very concerned about what the
12 final deal will be with the union when these
13 deals historically have been done at the last
14 minute in the mayor's office, and we're very
15 concerned where that money will actually come
16 from. And I know there can be no transparency
17 on this because it's a deal yet to be done, but
18 we're worried about how that's going to be done.
19 And we think that all the citizens of Chicago,
20 whatever their position is on trade unions,
21 should be concerned about how that deal is done.
22 The sooner it's done, the better. It would have
23 been better to have it done for this budget, but
24 we are where we are right now. Thank you.
MS. BURGOS: Just a reminder please keep your remarks to two minutes. And I'm also going to give you a 30 second warning and a zero second warning. Thank you.

Our next speaker is OP 2.

MS. ALLEBACH: Hi, my name is Beverly, I'm a teacher and I'm here tonight because I do not believe that your budget fully supports the neighborhood schools. With an additional $78 million going to charter schools, which makes for $500 million to our charter schools, our neighborhood schools are being starved of resources and positions.

Let me give you an example of how you could support our neighborhood schools. I work with my students which means I go from 6th grade to 8th grade with my students. Two years ago I got a class of 35 students with about 20 of them needing special services, about six of them were staffed. My principal finally decided that instead of having an art class we should split that class, there were too many students in that class and there were too many behavioral problems. She split that class last year and it
had a huge impact on the students. I had one
special ed student increase his score, reading
score, by 40 points, and that's because he could
finally focus in the classroom because he got
individualized attention and tutoring and other
students could help him because we had a calmer
environment.

The students' behavior changed. Their
appreciation for school changed. And I felt
like I could finally teach instead of just
trying to manage and baby-sit a classroom. So
how can you support our neighborhood schools and
fund them? Why don't you talk to Penny
Pritzker? Don't you have the power to do that
and ask for $5.2 million back? Can you not go
to the Miller beer company and ask them for the
$6 million that they got? Can you not push the
mayor to stop the TIF funds and let the $250
million come back into our public schools?

(Whereupon, the audience was
screaming and yelling.)

MS. ALLEBACH: Can you not ask the
mayor to stop and let corporations not pay their
fair share in taxes like the Chicago Mercantile
Exchange with a hundred million dollar break from taxes?

MS. BURGOS: Thank you.

Our next --

MR. CAWLEY: If I can just comment on TIFs. TIFs are a very complex story, but I think it's very important to know that CPS benefits from TIFs.

A VOICE: They build charter schools with TIFs.

MR. CAWLEY: TIFs are used to renovate some of our schools that need it and TIFs are used to build new schools. And if a TIF is not used in the community CPS gets half of the surplus when it's declared. So in fiscal '11 we received $124 million from a TIF surplus. So CPS benefits very significantly from TIFs, and I think that's something that many people don't understand.

MS. BURGOS: Thank you. Our next speaker, OP 3.

MS. ROBERTS: Hi, I'm a high school teacher in Chicago thanks to all you guys. I just think the point is all the TIF money should
go to schools, actually all of it. And another,
you know, another problem with this is that
we're saying, oh, here's another taxable working
class people who own property, let's have a
progressive tax that actually taxes wealthy
people.

My other point is that I feel like the
Board and CPS is running the public schools as
if they hate the public schools and that seems
so crazy to me. It's like running this
institute and trying to actively undermine and
undercut the institution constantly. And that's
what we see when no wonder there's so many
people lining up for charter schools, look at
how beautiful the buildings are, look at the
technology, look at how the arts and programs
there are. If I had a choice between crappy
school A as the public school that is
underminded (sic) and underfunded consistently,
or beautiful school B, I would want my kid to go
to the beautiful school.

The argument here is that we want every
single school in Chicago put extra money in or
not to be a beautiful school with arts and music
and all of the other things that a lot of these charter schools have, the beautiful fields, et cetera.

And so I just wanted to make the last point that I have on my little sheet here, which is that I'm really insulted by this budget and I'm insulted because I work my ass off, sorry, I work by butt off in school. I work really long hours and I'm not compensated for a huge portion of those hours and then I look at the budget next year, a 2 percent raise, as you took away our 4 percent raise.

MS. BURGOS: Please conclude.

MS. ROBERTS: Okay, I'm still angry and I think it's really, really insulting.

MS. BURGOS: Our next speaker, OP 4.

MS. SHERIDAN: Hi, I'm also a public school teacher. I've been teaching for Chicago for 14, almost 15 years. I love my job and I love my students, and I know that when I come to these things I often feel like the crowd feels like the Board is being so disingenuous. And so when you hear us hissing and saying we don't believe that there's a deficit, there's reasons
for it. And I'm a person I absolutely understand that high quality education comes from experienced teachers and experienced teachers cost more and the people that I work with are constantly in fear of losing their jobs now because we know that the younger inexperienced teacher costs less. And so we are walking around in fear for our jobs which makes it less pleasant to do even though I love my job. It's really difficult under all of this pressure and under all of this bad publicity for teachers to keep doing the high quality job I was trained to do over all of these years.

So I just want to say a couple of indisputable facts because I know that you guys like indisputable facts. Experienced teachers do a high quality job. They cost more. Class size (inaudible) for all of my students. When principals save money by increasing the number of students in the classroom by doubling up the number of kids with high needs, throw in an assistant teacher and claim that that makes the ratio better makes the experience for all of us less.
And so I know that you said that we're going to be maintaining class size with this budget, but I do not understand how maintaining a class of 41 kids with an extraordinary number of high needs, how that is supposed to help anything? We need to actually reduce the class size, not maintain it. So I guess that's probably my two minutes.

MS. BURGOS: Our next speaker is OP 7.

A VOICE: You skipped 5 and 6.

MS. BURGOS: I'm sorry, OP 5.

MR. MESSLER: Good evening, my name is have Gerry Messler, I'm with the Service Employees International Union. We're here to talk about the budget and relationship that you commented before that you already cut the custodians we represent. We think these people basically are invisible to most of the people and most of the students are gone and the teachers are gone and they're there at night cleaning up these buildings. Of course you have custodians in the daytime too, but because they're invisible you think it's something you should cut. We think you're cutting (inaudible)
they protect the health and the welfare of the
students by keeping the germs free because the
school is not providing enough money for them to
have the safe equipment that they need.

So we ask as you've already cut 200 of
them last year that you don't cut any more this
year. I would also ask that you put your
PowerPoint online. It's a nice summary where
the details sometimes are very difficult to
drill down to find out all the things. Thank
you very much for your time.

MR. CAWLEY: I like your idea. I don't
know if we're planning on posting it. Do any of
you know if we're posting the PowerPoint online?
I think it's a great idea.

Secondly, are you a CPS employee?

MR. MESSLER: No, I'm not.

MR. CAWLEY: You're SEIU Local 1.

MR. MESSLER: That's right.

MS. BURGOS: The speaker that
registered for OP 6 spoke for the capital budget
so we will move to OP 7.

MR. CAWLEY: By the way, we do love our
private custodians and our --
(Whereupon, the public was booing.)

MR. CAWLEY: I didn't mean to make that distinction.

PASTOR DOWLING: My name is Pastor Dowling --

(Whereupon, the audience was screaming and yelling.)

PASTOR DOWLING: -- in the North Lawndale Community, and I'm here representing the students and our schools and the parents. For over six years the CPS Central Office has said it wants to reduce the number of suspensions and expulsions in our public schools. Six years ago they covered moving toward restorative justice practices in a way for punishment practices that eventually pushed many kids out of the system. In fact, a record number in Chicago than any other city in the country. Chicago has a long-time record of children being suspended and expelled from our schools.

As pastor on the west side in the North
Lawndale neighborhood I see too much violence. I've been called over to Mt. Sinai and Stroger Saint Anthony too many times to be with the family to pray with them when they plan to have life support from their sons who were shot. I presided over and attended too many funerals for school-age youth victims of gun violence. I also see too many school-aged children on our streets with nothing to do and too much time on their hands. Unfortunately, many of those students get caught up in gang violence and are more likely to get forced in the injustice system. They end up in juvenile detention or in prison.

CPS needs to re-prioritize the budget away from more cameras and metal detectors in our schools and hire personnel who can teach and implement restorative justice practices in our schools. We need to move away from zero tolerance policies to policies that respect our children and respect our children as human beings who deserve not punishment under the current system but discipline that teaches them how to make better choices in dealing with
conflict.

As Alderman Burnett sponsored the city resolution to ask CPS to honor their commitment to have justice said this should be a no brainer, and yet we continue to support a system where our children and youth are punished rather than worked with and taught how to resolve problems in healthy ways.

The proposed budget reflects no change in the current zero tolerance policies and continues to focus on punishing rather than working with parents and teachers and disciplining their children and working with the communities as well. Eventually we don't want to sacrifice at-risk programs, but we need to realize that there are so many at-risk students and students --

MS. BURGOS: Can you please conclude?

PASTOR DOWLING: I will do that. Is that 30 seconds?

MS. BURGOS: You went way over 30.

PASTOR DOWLING: You didn't give me a 30-second warning.

The High Hopes campaign, of which my
A church is a part of, is asking thousands of parents, many clergy and any other community organizations for CPS to put their money where their mouth is and shift your priorities to first take our schools back to restorative justice practices. You will create a safer environment where students are still held accountable and you will create a better environment where teachers can teach and children can actually learn. Thank you.

MS. CRAVEN: Thank you for your comment. We actually couldn't agree with you more? At the most recent Board meeting -- (inaudible) were significant in reducing a number of days that students are allowed to be suspended. So for some of our maximum number of days was ten, we reduced that to five.

Also, in the Student Code of Conduct it does call specifically for restorative justice practices and we're continuing to follow our youth development. This year that team provided professional development on restorative justice practices to more than a third of our schools in the District and will continue (inaudible) to
provide adults in buildings, teachers, students, principals, on restorative justice practices.

A VOICE:  Who are you?

MS. CRAVEN:  My name is Akeshia Craven, I'm the chief officer for Pathways to College and Career.

MS. BURGOS:  Our next speaker, OP 8.

MS. HAINDS:  Hi, I'm Sarah Hainds from the Chicago Teachers Union.  You keep talking about cutting the Central Office, and I know that's the kind of thing that gets put in the media every single year, you're saying 60 million of it is coming out to go to the schools but you're actually up 21 million this year compared to last year. Last year you were up 194 million. So a lot of the programs that you're cutting you actually dramatically increased last year so that is very misleading.

And one of the biggest departments that's increased is your communications office, it's up about 30 percent and it's all going into your TIF campaign, and I think it's doing a huge disservice. You have this fancy website and interactive with buttons and everything, you're
just spinning the numbers around and you're really not being honest with the public and it's not fair.

One the things you like to spin on is what you mentioned earlier about we know that charter schools are affected because so many parents are waiting to get in line. On Page 8 of your budget you say that one of the reasons why expenses were down last year is because enrollment was lower than projected in your charter schools. People have been asking time and time again to publish the numbers on these waiting lists. No one believes you that there are waiting lists. Maybe one noble school has a waiting list, maybe, but there are 108 charter schools do not all have waiting lists. That is not true. And you should publish it if you want to be more transparent with the public.

And then finally talking about cutting inefficiency. We mentioned Doolittle -- I mean Chi-Arts is coming here next year. 30 million is being spent on renovating Doolittle this year for Chi-Arts, it's the third time that school has moved. That is completely inefficient. And
then you've already put into the fiscal year '14 capital budget a ton of money to put into this building again for Chi-Arts. That is unfair and inefficient.

MS. BURGOS: Thank you.

MR. CAWLEY: If I could just reply on some of those comments.

On the investment in Doolittle, the great news about that is the Doolittle Elementary School will be able to benefit from that when Chi-Arts moves out. That was always a temporary location for Chi-Arts and Doolittle will benefit from that and we hope to turn Doolittle into a terrific school.

Number two, if there are things you see in our budget with all the numbers we spin around, if you see anything that is not clear or honest I hope you bring it to our attention. The reason we put it in there is so that you can see it. And it is honest, it's a budget, it's passed by the Board. So we would like you to point out things that you think are unclear or misleading because it is a new format for us.

I forget what else you commented on.
The waiting list. I actually like the waiting list idea for charter schools.

(Whereupon, the audience was screaming and yelling.)

MR. CAWLEY: They don't report to us, but I actually think that's a great idea. They actually have their own records. I don't know if we are allowed to compel them to do it, but I think it's a good idea.

(Whereupon, the audience was screaming and yelling.)

MR. CAWLEY: When you talk about the Communications Department, it is growing because we're trying it communicate more with all of our stakeholders, community members, parents doing a much better job of trying to reach out to them and that growth is a big percentage. It's 19 people. So in a District of 43,000 employees it's probably not a big issue but it is growing, we admit that, and it's right there on the website for you to see.

MS. BURGOS: Our next speaker, OP 9.

MS. PATEL: Good evening, my name is Amisha Patel, I'm the executive director of
Grassroots Collaborative. At Grassroots Collaborative we put 11 community labor organizations together. In Chicago we represent over 55,000 residents who live in every single ward in every neighborhood in the city.

Chicago Public Schools' budget leaves hundreds of millions of dollars on the table and continues to (inaudible) Chicago neighborhood schools at the expensive charter and magnet schools. This budget fails to provide all students equal access to a high quality education because CPS fails to provide further resources our children need. Every year CPS continues (inaudible) to financing funds to divert critical resources away from schools leaving neighborhood schools (inaudible).

In 2010 TIF took 267 million of our tax dollars away from Chicago Public Schools. Instead of going to our neighborhood schools CPS allowed the city to take this $267 million out of our classrooms and put them into corporate board rooms. Although 160 schools don't have a library, the city gave the majority of the TIF dollars to downtown companies with
record-setting profits and used the TIF moneys not increase employment for neighborhood residents. According to the analysis by the Chicago Reporter, Chicago residents mostly on the south and west sides have actually lost over 12,000 jobs from 2002 to 2008 in downtown, while the city shelled out over a billion dollars of our tax money from 2004 to 8 in and around the loop for economic development. What's wrong with this math?

When the city does decide to allocate TIF money in education CPS uses TIF funds to invest in schools that have an existing abundance of resources. Since 1983 CPS has repeatedly spent a disproportionate amount of TIF funds on developing schools to aid selective enrollment schools, charter schools and magnet schools. Of the 2.45 billion in TIF dollars provided from '04 to '08 the local surrounding communities received 63 percent. This isn't equity, this isn't just and Mayor Emmanuel talks about making tough decisions --

MS. BURGOS: Please conclude.

MS. PATEL: Only teachers, parents and
students have to make tough decisions. Our kids need that money more. And my question to you, Mr. Cawley, is will you stand with community residents to stop giving our tax money to United Airlines, Miller and Willis Tower?

MR. CAWLEY: I actually don't have a role in those decisions so it's not --

(Whereupon, the audience was screaming and yelling.)

MR. CAWLEY: As I said earlier we benefit from TIFs. In fact, the new Jones High School at Harrison and State cost a hundred million dollars and was paid for entirely by TIF funds. Fact.

MS. BURGOS: Our next speaker, OP 10.

MR. REHAK: Jay Rehak, Whitney Young High School. Parent, teacher for 25 years, also president of the Chicago Teachers Pension Fund. I'd like to talk a little pension, but before I do that I want to help you out a little bit, Mr. Cawley, and the rest of you.

TIF funds do take money out of the property taxes and then they do get redistributed sometimes to the schools, that's
true. We are the only district in the State of Illinois that the TIF Commission does not include someone from the Board of Education on that fund. So what we have is a TIF Commission full of real estate developers and other business people. I'm not against that, but we're the only district in the state that does not have a Board of Education person on the TIF Commission. What this means is that the TIF Commission is making decisions that impact -- they take money from property taxes, and again they do return some of it to the schools, that's true, but they don't return all of it. You understand that property taxes fund schools, I think we all understand that. Everybody understands that in the State of Illinois except the City of Chicago. Everybody else in the State of Illinois that has TIF funds has on its board a Board of Education -- TIF Commission a Board of Education member. This is the only district that does not.

So my simple question to you, Mr. Cawley, and I ask this of any of the Board members is will you ask someone on that
commission -- on the Board of Education to sit
on the commission and at least represent the
interests of the schools at that point? Because
then even if the TIF Commission keeps on
diverting funds to other resources at least
there's someone at the table to represent the
schools because right now there is no one on the
commission who represents the schools. Now, you
might say, well, the business community does,
but we're here to tell you --

MS. BURGOS: Please conclude 10.

MR. REHAK -- that you can't. So that
is my initial point. And now I'd like to get to
my point --

MS. BURGOS: Sir, I'm sorry, you've
gone over.

MR. REHAK: That's all right. I wanted
to clarify Mr. Cawley. So now I'd like to
explain to him a little bit about next year's
budget deficit --

MR. CAWLEY: Please wrap up very
quickly, sir, it's unfair to other people.

MR. REHAK: That's okay, it looks like
they're willing to let me speak, Mr. Cawley.
1 What do you think? I leave it to you.

2 (Whereupon, the audience was

3 screaming and yelling.)

4 MR. CAWLEY: It's actually fine with

5 me, it's the people who won't have an

6 opportunity to speak.

7 MR. REHAK: I'd like to go to the

8 second issue, which is a profound interest of

9 many of the teachers here, and that is the

10 pension fund. You may be aware of the fact that

11 $1.2 billion of relief was given to the Board of

12 Education three years ago, as a consequence of

13 that rather than giving the 600 million that you

14 owe, the Board of Education owes, it's been

15 giving the pension fund 200 million for the last

16 two years and it will give it this year 209

17 million.

18 What I want you to understand is that

19 the $5 billion fund that we have, the $5 billion

20 that the Board of Education budgeted is an

21 engine for this city, an economic engine. And

22 when you shortchange the pension -- last year

23 the pension fund made 24 percent on its money.

24 If we would have had the extra 800 million that
was shortchanged that would have been $192 million. The 400 million from the previous year would have been $52 million. (Inaudible) this year, which is another hundred million dollars. So what's happening is we are shortchanging our community.

And the last thing I'm going to tell you relative to this is the people who are hurt besides all of the teachers here is the business community. Please pass this on to them that the private equity managers, the people who want to manage the Chicago Teacher Pension Fund, the Chicago fund managers are not going to have the money available to them as a consequence of the fact that the Board of Education continues to shortchange the pension fund.

So when you understand that that 5 billion trickles down -- now, you don't live in Chicago -- (Whereupon, the audience was screaming and yelling.)

MR. REHAK: -- but those of us that do understand that every dollar that's spent in Chicago is an economic engine for the rest of
the city. So every dollar that you give me I spend on the restaurants and my mortgage and everything else. I realize you don't spend your money this way, but that's what I spend with my money. And anybody who lives in Chicago is actually an engine for Chicago's business community. So please let the business community know they can't get our money if we don't have it from you.

MR. CAWLEY: I have a response about the pension or a question. The pension relief that Springfield enacted two years ago that we're benefitting from has allowed CPS to continue to spend money on teachers and early childhood and magnet schools and arts programs and full-day kindergarten because if we had to pay that into the pension fund we would have had to make $300 million more in cuts.

MR. REHAK: You have a billion dollars in private contracts, you could have cut those very easily, sir, one billion dollars in private contracts.

MR. CAWLEY: Those private contracts pay for special education services for our
children. They pay for early childhood. So we have programs in the budget that are very clear, to cut $300 million of those would have been very painful.

And I guess I ask you a question about the 3200 employees who are receiving inflated pension benefits since 2004.

(Whereupon, the audience was screaming and yelling.)

MR. CAWLEY: I think you know what I'm referring to. What is the Pension Funds' position on the overpayment, the acknowledged overpayment of 3200 retirees that's taking millions of dollars away from future retirees?

MR. REHAK: Right now currently as you well know it is being negotiated in courts. The courts which is a consequence -- by the way, just so we understand this, Mr. Cawley understands this, is that there was an extra week pay period where some teachers back in 2001 that the Board, the Pension Fund and the CPS have been trying to resolve for about ten years and it's in the courts as you well know and that is exactly where it's supposed to be.
So what's my position on it? I'd like it to be resolved.

MR. CAWLEY: Thank you.

MS. BURGOS: Thank you. Our next speaker, OP 11.

A VOICE: They gave it up.

MS. BURGOS: Our next speaker, OP 12.

MS. FALK: My name is Claire Falk, I'm a teacher at Dunbar High School. I have 30 years --

(Whereupon, the audience was screaming and yelling.)

MS. FALK: So one thing about the budget for any of you who have been in private industries, if you lost 50 percent of your best and brightest every five years, the CEO of that corporation would be out on his butt because that would cost that corporation millions of dollars. But CPS doesn't seem to care in the least that every five years 50 percent of their teachers are leaving and that costs in the budget millions of dollars.

The second I would like to know where you get your figures on the fact that CPS
students spend the least amount of time of any
school district in the country? Where does that
come from?

MR. CAWLEY: Any major urban district.

MS. FALK: Pardon me?

MR. CAWLEY: Any major urban district.

MS. FALK: Where does that come from?

MR. CAWLEY: We've done the analysis.

MS. FALK: You know what, I got so
tired of listening to that, hearing it on the
radio, reading it in the newspaper, on TV, I
went out to the New York City Public School
website and I looked at high school, the number
of minutes that they spend on academics in a
week, and my students were spending more minutes
per week than the New York public city school
high school students.

I went out to LA Unified, and their's
is a little different because they had
year-round school, but from what I could figure
we were spending maybe 15 minutes a week less
than LA Unified.

And these are the three largest school
districts in the United States. So just looking
at high school all three of those districts are
right around the same amount of minutes per
week. And what I really find really irritates
me is that we are all giving our very best
effort. All the teachers --

MS. BURGOS: Please conclude.

MS. FALK: -- are working 15 to 20
hours a week for which we are not paid, now you
want me to work a sixth class period and not pay
me for it. And then what's going to happen
after that because now I found out I'm teaching
reading? I'm not endorsed to teach reading, but
my sixth period is going to be reading. At some
point in time there will be a letter coming from
125 South Clark to the students that I'm
teaching in reading that will tell them that
according to No Child Left Behind your child
being taught reading by Ms. Falk is being taught
by a teacher that is not highly qualified. I
have worked very hard to become highly qualified
and to stay highly qualified.

(Whereupon, the audience was
screaming and yelling.)

MR. CAWLEY: Ms. Falk, first of all,
thank you for your 30 years of service at CPS.

Secondly, we want to acknowledge we have a lot of teachers, the vast majority who work very, very hard and we know that. We believe the students do need more time and we can take your name and we can send you the data that we have about the instructional minutes and the instructional days in New York and LA, we'd be happy to share that with you with one of our team members.

And the last thing I'd say on the sixth period for high school, we are taking a look at that. There is concern about the load that it would be putting on high school teachers. The union leadership has been very clear and even Jean Claude who was a high school teacher said that's asking a lot and so we are taking a look at that.

MS. FALK: Well, I already have a schedule that tells me that's what I'm teaching because I looked at it yesterday, that's already what my schedule says.

MR. CAWLEY: Schedules can change.

MS. FALK: In high school we already
have enough trouble keeping them there for the last period of the day, with jobs, students have to go home to take care of kids.

MR. CAWLEY: We understand exactly the burden that that puts on you so we are looking at that.

MS. BURGOS: Our next speaker, OP 13.

MR. HAYWORTH: Hi, everyone, my name is Dylan, I am a member of the Chicago Teachers Solidarity Campaign. I wanted to make three really important points that I think are all interrelated here.

First, as people have spoken earlier I want to ask why CPS is continuing to fund the school's prison pipeline?

(Whereupon, the audience was screaming and yelling.)

MR. HAYWORTH: This one that you put up on the Internet here at cps.edu budget. They are expanding HD cameras. They proudly tout in this budget that they're expanding 1200 HD cameras, $7 million spent on enhancing monitoring protocols, right? And so what we're seeing here is they're diverting millions of
dollars to sustain this social process that
criminalizes students and turns the classroom
into a jail cell.

(Whereupon, the audience was
screaming and yelling.)

MR. HAYWORTH: According to the
discipline policy they say, look, we have a
restorative justice discipline policy, but they
don't put their money where their mouth is.
They put it in the discipline code, but they do
not fund adequate restorative justice programs.

(Whereupon, the audience was
screaming and yelling.)

MR. HAYWORTH: One of the most helpful
and positive and powerful restorative justice
programs that we could see in this city is
adequately funded in the well-compensated
teachers. It is one of the most important
things to sustain in the classroom is a
teacher-student trust relationship so students
remain closer to their teacher and vice versa.

And the third point I wanted to make is
a broad general point about this whole
proceeding that's going on here. The CPS Board
presents us with this budget but they are not democratically elected.

(Whereupon, the audience was screaming and yelling.)

MR. HAYWORTH: -- our teachers then they should have been elected in the first place. So this whole farce --

MS. BURGOS: Sir, conclude.

MR. HAYWORTH: Thank you.

(Whereupon, the audience was screaming and yelling.)

MS. BURGOS: Our next speaker, OP 14.

MR. HAYWORTH: You could have addressed it if you wanted to.

MS. RODOLFO: I'm Jan Rodolfo with the National Nurses United. I am a CPS grad and a registered nurse. First thing I want to say quickly for all those in the room, I want to say really clearly that for nurses teachers are our heroes because we believe that you save lives just like we do every day. So thank you for what you do every day.

We understand the class size issue because we have a similar issue. We know,
nurses know, that when we have too many patients
to care for safely lives are lost. And we
understand that when teachers have too many
students to teach lives are also lost. We know
that when the public health system is starved
for funds that lives are lost, that patients
call through the cracks and when community
schools are starved students fall through the
cracks. The nurses at Cook County Hospital
system take care of folks in Chicago who have
fallen through the cracks. So that student in
that community school that you turned your back
on because you shifted the funding to a charter
school is the same person who shows up in our ER
and waits for 48 hours to be seen. It's the
patient who gets discharged from the hospital
and can't fill their pain medication
prescription. It's the patient we hand a turkey
sandwich and they burst into tears because they
haven't eaten in three days. That's the student
that you're turning your back on. That is my
patient. That's your student.

MS. BURGOS: Please conclude.

MS. RODOLFO: So at the end of the day
we believe that we're not talking about a fiscal
crisis here in the Chicago Public School system,
we're talking about a crisis of priorities and a
moral crisis. Nurses stand in solidarity with
the teachers of CTU.

(Whereupon, the audience was
screaming and yelling.)

MS. BURGOS: Our next speaker, OP 15.

MS. LOEW: Hi, my name is Linda Loew, I
am a member of AFSCME Local 1989 and our members
also are in solidarity with the teachers and the
students. Many of us public sector workers know
whenever we hear about a shortfall of funds it's
the services that we provide and the benefits
that we receive that are on the chopping block
first and most. We do not have to accept such
budgets. We need one that puts education for
all Chicago children first, education in every
community and fair compensation for every
teacher. These must be the priorities.

Teachers and children did not create
the budget crisis and shouldn't have to pay the
price. The money, as other speakers have
mentioned, must be found. Is there any question
that we must have a library in every school, not just some schools? Comprehensive physical education programs, not just a short recess. Restoration for all arts, full art and music programs throughout the system. Money must be spent on each of these priorities in order to give any meaning to a longer school day. How can we let another dollar of public funds be spent on charter schools when neighborhood schools throughout our city are underfunded?

I think we have to come together, stay together and fight to be heard as well until justice is served. I think that the students and the parents and the teachers --

MS. BURGOS: 30 seconds.

MS. LOEW: -- everywhere around the country are looking to see what happens in our great city. And I think we need a budget that corrects its priorities. And that's all.

MS. BURGOS: Our next speaker, OP 16.

MS. CHAVEZ: Hello, my name is Lorraine Chavez, I'm a parent of twins, two recent CPS graduates who are now receiving full academic scholarships in college as well as all of their
friends. I support public education and the Chicago Teachers Union. I am also a member of the Chicago Teachers Solidarity Campaign, and I would like you to address the use of your reserve fund.

When you released the budget you said you were going to spend the $400 million in your reserve fund, as a result Moody's downgraded CPS debt yesterday from an A1 rating to an A -- lower A3 rating and another downgrading of the credit for the debt is coming. CPS is not telling us the truth about this maneuver. What this is going to do is going to increase the borrowing costs for the deficit. It is creating an emergency that does not exist right now but currently exists because of use of the reserve funds which Chicago Crain's magazine has criticized and is following. You are creating an emergency so that you can then turn around next year or the year after that and tell the Chicago Teachers Union, well, we just don't have money for you even though we have money for 80 new charter schools. That is unacceptable and the public is going to find out about that -- a
maneuver of your using the reserve funds.

(Whereupon, the audience was screaming and yelling.)

MR. CAWLEY: If I could respond on the downgrade by Moody's. It is disappointing but wasn't surprising since we were using the fund balance. The alternative as I've said all along is that we would have to cut programs to keep money in the fund balance. The cost of the downgrade is actually relatively minor. It doesn't affect any of our existing debt, just like changes in interest rates don't affect your existing mortgage if you have one. And so your mortgage is set, it's a fixed rate mortgage, and our bonds were almost all fixed rates.

It will affect the bonds that will be issued later this year to pay for the capital projects. We got capital projects that were paid for that go back to fiscal '08 that are just wrapping up and we will pay for those. So we will issue new bonds and the downgrade will cost just a little more on the interest on those bonds. So there is a real cost to this, but the alternative is to cut $200 million to keep a
nice, healthy reserve so Moody's would have felt
more comfortable and that would have been $200
million in pain that we would have inflicted on
our students. So we chose to spend that money
this year, on students this year, and suffer the
downgrade, slight downgrade by Moody's.

The last thing I'll say about that is
for our bond holders it's an odd thing that use
of reserves would affect our rating because our
money by law as it comes in has to go first to
pay for debt, so that's the first place that our
money goes. They are the most secure of anybody
in the system. So the use of reserves should
not have affected them, but Moody's looks at it
more broadly at public sector financing
everywhere.

MS. BURGOS: Our next speaker, OP 17.

MS. HICKEY: Hi, my name is Susan
Hickey, I'm a school social worker for Chicago
Public Schools.

(Whereupon, the audience was
screaming and yelling.)

MS. HICKEY: Nurses, you know,
psychologists, speech paths, OTs, PTs, you know,
those people that were there, okay.

First off, let me start with the fact is that we have professional organizations that we belong to and our national standards we are way above. We have -- like in terms of the National Association of Social Workers, we're supposed to be one social worker per 500 students, we are way over that, you know. I have a case load -- like you're talking about class size for teachers, I have a case load of 120 of kids I have to see every week. This is what we have to do. Of course, they're being shortchanged. It doesn't give us a chance to do any of the restorative justices that we would love to do because that's part of our job, it's part of what we do. We can't do that. We can't do any prevention because we're constantly putting out fires. We talk about how many kids are killed. Think about what we have to do. We're in there doing the grief counseling and other kinds of stuff and we are being stretched. I'm at three schools. I know of like physical therapists who are at 20 schools, you know, that they have to service. These are the
kinds of things that we're seeing.

And another thing is we're also like --
since 2004 ever since charter schools.

MS. BURGOS: 30 seconds.

MS. HICKEY: We were told we have to go
into those schools. I don't think anybody here
knows that, but us social workers we had to
actually spend more time in those charter
schools and they have the money, you know, to
hire their own. I think that's one way, you
know, that the Board could deal with the budget,
get the charter schools to pay for their own
clinicians and let us work in the neighborhood
schools.

(Whereupon, the audience was
screaming and yelling.)

MS. BURGOS: Our next speaker, OP 18.

MS. CAVARETTA: My name is Nancy
Cavaretta, and I'm a special education teacher
for early childhood at Mark Skinner School, and
I'm also a part-time clinical professor of
special education at Roosevelt University.

My question addresses why class size in
early childhood special education programs has
literally doubled since March of 2012? Since March 2012 the program that I run had 11 students and by the end of the year had reached 20. This happened city-wide. We were told that all of the programs had to be receiving 20 children as a ceiling and all the programs were filled.

With the 20 children we also now as special education teachers have to manage 20 IEPs, which is unprecedented in the history of CPS. We have also been asked to document every single prompt, whether it be gestural, verbal, any kind of prompt that our paraprofessionals give to the children in order to justify the need for having them.

Traditionally in early childhood special education programs we were all assigned to paraprofessionals, it came with the program. We're dealing with children who are on the autism spectrum, have other disabilities, developmental disabilities, some, many, are not even toilet trained. They want to take the paraprofessionals away if we cannot justify the need for them minute-wise in the IEPs.
So what I am asking is for us to consider a quote from Sarah --

MS. BURGOS: 30 seconds.

MS. CAVARETTA: A contemporary social and educational philosopher, which she says that the goodness of a school can be judged on how it treats its weakest members. I consider children and early childhood with special education needs to be among the weakest members.

MS. BURGOS: Our next speaker, OP 19.

MS. GUTEKANST: My name is Norine Gutekanst, I am a 23-year bilingual teacher and I want to thank everybody for being here tonight.

First of all, I'd like to know are there any members of the Board of Education here tonight? Oh, that's really unfortunate, there's only three hearings around the city and I was hoping they would be here to be able to hear testimony from the public.

MR. CAWLEY: They will hear, they will get the summaries of each of the meetings and transcripts of all the meetings.

MS. GUTEKANST: I'm sure they read
everything very carefully right before they rubber stamp.

I want to take the time to talk about a couple of things that you said, Mr. Cawley. It seems to me that what you are trying to do when you set the stage tonight with this budget is to really prepare us all for large scale school closures in the future. You said we're taking a breather this year, we're going to limit our capital spending. We don't have the money to put air conditioning in schools. We can't fix every leaky roof. This reminds me of a statement that you made earlier this year where you said we weren't going to invest in schools if we thought we were going to close them down in the next couple of years. And we're not talking about buildings, we're talking about the children that go to school in those buildings.

And we've seen over the years how CPS is really starving the neighborhood schools of resources but it's starving --

MS. BURGOS: 30 seconds.

MS. GUTEKANST: It's starving the children of those schools. The Lathrop school,
for example, they lost their computer teacher, they lost their library teacher, they lost their music teacher, their art teacher. So finally what was left? All the classes were good classes and the Board had no choice, the parents had to take their children out because their children were suffering in these schools.

Now, this plan to increase the funding for charter schools up to 5 million this year -- 500 million this year, who knows what it will be next year.

MS. BURGOS: Ma'am, please conclude.

MS. GUTEKANST: Sure. It's a plan to really just give the schools away to these private operators. Because you apparently don't know what to do about children, but we the educators we actually do know. And if you wanted to invest in our students, you said you wanted to invest in our students, especially in the early years, you should lower class size.

You should have every single Chicago public school and you should have teacher assistants in all of those classrooms plus 1st and 2nd grade.

MS. BURGOS: Thank you.
MS. GUTEKANST: You should also -- I
was a 1st, 2nd, 3rd and 4th grade teacher and by
the time a kid gets to 4th grade if they're not
a good reader they're really just going to fall
further and further and further behind. And
those kids are the ones who are the ones that
the system has failed. And the way the Board
has been allocating their resources they should
be putting literacy specialists to work with
these small kids in small groups to give them
the skills so that when they get out of 3rd
grade they're strong readers. You have it in
your power to do that and you have it in your
power to find the funding to pay for education
for our most precious resources, the children of
Chicago.

(Whereupon, the audience was
screaming and yelling.)

MS. BURGOS: I just want to let
everyone know it's 7:50 and as Mr. Cawley said
we'll go until 8:10.

Next speaker, OP 20.

MR. ASHBY: My name is Steven Ashby,
I'm a full clinical professor or at the school
of labor and public relations at the University of Illinois. I'm also a labor relations expert. I'm also a community member of the Chicago Teachers Solidarity Campaign.

We also authored a study which I hope but I have some doubts that the Board and staff have read it called Beyond the Classroom. It speaks to -- we surveyed a thousand teachers at CPS and interviewed them, and it speaks to the basic of a 58-hour work week. And I know in this budget you are asking employees to do basically unpaid labor. I think it will be about six more hours in the classroom and basically another six hours outside the classroom so you're looking at a 70-hour work week.

I would just make two points looking at labor relations. It's counter intuitive to think that management ever wants a strike, but I have seen over the last 25 years a number of cases where management has acted in a way to provoke a strike thinking they could cripple or eliminate the union. And to be quite honest that is what I see here. Every Board meeting I
go to, every statement I read from the mayor, every statement I read from Mr. Brizard seems to me that this Board is intent on provoking a strike. That's what I see as a labor relations expert.

The second point I would make is --

MS. BURGOS: 30 seconds.

MR. ASHBY: -- as a labor relations expert. Every single time there's an effort to privatize public services, the primary goal is to eliminate the union and cut workers' wages and benefits. Between the 58-hour work week moving to 70 and talking to so many senior teachers who say I feel like they're trying to force me out and the charterization of schools -- I mean, another way of looking at it is the Walmartization of schools. Walmart had a memo a while ago saying why do we have so many people that worked here more than ten years, we're paying them too much, let's get rid of all of them.

MS. BURGOS: Please conclude.

MR. ASHBY: I believe the charterization of schools has that as its
primary purpose to eliminate workers' rights, to
eliminate teachers' voice and to eliminate the
union.

(Whereupon, the audience was
screaming and yelling.)

MR. CAWLEY: I'm not a labor relations
expert, but I can tell you that no one in the
City of Chicago from the mayor to the Board to
the management to the teachers to the parents to
the students wants a strike. And anyone who
thinks that we want a strike is just flat-out
wrong. We are working hard with the union
leadership to not have a strike. We're
investing time with them. We're working closely
with them. We have a lot of respect for them
and we do not want a strike.

MS. BURGOS: Our next speaker, OP 21.

MR. SKINNER: Hello, my name is Jerry
Skinner, I've been a teacher for 18 years at
Kelvyn Park High School, a neighborhood school.

(Whereupon, the audience was
screaming and yelling.)

MR. SKINNER: Once upon a time CPS knew
what a neighborhood school was, but I think
they've forgotten and so I'll remind you of it.

Being a neighborhood school means that any student that walks in Kelvyn Park either from our boundaries or outside our boundaries, we will take them. We will not ask them what their ESL status is. What their special ed status is. We will not ask whether they have academic difficulties, learning difficulties, behavior difficulties. We value every student who walks into Kelvyn Park and we want to educate them.

Unfortunately, we are now being strangled. We have an iron curtain of charter schools that are standing around our school, and the charter schools don't feel the same way. They do not think all our students are equal. They try to cherry pick our students. They don't value and try to educate them. So how can CPS increase the charter budget $76 million this year, 17 percent, to the total of a half billion dollars? And what that does to a neighborhood school like Kelvyn Park that tries to be democratic, that tries to be non-selective, that does not try to be predatory like the charter schools around us, what does that do to our
students, it injures our school, it robs our
students of a quality education. For example,
we have at Kelvyn Park music and art classes are
being cut. Nurses, social workers, clinician
hours are cut, athletic and other
extracurricular budgets are slashed. And worst
of all resources for rich, well-rounded
curriculum are taken away, replaced by a regimen
of test taking lessons from a curriculum brought
by outside contractors. Why is this happening?

(whereupon, the audience was
screaming and yelling.)

MS. BURGOS: Our next speaker --

MR. CAWLEY: The answer is we believe
the charter schools provide good alternatives
for students. Charter schools are not permitted
to be selective, they take students randomly.
And if students from Kelvyn Park choose to go to
the charter schools that is their choice. No
one is making them go there, they choose to go
there.

MS. BURGOS: Our next speaker, OP 22.

MS. MISNIK: Hi, I'm Joanna, I'm a
member of the Chicago Teachers Solidarity
Campaign and a retiree from SEIU Local 73 representing all the non-professional personnel, most of them in the Chicago Public Schools. So I'm a little familiar with the way these things work.

It seems a little unusual to me that you would say you don't want a strike but you put out what is a draconian budget that says too percent is all you could give the teachers. The teachers asked me to ask you 2 percent of what? 2 percent of a salary after you give back the 4 percent that you froze last time? 2 percent for how many years? And you bargain publicly with a small amount of money like that and it doesn't seem to me those are real negotiations surrounded by this draconian.

I think the real issue here is that many people, the unions in particular, the public sector and the community see education, quality education as a human right, and I believe this Board and its representatives see it as a commodity. That's the problem. (Whereupon, the audience was screaming and yelling.)
MS. MISNIK: Since 1995 we have not had an elected school board of people coming from the community, more parents who live in this town, who face the ordinary problems. We have bankers. People who love bankers. People who serve bankers. People who own corporations or serve corporations. It is not -- it's a very narrow vista and it goes against the grade of the right of public education --

MS. BURGOS: 30 seconds.

MS. MISNIK: -- to be delivered. When you give a budget that says -- next year there are still going to be kids who need schools. You're talking about one year pulling down the rainy day fund and that's it. What's going to happen the next year? You have no plan for that. We're still going to have to educate students in this city. It's insane.

The other thing is you say increases in expenses will happen. You list three of them on your sheet. What about debt servicing?

MS. BURGOS: Please conclude.

MS. MISNIK: Will there be an increase in debt servicing? Where does that fit into
your budget? Are you saying it's decreased?

MS. BURGOS: Thank you.

MR. CAWLEY: If I can respond. Our debt service does go up this year by about $60 million and that's one of the reasons we reduced our capital budget because we can't afford to keep adding interest expenses. It's taking money away from our operating fund so we can't keep doing that and keep adding to our debt service.

And the second thing I'd say about the 2 percent that was included in the budget. A budget is not a labor negotiation. The labor negotiations are going on regularly between the team from CPS and the leadership of the CTU. A budget had the issue because a budget has to be issued and we had to include a number in there that is -- that we knew would be a known number. Any other number we put in would have been speculative, would have been frankly a disclosure of some of the negotiations, which is not allowed. And so a budget has to pick a point in time and include a number, and it's not a contract. So I'd get over that one.
(Whereupon, the audience was screaming and yelling.)

MR. CAWLEY: The budget is not -- the budget is not labor negotiations, it is a financial projection for the year. When the labor negotiations are concluded, when negotiations are concluded, the appropriate amount, that amount, will be included in the budget. I promise you that.

A VOICE: What about the 4 percent?

MS. BURGOS: Our next speaker, OP 23.

MR. CAWLEY: It was never in the budget, that was exactly the point, it was not in the budget.

MS. BURGOS: OP 23.

MS. SIERRA: Good evening, my name is Rosamarie Sierra. I consider myself a quiet breed. I am a grandmother who got legal guardianship of her granddaughter and I am raising her.

My question is at first I didn't want to say nothing because I listened to all these people, and I'm like, oh, you're going to go and

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ask for that. Well, you know, how can I take my 
granddaughter to the 21st Century if we don't 
even have a playground for them now that we're 
going to have two recesses? You know, what do 
you do with these kids?

You know what, I'm embarrassed even 
asking, oh, a playground, and then I'm listening 
to all these people talking about the charter 
schools, the hell with the playground, give me a 
new school for everybody.

(Whereupon, the audience was 
screaming and yelling.)

MS. SIERRA: My school, Pilsen Academy, 
110 years that building has been there. You're 
talking about kick the can, the neighborhood 
schools, we are getting flattened. I mean, with 
all this money you use, you people talking about 
charter schools. Well, you know what, I guess 
I'm going to have to go back to work because I'm 
retired and pull my granddaughter out of the 
public schools because she ain't never going to 
get into the 21st Century by her education.

MS. BURGOS: 30 seconds.

MS. SIERRA: And go back to work. Like
I said, I ain't sending her to no private school -- I'm going to send her to a private school. I mean, I'm not going to send her to a charter, I'm going to go and send her to a Catholic private school or whatever. Thank you.

MS. BURGOS: Our next speaker, OP 24.

(Whereupon, Ms. Ramirez spoke in Spanish.)

A VOICE: This is -- she's a member of the LSC at Jungman Elementary School in Pilsen. She's saying how is it possible that you're talking about all this money being given to the charter schools when our school needs all kind of things. For instance, she says her classroom doesn't have an air conditioner for some of the classes in her school. You know, they're saying that, you know, they lack a lot of technology and a lot other things that they would like to have.

This lady has a daughter in elementary school and a son in public school and a son in high school so she wants to be able to have some of the things that the other schools have, that's why she's here today.
MS. BURGOS: Our next speaker, OP 25.

(Whereupon, the audience was screaming and yelling.)

MR. CAREF: Good evening, everyone, my name is Michael Caref, I'm with the National Association of Letter Carriers speaking tonight actually as a parent. I have one son going into STEM High School this year. I got one at Stone School. I got another daughter at Boone School. And I got two more waiting in the wings. So I spend a lot of time in schools and public schools, and I think we all know that the teachers in the schools take great care of our kids. The support staff, the other people that work at the schools just very impressed with the number of hours that they put in and the dedication and how much they care about the children. You send them off in the morning and you kind of know that they're in good hands and in the hands of people that care about them.

The whole problem with this whole budget hearing is that all of the teachers and the people that we know are the decisionmakers and that really care about the kids and make the
best choices for our kids on a daily basis are
all up here in the seats. And the people that
are making the budget, as we were told the
budget is a priority so they're making decisions
through the budget, you guys don't have no
teachers on the board. The Chicago Teachers
Union is not even down there with you. You tell
the woman that's a teacher at the high school
that she is the -- that teachers are team
members, and I'm looking at the team and there's
no teachers up there. There's no member of the
Chicago Teachers Union up there. So I have a
problem with that. I have a problem with the
way decisions are being made.

The fact that you guys can't seem to
understand the basic concept that if you're
taking our money, our tax money, and you're
giving it to private corporations to run a
school, that's taking away from the public
schools that we're sending our kids to. If you
can't understand that basic concept you're in
the wrong business.

(Whereupon, the audience was
screaming and yelling.)
MR. CAREF: And quite frankly the whole thing with the charter schools is a joke. You have schools that you're no longer -- that are undermanned, that you're no longer putting resources into and then they're failing because you're failing. And instead you give money to a charter school so they can open up a brand new building that's new and has all the facilities and all the resources and then we don't even know if that school is doing a good job because there's no accountability with these charter schools. None at all.

(Whereupon, the audience was screaming and yelling.)

MR. CAREF: And charter schools you said have a separate board. And I'm not saying all the charter schools are bad.

How much time I got?

MS. BURGOS: 30 seconds.

MR. CAREF: I'm a mailman, I stay on time, baby.

The charter schools have a separate board so if they're doing something right we don't even know about it, we can't even benefit
from it because the public schools are running
separately than these private charter schools.
That has got to stop. Take the $500 million,
invest it in our kids and get kid of this whole
charter school concept.

(Whereupon, the audience was
screaming and yelling.)

MR. CAWLEY: I'd like to correct
something. First of all, charter schools are
public schools, not private schools.
Secondly, I'm not aware of any in
Chicago that are run by for-profit corporations,
I think they're all run by not-for-profits.

MR. CAREF: They spend the money
however they want to. If you run a school and
you send your CEO of that school and you give
them $200 million salary or you give contracts
to people within that school for a certain
amount of money, they're able to allocate their
resources privately with a private board however
they want to, there's no oversight by the
public. That's the problem.

(Whereupon, the audience was
screaming and yelling.)
MR. CAWLEY: Last comment then we'll go to the next speaker. We agree that charter schools need to be held accountable, and we will have a single accountability where the charter schools are in there with the District schools and that's going to be introduced this year. And we believe in charter school accountability and the bad ones should be closed and the good ones should be expanded.

Next speaker.


MS. LEVY: So I'm looking, you know, I was here for the Crane hearing and I'm getting kind of the same response from you people, you look kind of dazed and apathetic-like, you really don't care. And the audience is very impassioned. And there's sort of this blase kind of attitude. And also if you really wanted community input into these priorities and where you spent the money, you should have had this meeting a long time ago.

(Whereupon, the audience was screaming and yelling.)

MS. LEVY: You already prioritized your
stuff. If you really wanted input from the community this should have happened a long time ago.

And the other thing I take question with, you have this 1 percent attitude when you deal with our students. You're going to give money to selective enrollment schools. Most of our kids do not qualify. I work in the community high school, most of our kids do not qualify. Those kids are going to succeed, they don't need a lot of backing. What we need is we need services. We need wrap-around service. I talked with the social workers, counselors who have too much to do. The teachers that are burning out on this because those students are going to cost you money in the future because they're going to end up in jail. They're going to end up not being employable. Maybe you need to re-prioritize and start putting money where it's needed on the kids that need it the most, not on that 1 percent and not on the charter schools.

So I disagree. And a lot of times I've gone to Board meetings, I've gone to these
meetings, part of this is a sham because you're not listening and we get frustrated. I may get frustrated, but it isn't going to shut me up.

MS. BURGOS: We'll keep going. Next speaker, OP 27.

(Whereupon, the audience was screaming and yelling.)

MR. ALLEN: Hi, I'm Andrew Allen, a member of Blocks Together Youth Council. It's just an example of a restorative justice program that helps kids learn from their mistakes. Restorative justice has been shown to make schools safer. I've seen how a lot of issues got solved by listening to students that didn't understand the problem. I was lucky to be trained to help them. I know right down the street there's a school that really wants to get restorative justice but can't find the money and my school won't have the money to pay for training next year. I know these trainings do not cost much, but CPS found ways to put cameras in schools. So now I have to go back to school where they treat me more like a criminal than a student.
MR. CAWLEY: We'll keep going. We'll
do five more speakers. We're past the time but
let's keep going.

MS. CRAVEN: I just want to reiterate
the point about restorative justice practices
and our significant (inaudible). If you want to
tell us the name of that school we can make sure
that school receives training because we have
staff.

A VOICE: All the schools.

(Whereupon, the audience was
screaming and yelling.)

MS. CRAVEN: So we have staff that can
provide professional development and we open
that up to all students. So any principal that
wants to take advantage of that staff --

(Whereupon, the audience was
screaming and yelling.)

A VOICE: How about other schools that
need this too? Steinmetz needs it. Clemente
needs it. We all need it. All the schools need
it.

(Whereupon, the audience was
screaming and yelling.)
MS. CRAVEN: So you're absolutely right in that every school needs that staffing, so I'm not speaking about additional staff in the school, instead what I'm speaking about is training opportunities. We know that the teachers and the deans and the principals and administrators that the students see every day are the best people for students to have relationships with. So we want to partner with the restorative justice practices.

A VOICE: Show us that so I get the practice that I need and I deserve. And respect me and I'll respect you.

(Whereupon, the audience was screaming and yelling.)

MS. BURGOS: Our next speaker, OP 28.

MR. JOHNSON: My name is Demetrius Johnson, I'm with ONE. Two years ago I started off at Senn High School.

(Whereupon, the audience was screaming and yelling.)

MR. JOHNSON: My first two years of high school it was my last two years of Chicago Public Schools because when I went there
outside of the campus looks like a school but on the inside it was more like a jail cell. So they had police stations on the inside of the school, more police than they had teachers. So like I got suspended for petty things. I got suspended and then I got expelled for even more petty things, like for breaking a ruler for a test.

But to move on to something more important, it's like you all don't want us to be in school, you all want to push us out of school. You all want us to be in a jail cell more than you want us to be in a school.

(Whereupon, the audience was screaming and yelling.)

MR. JOHNSON: You know for other reasons. So like I looked at Chicago Police Department, CPD, CPS, Chicago Public -- no, Chicago Police School. That's how I put it.

And, no, I don't want 30 more seconds, I want as long as I want to take. I sat here and listened to him, you didn't give him a time period. You can put the 30 seconds in your back pocket and sit on it.
With that will CPS put their money where their mouth is and fund restorative justice programs for us, not for -- and not put the money to the police, put it to the restorative justice. We don't need police.

MS. BURGOS: Our next speaker, OP 29.

OP 29.

OP 30.

MR. ANDERSON: How you doing? My name is Jon Anderson, I'm a recent graduate from a social justice program at DePaul. And there's a lot of interesting perspectives that I think you guys could benefit from if you would talk to some of the people in the community, the psychology department at DePaul. And to emphasize that point like I'm kind of new to this so I have a couple of questions to clarify.

How often does the Board of Education or this board here meet face-to-face with the teachers for the express purpose of listening to their concerns? How about with the community? Teachers? Students?

So an interesting study came out of the University of North Carolina in Chapel Hill.
The average -- compared to the average public school most underfunded schools are $400 per student shy of making national average. In Chicago it's $1200 per student. But to me that's not even your biggest problem. Your biggest problem is that you sit from a remote location, you don't talk to the people who understand what happens day-to-day and you think that you can make decisions that affect their environment without understanding what they're going through. So my question I'd like a legitimate answer to and this is, who do you think you are?

(Whereupon, the audience was screaming and yelling.)

MR. CAWLEY: The fact of the matter is that our Board members and our leadership team meet regularly with community teams, community members, teachers. Jean Claude Brizard is in schools all the time all the time, brown bag lunches with teachers, with principals, listening to people. The Board started community action councils to engage different parts of the city. And Board members have just
enacted --

(Whereupon, the audience was

screaming and yelling.)

MR. CAWLEY: They will actually invite

community members to come in and see them in the

office downtown and talk to them about their

concerns. So they are going out to the

community, they're welcoming the community in.

Two hours of every board meeting is meant to

listen. I think the idea that they're not

listening is just not true. You may want them

to listen more, I understand that, but the

perception that they're not listening at all is

wrong.

MR. ANDERSON: I mean what I hear is a

complete contradiction of what you're saying.

And these are the people that are down there on

the ground day-to-day making choices that need

to be made. What you're controlling from a

remote location, you have no idea what's going

on.

Two years ago I discharged from the

Marine Corps and I've seen a variety of humans

who have served this country and I've seen units
that are run the way that I see you running this
now and they are slaughtered. People -- I mean,
they talk about these kids they're going to be
dying on the streets and that's no joke. You
are sending these kids to their grave because
you cannot listen to these people in a
meaningful and productive way.

(Whereupon, the audience was
screaming and yelling.)

MS. BURGOS: Our next speaker, OP 31.

MR. VAZQUEZ: My name is Rolando
Vazquez. I'm a parent. I'm a CPS stakeholder.
I'm a teacher. I'm taxpayer. I'm a Chicagoan.
(Inaudible) when I say that just to bring a
little bit of comedy --

A VOICE: Speak into the mic.

MR. VAZQUEZ: I'm sorry. I want to
address this must be difficult for you, and I
really don't want -- I can't imagine what it's
like for all of you to be sitting there
listening to this.

I implore you to have a helping heart.

We hear a lot of anger, which is justified. And
you're also hearing a lot of wisdom. Please
take this wisdom. Please go back to the Board of Education and use your influence because you have so much influence. The real work is going to be when you leave today, like when you walk to your car. Picture yourself walking to your car, just for a second picture yourself walking into your home saying hi to your wife. Don't forget this stuff when you get caught up again in ordinary routines. Don't forget this. Don't forget to take this with you, period. It's incredibly important. Can you just acknowledge? All of you wave your hand at me please. Can all of you acknowledge what I'm saying? Can you just raise your hand? Can you acknowledge what I'm saying by raising your hand people sitting at the stage. Beautiful. Beautiful. Thank you.

MS. BURGOS: Our next speaker, OP 32.

MS. FRANCINE: At the beginning of the presentation tonight I heard that a priority for the Chicago Public Schools is to create and expand high quality learning opportunities for children. That's a priority for me too. That's why after my own daughter graduated from
selective enrollment high school I chose to become a CPS teacher and teach at a neighborhood school. I drive every day from the northwest side to the southeast side to teach in a school that's almost unrecognizable compared to the one that my daughter went to. She was very fortunate. And I hear so much about we want to create quality opportunities, but you want to do it by expanding charter schools, by expanding selective enrollment.

And even let's just talk about selective enrollment because I teach 8th grade and I don't ever want to talk to another 8th grade student who did the right thing and got good grades and high scores and got accepted to a selective enrollment school and had to turn that opportunity down because they don't have enough money to get on the bus every day. That is shameful. And it's happened to me more than once and I don't even want to know how many times it's happened to my brothers and sisters teaching in schools across this city. I don't want anymore teachers and anymore parents to have to sit and have those conversations with
our children. And I want to know what we're
going to do to make sure that when we say we're
creating opportunities there's access to those
opportunities not just for people like my own
daughter who had parents who would put her on a
train or drive her to school but for every
single child in the City of Chicago.

MS. BURGOS: Our last speaker, OP 33.

MR. BRUNSON: Hello, everyone, my name
is Michael Brunson, I am a teacher in Chicago
Public Schools. I have two children that attend
Chicago Public Schools. I am a product of
Chicago Public Schools. And I am currently one
of the officers of the Chicago Teachers Union.

(Whereupon, the audience was
screaming and yelling.)

MR. BRUNSON: First of all, I want to
thank everyone that came out showing concern for
your public school system. I want to thank all
of the teachers. I want to thank all the
public, community, everybody. And we didn't
even pay you. You came here for free. And that
shows that you are like us, you really love the
kids because you cannot teach in Chicago Public
Schools and not have love for these kids.

Now, I know we hear all the time we do it for the kids, we do it for the kids, and we know that when some people's offices say that, if animals could talk, the wolves would say they were for the sheep and the foxes would say they were for (inaudible). They don't really mean it, but we mean it when we say it.

So I want to thank all of you for coming out here, and I just have one question -- and oh, I also want to thank CPS for coming out getting this whooping because this happens every year, they have to come out and take a certain amount of abuse because the public is so unhappy with what they do. But you should listen to what the public is telling you and maybe next time you come out it will be happy times.

Now, I just want to say one thing, we have these charter schools that are supposed to be so much better --

MS. BURGOS: 30 seconds.

MR. BRUNSON: I'm going to finish up in a minute. If they're so much better let them stand on their own. But if they are public
schools I can go I can pull up the records I can
pull up the decision report and the budget for
any public school in the system. I can't do
that for the charter schools because they are
not held accountable. If you want to hold them
accountable, let us see the budget. Let us see
how much these people that are running these
schools are making. Let us see how much these
teachers that are teaching in these schools are
making. Let us see what they are doing with the
money in these schools, then we will believe you
when you say these schools are accountable.
Thank you.

A VOICE: I got a question for you
guys.

MR. CAWLEY: We're going to allow
speaker OP 34 to be heard.

A VOICE: You all can wait one more
minute?

MR. CAWLEY: No, actually that would
show disrespect to him and that's not --
(Whereupon, the audience was
screaming and yelling.)

MR. CAWLEY: Excuse me, ma'am, this
A gentleman has been waiting very patiently. He's frustrated with our process, and I'd really like to show him respect.

NAME ILLEGIBLE ON SIGN-IN SHEET: You spoke for one hour and then you said it would be a two-hour process. I think that in the future when you set up this that you should always be sensitive to the people that are here. And if you have 50 people that sign up you should be tolerant and sensitive and let 50 people speak. And you should be flexible. You shouldn't just say two hours now go we close up this meeting.

So what I would like to say to everyone here, I did not know this was going to be a union pep rally. I did not know that this was going to be an anti-charter school pep rally. I thought that would just help citizens, many concerned citizens and parents that would come here and express themselves.

One thing that I'm going to try to do is enlighten you and educate you. This is political. The first day you were born until the last day is political and constantly elected officials that are not accountable to you and
then you want the Board to be accountable to you, then you want this to be accountable to you. You have aldermen, you have state representatives, you have US representatives, you have senators and you have cowards and the primary responsibility of educating your children, children here in Chicago, it is the home. So all of you must work together.

So I see you teachers are motivated by money. I see you are motivated also by money because you work for the Chicago Public Schools. So all of you are money motivators, you're not children motivators, and so the games that we people play so kind up and some of you students got up here and talk about disciplinary problems, some of you have created havoc in the schools. Thank you for letting me speak.

(Whereupon, the audience was screaming and yelling.)

MR. CAWLEY: You have a question you wanted to ask young.

A VOICE: I want to ask you guys a question. Do you guys that are sitting in the front just listening from one ear to another,
how many of you guys have kids or grandkids in
schools and you actually contribute to your
community? I want to see a show of hands. What
schools do they go to, charter schools or CPS?

MS. BURGOS: My daughter goes to a
Chicago Public School. I'm a product of CPS
too.

MR. CAWLEY: Thank you, everybody.

(Whereupon, the proceedings
concluded at 8:33 o'clock p.m.)

(Whereupon, these were all the
proceedings had at this time.)
STATE OF ILLINOIS

COUNTY OF COOK

Karen Fatigato, being first duly sworn, on oath says that she is a court reporter doing business in the City of Chicago; and that she reported in shorthand the proceedings of said hearing, and that the foregoing is a true and correct transcript of her shorthand notes so taken as aforesaid, and contains the proceedings given at said hearing.

Karen Fatigato, CSR
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