CPS FY2027 Budget Fact Sheet

After months of work and community engagement, CPS has created a balanced, responsible budget for next school year that prioritizes classroom learning and the student experience while closing a $732 million budget deficit.

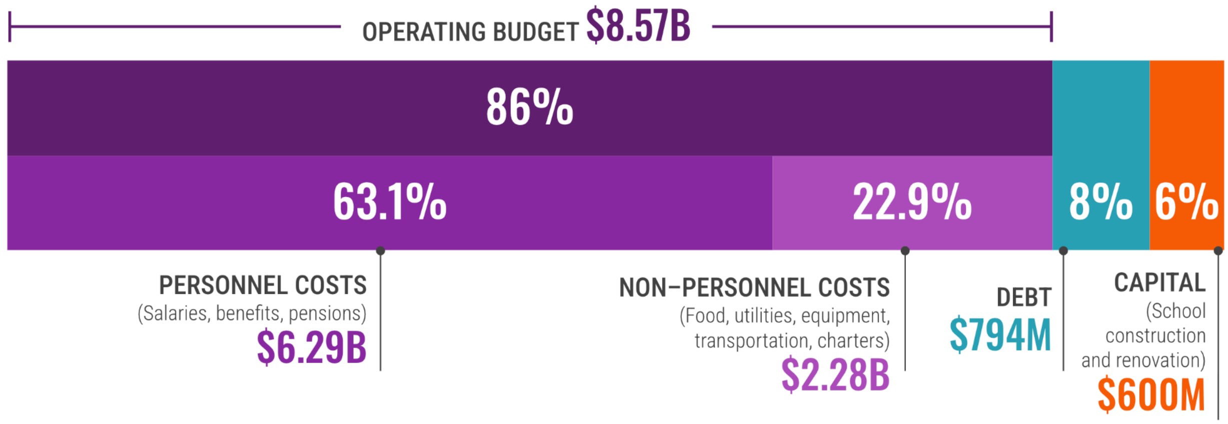
What's Driving CPS' Deficit?

Significant Growth in Costs	Revenue Pressures
CPS is facing higher costs in several key areas, including: • Employee pensions • Labor contracts • Maintaining CPS' aging buildings • Paying off CPS' $9+ billion long-term debt burden • Educating our growing population of students with unique needs	**Federal:** Federal pandemic relief aid has expired, and federal funding — especially for students with disabilities — has not kept pace with student needs. **State:** CPS is only funded at 73% of what the State of Illinois considers "adequate" according to its own formula. **County:** Delays in Cook County's property tax administration have forced CPS to take out short-term loans to make payroll.

How CPS is Closing a **$732 Million** Budget Gap

- **Central Office and Citywide Reductions:** For the second year in a row, CPS is making significant cuts to central office and citywide staff and expenditures and finding operational efficiencies to save money
- **Vendor Contracts:** CPS is actively renegotiating contracts and working with our vendors to achieve savings
- **Aligning School-Based Staff to Students' Needs:** CPS is adding staff in high-need areas like special education, and the amount of money CPS is spending directly in schools is actually increasing this year. At the same time, CPS is adjusting school-based staff allocations to align with students' needs and account for lower enrollment. **From 2019 to 2026, CPS enrollment declined by 45,000 students, while staffing increased by nearly 10,000.**
- **Securing Additional Funding from Government Partners:** This budget is designed to give CPS more time to work with government partners to identify additional revenue solutions — including the potential for additional state funding and additional Tax Increment Financing (TIF) surplus funds from the City of Chicago.

Total FY2027 Budget: $9.96 Billion



*Note: Total actual personnel costs are higher than 63% once factoring in charter staff whose salary and benefits are included in the non-personnel costs, and contractors who are paid by vendors, not directly by the district.

$8.57 Billion is our operating budget. It is the budget figure that most people are familiar with, and represents the amount of funds allocated to operate the day-to-day activities of our schools each year.

Personnel Costs

$6.29 Billion

63.1 percent of CPS' total budget is used to pay for the salaries and benefits of our employees. This includes school-based staff such as teachers, principals, teacher aides, security officers, school clerks, cooks, and janitors; city-wide support staff such as coaches, clinicians, nurses, social workers and speech pathologists; central office staff that provide administrative and programmatic support to the schools; and network office staff that support schools as they are grouped into 17 networks across the city.

Non-Personnel Costs

$2.28 Billion

22.9 percent of CPS' total budget is used to pay for non-personnel expenses, which are the costs required to keep our schools running. This includes commodities such as food and utilities, instructional supplies, building supplies, and software. It also includes equipment like furniture and computers, transportation via our school bus fleet or CTA passes, and funds for discretionary purchases. Lastly, non-personnel costs also include the tuition we pay to charter schools, which funds salaries and benefits for charter school staff, as well as operational costs for charters.

Debt

$794 Million

The debt budget represents the amount of funds allocated to make annual principal and interest payments on our long-term debt.

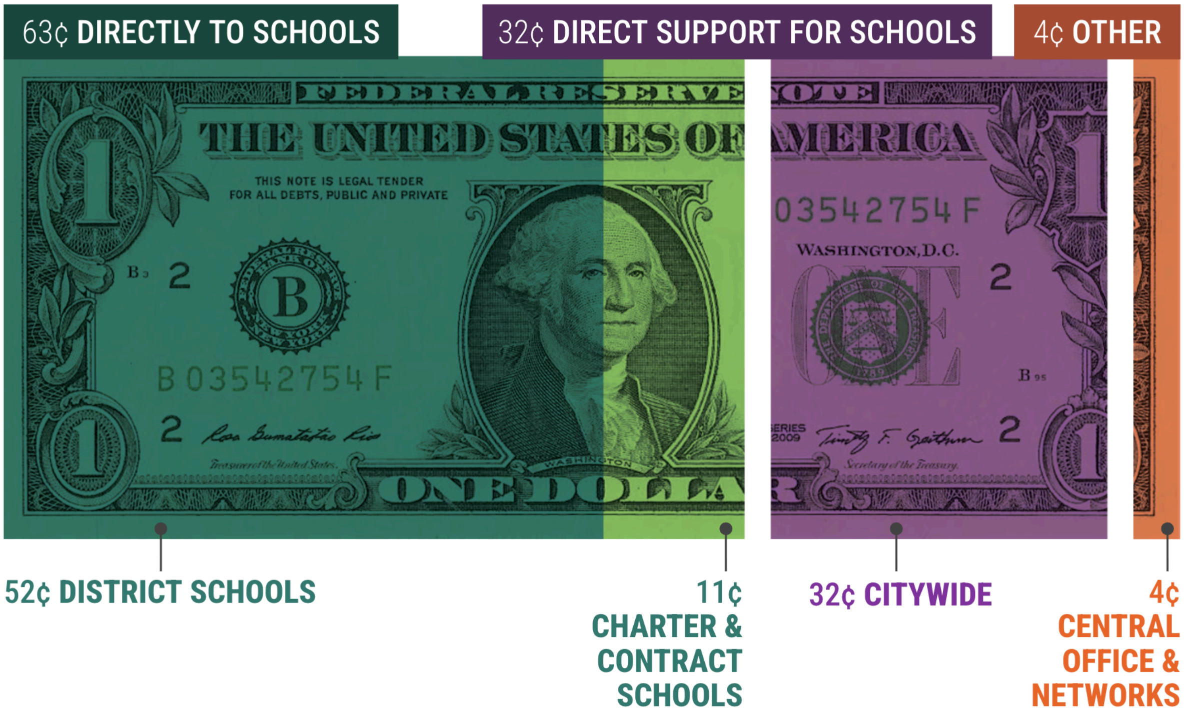
Capital Budget

$600 Million

The capital budget represents the amount of funds allocated for long-term investments in our school facilities including building construction and renovations, and infrastructure-based technology like high-speed internet. This money is raised largely through the issuance of bonds, which are debt instruments like loans, and require annual payments on the bond principal and interest.

Where Our Operating Funding Goes

We are firmly committed to ensuring that every dollar we spend goes furthest for our students and families, so 63 cents (63%) of every dollar spent in our operating budget is tied directly to school-based expenditures and positions, with another 32 cents (32%) directly supporting students through citywide services and personnel that benefit multiple schools, such as nurses, custodians, bus aides, and others. Just 4 cents (4%) goes to central and network office support.

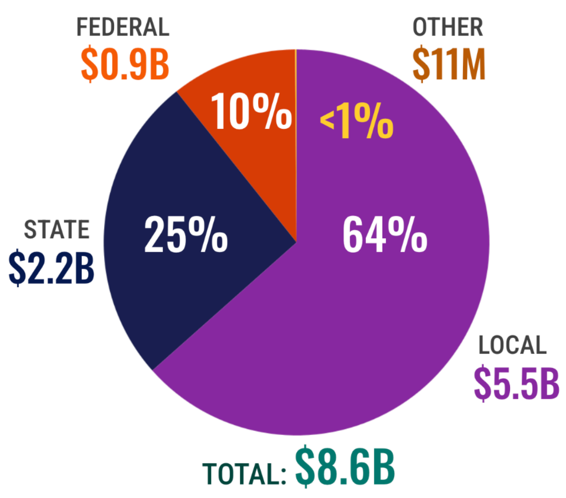


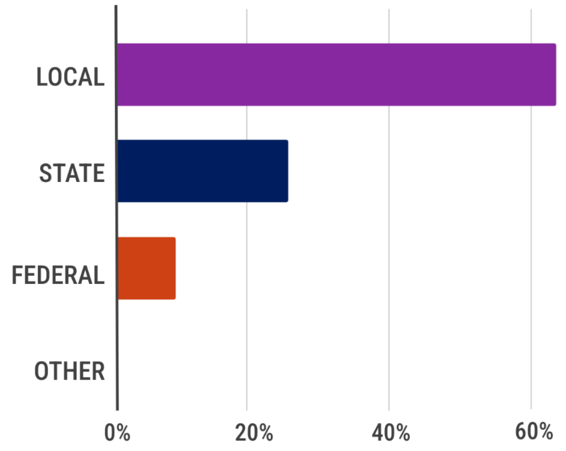
Change in Operating Budget Expenditures From FY2026 to FY2027

Budget Category	FY2026	FY2027	Year Over Year % Change
District Schools	$4.29B	$4.46B	4%
Charter	$0.98B	$0.96B	-2%
Citywide	$2.97B	$2.77B	-7%
Network and Central Offices	$0.41B	$0.38B	-7%
Total	$8.66B	$8.57B	-1%

*Note: The decline in charter funding is mainly due to several charter schools closing or transitioning to District management this year.

CPS Revenue Sources (FY2027)





*Percentages and dollar amounts are rounded; therefore, totals may not equal 100% or sum exactly to the total revenue.