

Appendix E

Glossary

Account: A budget attribute used to group funds with a similar purpose, such as supplies, salaries, or travel expenses. Sometimes referred to as the “object” of the expenditure, the account is what the dollars will be spent on.

Accrual Basis: The accounting technique under which transactions are recognized when they occur, regardless of the timing of estimated cash flow.

Accrued Expense: An expense incurred and recorded on the books but not payable until a later date.

Adopted Budget: The budget ultimately approved and authorized by the Board that authorizes spending for the fiscal year based on appropriations in the budget.

Ancillary Classrooms: Identified for elementary schools only. Refers to the number of allotted classroom spaces required for non-homeroom uses, such as science labs, computer labs, resource rooms, special education rooms, after-school programs, or community organization special programs. The number of ancillary classrooms can be identified by subtracting the number of allotted homeroom classrooms from the total number of classrooms.

Appropriation: An authorization to make expenditures and incur obligations for a specific purpose during a specific time period granted by a legislative body, in this case the Board.

Assessed Valuation (AV): The value placed on all taxable property for tax purposes. This amount is subject to the state equalization factor and the deduction of exemptions.

Average Daily Attendance (ADA): The aggregate number of pupil days of attendance divided by the number of days in the regular school session. Attending school for five or more hours while school is in session constitutes one pupil day of attendance. The best three months’ average daily attendance of the prior year is used to calculate General State Aid for the current year.

Balance Sheet: A statement of an organization’s financial position at a specific point in time. It includes assets, liabilities, and fund balances.

Bill (HB or SB): Legislation drafted in the form of an Act to be introduced to the Illinois General Assembly and identified with a bill number. HB refers to a bill introduced to the House and SB refers to a bill introduced to the Senate. Bills are available on the General Assembly website at ilga.gov.

Block Grant: A state or federal grant program that consolidates several previously separate categorical grant programs into one larger grant. Block grants usually allow the recipient agency more flexibility than separate grants for the use of the resources.

Bond: A written promise to pay a specified sum of money, called the “face value” or “principal amount,” at a specified future date with a specified periodic interest rate.

Bonded Debt: The portion of indebtedness represented by outstanding bonds.

Bond Rating: An assessment of a specific bond issue’s credit risk.

Bond Redemption and Interest Fund: A debt service fund for the receipt and disbursement of annual tax levies proceeds for the payment of the principal and interest on specific bond issues.

Budget: An estimate of income and expenditure for a set period of time.

Budget Classification: A series of numerical codes used to categorize items of appropriation by unit, fund, account, program, and grant.

Budgetary Control: The control or management of a governmental or enterprise fund in accordance with an approved budget to keep expenditures within the limits of available revenue appropriations.

Capital Development Board (CDB): The State of Illinois government organization that administers the School Construction program.

Capital Outlay: An expenditure that results in the acquisition of or addition to fixed assets. Capital outlay has an anticipated useful life of more than one year; can be permanently identified as an individual unit of property; belongs to land, buildings, structures and improvements, or equipment; constitutes a tangible, permanent addition to the value of city assets; does not constitute repair or maintenance; and is not readily susceptible to loss.

Capital Project: A specific and identifiable improvement or purpose for which expenditures are proposed within the capital budget or capital improvement program.

Capital Project Fund: A fund created to account for financial resources to be used for the acquisition or construction of major capital facilities or equipment.

Categorical Revenue: Funds from local, state, federal, or private sources that can, by law, only be used for specific purposes (e.g., Every Student Succeeds Act revenue).

Change Orders: Modifications of scope and/or costs related to a project.

Chicago Board of Education (Board): The local government organization established to provide elementary and secondary education in the city of Chicago.

Chicago Public Schools (CPS): The K–12 school system that operates under the Board.

Chicago Teacher Pension Fund (CTPF): The pension fund for Chicago teachers, principals, and administrative staff with teaching certificates. Teachers, principals, and administrative staff in the rest of the state belong to the Illinois Teacher Retirement System (TRS).

Common Core State Standards (CCSS): A set of standards outlining what students are expected to learn at every grade level in order to be prepared for success in college and career. CCSS is designed to be relevant to the real world and help students succeed in a global economy. Chicago Public Schools began the transition to CCSS in SY2011–12 and fully implemented CCSS during SY2014–15.

Contingency: A budgetary reserve set aside for emergencies or unforeseen expenditures.

Continuous Improvement Work Plan (CIWP): The two-year school improvement plan required in all Chicago Public Schools. The purpose of the CIWP is to establish each school’s mission, its strategic priorities, and the steps the school will take to accomplish its goals.

Personal Property Replacement Taxes (PPRT): A tax instituted in 1979 to replace the Corporate Personal Property Tax. PPRT consists of a state income tax on corporations and partnerships and a tax on the invested capital of public utilities. The tax is collected by the Illinois Department of Revenue and distributed to over 6,000 local governments based on each government’s share of Corporate Personal Property tax collections in a base year (1976 or 1977).

Cost of Living Adjustment (COLA): The “cost of living adjustment” commonly refers to the amount or percentage change to salary and/or benefits in order to protect income from being eroded by inflation.

Debt Service: The amount of money required to pay the principal and interest on all bonds and other debt instruments according to a predetermined payment schedule.

Debt Service Fund: A fund established to make principal and interest payments on long-term debt.

Deficit: An excess of expenditures over revenues in a given period.

Depreciation: The portion of a capital asset cost that is charged as an expense during a particular period. This is the process of estimating and recording the lost usefulness, expired useful life, or diminution of service from a fixed asset.

Education Support Professional (ESP): Position classification for non-teacher/principal support staff. This category covers positions such as custodians, engineers, and security guards, as well as most Central Office departmental staff.

Effective Date: The date on which a Public Act takes effect (i.e., the date it becomes generally enforceable).

Effective Tax Rate: The ratio of taxes billed to the market value, generally expressed as a percentage.

Encumbrance: Obligation in the form of a purchase order and/or contract which is chargeable to an appropriation and which reserves a part of the fund balance because the goods or services have not been received. When paid, the encumbrance is liquidated and recorded as an expenditure.

Enrollment Efficiency Range: The number of students is within 20 percent of **Ideal Program Enrollment** (see definition).

Enterprise Fund: A fund established to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing the goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Equalization: The application of a uniform percentage increase or decrease to assessed values of various areas or classes of property to bring assessment levels, on average, to a uniform level of market value.

Equalization Factor (multiplier): The factor that must be applied to local property assessments to bring about the percentage increase that will result in an equalized assessed valuation equal to one-third of the market value of the taxable property in a jurisdiction.

Equalized Assessed Valuation (EAV): The assessed value multiplied by the State of Illinois equalization factor minus adjustments for exemptions. This gives the property value from which the tax rate is calculated.

Every Student Succeeds Act (ESSA): On January 8, 2002, President George W. Bush signed into law the No Child Left Behind Act of 2001. This law provided for the most significant reform to the Elementary and Secondary Education Act (ESEA) since its inception in 1965. In December 2015, President Barack Obama signed into law the Every Student Succeeds Act (ESSA), which updates and replaces NCLB and was in full effect for the 2017–18 school year.

Evidence-Based Funding (EBF): State revenue provided to school districts to support basic education programs. The amount that each school district receives depends upon the educational needs of the school district, the size of the local tax base, the amount of tax effort by the local school district (in certain cases) and the foundation level. The EBF formula works so that every child in the state has access to resources for his or her education at least equal to the foundation level.

Exemption: The removal of property from the tax base. An exemption may be partial, such as a homestead exemption, or complete, such as a church building used exclusively for religious purposes.

Expenditure: The outflow of funds paid for an asset or service. This term applies to all funds.

Extension: The actual dollar amount billed to the property taxpayers of a district. All taxes are extended by the County Clerk.

Federal Special Education I.D.E.A. Program Fund Revenue: Provides supplemental programs for all students with disabilities ages 3–21.

Federal Lunchroom Revenue: Revenue from the federal program that supports free and reduced-price meals for children from low-income families.

Fiscal Year (FY): The time period designated by a system signifying the beginning and ending period for recording financial transactions. The Chicago Public Schools fiscal year begins July 1 and ends June 30.

Fixed Asset: An asset of a long-term character that is intended to continue to be held or used, such as land, buildings, machinery, and equipment.

Focus Schools: A designation referring to a Title I school that has a) the largest gaps between the highest- and lowest-achieving subgroups within its school, b) a subgroup or subgroups with low achievement, OR c) a high school with low graduation rates. The ISBE categorizes schools as a “focus school” if the school has a three-year average state assessment composite between 26 and 45 percent.

Full-Time Equivalent (FTE): A unit that indicates the workload of an employee in a way that makes workloads comparable across various contexts. An FTE of 1.0 means that the person is equivalent to a full-time worker, while an FTE of 0.5 signals that the worker is only half-time or works full-time for half a year.

Fund: A separate accounting entity with a self-balancing set of accounts that comprise its assets, fund equity, revenues, and expenditures. Money and other fund assets are set aside in an account for specific purposes and activities in accordance with legal requirements. A school or department may have resources available from several funds. Examples include the General Fund, Workers’ Compensation/Tort Fund, and the Federal Title I Fund.

Fund Accounting: A governmental accounting system that organizes its financial accounts into several distinct and separate sets of accounts, or “funds,” designated by their different functions.

Fund Balance: A fund’s assets minus its liabilities, as determined at the end of each fiscal year. Any reservations of fund balance are deducted, leaving a remaining unreserved fund balance.

GASB 24 — Governmental Accounting Standards Board Statement #24: Establishes accounting rules for pass-through grants, food stamps, and on-behalf payments for fringe benefits and salaries. As it relates to “on-behalf payments,” GASB 24 requires payments made by other governments to be included as revenues and expenditures as long as they are for employee benefits. By law, the City of Chicago has been contributing to the Municipal Employees’ Annuity and Benefit Fund of Chicago on behalf of the Board’s educational support personnel (ESP).

GASB 54 — Governmental Accounting Standard Board Statement #54: In order to improve consistency and clarity in fund balance reporting, GASB 54 establishes a hierarchy of fund balance classifications categorized by the extent to which governments are bound by constraints on resources reported in the funds. The hierarchy includes:

1. **Non-spendable Fund Balance:** Amounts that cannot be spent, such as inventories, prepaid amounts, and the principal of a permanent fund. Additionally, long-term loans, notes

receivables, and property held for resale would be reported as non-spendable unless the proceeds are restricted, committed, or assigned.

2. **Restricted Fund Balance:** Amounts constrained for a specific purpose by external parties, constitutional provision, or enabling legislation.
3. **Committed Fund Balance:** Amounts constrained for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Formal action is also required by the same group to remove or change the constraints placed on the resources.
4. **Assigned Fund Balance:** For all governmental funds other than the general fund, any remaining positive amounts not classified as non-spendable, restricted, or committed. For the general fund, assigned fund balance is the amounts constrained to be used for a specific purpose by a governing board, body, or official that has been delegated the authority to assign such amount.
5. **Unassigned Fund Balance:** Amounts not classified as non-spendable, restricted, committed, or assigned. The general fund is the only fund that would report a positive amount in unassigned fund balance.

General Fund: The primary operating fund used to account for all revenue and expenditures except those related to specific programs that are accounted for separately in special purpose funds.

General Obligation Bonds: Bonds that finance public projects, such as new school buildings. The repayment of the bonds is made from property taxes and is backed by the full faith and credit of the issuing entity.

Generally Accepted Accounting Principles (GAAP): A uniform minimum standard of, and guidelines to, financial accounting and reporting. GAAP governs the form and content of an entity's basic financial statements, encompassing the conventions, rules, and procedures necessary to define accepted accounting practices at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. They provide a standard by which to measure financial presentations.

Goals: A department's specific plans for the future. Goals identify intended end results but are often ongoing and may not be achieved in a single year.

Government-Funded Funds and Special Grant Funds: Funds established by the Board to account for programs that are fully reimbursable by the state or federal government and special grants.

Governmental Accounting Standards Board (GASB): Organization that establishes accounting standards for state and local governments in the United States.

Grant: A contribution given by a government entity, private foundation, or other type of organization to support a particular activity or function.

Homeroom Classrooms: Refers to the number of allotted classroom spaces required for homeroom use. Homerooms are important for tracking daily attendance and distributing report cards. The number of classrooms allotted for homeroom use is determined by multiplying the total number of classrooms by 0.769, rounding down to the nearest whole number.

Hyperion: Performance management software owned and managed by Oracle. CPS implemented Hyperion in June of 2015 and utilizes the system for planning, budgeting, and forecasting revenue and expenditures.

Ideal Program Enrollment (Ideal Capacity): For elementary schools, this equals the number of Allotted Homeroom Classrooms multiplied by 30. For high schools, this equals the total number of instructional classrooms multiplied by 30 and then multiplied by 80 percent.

Illinois School-Based Health Services Program: In September 1994, the Illinois Department of Public Aid (now the Illinois Department of Healthcare and Family Services) submitted a Medicaid State Plan Amendment, which expanded the range and scope of existing covered services and increased reimbursement rates. The program, based on 42 CFR 440.13D(d) of the Social Security Act, allows the district to receive reimbursements through Medicaid for certain services provided to eligible children.

Illinois State Board of Education (ISBE): The state organization created to oversee elementary and secondary education in Illinois.

Individuals with Disabilities Education Act (IDEA) — PL 94-142: Federal law requiring school districts to provide appropriate education services to children with disabilities. IDEA governs how states and public agencies provide early intervention, special education, and related services to eligible infants, toddlers, children, and youth with disabilities.

Inter-government Agreement (1997 IGA) with City of Chicago — October 1, 1997: The 1997 IGA represents a unique financing arrangement between the City of Chicago and CPS to pay for the construction of new schools, school building additions, and the renovation of existing schools and equipment. Per the agreement, the city will help the Board to finance its Capital Improvement Program by providing it with funds to be used to pay debt service on bonds issued by the Board for such purpose. The amount to be provided by the city will be derived from the proceeds of ad valorem taxes levied in future years by the city on all taxable property.

Inter-government Agreement using Tax Increment Financing (IGA-TIF): This agreement secures revenues from certain eligible TIF districts, which will be used by CPS to pay for the construction of new schools.

Interest Earnings: Earnings from available funds invested during the year in United States treasury bonds, certificates of deposit, and other short-term securities consistent with our investment policies.

Investments: Securities and real estate held for the production of revenues in the form of interest, dividends, rentals, or lease payments. Investments do not include fixed assets used in governmental operations.

Levy: Amount of money a taxing body authorizes to be raised from the property tax.

Liabilities: Debts or other legal obligations arising out of transactions in the past that must be liquidated, renewed, or refunded at some future date.

Local School Councils (LSC): LSCs are comprised of six parents, two community members, two teachers, one non-teacher staff member, the school's principal, and a student representative (for high school LSCs only). The LSC is responsible for approving how school funds and resources are allocated, developing and monitoring the annual School Improvement Plan, and evaluating and selecting the school's principal.

Long-term Debt: Debt with a maturity of more than one year after the date of issuance.

Lunchroom Fund: A fund for the assets, liabilities, receipts, and disbursements of the School Lunchroom Program.

Maintenance: All materials or contract expenditures covering repair and upkeep of buildings, machinery and equipment, systems, and land.

Medicaid Revenue: Revenue from the federal Medicaid program that the Board receives as reimbursement for the provision of Medicaid-eligible services to eligible children.

Miscellaneous Revenues: Proceeds derived from notes and bonds sold by the Board, interest on investments and undistributed property taxes, collections from food service sales, rental of property, gifts, donations, and the sale of Board-owned real estate.

Mission Statement: Designation of a department's purpose or benefits; how the department supports the overall mission of the system.

Modified Accrual Basis: An accounting method commonly used by government agencies that combines accrual- and cash-based accounting. Under this basis, revenues are recognized when they become both "measurable" and "available" to finance expenditures of the current fiscal period. Expenditures are recognized when the related fund liability is incurred, except when: (1) inventories of materials and supplies that may be considered expenditures, either when purchased or when used; (2) prepaid insurance and similar items that do not need to be reported; (3) accumulated unpaid vacation, sick pay, and other employee benefit amounts that need not be recognized in the current period, but for which larger than normal accumulations must be disclosed in the notes to the financial statements; (4) interest on special assessment indebtedness that may be recorded when due rather than accrued, if offset by interest earnings on special assessment levies; and (5) principal and interest on long-term debt that are generally recognized when due.

Multiplier: See Equalization Factor.

Multi-Tiered Systems of Support (MTSS): A five-tiered performance system based on school performance metrics that provide multiple lines of evidence for measuring school quality.

Network: Geographical grouping of schools for management and support purposes.

Northwestern Evaluation Association Measures of Academic Progress (NWEA MAP): Adopted by CPS in SY2015–16 as the uniform assessment for all students applying to a selective enrollment school, academic center, or gifted school.

Object: Specific nature or purpose of an expenditure. Object codes are common across all units, programs, and projects. Examples of objects include professional services and teacher salaries. Also referred to as *accounts*.

Operating Budget: Financial plan outlining estimated revenues, expenditures, and other information for a specified period (usually one fiscal year). Long-term costs, such as those related to capital projects, are typically excluded from the operation budget.

Operating Expenses: Proprietary fund expenses that are directly related to the fund's primary service activities.

Operating Expense Per Pupil: Gross operating cost of a school district for K–12 programs (excludes summer school, adult education, bond principal retired, and capital expenditures) divided by the average daily attendance for the regular school term.

Operations and Maintenance (O&M): Represents the portion of taxes assessed for the maintenance and operations of the system's facilities.

Public Act (P.A.): Public Acts are available on the General Assembly website at ilga.gov.

P.A. 87-17: Property Tax Extension Limitation Law that imposes a tax cap in Lake County, Will County, DuPage County, McHenry County, and Kane County, as well as the prior year's Equalized Assessed Valuation (EAV) on Cook County. The tax cap limits the annual growth in total property tax extensions in the operating funds of a non-home rule government to either five percent or the percentage increase in the Consumer Price Index (CPI), whichever is less. The previous year's EAV provision limits extensions in rate-limited funds to the maximum tax rate multiplied by the previous year's EAV for all current district property.

P.A. 88-593: Public Act that requires all five state pension funds to reach 90 percent funding by the year 2045; also established a state goal of funding the Chicago Teachers' Pension Fund at between 20 percent and 30 percent of state funding for the teacher retirement system.

P.A. 89-1: Property Tax Extension Limitation Law that imposes a tax cap in Cook County. The provisions of this tax cap are the same as in P.A. 87-17.

P.A. 89-15: Public Act that gives the mayor of Chicago effective control of the Board; also changed the financial structure of the Board.

P.A. 93-21: Public Act that defines the current state poverty grant formula and defines the poverty count to be used for this grant as the unduplicated count of children in any one of four low-income programs

(Medicaid, KidCare, Temporary Assistance for Needy Families ((TANF)), and food stamps); excludes children who are eligible for services from the Department of Children and Family Services.

P.A. 93-845: Public Act that authorized school districts to continue to file for adjustments of the previous year's GSA claims to reflect revenue lost due to property tax refunds.

P.A. 94-976: Property Tax Extension Limitation Law that set the maximum extension rate for funds subject to tax caps, including the rate that requires voter approval. This does not allow a local government to exceed its total tax cap limit, but it does make it much less likely that tax rate limits in specific funds will prevent the local government from taxing up to its tax cap limit.

P.A. 96-490: Public Act that changed the value of the property tax bills mailed in the spring from 50 to 55 percent of the previous year's total bill.

P.A. 96-889: Public Act that created a new second-tier pension plan for the state pension funds and the Chicago Teachers' Pension Fund; changed the required funding schedule for the Chicago Teachers' Pension Fund.

P.A. 97-8 (SB 7): Public Act that makes significant changes to teacher tenure, layoff, and dismissal policies; changes the process for resolving collective bargaining impasses.

Partnership for Assessment of Readiness for College and Careers (PARCC): PARCC is a consortium of states and the District of Columbia that are working to create and deploy a standard set of mathematics and English assessments for the purpose of measuring college and career readiness of K–12 students. The assessments are administered electronically, closely aligned with the Common Core State Standards, and replace the former state ISAT exam. CPS first began administering PARCC during SY2014–15, when the district focused on administering the assessment to elementary school students in grades 3–8 and high school students in English I, Algebra I, or Integrated Math I courses.

Penalty Date: Date by which property tax bills are due and payable. In Cook County, the penalty date for first-half tax bills is normally March 1, and the penalty date for second-half tax bills is August 1.

Pension: A defined benefit amount paid regularly to a former employee during his or her retirement.

Pension Funded Ratio: A percentage measurement of actuarially-calculated assets compared to actuarially-determined pension liabilities.

Pension Relief: A legislative action by the Illinois General Assembly that temporarily reduced required pension contributions by CPS. The relief, which lasted three years, expired in FY2013.

Per Capita Tuition Charge (PCTC): A funding formula that ISBE uses to quantify the amount a school district pays from its own resources for each student.

Performance Measures: Specific measures of the workload and key outcomes of each department. These provide information about how effectively and efficiently the department is operating.

Priority School: A designation by ISBE describing a Title I or Title I-eligible school that is a) among the persistently lowest performing 5 percent of all Title I schools within the state based on a three-year average and b) demonstrates a lack of progress, or c) is a Title I (participating or eligible) secondary school with a three-year average graduation rate of 60 percent or less.

Program: Instructional or functional activity.

Program Description: The description includes department/bureau mission, goals, accomplishments, performance measures, and total expenditures and staff counts.

Project: An activity that usually must be accomplished within a specified time period and whose costs are generally reimbursed by the state or federal government.

Property Tax Revenue: Revenue from a tax levied on the equalized assessed value of real property.

Proposed Budget: Financial plan presented by the Chief Executive Officer for consideration by the Board.

Public Hearing: A formal open meeting held to present information and receive public testimony on a local issue.

Public Building Commission (PBC): The Chicago municipal corporation from which local government taxing authorities lease facilities. The PBC issues bonds, acquires land, and contracts for construction for capital projects of other local governments associated with the facilities that are being leased. Annual payments on these leases are included in the local government's tax extensions.

Public Building Commission (PBC) Lease/Rent Fund: Debt service fund for the receipt and disbursement of the proceeds of an annual tax levy for the rental of school buildings from the PBC. Most of the rental payment is used by the PBC to make debt service payments on revenue bonds that were issued to finance capital projects in PBC-leased schools.

Public Building Commission (PBC) Operation and Maintenance Fund: Fund for the receipt and disbursement of the proceeds of an annual tax levy for operation and maintenance of PBC-leased buildings.

Prior Year's Equalized Assessed Valuation (EAV): Provision of P.A. 87-17 which requires that extension limits for rate-limited funds for Cook County governments be determined using the EAV one year prior to the year of the levy.

Rate Limited Fund: Fund accounting for the accumulation and use of revenue generated by a rate-limited tax levy.

Reserve: Account used to indicate that a portion of a fund balance is restricted for a specific purpose, or an account used to earmark a portion of a fund balance to indicate that it is not available for

expenditure. A reserve may also be an account used to earmark a portion of fund balance as legally segregated for a specific future use.

Revenue Bonds: A municipal bond whose principal and interest are payable exclusively from a revenue source (rather than a tax source) that is pledged as the payment source before issuance.

Safe Passage: A program designed to increase children's safety as they walk to and from school by placing CPS employees along designated safe passage routes.

School Actions: Significant changes to schools that require Board approval. Examples of school actions include consolidations, school moves, and turnaround implementation.

Seal of Biliteracy: This is an award given by a school, district, or county office of education in recognition of students who have studied and attained proficiency in two or more languages by high school graduation. It is designed to function as a nationally-recognized standard of achievement in bilingual education. In Illinois, the State Seal of Biliteracy will be designated on the high school diplomas and transcripts of graduating public school pupils attaining proficiency in one or more languages in addition to English.

Social Impact Bond (SIB): A debt instrument that commits a public sector entity to pay for improved social outcomes that result in public sector savings. Private investors inject capital into the specified social initiative and are paid a financial return by the public entity only if social outcomes are achieved. SIBs are also known as "Pay for Success Bonds" or "Social Benefit Bonds."

Space Use Status: There are three Space Use Statuses: Underutilized, Efficient, and Overcrowded. Underutilized is defined as school enrollment less than the lower end of the Enrollment Efficiency Range, Efficient is defined as school enrollment within the Enrollment Efficiency Range, and Overcrowded is defined as school enrollment more than the upper end of Enrollment Efficiency Range.

Space Utilization Index: A school's enrollment expressed as a percentage above or below the Ideal Program Enrollment of the facility. $\text{Space Utilization Index} = (\text{Enrollment} - \text{Ideal Program Enrollment}) / \text{Ideal Program Enrollment}$. Also known as Utilization Rate, which is equal to Space Utilization Index plus 100 percent.

Special Revenue Funds: A fund used to account for specific revenue source proceeds (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specific purposes.

State Aid Pension Revenue: Revenue from an annual state appropriation to fund a portion of the employer contribution to the Chicago Teachers' Pension Fund.

State Statute: A law enacted by the Illinois General Assembly and approved by the governor.

Student-Based Budgeting (SBB): A flexible, per-pupil funding model giving principals more control over the resources they can use to best meet the needs of their students. Unlike the district's prior quota

funding methodology, which provided specific positions for each school, SBB provides dollars based on the number of students at each school, allowing principals to structure the school in a way that best serves its students. CPS moved to the SBB approach in FY2014.

Supplemental Aid: Funding stream provided to schools that replaces Supplemental General State Aid. The previous state funding law required CPS to distribute \$261 million of Supplemental General State Aid directly to schools based on their poverty levels. The new funding law does not have this requirement, but CPS has maintained the poverty-based distribution methodology in the form of Supplemental Aid.

Tax Base: The total value of all taxable real and personal property in the city as of January 1 each year, as certified by the Appraisal Review Board. The tax base represents net value after all exemptions.

Tax Caps: Abbreviated method of referring to the tax increase limitations imposed by the Property Tax Extension Limitation Laws (P.A. 87-17 and P.A. 89-1). A tax cap places an upper bound on the amount of government tax that an individual might be required to pay.

Tax Increment Financing (TIF): A public financing method of providing local property tax funding for economic development projects within a designated TIF area.

Tax Rate: The amount of a tax stated in terms of a percentage of the tax base.

Tax Rate Limit: Maximum tax rate that a county clerk can extend for a particular levy. Not all tax levies have a tax rate limit.

Tax Roll: Official list showing the amount of taxes levied against each taxpayer or property in the county.

Teacher Pension Levy: A rate-capped property tax levy dedicated exclusively to paying the CPS employer cost to the Chicago Teachers' Pension Fund (CTPF). It is 0.567 percent of base Equalized Assessed Value (EAV) in Chicago from the prior year, and of new property from the current year. It was permitted by Public Act 99-0521, and further altered by Public Act 100-0586.

Title I Grant: Provides financial assistance to local educational agencies (LEAs) and schools with high numbers or high percentages of children from low-income families to help ensure that all children meet challenging state academic standards.

Title II Grant: Federal grant that seeks to increase student achievement by supporting the placement and development of highly qualified, effective leaders in every school.

Tort Fund: Used to collect tort fund revenue received from a special property tax earmarked to fund expenses related to tort judgment and settlement, liability, security, workers' compensation, unemployment insurance, and risk management. The monies in this fund, including interest earned on the assets of this fund, should be used only for the purposes authorized under the Tort Immunity Act.

Total Classrooms: Refers to the number of classroom spaces (located within a permanent non-leased building) designed to be used as classrooms regardless of current use, including science labs, art rooms, resource rooms, and special education rooms, but excluding spaces not designed as classrooms, such as offices, lunchrooms, libraries, gymnasias, and auditoria.

Vacancy Savings: The anticipated savings resulting from the delay in staffing new and vacant positions.

Unit: Each school, central office department, network office, or other special operating entity represented by a five-digit number. Examples of units include the Law Department and DuSable High School.

Uniform Pension System: A standard pension system that treats all teachers and all taxpayers in a given state exactly the same. References to a “uniform pension system” as it relates to CPS expresses the desire for CPS to be treated exactly the same as other Illinois school districts in terms of receiving state funding to cover annual teacher pension costs.