BEFORE
FACT-FINDING PANEL

STEVEN M. BIERIG (Fact-Finder and Neutral Chair)
ROBERT E. BLOCH (Union Panel Member)
PAUL J. CIASTKO (Board Panel Member)

In the Matter of the Fact-Finding
between

THE BOARD OF EDUCATION
OF THE CITY OF CHICAGO

and

THE CHICAGO TEACHERS UNION,
LOCAL 1, AMERICAN FEDERATION
OF TEACHERS, AFL-CIO

____________________________________

CASE NO.: Arb. Ref. 19-105
(Fact-Finding)

UNION’S PRE-HEARING BRIEF IN SUPPORT OF FINAL OFFER

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INTRODUCTION

At the outset of this proceeding, it is important to note the Chicago Board of Education’s (“Board’s”) minimal substantive engagement in the parties’ negotiations for a successor collective bargaining agreement. Though the parties began these negotiations six months ago in January, the Board has never made a financial proposal to the Union during the course of current collective bargaining. The Chicago Teachers Union (“Union” or “CTU”) submitted a comprehensive contract proposal, including economic terms, to the Board on January 15, 2019. In the ensuing six months, the Board has made no economic proposals, and it made counterproposals in response to only four non-economic Union proposals. 1 Remarkably, the Board’s July 2, 2019 Submission of Disputed Issues to the Fact-Finding Panel in this proceeding contains its first indication of what its economic proposals might be, though it has yet to declare its submission as an actual contract proposal. The Board has likewise ignored most of the 21 disputed issues that the parties agreed to submit to fact-finding by submitting positions on only one-third of the agreed list of disputed issues. 2

In the Union’s view, the Board’s evident gamesmanship here shows that it seeks to manipulate the fact-finding process so as to limit the scope of the panel’s recommendation and depress the economic terms thereof so as to improve its bargaining position. The Board has refused to engage in real bargaining with the Union, and instead it seeks to use fact-finding to commence the bargaining process rather than conclude the bargaining process. In the Union’s view, by refusing to make any economic proposals to the Union and instead submitting its economic terms only to the fact-finder, the Board is playing on the natural tendency to “split the

1 The Board made counterproposals on: Article 1, Recognition; Article 2-1, Prohibition on Discrimination; Article 27, Class Coverage; and Article 46-5, Sanctuary Schools and Sanctuary Employer.

2 The parties initially anticipated only limited issues to be submitted, but they subsequently agreed to submit the following 21 disputed issues to the fact-finding panel, listed infra.
difference” in proposals so as to produce a recommended settlement more to its liking. As will be shown in this brief below, after eight years of depressed economic settlements in the parties’ labor contracts, where educator compensation has fallen substantially relative to other large school districts, the Board now enjoys unprecedented new levels of funding that necessitate a catch-up for years of depressed contract settlements.

Notwithstanding the Board’s disengagement throughout this bargaining process, the Union has advanced a package of proposals that are designed to provide Chicago’s students with the schools they deserve. It is not merely a coincidence that Chicago’s new Mayor, Lori Lightfoot, was elected after running on an education platform entitled “A Plan to Transform Chicago Public Schools” that mirrors the policy proposals the CTU has been advocating for the last decade. And, as detailed in this brief, thanks in large part to the advocacy of the CTU and its community partners, over the last several years state and local government have revamped how public education is funded in Chicago, putting CPS on strong financial footing, and providing the Mayor the means to make good on her promises to students, parents, teachers, clinicians, and paraprofessionals.

This proceeding is governed by Section 12(a-10) of the Illinois Educational Labor Relations Act, 115 ILCS 5/1, et seq. ("IELRA"). The IELRA provides, at Section 12(a-10)(4), the criteria upon which the fact-finding panel is to base its recommendations:

(A) the lawful authority of the employer;
(B) the federal and State statutes or local ordinances and resolutions applicable to the employer;
(C) prior collective bargaining agreements and the bargaining history between the parties;
(D) stipulations of the parties;
(E) the interests and welfare of the public and the students and families served by the employer;
(F) the employer's financial ability to fund the proposals based on existing

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available resources, provided that such ability is not predicated on an assumption that lines of credit or reserve funds are available or that the employer may or will receive or develop new sources of revenue or increase existing sources of revenue;

(G) the impact of any economic adjustments on the employer's ability to pursue its educational mission;

(H) the present and future general economic conditions in the locality and State;

(I) a comparison of the wages, hours, and conditions of employment of the employees involved in the dispute with the wages, hours, and conditions of employment of employees performing similar services in public education in the 10 largest U.S. cities;

(J) the average consumer prices in urban areas for goods and services, which is commonly known as the cost of living;

(K) the overall compensation presently received by the employees involved in the dispute, including direct wage compensation; vacations, holidays, and other excused time; insurance and pensions; medical and hospitalization benefits; the continuity and stability of employment and all other benefits received; and how each party's proposed compensation structure supports the educational goals of the district;

(L) changes in any of the circumstances listed in items (A) through (K) of this paragraph (4) during the fact-finding proceedings;

(M) the effect that any term the parties are at impasse on has or may have on the overall educational environment, learning conditions, and working conditions with the school district; and

(N) the effect that any term the parties are at impasse on has or may have in promoting the public policy of this State.

The Act does not require the fact-finding panel to adopt either party's position on each disputed issue, but rather it is free to make its own recommendations on each issue.

These criteria will be referenced throughout this brief as applicable. Pursuant to Section 12(a-10)(4)(D), on June 6, 2019, the parties stipulated to submit the following list of 21 issues to fact-finding:

1. Term of Agreement
2. Salaries (Article 36, Appendices A and F)
3. Sustainable Community Schools (Article 12)
4. Teacher Preparation Time and Professional Development (Contract Articles 4, 5, 6, 19, and 25)
5. PSRP Issues (Article 9 and Appendix I)
6. Teacher Supply Money (Article 7)
7. Early Childhood Education (Article 17)
8. Sports (Article 13)
9. Career and Technical Education (CTE) (Article 18)
10. Clinicians and Counselors (Articles 20 and 21)
11. Paid Time Off (Article 26)
12. Special Education (Article 21)
13. Substitute Teachers (Article 27)
14. Teacher Evaluation (Article 39)
15. Paperwork, Lesson Plans, and Testing (Articles 44-21, 44-30, and 44-32)
16. Sanctuary Schools/Sanctuary Employer (Article 46-5)
17. Affordable Housing (Article 46)
18. Staffing
19. Class Size (Article 28)
20. Health Care (Article 32, 33, and Appendix E)
21. School Closings and Charter Expansion Moratoriums (Side Letters – Proposals 52 and 53)
CTU PROPOSALS

The Union’s proposals focus on four areas: fair pay and benefits for teachers, clinicians and paraprofessionals, whose wages have stagnated across the parties’ last two contracts; fully staffed schools; smaller class sizes; and justice and equity for students, families, and employees. Except as otherwise noted below, the Union’s final offers on each disputed issue are contained in its January 15, 2019 comprehensive contract proposal.

1. Salaries (Article 36, Appendices A and F)

   Since 2011, following years of annual 4% cost of living adjustment (“COLA”) increases, the average annual CTU bargaining unit member COLA has been a paltry 1.44%, below the rate of inflation for the same period. Meanwhile, the cost of living in Chicago has skyrocketed, and salaries for teachers in other large, unionized, urban school districts across the country have substantially increased. These depressed contract settlements coincided with strained school district budgets that were unique to Chicago. But the Board’s funding picture dramatically improved in 2017 thanks to legislation that overhauled education funding at the State level. As a result, Chicago Public Schools (“CPS”) has seen annual revenue increases now totaling over $1 billion – or 20% – since the parties negotiated their 2015-19 collective bargaining agreement (“CBA”).

   From 2003 to 2011, CTU bargaining unit members received 4% COLA increases each and every school year. Since 2011 the COLAs have been as follows: 2011-12 – 0%; 2012-13 – 3%; 2013-14 – 2%; 2014-15 – 2%; 2015-16 – 0%; 2016-17 – 0%; 2017-18 – 2%; 2018-19 – 2.5%. The CPS budget has increased significantly across those years and is projected to increase

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4 See Union Exh. 3.
5 See https://data.bls.gov/timeseries/CUUR0000SA0L1E?output_view=pct_12mth0s.
further still, but the proportion of its budget directed to the classroom to support teachers and educational support personnel has declined. Due to years of failed leadership and financial mismanagement, the Board has spent an increasing portion of its budget on costly privatization schemes and debt service. But, at long last in 2019, CPS has finally emerged from self-imposed financial calamity and is on strong financial footing, as the City of Chicago and State of Illinois are emerging from an era of reactionary austerity and educational apartheid.

The bottom line is this: The Board has bankrolled additional funding for two years, is well able to pay, and teachers and paraprofessional school related personnel ("PSRPs") are long overdue for substantial raises.

The Union has proposed, amongst other things, a 5% COLA applied to all salary schedules for each year of the contract, extending the salary schedule to 25 steps, and increasing PSRPs’ salary by at least one pay scale grade and establishing lanes for PSRP educational attainment.

The New State Funding Formula & Restoration of CPS Financial Health

The financial turmoil that embroiled CPS during the parties’ last round of protracted contract negotiations in 2015 and 2016 is over.

The fact-finder will recall that in 2016 the Board asserted it was flat broke, facing a structural deficit, and unable to recover either through borrowing or increased State aid. It submitted the following to this Fact-Finder:

**CPS's Fiscal Crisis.** Chicago Public Schools (CPS), the largest school district in Illinois serving 20% of all K-12 students in the State, is on the verge of financial collapse. (p.1) . . . CPS faces a fiscal crisis of historic proportions.6 (p.3)

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6 Board of Education of The City Of Chicago's Pre-Hearing Brief, March 18, 2016 (Union Exh.1).
The Board asserted that it had balanced its budget (as required by law) with a promised $480 million in projected revenue that it knew would not materialize (pp.1, 14); that State funding to CPS had actually decreased by $287 million since 2009 (p. 2); that its dire financial condition, exacerbated by then-Governor Rauner’s effort to put CPS into bankruptcy, made it prohibitively expensive to borrow funds (pp. 2, 7, 13); that it faced a “structural deficit each year” that’s been bridged through “unsustainable debt” (p. 12); and that its pension fund obligations were unsustainable (pp. 10-12). The Board summarized its drastic economic position as follows:

As a result, the Board faces not only an insurmountable long term debt burden and ongoing structural deficit, but also an immediate and dire cash flow crisis. . . . The Board barely has sufficient funds to keep schools open and teachers in classrooms through the end of the current school year. The Board will have to exhaust its cash reserves over the next several months.

By June 2016, the Board will have a negative $846 million cash position. The only way that CPS is able to continue to meet its obligations is through $870 million in short-term borrowing through a line of credit. This will leave the Board with only $24 million in operational cash reserves as of June 30, 2016. The reduced liquidity of the District has been a major credit factor that has driven several of the Board’s recent rating agency downgrades.

CPS is limping towards the end of the school year only with the implementation of furlough days and a freeze on any non-mandatory spending. Schools have already been forced to absorb $26 million in mid-year budget cuts, and last week school principals were asked to hold back from spending $45 million that had been budgeted for non-personnel, classroom related purchases. School principals were further asked to save another $10 million in personnel expenses through a hiring slowdown for any positions that are not absolutely essential to students. (pp. 14-15; internal citations omitted).

It cannot be overstated how dramatically CPS’s finances have rebounded since the State adopted major education funding reform in 2017. CPS has received an annual billion dollar cash infusion, substantial pension relief, and a statutory commitment of ever-increasing funding in the coming years. It has enjoyed this dramatically improved funding for the last two years, since
2017, without any added obligations under its labor contract. Thus, it enters the new contract cycle having restored its funding reserves and its credit-worthiness.

In 2017, the General Assembly enacted Public Act 100-0465, the Evidence-Based Funding for Student Success Act, creating an evidence-based education funding model solving the structural deficit that CPS had been facing and significantly increasing the level of State funding that CPS receives.

The new evidence-based funding (“EBF”) model determines how much funding each school district requires to achieve adequate resources (the “Adequacy Target”), how much each district can raise with local resources (“Local Capacity Target”), and how much additional funding the State will provide to make up the funding shortfall (“New State Funds”). Low-income school districts like CPS receive the lion’s share of available State funds until they are on the same financial footing as wealthier districts.

The EBF model weighs a series of factors to calculate a school district’s adequacy to raise the base funding level for the education of its students. Under the formula, twenty-seven factors – including poverty concentration and the number of special education and English Language Learning Students in the district – are considered in weighing the financial resources required to educate the district’s children. New funds the State appropriates for education are sent first to the districts with the most need based on adequacy targets set within the evidence-based model. The law establishes four tiers of school districts corresponding to the ratio of their funding adequacy target they are able to meet, with Tier 1 being the districts meeting the lowest percentage of their adequacy target under the formula. Under this model, CPS has been, and will
be for the foreseeable future, a Tier 1 district that receives the largest proportion of State funding. 7

A primer on the Evidence-Based Funding for Student Success Act was published in the Summer 2018 Illinois Public Employee Relations Report. The primer can be found online here: https://scholarship.kentlaw.iit.edu/cgi/viewcontent.cgi?article=1105&context=iperr.

The new education funding formula also benefits CPS in several additional ways, freeing up more resources for fair teacher compensation and improved learning and working conditions for students and teachers. First, the new legislation provides significant State assistance to CPS in making pension contributions to the Chicago Teachers’ Pension Fund (CTPF). Historically, unlike every other school district in Illinois, CPS has had to pay all pension expenses to the CTPF itself. All other Illinois school districts contribute the to the Teachers’ Retirement System of Illinois (TRS), and the State paid the normal pension costs on behalf of every other school district. For the past two decades, CPS has failed to make required contributions to CTPF, causing that pension system to be underfunded. Further, because the State subsidized TRS contributions for other school districts, Chicago residents paid taxes supporting both CPS pensions and downstate TRS pensions. 8

The new State legislation has eliminated this inequity by treating CPS more like every other school district in Illinois; it shifts the normal cost of the CTPF pension (the fund’s annual benefit payments to retirees) from CPS to the State of Illinois –in the approximate amount of $215 million for Fiscal Year 2018. 9 But the current unfunded liability (the amounts necessary to

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7 See https://www.isbe.net/Documents/EBF_Presentation_Overview.pdf
9 Id.
fully fund all vested pension benefits) from years of CPS underfunding CTPF remains with CPS. 

But the new State funding formula gives CPS additional help here as well. Because CPS is still required to remediate the underfunding to CTPF, the Evidence-Based Funding provisions include a correction for CPS with regard to determining how much money it can contribute from its own local sources. Because CPS is required to make up its unfunded liability to CTPF from its local resources, the amount that it pays towards that underfunded liability is not calculated into its Local Capacity Target for purposes of determining how much New State Funds it will receive to meet its Adequacy Target. This will have effect of ensuring that CPS continues to receive additional need-based funding from the State in future years under the evidence-based formula.

CPS Revenue Growth since 2016

Altogether, CPS has seen an increase in annual revenues now exceeding $1 billion since 2016, representing a 20% increase to its annual budget. The components of these increases are described below.

CPS’s revenues structurally increased by $898 million between 2016 and 2018. In fiscal year 2017 (2016-17), CPS secured $454 million in new structural revenues, comprised of:

- $250 million from the creation of a new tax levy created for the Board to meet its pension contribution obligations;
- $102 million from the new Equity Grant contained within the general state aid (GSA) revenue CPS receives from the State of Illinois, which is held harmless under P.A. 100-465;
- $74 million in GSA hold harmless funds, which will continue under P.A. 100-465; and
- A $28 million increase to the Early Childhood Education Grant.

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10 Id.
11 Id.
12 Id.
13 See https://www.cpsboe.org/content/documents/finance_purchase_-_july_2018.pdf#page=8.
14 Id.
In fiscal year 2018 (2017-18), P.A. 100-465 increased the structural revenues CPS receives by another $444 million, on top of the fiscal year 2017 increases described above. The additional revenue CPS received in fiscal year 2018 was comprised of:

- $221 million from the State assuming responsibility for CPS’s normal pension contribution costs; and
- $130 million from the new property tax levy, which will continue to grow based on equalized assessed values (EAV) of property increasing;
- $70 million in new revenue from the State under the evidence based statutory funding formula described above; and
- $19 million in additional early childhood funds and $4 million in “other” additional revenue.

CPS has also received other additional revenue increases since 2018.

- In 2018, CPS started receiving local revenue from the Transit Tax Increment Financing district (TIF) in the amount of $9.3 million in 2018 and $21.3 million in 2019.15
- State revenues from the statutory Evidence Based Funding Formula described above increased by $65 million in 2018-2019 over 2017-2018, and early childhood funding increased by another $19 million in 2019.16
- Property tax revenues received by CPS increased by $90 million.17
- The Personal Property Tax Replacement Tax increased by $36 million.18

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16 See https://cps.edu/fy19budget/Pages/revenue.aspx
17 See https://cps.edu/fy19budget/documents/FY19_BudgetBook_Approved.pdf#page=26
18 See https://cps.edu/fy19budget/documents/FY19_BudgetBook_Approved.pdf#page=27
CPS has described the changes to its revenue, effective with fiscal year 2018-19, as follows:

After years of chronic underfunding by the State, CPS finds itself on significantly firmer revenue footing in FY2019. With the Illinois General Assembly having passed a State budget that includes $350 million of expanded financial support for public education as part of Public Act 100-586, CPS is budgeted to receive $65 million in added Evidence-Based Funding (EBF) model revenue, and $18.5 million in early childhood funding. Additionally, CPS is expecting $239 million in pension support from the State — which is an increase from prior years and a dramatic improvement in teacher pension equity in Illinois.

The FY2019 revenue budget also includes a $75 million increase in property tax revenues and a $12 million increase in Personal Property Replacement Taxes (PPRT) revenues. With lower diversions into the debt service fund, this leads to an increase of $91 million and $36 million respectively for operating use[.] This is spurred by a steady increase of new property in Chicago, as well as a general improvement in the State’s business climate.¹⁹

¹⁹ See https://cps.edu/fy19budget/Pages/revenue.aspx.
Pension Funding Relief

Due to years of pension holidays, CPS caused the CTPF to be dramatically underfunded, forcing CPS to make ever-increasing annual payments to cover both its normal costs and its unfunded liability. But this problem has also been substantially remedied by new State legislation that both increases State funding for CPS’s pension obligations and authorizes CPS to increase its tax levy to pay for pensions. As explained below, due to a combination of the State paying a portion of CPS pension obligations, increased revenues, and a dedicated pension tax levy, the Board’s annual pension obligations are now affordable and will remain so for years to come.
Pension Levy

In the spring of 2016, the General Assembly passed legislation that reinstated a dedicated property tax levy for the Chicago Teachers’ Pension Fund. This pension levy was set for a maximum tax rate of 0.383% in 2016. CPS collected $260 million in revenue for 2016-2017. The pension levy is not capped under the Property Tax Extension Limitation Law (PTELL).

In 2017, the State passed the EBF legislation that included an increase to the pension levy to a maximum tax rate of 0.567% of all taxable property in the district. For 2017-2018, CPS collected $424 million in property tax revenue.

For tax year 2018, affecting CPS revenues in 2018-2019, the pension levy was reported as $440 million.

Future Pension Levy Revenue

The City of Chicago was reassessed as part of the Cook County triannual reassessment cycle in 2018. From 2017 to 2018, the total taxable value (EAV) in the City of Chicago increased by 12.45%, up from $76.76 billion to $86.32 billion. Future growth in the pension levy will continue to be substantial. In the years between 2015 and 2018 when the city wasn’t reassessed, total EAV increased at a rate of 4.3% in 2016 and 3.7% in 2017, or an average of 4%.

The City of Chicago will be reassessed again in tax year 2021. The table below shows two different projections of EAV increases and available pension levy for the 2019 to 2022
years. The baseline 2018-2019 year is given, using known values from the Cook County Tax Report. The first projection uses a 4% EAV increase in the non-reassessment years of 2019-2020 and 2020-2021. The final year assumes an expected 12.45% increase as a result of the reassessment year. The second projection cuts the assumed growth rates in half.

<table>
<thead>
<tr>
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<th></th>
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</thead>
<tbody>
<tr>
<td><strong>Projection 1</strong></td>
<td>EAV (4% growth for 2019-2020, 2020-2021 and 12.45% for 2021-2022)</td>
<td>$86,326</td>
<td>$89,779</td>
<td>$93,370</td>
<td>$104,995</td>
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<tr>
<td></td>
<td>Pension Levy (0.567%)</td>
<td>$441</td>
<td>$509</td>
<td>$529</td>
<td>$595</td>
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<tr>
<td></td>
<td>Pension Levy Growth</td>
<td>$68</td>
<td>$20</td>
<td>$66</td>
<td></td>
</tr>
<tr>
<td><strong>Projection 2</strong></td>
<td>EAV (2% growth for 2019-2020, 2020-2021 and 6.225% in 2021-2022)</td>
<td>$86,326</td>
<td>$88,053</td>
<td>$89,814</td>
<td>$95,405</td>
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<tr>
<td></td>
<td>Pension Levy (0.567%)</td>
<td>$441</td>
<td>$499</td>
<td>$509</td>
<td>$541</td>
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<tr>
<td></td>
<td>Pension Levy Growth</td>
<td>$58</td>
<td>$20</td>
<td>$32</td>
<td></td>
</tr>
</tbody>
</table>

CPS Required Pension Payments

The Chicago Teachers Pension Fund (CTPF) releases an annual report, which calculates the required contribution schedule. The required contributions for 2019 through 2022 are excerpted from the CTPF report below, appended to a historical table produced by CPS showing pension contributions from 2012 to 2018. Due to the State now paying all of CPS’s normal pension costs, CPS Net Payments have been, and will be, significantly lower over the next few years than they have been in recent years.

26 See https://www.cpsboe.org/content/documents/fy2019_budget_presentation_july_25_2018.pdf#page=9
The CTPF report shows that the total Net CPS Payment (total required contribution less the State’s contribution to cover CPS’s normal pension costs), increases by an average of $20 million per year for the next three years. The chart below compares the Net CPS Payment to the projections for the pension levy for 2019 to 2022. The growth in pension levy revenue under both projections exceeds the projected increases in the Net CPS payment to CTPF:

<table>
<thead>
<tr>
<th>CPS Pension Payments</th>
<th>Total required contribution</th>
<th>Total State Contribution</th>
<th>Net CPS Payment</th>
</tr>
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<tbody>
<tr>
<td>2013-2014</td>
<td>$613</td>
<td>$12</td>
<td>$601</td>
</tr>
<tr>
<td>2014-2015</td>
<td>$697</td>
<td>$62</td>
<td>$634</td>
</tr>
<tr>
<td>2015-2016</td>
<td>$688</td>
<td>$12</td>
<td>$676</td>
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<tr>
<td>2016-2017</td>
<td>$745</td>
<td>$12</td>
<td>$733</td>
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<tr>
<td>2017-2018</td>
<td>$784</td>
<td>$233</td>
<td>$551</td>
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<tr>
<td>2018-2019</td>
<td>$809</td>
<td>$239</td>
<td>$570</td>
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<tr>
<td>2019-2020</td>
<td>$855</td>
<td>$257</td>
<td>$597</td>
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<tr>
<td>2020-2021</td>
<td>$877</td>
<td>$263</td>
<td>$615</td>
</tr>
<tr>
<td>2021-2022</td>
<td>$900</td>
<td>$268</td>
<td>$632</td>
</tr>
</tbody>
</table>

Projection 1 averages $52 million a year, and Projection 2 averages $33 million a year. Any increase in the pension levy that exceeds the increases in the Net CPS payment means that CPS can actually reduce the contribution to their pension made out of operating dollars. Our
projections show that CPS can free up between $13 and $32 million a year in operating funds through the increasing pension levy.

The table and line charts below show the Net CPS payments reduced by the pension levy, using the two sets of pension levy projections. The result gives the Net CPS pension contributions paid out of operating funds.

<table>
<thead>
<tr>
<th>Net CPS Payment and Pension Levy Growth</th>
<th>Net CPS Payment out of operating funds (Projection 1)</th>
<th>Net CPS Payment out of operating funds (Projection 2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010-2011</td>
<td>$187</td>
<td>$187</td>
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<tr>
<td>2011-2012</td>
<td>$193</td>
<td>$193</td>
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<tr>
<td>2012-2013</td>
<td>$197</td>
<td>$197</td>
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<tr>
<td>2013-2014</td>
<td>$601</td>
<td>$601</td>
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<td>2014-2015</td>
<td>$634</td>
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<tr>
<td>2015-2016</td>
<td>$676</td>
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<tr>
<td>2016-2017</td>
<td>$472</td>
<td>$472</td>
</tr>
<tr>
<td>2017-2018</td>
<td>$127</td>
<td>$127</td>
</tr>
<tr>
<td>2018-2019</td>
<td>$129</td>
<td>$129</td>
</tr>
<tr>
<td>2019-2020</td>
<td>$88</td>
<td>$98</td>
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<tr>
<td>2020-2021</td>
<td>$85</td>
<td>$105</td>
</tr>
<tr>
<td>2021-2022</td>
<td>$37</td>
<td>$91</td>
</tr>
</tbody>
</table>

**Future Revenue Growth**

The following tables lay out two sets of projections for future operating revenue growth for the 2020 through 2022 period. The columns show annual year-over-year changes in revenue for each of the identified revenue sources, and the percentage increases for operating revenue. In
addition, two items of expenditure savings are listed, to show the impact that reducing these expenditures will have on the available operating funds.

The assumptions and supporting calculations are provided in detail in Appendix A to this brief.

Projection 1.

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>Local Property Tax</td>
<td>$80</td>
<td>$83</td>
<td>$86</td>
</tr>
<tr>
<td>Pension Levy Growth, Projection 1</td>
<td>$68</td>
<td>$20</td>
<td>$66</td>
</tr>
<tr>
<td>TIF Expiration, Projection 1</td>
<td>$0</td>
<td>$38</td>
<td>$39</td>
</tr>
<tr>
<td>PPRT 1</td>
<td>$13</td>
<td>$14</td>
<td>$15</td>
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<tr>
<td>Transit TIF 1</td>
<td>$45</td>
<td>$15</td>
<td>$47</td>
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<tr>
<td>TIF Surplus</td>
<td>$87</td>
<td>$4</td>
<td>$5</td>
</tr>
<tr>
<td>State EBF</td>
<td>$70</td>
<td>$74</td>
<td>$79</td>
</tr>
<tr>
<td>State Early Childhood</td>
<td>$19</td>
<td>$22</td>
<td>$27</td>
</tr>
<tr>
<td><strong>Total Operating Revenue Growth</strong></td>
<td><strong>$382</strong></td>
<td><strong>$270</strong></td>
<td><strong>$363</strong></td>
</tr>
<tr>
<td><strong>Total Operating Revenue</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2018-2019 Revenue Base: $5,922)</td>
<td>$6,304</td>
<td>$6,574</td>
<td>$6,937</td>
</tr>
<tr>
<td><strong>Annual Percent Growth</strong></td>
<td>6.5%</td>
<td>4.3%</td>
<td>5.5%</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td><strong>5.4%</strong></td>
<td></td>
<td></td>
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<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>End Reimbursement to City of Chicago for CPD</td>
<td>$27</td>
<td></td>
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<tr>
<td>Decreasing short-term borrowing costs</td>
<td>$21</td>
<td></td>
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<tr>
<td><strong>Total Operating Revenue + Expenditure Savings</strong></td>
<td><strong>$6,352</strong></td>
<td><strong>$6,622</strong></td>
<td><strong>$6,985</strong></td>
</tr>
<tr>
<td>(2018-2019 Revenue Base: $5,922)</td>
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<td></td>
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<tr>
<td><strong>Annual Percent Growth</strong></td>
<td>7.3%</td>
<td>4.3%</td>
<td>5.5%</td>
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<tr>
<td><strong>Average</strong></td>
<td><strong>5.7%</strong></td>
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</table>
Projection 2.

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Local Property Tax</td>
<td>$80</td>
<td>$80</td>
<td>$80</td>
</tr>
<tr>
<td>Pension Levy Projection 2 growth</td>
<td>$59</td>
<td>$10</td>
<td>$32</td>
</tr>
<tr>
<td>TIF Expiration 2</td>
<td>$0</td>
<td>$33</td>
<td>$30</td>
</tr>
<tr>
<td>PPRT 2 (2%)</td>
<td>$3</td>
<td>$3</td>
<td>$3</td>
</tr>
<tr>
<td>Transit TIF 2</td>
<td>$36</td>
<td>$11</td>
<td>$35</td>
</tr>
<tr>
<td>TIF Surplus</td>
<td>$77</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>State EBF</td>
<td>$70</td>
<td>$70</td>
<td>$70</td>
</tr>
<tr>
<td>State Early Childhood</td>
<td>$19</td>
<td>$19</td>
<td>$19</td>
</tr>
<tr>
<td><strong>Total Operating Revenue Growth</strong></td>
<td><strong>$344</strong></td>
<td><strong>$226</strong></td>
<td><strong>$269</strong></td>
</tr>
<tr>
<td><strong>Total Operating Revenue</strong></td>
<td><strong>$6,266</strong></td>
<td><strong>$6,491</strong></td>
<td><strong>$6,760</strong></td>
</tr>
<tr>
<td><strong>(2018-2019 Revenue Base: $5,922)</strong></td>
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<tr>
<td><strong>Annual Percent Growth</strong></td>
<td>5.8%</td>
<td>3.6%</td>
<td>4.1%</td>
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</thead>
<tbody>
<tr>
<td>End Reimbursement to City of Chicago for CPD</td>
<td>$9</td>
<td>$9</td>
<td>$9</td>
</tr>
<tr>
<td>Decreasing short-term borrowing costs</td>
<td>$10</td>
<td>$11</td>
<td></td>
</tr>
<tr>
<td><strong>Total Operating Revenue + Expenditure Savings</strong></td>
<td><strong>$6,284</strong></td>
<td><strong>$6,530</strong></td>
<td><strong>$6,808</strong></td>
</tr>
<tr>
<td><strong>(2018-2019 Revenue Base: $5,922)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Annual Percent Growth</strong></td>
<td>6.1%</td>
<td>3.9%</td>
<td>4.3%</td>
</tr>
</tbody>
</table>

**Average 4.5%**

Projection 1 finds an average revenue growth rate of 5.4% over the next three years.

Adding in the savings generated from expenditure reductions in the first year boosts the average to 5.7%. Projection 2 finds an average revenue growth rate of 4.5%, and 4.8% after accounting for expenditure savings.
Collective Bargaining History Between the Parties

The third statutory criterion upon which the fact-finding panel is directed by Section 12(a-10)(4) of the IELRA to base its recommendation is “prior collective bargaining agreements and the bargaining history between the parties.”

For the past two decades, there has been a consistent correlation between CPS’s revenue growth and the across-the-board cost of living adjustment (COLA) raises provided to the CTU bargaining unit. Between 2004 and 2011, when CPS revenue increases exceeded 5% year-to-year in all but two years, the parties agreed to annual COLAs of 4% for 8 consecutive years. Since 2012, CPS revenue changes have varied from -6% in 2013 to +15% in 2018. From 2012 to 2019, the average CPS annual revenue increase has been approximately 2.3%. By contrast, across that same period of time, the average COLA received by CTU bargaining unit members has been only 1.44%.27

---

27 Sources: Total Revenue represents total general operating revenue reported in the “Analysis of Compounded Growth of General Operating Fund Revenues” series
2018 CAFR, https://cps.edu/About_CPS/Financial_information/Documents/FY18_CAFR.pdf#page=191
2008 CAFR, https://cps.edu/About_CPS/Financial_information/Documents/FY08_CAFR.pdf#page=182
COLA information sourced from CBA agreements
Since 1999, the parties have entered into five (5) separate labor contracts. Between 1999 and 2012, there was a fairly consistent correlation between COLAs, CPS operating revenue, and CPS expenditures on teacher salaries. Since 2012, however, there has been a net decline in CPS expenditures on teacher salaries coincident with very small COLAs and substantial revenue increases. While it is true that CPS saw net revenue decreases between 2012 and 2015 of approximately 6%, that has been succeeded by the 2015 to 2019 period where CPS saw net revenue increases of over 20%.\textsuperscript{28} CPS’s increases in revenue, however, were not accompanied by commensurate raises for educators.

\textsuperscript{28} Id.
A review of the increases and decreases to the Board’s total revenue compared against the total teacher salary cost in each of the last five contract term periods shows that the Board has spent an increasingly smaller proportion of its budget on teacher salaries. During the latter contract periods, the total cost of CPS teacher salaries has actually declined. 29

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29 Sources: Total Teacher Salary reported in the “Analysis of Compounded Growth of General Operating Fund Expenditures” series
2018 CAFR, [https://cps.edu/About_CPS/Financial_information/Documents/FY18_CAFR.pdf#page=192](https://cps.edu/About_CPS/Financial_information/Documents/FY18_CAFR.pdf#page=192)
2008 CAFR, [https://cps.edu/About_CPS/Financial_information/Documents/FY08_CAFR.pdf#page=178](https://cps.edu/About_CPS/Financial_information/Documents/FY08_CAFR.pdf#page=178)
The decline in the proportion of its revenues and expenditures the Board has devoted to supporting teachers in the classroom holds true when pension contributions are factored in as well, as demonstrated in the following charts.

Comprehensive Annual Financial Report, ANALYSIS OF COMPOUNDED GROWTH OF GENERAL OPERATING FUND EXPENDITURES series (In thousands of dollars.)
Salary + Pension as % of Total Revenue

Salary + Pension as % of Total Expenditures
The decline in expenditures directed to the classroom is explained, in part, by the fact that the number of teachers and PSRPs employed by CPS has declined.\textsuperscript{30}

\textsuperscript{30} Data based on CTU bargaining unit positions in PSRP and Teacher positions, sourced from annual position files, available at https://cps.edu/About_CPS/Financial_information/Pages/EmployeePositionFiles.aspx
But the decline in the Board’s expenditures on teacher salaries has exceeded the rate of decline in the number of teachers employed. Between 2011 and 2018, Board revenue per teacher increased by over 26% -- from $218,094 in 2010-2011 to $275,274 in 2017-2018. Across that same period, however, the median salary for a CPS teacher only increased by 11% - from $67,974 to $75,180.31

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue Per Teacher</th>
<th>Median Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>$218,094</td>
<td>$67,974</td>
</tr>
<tr>
<td>2012</td>
<td>$225,625</td>
<td>$68,474</td>
</tr>
<tr>
<td>2013</td>
<td>$204,751</td>
<td>$70,644</td>
</tr>
<tr>
<td>2014</td>
<td>$219,518</td>
<td>$72,163</td>
</tr>
<tr>
<td>2015</td>
<td>$215,421</td>
<td>$73,706</td>
</tr>
<tr>
<td>2016</td>
<td>$217,773</td>
<td>$73,706</td>
</tr>
<tr>
<td>2017</td>
<td>$237,166</td>
<td>$73,706</td>
</tr>
<tr>
<td>2018</td>
<td>$275,274</td>
<td>$75,180</td>
</tr>
</tbody>
</table>

The time has come for CPS to right these imbalances in accordance with the parties’ collective bargaining history and CPS’s strong financial position. As demonstrated above, due to structural changes in CPS’s streams of revenue and financial obligations ushered in by legislation, CPS can expect to see annual revenue increases between 4.5% and 5.7% from 2019-2020 to 2021-2022. The parties’ collective bargaining history and prior collective bargaining agreements dictate that the COLAs in the successor agreement (a) make up for the disparity in recent years whereby average revenue increases have outpaced COLAs, and (b) align with the projected substantial increases in revenue. These factors buttress and compel a fact-finding panel recommendation to adopt the Union’s proposal of 5% COLAs for each year of the parties’ next labor agreement.
Comparison to Other Large American Public School Districts

Section 12(a-10)(4)(I) of the IELRA directs the fact-finding panel to consider, in making its recommendations, “a comparison of the wages, hours, and conditions of employment of the employees involved in the dispute with the wages, hours, and conditions of employment of employees performing similar services in public education in the 10 largest U.S. cities[.]”

The data upon which the comparisons in this section are based can be found here:

San Jose:

New York:

Phoenix:

San Diego:
https://www.nctq.org/dmsView/San_Diego_2010-2011

San Antonio:
https://www.nctq.org/dmsView/San_Antonio

Los Angeles:

Houston:
https://www.nctq.org/dmsView/Houston_2010-2011

Dallas:
https://www.nctq.org/dmsView/Dallas_2010-2011

Philadelphia:
a comparison shows that the raises received by Chicago teachers have lagged far behind those of teachers in other large urban school districts that can be fairly be considered comparators. This comparison also shows that the stagnant wages for CPS teachers and paraprofessionals have been a Chicago problem, not a national trend.

The IELRA directs the fact-finding panel to base its findings on the enumerated criteria “as applicable.” (115 LICS 5/12(a-10)(4). Accordingly, when comparing CPS to the other school districts in the ten largest cities (factor I), the teaching forces in Phoenix, San Antonio, Dallas, and Houston have no statutory collective bargaining rights and therefore should not be included. Wages that are unilaterally set by school district officials in Arizona and Texas, and not the product of bargaining, cannot seriously be considered a fair comparator to guide our collective bargaining process in Illinois.

Teachers in the six largest unionized school districts in the nation have seen an average increase of 19% to starting salaries from 2010-2011 to 2018-2019. Chicago, however, has seen just a 12% increase to starting salaries since 2010-2011, ranking second to last.
Notably, even if we included the non-union school districts in the comparison, Chicago still ranks second to last for starting salary growth over the period 2011-2019. Since the 2010-2011 school year), teachers in the 10 largest U.S. cities have seen average raises to the starting salary for a teacher within a bachelor’s degree of just under 20%. Over that same time period, the starting salary for a CPS teacher with a bachelor’s degree has increased only 12%.
What happened in Philadelphia?

Though Philadelphia’s teachers are unionized, over the past decade, the City of Philadelphia and its school district have undergone a financial collapse of near Detroit-level proportions, precipitated by a Republican-controlled State legislature slashing education funding and a privatization scheme orchestrated by former CPS schools chief Paul Vallas. Further, Philadelphia’s teacher salary growth is seriously skewed because its educators were forced to work under an expired labor contract for four years between 2013 and 2017. Philadelphia’s unique, horrendous circumstances, too, make it a poor comparator. If Philadelphia is excluded from the comparators, the average increase in the remaining unionized school districts from 2011 to 2019 was 24.25% – more than 100% above the increases paid to CPS teachers in the same period.

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34 See, for example: https://www.phillymag.com/citified/2015/01/30/school-district-declare-bankruptcy/, and https://www.inquirer.com/philly/education/src-timeline-20180629.html
35 See https://www.inquirer.com/philly/education/src-timeline-20180629.html
Chicago fares no better when compared to the other large unionized school districts for salary increases paid to teachers with a Master’s Degree.

Since 2011, the national average raise for teachers with a master’s degree and 5 years of experience among the 10 largest U.S. cities whose teachers have collective bargaining rights was 15%. CPS ranks dead last amongst that group, with raises of only 2% from 2011 to 2019. San Diego, New York, San Jose, and Los Angeles all saw increases between 17% and 23%.
Since 2011, the national average raise for teachers with a master’s degree and 10 years of experience among the 10 largest U.S. cities whose teachers have collective bargaining rights was 17%. Chicago lags behind here too, at 9%, again ahead of only the troubled Philadelphia school district. And here too, San Diego, New York, San Jose, and Los Angeles all saw increases between 17% and 23%. 

38
Finally, since 2011, the national average raise to the highest available salary for teachers with a master’s degree among the 10 largest U.S. cities whose teachers have collective bargaining rights was 18%. Chicago, again, trails at 14%. The teachers in San Jose, San Diego, New York, and Los Angeles all saw raises between 17% and 25%.
Consumer Prices in Chicago

Section 12(a-10)(4)(J) of the IELRA directs the fact-finding panel to consider, in making its recommendations, “the average consumer prices in urban areas for good and services, which is commonly known as the cost of living[].” From 2011 to 2018, the consumer price index average for all items in U.S. cities (CPI-U) has risen a compounded 14.6%, while the annual COLAs CTU bargaining unit members have received have only amounted to a compounded 12%.

36 See https://www2.illinois.gov/rev/localgovernments/property/Documents/cpihistory.pdf
The largest single expense for individuals and families is the cost of housing. To best appreciate the financial squeeze that Chicago educators have felt in recent years, it is necessary to compare the increases to the cost of housing in Chicago against the COLAs they have received. Between 2011 and 2018, the CPI-U for shelter in the Chicago metro area has risen 19.2%, compounded -- 7.2% more than the COLAs CTU bargaining unit employees were granted across that time period.

37 See https://beta.bls.gov/dataViewer/view/timeseries/CUUSS23ASAH1
CPS employees are required to live within the Chicago city limits, and the cost of housing within Chicago has even further outpaced the COLAs received by CTU bargaining unit employees. From 2011 to 2019, the Zillow Home Value Index has increased by nearly 30% within the City of Chicago, while COLAs have only amounted to only a compounded 12%.  

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Understanding the True Cost of COLA Increases in the CTU Labor Contract

CPS’s own budget and financial projections show that it is more than able to afford the Union’s salary proposal. First, however, one must understand that, because of the way the CTU salary schedule functions, a 5% COLA actually costs CPS between 4.45% and 4.5% because of the manner in which COLA increases are applied. The following chart demonstrates how the salary schedule functions, through:

- Applying the COLA to the “Base + Step” values in all steps across the 208-day 2018-19 salary schedules for each lane;
- Using the current distribution (May 2019) of teachers across the Step and Lane schedule (21,014 teachers) for each year;
- And multiplying the new salary schedule for each year by the distribution of teachers across the Step and Lane schedule.

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<tr>
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<tbody>
<tr>
<td>Total Cost: Base Salary</td>
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<td>$1,731</td>
<td>$1,808</td>
<td>$1,887</td>
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<td>Total Cost: Base + PPU</td>
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<td>$1,852</td>
<td>$1,935</td>
<td>$2,019</td>
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<td>Annual Cost Increase</td>
<td>$79</td>
<td>$82</td>
<td>$84</td>
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<tr>
<td>Annual % Cost Increase</td>
<td>4.5%</td>
<td>4.4%</td>
<td>4.4%</td>
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<td>$1,699</td>
<td>$1,741</td>
<td>$1,784</td>
</tr>
<tr>
<td>Total Cost: Base + PPU</td>
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<td>$1,818</td>
<td>$1,863</td>
<td>$1,909</td>
</tr>
<tr>
<td>Annual Cost Increase</td>
<td>$45</td>
<td>$45</td>
<td>$46</td>
<td></td>
</tr>
<tr>
<td>Annual % Cost Increase</td>
<td>2.52%</td>
<td>2.50%</td>
<td>2.45%</td>
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</table>

<table>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cost: Base Salary</td>
<td>$1,657</td>
<td>$1,666</td>
<td>$1,675</td>
<td>$1,684</td>
</tr>
<tr>
<td>Total Cost: Base + PPU</td>
<td>$1,773</td>
<td>$1,783</td>
<td>$1,793</td>
<td>$1,802</td>
</tr>
<tr>
<td>Annual Cost Increase</td>
<td>$10</td>
<td>$10</td>
<td>$10</td>
<td></td>
</tr>
<tr>
<td>Annual % Cost Increase</td>
<td>0.6%</td>
<td>0.6%</td>
<td>0.5%</td>
<td></td>
</tr>
</tbody>
</table>

Further, with a teacher turnover rate that hovers between 15-20%, CPS sees significant, additional savings as end-of-career teachers retire, or when early to mid-career teachers leave the school district and are replaced by new hires at the lower steps of the salary schedule. Over the last four years, on average, over 1,100 teachers are newly hired every year. For cost-out purposes, however, this chart uses the current year distribution of teachers across the steps and
lanes for all future years. But if current trends continue, the actual cost to CPS may well be even lower than projected here.

The Board’s 2018 Comprehensive Annual Financial Report (CAFR) (for the 2017-2018 year) reports a total budget of $1.93 billion in the “teacher salaries” line item for 2018-2019 (unaudited).\(^39\) The audited amount for 2017-2018 was $1.84 billion.\(^40\) Using these numbers, the cost of each 1% COLA increase is $19.3 million, putting the cost of the Union’s proposed 5% COLA is $96.3 million. As demonstrated above, thanks to structural increases to CPS’s revenue, CPS is able to afford this proposal in addition to other negotiated improvements.

**PSRP Salaries**

CPS *drastically underpays* its PSRPs – the paraprofessional and school-related personnel that serve vital functions in schools from school clerks, to all varieties of teacher’s aides, to library assistants. The federal government standard in 2017 for a family of four who earn so little that their children are eligible for free school lunch is $31,980 per year.\(^41\) Nearly a quarter of PSRPs earned less than $31,980 during the 2017-18 school year – essentially paying them so little that they live in poverty. Approximately two-thirds of PSRPs earned less than $45,510 a year, an amount that qualifies a family of four as eligible for a reduced price school lunch under federal income poverty guidelines.\(^42\) It is an outrage that the CPS pays hard-working full-time

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39 [https://cps.edu/About_CPS/Financial_information/Pages/Annualreport.aspx](https://cps.edu/About_CPS/Financial_information/Pages/Annualreport.aspx)

40 *Id.*


42 Sources:
Paraprofessional salaries based on quarterly position file data for May 2019.
staff members, so crucial to students’ education, who must live in Chicago and pay the City’s high housing prices, so little that they qualify for federal assistance.
The wages of CPS PSRPs have also begun to lag behind those of PSRPs in recently settled CTU labor contracts with a number of CPS charter schools.
CPS needs to pay its PSRPs fair and livable salaries, as reflected in the Union’s proposal.

2. **Sustainable Community Schools (Article 12)**

The parties’ 2015-2019 collective bargaining agreement (“CBA”) required the Board to obtain funding from external agencies and/or in-kind donations to fund 20 to 55 community schools at a minimum of $500,000 per school. The 2015-2019 CBA provides this funding to support programs at community schools, including: medical and mental health services available to the school community; the expansion of after-school programs; the expansion of facility use for students or the school community; social-emotional supports/trauma interventions; parent mentor and home visit programs; restorative justice coordinator positions and restorative justice professional development for parents, students, and staff; clinical services and community programming; students in transitional living situations (“STLS”) coordinator
positions/homelessness services, truancy supports, and food pantries; and the coordination of City and Park District services.

The CTU has proposed to expand this program to a minimum of seventy-five (75) schools, which shall include the twenty (20) sustainable community schools (“SCS”) existing during the 2018-19 school year. This program has been very successful, and its expansion would serve the parties’ common interest in meeting the dire need to address student and family trauma in underserved communities suffering the effects of violence and historic disinvestment, systemic racism, and generational poverty. The term “sustainable” indicates that providing these needed services to students was not a one-shot, temporary arrangement, but rather meant to be an enduring change to educating the whole child, with family and community partner involvement at the core.

The SCS model is premised on practices that research has shown to be effective.43 The SCS model, as implemented across the country and in Chicago, feature four pillars: (1) integrated student supports; (2) expanded learning time and opportunities; (3) family and community engagement; and (4) collaborative leadership and practice. 143 separate research studies on each of these pillars have concluded that well-implemented SCS model schools “lead to an improvement in student and school outcomes and contribute to meeting the educational needs of low-achieving students in high-poverty schools, and sufficient research exists to meet the [federal] Every Student Succeeds Act standard for an evidence-based intervention.” 44

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44 Id.
Due to the broad base of research and evidence of success, there are over 90 communities across the nation that have significant community school efforts underway.\textsuperscript{45} Amongst scores of other communities, successful community school initiatives have been implemented, and are being expanded, in Los Angeles, California; Baltimore, Maryland; Austin, Texas; Orlando, Florida; Minneapolis, Minnesota; Cincinnati, Ohio; Portland, Oregon; and the State of Kentucky.\textsuperscript{46}

The biggest threat to many CPS schools, the district as a whole, and indeed the City of Chicago itself, is declining enrollment and population loss. The SCS model addresses and counteracts that threat by making neighborhood schools community resource navigation centers for families and the surrounding areas struggling with housing, immigration, employment, and health issues. The SCS initiative in CPS has been grounded in racial justice and equity; transparency and trusting relationships; self-determination and governance; a commitment to build from community strengths and community wisdom; shared leadership and collaboration; a reflective learning culture; and a whole child approach to education.

At a time when the school district has regained financial stability and is looking to reverse the damaging trends of recent decades, there is perhaps no better investment it can make than to fully fund and expand the SCS initiative, consistent with the Union’s proposal.


\textsuperscript{46} Id. at pp. 14-47.
3. Teacher Preparation Time and Professional Development (Contract Articles 4, 5, 6, 19, and 25)

The Union has proposed to expand self-directed preparation time for teachers in various ways. Teachers spend countless uncompensated hours working outside of their contractual work day preparing instructional materials and lessons, grading student work, communicating with parents, administration, and colleagues, and completing the myriad paperwork demands placed upon them. The development and delivery of rigorous instruction depends upon good preparation, and the amount of time provided for it during teachers’ work days at present is inadequate.

The Union has also proposed to increase the number of professional development days each school year from ten (10) to fourteen (14), and to provide teachers with greater input on the use of professional development time.

A 2012 study by University of Illinois Professors Robert Bruno and Steven Ashby quantified the amount of work CPS teachers expend on behalf of their students. Professors Bruno and Ashby found, amongst other things, that

- Teachers on average work 58 hours per week during the school year.
- The work of a teacher happens before, during, and after the school bell rings.
- Teachers on average work a 10 hour and 48-minute standard school day.
- Teachers are at school on average of almost nine hours per day.
- A typical teacher spends almost 2 hours more working at home in the evening.
- Teachers carve out another 3 hours and 45 minutes to do school-related work each weekend.

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A teacher’s role goes beyond merely instructing in the classroom. Teachers spend just over 3 hours each day performing non-teaching related activities.

Since the University of Illinois study, CPS teachers’ “official” work day has increased, from 375 to 420 minutes at the elementary school level and from 420 to 435 minutes at the high school level. Additionally, in the intervening time, CPS has propounded a litany of additional grading, student assessment, and paperwork tasks that teachers are required to complete. In combination, the extended work day and increased non-instructional duties have left teachers with even less time to complete the instructional preparation work critical to effective teaching.

4. PSRP Issues (Article 9 and Appendix I)

The CTU has made a number of proposals concerning the working conditions of PSRPs—the non-teaching, educational support personnel positions within the CTU bargaining unit whose work is critical to well-functioning schools. Amongst other things, the Union has proposed that the Board employs and maintains a minimum of one thousand (1,000) teacher assistants across the district’s high schools, and one thousand (1,000) teacher assistants across the district’s elementary schools. The Union has also proposed that the Board increase its contract with Grow Your Own (GYO) Illinois in order to support additional PSRPs, as well as other teacher candidates already involved in schools, such as parents, who want to pursue becoming classroom teachers in the Chicago Public Schools. This partnership has a proven track record, and its expansion is necessary to stem the teacher shortage within CPS, and quell the precipitous decline in the number of teachers of color within the school district.

From 2012 to 2018, 754 PSRPs lost their jobs. This is a decline of 20 percent in the number of PSRP position titles in the Union’s bargaining unit, which far outpaces the loss of

See CPS Position Files: https://cps.edu/About_CPS/Financial_information/Pages/EmployeePositionFiles.aspx
teacher positions. More than a quarter of all teacher assistants were laid off or reclassified between 2012 and 2017.\textsuperscript{49} School clerk positions were cut by 22 percent between 2012 and 2017.\textsuperscript{50} The cuts to these positions have occurred at a rate much greater than the decline in enrollment in the school district, and leave principals and teachers ill-equipped to handle the myriad operations, support, and administrative tasks that are part-and-parcel to well-functioning schools.

In the spring of 2018, CPS abruptly eliminated the Head Start Program Resource Assistant (PRA) position title, terminating the 34 employees in that position title. These PRAs were overwhelmingly women of color, and had served and supported parents and students throughout CPS for years. In their place, CPS advised that “principal-designated staff” would perform the work formerly done by the PRAs of connecting students and families with social services. The principal-designated staff had other full-time job responsibilities (school clerks, teachers, counselors) and did not have the accumulated network of resources and contacts of the PRAs. As a result of the loss of these positions, children facing homelessness, hunger, and poverty have lost access to the many resources PRAs were able to develop across time.

For schools to function as they should, CPS needs to drastically increase PSRP staffing levels.

5. Teacher Supply Money (Article 7)

Under the 2015-2019 CBA, teachers, counselors, clinicians, and speech-language para-educators can be reimbursed $250 per year for instructional supplies and materials. This amount is insufficient and the mechanisms through which the Board processes supply expense

\textsuperscript{49} Id.  
\textsuperscript{50} Id.
reimbursement is cumbersome and inefficient for employees and management. The Union has proposed to replace the current reimbursement scheme with a $500 payment to each teacher at the beginning of the year to be used for instructional supplies and materials.

Recent national data show that the average teacher spends $479 year on classroom supplies. 51 Because the price of consumer goods within the City of Chicago far exceeds the national average, CPS teachers typically spend well in excess of $500 on classroom supplies each year.

Prior to the 2017-18 school year, reimbursement for classroom supply expenses was handled by principals on a school-by-school basis in CPS. The usual practice was for teachers to collect receipts across the year and submit them all together at the end of a semester, at the end of the school year, after large purchases, or when they had reached $250 in purchases. In the fall of 2017, CPS changed this practice and policy, unilaterally and with ineffective notice, and inexplicably began to require teachers to submit reimbursement requests to central office within 60 days of purchase of the supplies (prompting dozens of grievances). This policy fails to recognize that teachers often purchase supplies in small increments, on an as-needed basis across the school year. The result is that teachers have to make numerous reimbursement requests across the school year to comply with the 60-day requirement, and the Board needlessly expends administrative resources processing tens of thousands of checks for small-dollar amounts. The policy, whether intended or not, also has the effect of a significant number of teachers forfeiting the supply money benefit under the contract for failing to comply with the unnecessarily stringent reimbursement procedures, forcing the teachers to assume these costs themselves.

The Union’s proposal will be easier for the Board to administer and it is grounded in the reality of how much money teachers spend on classroom supplies, and when and how they spend it.

6. Early Childhood Education (Article 17)

The Union has proposed a number of measures concerning early childhood education, including restoration of the Program Resource Assistant positions (discussed supra) the Board eliminated that were, amongst other things, tasked with enrolling early childhood program students; a 10:1 child to teacher ratio in preschool classrooms; adequate hygienic equipment and facilities; a class size limit of 18 students in early childhood general education classes; and staffing of at least one teacher and at least one teacher assistant in all early childhood classes.

The benefits of pre-Kindergarten program participation on students’ long-term success in later grades are well documented and supported by years of research across countless studies. CPS has announced plans to provide “universal pre-K” by 2021, and toward that end, to open more than 100 new full-day pre-K classrooms in the 2019-20 school year.52

Mayor Lightfoot has noted that recent studies have shown that “only 17% of Chicago school children who receive free or reduced lunches are ready for school as measured by their capacity and skills in math, reading literacy and social emotional development.” 53 In response, the Mayor has said she intends to identify areas of the city where children enter Kindergarten below their peers as Early Education Zones in which to launch pilot programs where Children will receive “free, early childhood care and education and wraparound services, from birth to age

52 See https://cps.edu/News/Press_releases/Pages/PR1_03_22_2019.aspx.
four.” The Mayor goes on: “Unlike Rahm Emanuel’s universal pre-K program, which relies on a new infusion of funds, early childhood zones can be funded by tapping into a variety of existing federal funding streams, such as childcare assistance programs. The City can also use funds from the sale of unused CPS property, State funding from the Illinois Department of Humans Services, and the business and philanthropic communities.”

The Union applauds these goals to expand early childhood education, but CPS needs to hire an adequate number of pre-K teachers, teacher assistants, and support staff to make any such expansions successful.

The Illinois State Board of Education mandates a 1:10 staff-to-child ratio in pre-K classrooms, as well as a limit of 20 children per pre-K classroom. CPS is currently out of compliance with these mandates. Since the State evidently lacks the resources to ensure compliance, codifying the mandates in the collective bargaining agreement will allow the Union to aid in ensuring that public school students are receiving services at the standards required by the State.

CPS’s attempts to automate the pre-K enrollment process and eliminate support staff positions have been an abject failure that, if continued, will likely result in pushing parents out of CPS. In 2016, CPS introduced a new online pre-Kindergarten enrollment system. Theretofore, parents were able to go to a school and enroll their child – often with help from the pre-K teachers. The teacher then had the initial contact with the parent and often was able to arrange for parents and students to be introduced to the classroom before the child began school. Since the centralization of the pre-K enrollment process, parents have had no access to clerks, principals, or teacher to clarify the enrollment process and discuss concerns about leaving their

54 Id.
55 See https://www.isbe.net/Documents/Preschool_for_All_Implementation_Manual.pdf at p. 7.
young children at the school. Parents without computers have to wait in long lines to enroll their children on the public library’s computers.

During the 2017-18 school year, due to the poor conception and management of the new centralized pre-K enrollment process and understaffing of the pre-K teachers and support staff, many pre-K programs somehow simultaneously had empty seats and lengthy waitlists, while others were overenrolled where children where children were enrolled and then un-enrolled. Teachers did not have enrollment lists until after school started, preventing proper classroom preparation and introductory contact with parents. CPS must scrap the centralized enrollment system and adequately staff pre-K programs to make them attractive and workable options for parents.

7. Sports (Article 13)

The Board currently woefully underfunds athletics within CPS, especially in comparison to the other school districts in the Chicagoland area within which our student-athletes compete. At present, the Board spends only approximately $15 million per year on sports across the 500+ district-run CPS schools. The Union has proposed that the Board triple that amount, and has further proposed that the Board fund at least two levels of sports programs where the minimum number of students to field two or more teams has been met; that sports programs be staffed by regular CPS employees by January 1, 2020; and that athletic liaison positions (who are tasked with coordinating student with Chicago Park District sports programs) be paid a stipend each semester for their work.

56 See https://www.wbez.org/shows/wbez-news/cps-prek-glitches-make-for-frustrating-start-to-school-year/d6a6b521-e019-429c-96bd-c652b5fa739b
8. Career and Technical Education (CTE) (Article 18)

Over the last 25 years, the Board has systematically dismantled its vocational programs, including CTE, closing 90% of them. This has exacerbated the already dire inequality and segregation within the school district, where the options provided to high-achieving, college-bound, affluent, and overwhelmingly white students abound, and the options for everyone else dwindle. In the midst of a construction, infrastructure, and technological boom within the city, the Board has cut off the pipeline between the school system and the trades that are badly in need of the next generation of skilled labor, to the detriment of our students and our city.

The Union has proposed, amongst other things, that the Board establish a CTE Network to oversee all CTE, vocational, and science, technology, engineering and math (STEM) schools; and that every CPS neighborhood high school offers CTE programs, in addition to the programs already in place.

In 2015, CPS entered a Project Labor Agreement Regarding Student Programs and Apprenticeships (PLA) with the Chicago and Cook County Building Trades Council and 20 signatory trade union locals aimed at, amongst other things, increasing the number of CPS graduates hired into trade union apprenticeship programs.\(^{57}\) The PLA established a goal that each union have at least 30% of its annual apprenticeships, interns, or other construction-related work opportunities filled by CPS graduates. The PLA further provided that CPS would require contractors to maximize the number of such trade apprentices working on CPS jobs and jobs performed for CPS. The parties to that agreement, however, have come woefully short of meeting the goals established therein in the ensuing years. That is primarily due to the fact that,

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\(^{57}\) See Union Exh. 2.
rather than support and expand CTE programs that would create a pipeline of students to the trades, CPS has systematically cut and closed CTE programs.

There is a developing national consensus concerning the importance of CTE. In 2015 alone, 39 states instituted 125 new laws, policies, or regulations concerning CTE, most of which increased funding for such programs. Montana doubled the state-wide appropriation for CTE in secondary education; Nevada tripled CTE funding.\textsuperscript{58} Unfortunately, CPS has not followed suit, to the detriment of our students and the City.

A greater investment in CTE will allow CPS to meet its self-identified goals and remedy dire problems of young adult unemployment in various Chicago communities. In 2017, CPS announced that, starting with that year’s freshman class, students would be required to show an acceptance letter to a four-year university, a community college, a trade school or apprenticeship, an internship, or a branch of the armed services in order to receive their high school diploma.\textsuperscript{59} The aim of this plan, clearly, is to make sure that CPS graduates are prepared for success after graduation, and to help stem the problems facing many Chicago young adults today. A recent report found that 45% of black men in Chicago between the age of 20-24 were neither working or in school, and nearly 20% of Latino men in that age group were out of work and not in school; and when women are taken into account, 37% of Chicago’s young black adults do not have a job and are not in attending school.\textsuperscript{60}

CTE programs are one of the best investments CPS can make to aid in remedying this problem. Research has shown that students who attend CTE programs are employed at higher

\textsuperscript{58} See https://www.brookings.edu/research/what-we-know-about-career-and-technical-education-in-high-school/.

\textsuperscript{59} See https://chicago.cbslocal.com/2017/04/05/cps-to-set-new-graduation-requirement-have-a-plan-for-after-high-school/.

rates than those who do not, and on average earn significantly more. The beneficial impact of CTE participation on earnings and employment amongst males – for whom the unemployment problem in Chicago is most pronounced – is even greater. Research has also shown that participation in a CTE program significantly increases a student’s likelihood to graduate from high school.

9. Clinicians and Counselors (Articles 20 and 21)

Chicago students are dealing with historic and disproportionate levels of trauma due to, amongst other things, violence and poverty in their communities and the shuttering of mental health services formerly provided by the City and State. The wraparound services the school district offers are insufficient and the working conditions of the professionals tasked with providing those services are poor. The Union has made a number of proposals to address these problems, including compliance with staffing ratios recommended by the National Association of Social Workers, the National Association of School Nurses, the National Association of School Psychologists; and the American School Counselor Association; eliminating non-counseling duties assigned to school counselors; the assignment of at least a half-time case manager to schools with fifty (50) or fewer students with Individualized Education Programs (“IEPs”) or plans for students with disabilities created pursuant to Section 504 of the federal

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62 Id.

Rehabilitation Act of 1973 ("504 plans"), and the assignment of an additional half-time equivalent position for each additional fifty (50) students with IEPs or 504 plans at the school.

Mayor Lightfoot’s 15-point “Plan to Transform Chicago Public Schools” promises that her administration will transform CPS into a system where “schools are staffed with fulltime nurses [and] social workers.” 64 It is time for her and her appointed Board of Education to make good on that promise.

CPS has for years been woefully short of staffing clinicians at the ratios recommended by the professional organizations for social workers, school counselors, and school nurses. In recent years, the problem has worsened. Because of CTU’s advocacy, CPS opened 160 social work and 94 special education case manager positions at the start of the 2018-19 school year. Those positions, however, remained largely unfilled. 65 At the start of the 2018-19 school year, there were only 38 more social workers across the school district than the previous year. 66

For all intents and purposes, the position of a school nurse tending to the health of all students in a school no longer exists in CPS. In 2017-18, the average school had the service of a certified school nurse (CSN) one day a week, and the average CSN had to visit five different schools every week. There were 20 nurses assigned to six or more schools a week, and two had as many as 12 schools to visit every week. 67 Rather than having CSNs available to tend to health issues of the entire school population, CPS almost exclusively assigns nurses to students receiving special education services, in an attempt to solely (and often unsuccessfully) meet minimum legal requirements.

66 https://cps.edu/About_CPS/Financial_information/Pages/EmployeePositionFiles.aspx
67 Id.; data from FOIA request to CPS in the spring of 2018.
In 2017-18, CPS employed only 108 CSNs, down from the already too-low number of 201 CSNs employed in 2012. The National Association of School Nurses recommends that school districts employ one school nurse for every 750 students. CPS employs one school nurse for every 2,859 students.68

Like nurses, CPS assigns school social workers and psychologists almost only to serve special education students. In Chicago, where 78 percent of students’ families are low income and 89 percent are students of color, the need for student social-emotional supports is particularly acute. Poverty and racism are known stressors – students with multiple Adverse Childhood Experiences (ACEs) are more likely to fail a grade, drop out of high school, or otherwise disengage from school.69 From 2012 to 2018, the number of school social workers declined by 12 percent.70 In 2017-18, CPS had just one social worker for every 1,238 students -- nearly five times what is recommended by the National Association of Social Workers.

The National Association of School Psychologists recommends one school psychologist for no more than 700 students. For the 2017-18 school year, CPS had one psychologist per 1,760 students.

From 2011 to 2018, CPS lost over 152 counselor positions.71 The American School Counselors Association recommends one counselor for every 250 students. In 2017-18, each school counselor was responsible for an average of 444 students. High school counselors are primarily responsible for assisting students in meeting CPS’s aforementioned new requirement

68 See https://cps.edu/About_CPS/Financial_information/Pages/EmployeePositionFiles.aspx; and https://cps.edu/About_CPS/At-a-glance/Pages/Stats_and_facts.aspx
70 https://cps.edu/About_CPS/Financial_information/Pages/EmployeePositionFiles.aspx
71 Id.
that all students have a post-graduation plan in order to graduate. CPS’s understaffing of counselors undermines schools’ and students’ ability to meet that requirement and fulfill its aims.

The Adequacy Targets for school districts across Illinois factor in counselor and clinician staffing levels, and, like the recommendations of the professional organizations cited herein, the ratios in the State’s evidence-based funding model are based on best practices and research. The EBF Adequacy Targets call for a student-to-counselor ratio of 250:1 in high school, 450:1 in elementary school; and a student-to-nurse ratio of 750:1.72

Section 12(a-10)(4)(E) of the IELRA directs the fact-finding panel, in making its recommendations to consider “the interests and welfare of the public and the students and families served by the employer.” Section 12(a-10)(4)(M) directs the panel to consider “the effect that any term the parties are at impasse on has or may have on the overall educational environment, learning conditions, and working conditions within the school district.” It is self-evident that the status quo staffing levels and working conditions of clinicians and school counselors are diametrically opposed to the welfare of the public and the students and families served by the employer, and that the Union’s proposals would infinitely positive effect on the overall educational environment, learning conditions, and working conditions within the school district.

10. Paid Time Off (Article 26)

The Board currently operates a byzantine and punitive system of benefit days, with a series of categories of days, each with its own rules and restrictions. This system is complicated for the Board to manage, results in a steady stream of grievances, and incentivizes employees to

72 See https://www.isbe.net/Documents/EBF_Presentation_Overview.pdf#page=5.
be absent (thereby compounding the Board’s substitute teacher shortage). The Union has proposed to eliminate personal business, religious, and sick days and replace them with sixteen (16) paid-time-off (PTO) days per year for employees on the regular 208-day academic calendar. Under the Union’s proposal, PTO days could be used for any purpose, subject to narrow restrictions. Unused PTO could be rolled over year to year without limitation, would be eligible for payout at an employee’s resignation or retirement, and would count toward pension service credit upon retirement. Prior to 2012, CTU bargaining unit employees could roll over their unused sick days for future use or payout upon retirement. Since the Board eliminated rollover and payout in 2012, teachers have been forced to take a ‘use-it-or-lose-it’ approach to their benefit time, which has resulted in significant classroom coverage and substitute teacher shortage issues in the intervening years.

Despite agreeing to remove restrictions on employees’ use of personal business days in the 2012-2015 CBA in exchange for concessions from the Union on the rollover of unused sick days, CPS has continued to impose the very restrictions on personal business day use it agreed to remove from the CBA. This has resulted in countless grievances, the majority of which CPS has lost in arbitration.

Disgraced former CPS CEO Forrest Claypool established a separate investigative unit within CPS to scrutinize CPS employees use of sick days, including by surveilling employees using sick leave to determine whether or not they were really ill. The Board also has a bizarre (and likely illegal) religious holidays policy, where paid time off is granted to employees of some religions for certain holidays, but not others, based upon the Board’s arbitrary and capricious determination as to whether the holiday is commonly observed by members of a given religion in the United States. This obviously exposes the Board to liability on religious
discrimination claims, and its application has further been found in arbitration to violate the parties’ CBA in several cases.

Expending human capital and public funds on determining the legitimacy of employees’ need for use of benefit time is wasteful and engenders feelings of mistrust, disrespect, and de-professionalization amongst educators. A PTO system with negotiated, narrow, and reasonable restrictions, allowing for rollover and payout of unused time, will incentivize employees not to be absent unless necessary, and will save the Board and the Union the cost and trouble of administering the current cumbersome and unfair system of benefit days.

11. Special Education (Article 21)

Under the previous administration, the Board’s mishandling of special education spurred a State investigation that uncovered that the Board had systematically endeavored to deny students with special needs services to which they were legally entitled. That investigation resulted in the appointment of an independent Illinois State Board of Education monitor to oversee special education within CPS. To reverse the damage that the Board has done to our students with special needs, the Union has proposed a series of contract provisions, including prohibiting coercion from network and school administrators in the development of IEPs; limitations on special education teachers’ caseloads to ensure that students are receiving all services required by their IEPs; allocation of sufficient funds to purchase special education curriculum; release time for special education teachers to complete IEP drafting; compliance with special education student ratios mandated by law; and allocation of sufficient resources, staffing, and training to support the collaborative and co-teaching inclusion models of special education.
In April of 2018, the Illinois State Board of Education issued a Final Report on its Public Inquiry (“ISBE Report”) into CPS’s systemic violations of the rights of special education students under federal law. The report found that (a) “the way in which CPS used its electronic Individualized Education Plan system, known as the SSM System, was not consistent with [the Individuals with Disabilities Education Act]”; (b) “that the documentation and data collection requirements [that CPS employed] were not consistent with IDEA”; (c) CPS’s special education “budgeting and appeal process were not consistent with IDEA”; and (d) “the way in which CPS managed transpiration [of special education students] was not consistent with IDEA.” The report concluded that CPS violated students’ rights by routinely delaying and denying services, from speech to occupational therapy to busing and classroom aides.

On May 18, 2018, the ISBE General Counsel issued a corrective action report with recommendations to remedy the violations of the law uncovered in the ISBE report. A review of the ISBE corrective action report side-by-side with CTU’s contract proposals on special education shows that CPS would be well advised to adopt the Union’s proposals.

Indeed, one of the planks of Mayor Lightfoot’s “Plan to Transform Chicago Public Schools” is to “Support diverse learners and their families.” After rightly criticizing CPS leadership for hiring consultants to help the district figure out how to save money by denying special education students services to which they are legally entitled, Mayor Lightfoot wrote, “As a result of the overhaul, the number of hours of service declined by double-digit

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73 See https://www.isbe.net/Documents/Public_Inquiry_Final_Report.pdf
76 Id.
percentages, despite the number of students with special needs remaining constant.”

The Mayor concludes, “We must do more to ensure that the diverse learners receive access to the resources they need to learn and succeed in school.”

The Union’s proposals would allow the Mayor and the Board to do just that.

12. Substitute Teachers (Article 27)

As discussed *infra*, class coverage has become an endemic problem across CPS, due in no small part to the substitute teacher shortage. This problem is particularly acute on the south and west sides of the city, in some of the most under-resourced schools, and is aggravated by the particularly difficult working conditions substitute teachers often encounter.

Since 2015, CPS’s budgets show that it has reduced resources available for substitute teacher staffing from nearly $43 million in 2015 to just over $37 million in 2019.

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78 Id.
79 Id.
80 See [https://cps.edu/finance/Pages/financialinfo.aspx](https://cps.edu/finance/Pages/financialinfo.aspx)
A CTU analysis of substitute teacher requests shows that, for the 2017-18 school year, CPS provided a substitute only 71% of the time one was requested.\textsuperscript{81}

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<td>BLACK</td>
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<td>49779</td>
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<td>61%</td>
</tr>
<tr>
<td>LATINO</td>
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<td>78255</td>
<td>107155</td>
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<tr>
<td>WHITE</td>
<td>1336</td>
<td>9494</td>
<td>10830</td>
<td>88%</td>
</tr>
</tbody>
</table>

\textsuperscript{81} The CTU analysis was done using substitute request and fill records CPS produced in response to a FOIA request.
The Union has proposed a number of measures to address these problems, including guaranteed, continuous, duty-free preparation and lunch periods for substitute teachers; hiring additional permanent substitutes (called “cadre substitutes”) to be assigned to specific networks within the district for deployment to schools as needed; and creation of a specialized pool of substitute teachers who will receive extra compensation in exchange for agreement to go to any school to which they are assigned and who will receive training in special education.

13. Teacher Evaluation (Article 39)

Teacher evaluation was one of the most hotly contested issues in the 2012 and 2015 contract negotiations. From 2012 to present, the parties have made progress on improving the teacher evaluation system so it is more fair, transparent, and serves the purposes of professional development and reflection, as opposed to punishment; but there remains work to be done. Black and veteran teachers have been disproportionately adversely impacted by the current CPS teacher evaluation system, called “REACH” (Recognizing Educators Advancing Chicago’s Students). Amongst other things, the Union has proposed to eliminate “value-added growth measures” (commonly referred to as “VAM”) as a component of teachers’ evaluations. Research shows that VAM is neither an accurate or reliable indicator of teaching performance, but instead punishes teachers who teach the most vulnerable and disadvantaged students in the most economically deprived communities.82

In 2012, CPS implemented a new teacher evaluation system known as “Recognizing Educators Advancing Chicago Students” or “REACH”. The underlying State law requiring the new system was pushed through the General Assembly in a rush in 2010 in anticipation of federal Race to the Top funds. The teacher evaluation mandates incorporated therein were developed and promoted by funders like the Bill and Melinda Gates Foundation and The New Teacher Project, who claimed the main problem facing public education was that most teachers had inflated evaluation ratings.

The experience of the last 7 years under REACH has shown what teachers knew to be true all along: teachers’ evaluations were not inflated, and poor educational outcomes are mostly due to poverty and racism. Millions of dollars and countless hours of principal and teacher time later, the REACH evaluation system has found that 89 percent of teachers were performing in one of the top two ratings categories. According to a 2016 University of Chicago Consortium on School Research (CCSR) Report, teachers who have received low ratings under are disproportionately teachers of color and those who teach in economically disadvantaged schools. The CCSR report further found:

- 26 percent of teachers with the lowest value-added scores in in schools with the highest concentrations of poverty, while only 13 percent are in schools with the lowest concentrations of poverty.

- 30 percent of the teachers receiving the lowest observation scores are found in the highest poverty schools, while only 9 percent are in schools with the lowest poverty.

- On average, Black, Latino, and other minority teachers’ observation scores are lower than white teachers’ observation scores.

- Teachers with more experience have higher average evaluation scores.

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84 Id.
The Union has proposed, amongst other things, that certain high-performing tenured teachers be allowed to skip an evaluation cycle, so as to free evaluators to assist newer teachers and those in need of more support; that the range of teacher evaluation scores eligible to be appealed be expanded to include all teachers who receive “developing” or “unsatisfactory” ratings; that the cut-off scores be moved to 210 to 259 for developing and to 260 to 339 for proficient; and that a number of additional measures be adopted to increase transparency in evaluation process. These proposals are aimed at remedying the problems identified with REACH through independent, rigorous academic research at the CCSR.

CPS’s proposed changes to REACH, on the other hand, are evidently based on its frustration over repeatedly losing arbitration cases concerning principals’ failure to abide by the procedures the parties negotiated to ensure the evaluation system was fairly administered. Worse yet, CPS’s proposals to make its “failure to meet deadlines” in the evaluation process not be subject to the grievance procedure, and to narrow the scope of the substantive evaluation appeals process would make the evaluation system more subject to bias, less fair, and less transparent. Contrary to CPS’s assertions, teachers who receive either of the two lowest ratings – “developing” (also referred to as “basic”) and “unsatisfactory” are subject to serious employment consequences. Teachers receiving “unsatisfactory” ratings are subject to remediation and termination. Teachers receiving developing ratings have their seniority rights diminished and are subject to earlier selection for layoff under Appendix H of the contract. And a teacher who

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85 CPS’s argument in its July 2, 2019 Disputed Issues Submission to the Fact-Finder for narrowing eligibility for evaluation appeals is that “the appeals process is lengthy and resource-intensive and the Board would like to preserve its limited resources for the classroom.” The Union submits limiting the number of observations evaluators have to do for experienced, consistently high-performing teachers is a much better way of conserving resources than cutting off opportunities to ensure the evaluation system is fairly and transparently applied, and geared toward parties agreed upon goals and purposes for teacher evaluation noted in Article 39-1(A).

receives two consecutive developing ratings of certain scores has that rating automatically converted to an “unsatisfactory” rating.  

Rather than remedying the problems with REACH identified by CCSR, CPS’s proposals would exacerbate them.


In recent years, teachers have been deluged with compliance task mandates from the school district that strip them of their professional autonomy, do not enhance the educational process, and take time away from teaching and learning. The Union has proposed to strengthen existing contract language limiting standardized testing of students, such that teachers will have discretion on what tests to administer beyond those that are legally required or required for REACH; that the format, content and length of lesson and unit plans are a matter of teacher discretion; and, when the Board requires a teacher to complete additional paperwork with no commensurate reduction in work, that the teacher be paid her instructional rate of pay for the extra time worked.

15. Sanctuary Schools/Sanctuary Employer (Article 46-5)

In response to the racist immigration policies of the Trump administration, the City of Chicago has adopted a sanctuary city policy, and CPS has issued guidelines regarding school interactions with United States Immigration and Customs Enforcement. The City policy and Board guidelines provide that city and school district officials and employees will not assist in immigration enforcement except as legally required. Specifically, amongst other things, CPS

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directs school employees and officials not to provide ICE agents with access to school property or student records without a valid court order or parental consent. The Union amongst other things, has proposed contract provisions mirroring these policies to protect our immigrant and refugee students.

Moreover, given the uncertain status of the Deferred Action for Childhood Arrivals program (“DACA”), the Union has proposed a series of contractual protections for bargaining unit employees in sensitive immigration situations, including those who are DACA recipients. Those protections include provision of unpaid days off to attend to immigration matters; and that the Board treat any period of time where an employee loses authorization to work due to an immigration matter as a leave of absence. All of the CPS charter school networks with whom the CTU has finalized contracts since December 2018 have agreed to such terms.

Fear from ICE raid announcements results in a decline in student attendance absent robust sanctuary protections. CTU is demanding that:

- Schools be a safe haven from immigrant enforcement, discrimination, and stop/frisk policies;
- CPS not assist federal authorities with immigration enforcement;
- CPS not provide Immigration and Customs Enforcement (ICE) or the Department of Homeland Security or (DHS) with access to CPS databases, personnel, or other resources;
- Schools be treated as a first point of safety for students and families under threat of deportation;
- CPS allocate additional funding to serve students and families experiencing violence or immigration-related trauma;
- CPS provide training to school personnel on undocumented students’ rights, sanctuary schools, and related issues; and
- CPS develop emergency plans to protect students from deportations, family separation, and violence.
CPS has already recognized the threat the Trump administration’s immigration policies pose to school communities, and has adopted guidelines regarding school interactions with ICE. CPS must go further, though, and agree to CTU’s proposals to create true sanctuary protections for teachers and students through the CBA.

16. Affordable Housing (Article 46)

CPS employees are required to live within the City of Chicago, and the school district’s budget and enrollment depends on the size of the population of the City. The lack of affordable housing within the City has contributed to the City’s shrinking population, both overall and in particular amongst the Black and Latinx communities. The lack of affordable housing has also made it more difficult for the school district to recruit and retain qualified employees. As such, the Union has proposed that the Board support legislative efforts for rent control and creation of affordable housing units; that the Board hire staff to support CPS families in danger of losing their housing; and that the Board ensures the city uses tax increment financing (TIF) revenue and revenue from real estate transfer taxes, a corporate head tax, and a millionaire’s tax to fund affordable housing units within the enrollment boundary of sustainable community schools and to fund section 8 voucher programs and expand rehabilitation housing to properly house 15,000 homeless students by 2020.

As depicted in Section 1, supra, housing costs in Chicago have skyrocketed in recent years. A number of other large urban school districts whose cities are struggling with affordable housing shortages have recognized that this is an issue they must take on in combination with

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their teachers. The Union is calling on CPS to realize that it, too, must act on affordable housing.

17. Staffing

In addition to the staffing demands incorporated into the proposals described elsewhere in this brief, the Union has proposed that a full-time librarian be assigned to every school, a restorative justice coordinator be assigned to every school, and specific increased staffing levels of bilingual teachers, physical education teachers, music teachers, world language teachers, and technology teachers.

In 2012, CPS had approximately 160 schools without librarians. As shown in the graph below, the number of librarians has steadily decreased even further since then. In 2019, there are only 128 librarians in the school district. Most schools on the South and West sides have no librarians at all, and the majority of schools with librarians are concentrated on the North Side.

As of the 2017-18 school year, 67,000 CPS students – 18% of the district – were classified as bilingual.\textsuperscript{91} Most of these children are low-income, and English is not their native language. At the end of the 2017-18 school year, there were 58 vacant full-time and 32 vacant half-time bilingual teacher positions.\textsuperscript{92} In a review of bilingual programs for the 2015-16 school year, Chicago Reporter investigative reporter Kalyn Belsha found many examples where CPS did not support English Language Learners (ELLs).\textsuperscript{93} She found that 71 percent of the schools audited that year were not in compliance with state law regarding ELLs, and that dozens of schools lacked materials in students’ native languages. Many teachers had to translate entire books for children. Belsha further found that CPS does not track how ELLs perform once they

\textsuperscript{92} See https://cps.edu/About_CPS/Financial_information/Pages/EmployeePositionFiles.aspx
\textsuperscript{93} See https://www.chicagoreporter.com/english-learners-often-go-without-required-help-at-chicago-schools/.
transition out of bilingual programs. Therefore, there is no way to evaluate the efficacy of the bilingual programs. Thousands of Chicago students are in bilingual classes for years without developing strong literacy skills, according to Belsha. Hundreds of children have been in these classes from kindergarten to senior year of high school, and 20 percent stay for six or more years. Many in the field are critical of the CPS “subtractive” approach, where students are taught to learn English, but not develop skills in their native language. Dual language programs, on the other hand, which are a small minority of CPS programs, teach students to read, write, and speak two languages with equal proficiency. These successful programs should be expanded across the district, and CPS must hire additional bilingual teachers to staff them.

While staffing of Art, Music and Physical Education teachers has improved in recent years, 18% of CPS schools are still without a full-time Art or Music teacher, and some schools do not have enough P.E. teachers to provide required P.E. instruction. CPS must fully-staff these positions so all CPS students have access to a well-rounded curriculum.

18. Class Size (Article 28)

Decades of research shows that small class sizes are critical to quality education. The Union has proposed enforceable class size limits tied to grade levels and subject matters. The Union has also proposed, amongst other things, that for classes exceeding the contractual class size limits, teachers be paid $5.00 per student over the class size limit per day; and that a teacher assistant be assigned to all Kindergarten to 3rd grade classes that exceed the class size limit.

There is broad and deep consensus about the educational benefits students receive from small class sizes.⁹⁵ Even if the class reductions are focused in grades K-3, students receive long-lasting advantages, including greater likelihood of attending and graduating from college.

In the 2017-18 school year, 19% of elementary school classrooms had more than the already large, CPS-imposed limit of 29 in K-3 (and 32 in grades 4-8). This is 1,434 classrooms. 13% of high school classes were over the already large high school class size limit. CPS has the highest class sizes across grades 1-4 of any school district in the entire Chicago metropolitan area. Statewide, the average class size in K-3 classrooms is 19.5 students.⁹⁶

Contractually enforceable class size limits are a growing trend in Chicago. In its most recent contracts settled within the last 7 months, the CTU and several CPS charter and contract school operators agreed to enforceable class size limits. Those charter and contract schools include the Acero Network of Charter Schools, Civitas/CICS Charter Schools, ASPIRA Charter Schools, the Chicago High School for the Arts, and Instituto Health and Sciences Career Academy.

Many CPS students begin their education with enough built-in disadvantages as it is. CPS should not add being denied the benefits of small class sizes to the list.

19. Health Care (Articles 32, 33, and Appendix E)

The Union has proposed that the Board reduce premiums, prescription costs, and other healthcare costs to levels in place prior to January 1, 2019 without a reduction in benefits; that the Board not raise premiums, copays, prescription costs, mental health care costs, or other costs

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for the term of the Agreement; that the Board expand health care plan options at the recommendation of the LMCC; that the Board reduce the emergency room copay on all plans; that the Board include free family vision coverage in all plans; that the Board provide additional options for free dental coverage; that all health plans be reviewed to ensure that coverage apply equally to LGBTQIA+ members and their families; and that the Board negotiate to reduce all member-paid fees associated with 403(b) plans by not less than 50% from 2018 levels.

Under the parties’ 2015-2019 CBA, the cost of using health insurance increased, with copays, deductibles, and out-of-pocket costs increasing significantly. During the negotiations of the 2015-2019 CBA, the Board asserted, as the fact-finder will recall, that it was necessary to pass on these additional health care costs to employees because of its dire financial situation at the time. As discussed supra, the Board has not only regained its financial footing in the years since, but is now in a strong fiscal position. As such, the increased burden upon employees for health care costs is no longer justified.

The 2015-2019 CBA also provided that employee premiums would increase by 0.8% of salary on January 1, 2019, but would be reduced commensurate to health care cost savings achieved by the parties’ Labor Management Cooperation Committee (LMCC). On January 1, 2019, the Board implemented the 0.8% of salary premium increase, unilaterally and with ineffective notice, despite the LMCC having secured significant health care cost savings. The Union grieved this increase, and the dispute is scheduled for arbitration in September. That increase should be reversed, since it was implemented on counter-contractual grounds in the first instance, and since the financial conditions that supported the parties’ agreement for the possibility of such an increase no longer exist.
20. School Closings and Charter Expansion Moratoriums (Side Letters – Proposals 52 and 53)

The Union has proposed that the Board observe a moratorium on the establishment of new charter and contract schools and a moratorium on school closings. Since 2002, CPS has closed or reconstituted approximately 200 schools, impacting 70,160 children.97 61,420 of those children are black.98 In that same time period, CPS has opened almost as many new schools – 193.99 This has been a massive and costly educational experiment, and the negative results have far outweighed the positive ones.100 School closings have torn communities a part, and have been a driving factor in Chicago’s population decline and the decline in the school district’s enrollment.

CPS must now focus on stability and supporting existing schools and the students and teachers in them. As a candidate, Mayor Lightfoot said:

I don’t think we can talk about opening more charters until we have a real comprehensive plan for uplifting neighborhood CPS schools. My concern is frankly that resources that should have gone to neighborhood schools were actually diverted to charters and magnet schools. I want to have strong neighborhoods schools that are accessible, that are not selective enrollment in any permutation of that, so that kids can walk to their neighborhood schools with their neighborhood friends and build a sense of community.101

[…]

No child should have to leave his or her neighborhood to attend a Level 1 or Level 1+ school. Yet tens of thousands of CPS students, particularly African-Americans and Latinos, do just that because their neighborhood schools are underperforming or closed. This is not good for students, who either are forced to commute long distances to attend a quality school or who, due to family and personal circumstances, have no option but to

97 See https://interactive.wbez.org/generation-school-closings/
98 Id.
99 Id.
100 See https://consortium.uchicago.edu/publications/school-closings-chicago-staff-and-student-experiences-and-academic-outcomes
attend underperforming neighborhood schools. Nor is this good for neighborhoods, where schools should serve as community anchors. 102

In her Plan to Transform Chicago Public Schools, Mayor Lightfoot also opposes school closings:

[O]ur first reaction should not be to close schools, which places the burden of failed economic development and disinvestment on our students and often on black and brown students in particular. Instead, we must increase enrollment by addressing the root causes of flight, such as crime, disinvestment, lack of quality neighborhood schools, a dearth of housing that is affordable, and high taxes and fees on low and moderate income Chicagoans, and working collaboratively with all stakeholders to turn our schools around and make them a viable option for families with children. That important dialogue and partnership has to start from day one with parents, teachers, and other important stakeholders, and not only when a situation reaches a crisis point. 103

For all these reasons and more, CPS should agree to establish a moratorium on school closings and charter expansion, and focus on providing adequate support and resources to students, parents and teachers.

21. Duration

The Union has proposed a three-year agreement, from July 1, 2019 to June 30, 2022. Historically, the parties labor contracts have typically ranged between two and five years. Given that (1) the City and the Board are in a period of significant transition, (2) there is legislation that has passed the Illinois House of Representatives that would soon establish an elected school board in Chicago, and (3) the Mayor has voiced support for an elected school board, the Union believes a three-year agreement is appropriate.

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103 Id.
CONCLUSION

For all of the foregoing reasons, the Union requests that the Neutral Chair adopt the Union’s proposals in their entirety for all of the disputed issues in this matter.

Respectfully submitted,

CHICAGO TEACHERS UNION

By:

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Dated: July 11, 2019
APPENDIX A – Sourcing of Data and Explanation of Projections

Local Property Tax
For the 2018-2019 fiscal year budget, local property tax revenue increased from the previous year by $74 million from a combination of $50 million due to inflation (based on 2.1% CPI) and $24 million in increased property value growth. The 2018 tax rate report from the Cook County Clerk shows an increase of $80 million in capped funds for CPS. $80 million represents a 3.3% increase over the prior year levy ($2,455,899,005) for capped funds for CPS. CPI for the 2019 taxes (payable in 2020) is 1.9%. Projection 1 assumes a sustained 3.3% annual increase in local property taxes available from inflationary increases and increases in regular property value growth, which results in $83 million in the 2020-2021 fiscal year, and $86 million in the 2021-2022 fiscal year. Projection 2 assumes a sustained $80 million annual increase for 2020 through 2022.

Pension Levy Growth
Pension levy growth is based on CPS taxing at the 0.567% tax rate, against the total EAV. Projection 1 assumes EAV growth to be 4% for the next two years (the average rate of growth in the previous two most recent non-reassessment years of 2015 to 2016, and from 2016 to 2017) and 12.45% in the reassessment year of 2022 (the rate of EAV growth in the 2018 reassessment year). Projection 2 uses an EAV growth rate of 2% for the next two years, and a 6.225% increase in 2022.

| City of Chicago EAV Projections and Pension Levy (in millions) |
|-----------------|-----------------|-----------------|-----------------|-----------------|
| Pension Levy of 0.567% in 2020 to 2022 | $441 | $509 | $529 | $595 |
| EAV: 2% growth for 2019-2020, 2020-2021 and 6.225% in 2021-2022 | $86,326 | $88,053 | $89,814 | $95,405 |
| Pension Levy 0.567% in 2020 to 2022 | $441 | $499 | $509 | $541 |

TIF Expiration
When a TIF expires, its EAV increment (the EAV amounts above the EAV at the time of the TIF’s creation) can be taxed by CPS as new property, outside the PTELL cap. Several of the city’s largest TIF districts are scheduled to expire over the next several years. City of Chicago TIF data show that there are 9 TIFs expiring in 2020 expected to generate $65.7 million in total revenue in their last year and 8 TIFs expiring in 2021 expected to generate $60.2 in revenue in 2020.

104 See https://cps.edu/fy19budget/documents/FY19_BudgetBook_Approved.pdf#page=26
105 See the tax agency reports for the Board of Education 2018, and 2017. Available at https://www.cookcountyclerk.com/service/tax-agency-reports
106 https://www2.illinois.gov/rev/localgovernments/property/Documents/cpihistory.pdf
their last year. The CPS portion of TIF surplus funds is set to the CPS proportion of the Chicago general composite tax rate, which was 53.58% in 2017. Projection 1 adjusts the estimated future revenues using updated information about the overall EAV growth in the city from the 2018 reassessment, and assumptions about future value growth. The 12.45% EAV growth rate in the city is applied to the TIF revenue from 2017, to arrive at an updated forecast for 2018 revenue. For 2019 and 2020, 4% EAV growth is applied to the updated 2018 revenue, and 12.45% EAV growth is assumed for the 2021 reassessment year. Projection 2 applies the CPS proportionate rate to the City’s revenue estimates without change.

**Personal Property Replacement Tax (PPRT)**
PPRT revenue from the State increased by 8% from $149 million in 2018 to $161 million in 2019. Projection 1 assumes the sustained 8% rate of growth for future years. Projection 2 assumes a 2% rate of growth for future years.

**Transit TIF**
CPS has received Transit TIF revenues since 2017 when the TIF was established. The Transit TIF, which covers high-value property along the north-side CTA red-line, was adopted with a carve out for CPS, to ensure that CPS continues to get its proportionate share of property taxes. Between the 2016-2017 and 2017-2018 years, Transit TIF revenue increased by $21 million for CPS. For 2018-2019, CPS only budgeted a $2 million increase over 2018 revenue. However, based on the dramatically higher reassessments in 2018 (which saw values along the north-side lake front jump by 11% to 15%), Transit TIF revenue should be substantially higher for 2018-2019 and future years.

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109 See [https://www.cookcountyclerk.com/sites/default/files/pdfs/2017%20Transit%20TIF%20RPM1%20Fact%20Sheet_0.pdf](https://www.cookcountyclerk.com/sites/default/files/pdfs/2017%20Transit%20TIF%20RPM1%20Fact%20Sheet_0.pdf)


111 See [https://www.cookcountyclerk.com/sites/default/files/pdfs/2017%20Transit%20TIF%20RPM1%20Fact%20Sheet_0.pdf#page=4](https://www.cookcountyclerk.com/sites/default/files/pdfs/2017%20Transit%20TIF%20RPM1%20Fact%20Sheet_0.pdf#page=4)

112 See [https://www.cookcountyclerk.com/sites/default/files/pdfs/2018%20Tax%20Rate%20Report_1.pdf#page=5](https://www.cookcountyclerk.com/sites/default/files/pdfs/2018%20Tax%20Rate%20Report_1.pdf#page=5)
Projection 1 assumes a 15% EAV growth for Transit TIF EAV in 2019, 5% growth in 2020, 2021, and 15% EAV growth for 2022 as a result of the 2021 reassessment. The assumed tax rates for total Transit TIF revenues is the 6.786% Chicago composite tax rate published by Cook County for 2019, and increasing by .1% for each year up to 7.1% in 2022. Annual levy increases at the City and CPS level are assumed to push the tax rate back up incrementally, although still below the prior level (the composite City of Chicago tax rate in 2017 was 7.26%). The CPS proportion of Transit TIF revenue is assumed to remain the same as the 2017 level of 53.58%. The projection data are presented below.

Projection 1:

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<td>Total current taxable value</td>
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<td>Total Transit TIF Revenue</td>
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<td>$102</td>
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<td>CPS Portion (53.58%)</td>
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<td>$21</td>
<td>$54</td>
<td>$68</td>
<td>$84</td>
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Annual Growth for Contract Years

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<tr>
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<td>$45</td>
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113 See [https://www.cookcountyclerk.com/sites/default/files/pdfs/2017%20Tax%20Rate%20Report_0.pdf#page=11](https://www.cookcountyclerk.com/sites/default/files/pdfs/2017%20Tax%20Rate%20Report_0.pdf#page=11)
114 Calculation method adopted from Cook County data: [https://www.cookcountyclerk.com/sites/default/files/pdfs/2017%20Transit%20TIF%20RPM1%20Fact%20Sheet_0.pdf#page=2](https://www.cookcountyclerk.com/sites/default/files/pdfs/2017%20Transit%20TIF%20RPM1%20Fact%20Sheet_0.pdf#page=2)
Projection 2 assumes that the 2019 EAV growth in Transit TIFs equals the 12.45% rate reported for Chicago, and that future growth mirrors the recent average 4% EAV growth, until the 2022 year, when the impact of the 2021 reassessment results in another 12.45% increase in EAV. The TIF tax rate and the CPS proportionate share are assumed to remain the same as the 2019 rates of 6.786%, and proportionate share of 53.58%.

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<th>Projection 2 (in millions)</th>
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<td><strong>Cook County Tax Year</strong></td>
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<td><strong>Growth</strong></td>
<td>$36</td>
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**TIF Surplus**

TIF surplus available to CPS and other taxing bodies is based out of the City of Chicago budget which is published in the fall of each year. For the 2018-2019 year, CPS budgeted $22 million in TIF surplus.\(^{115}\) However, the City of Chicago budget passed in the fall of 2018 provided for a $97 million TIF surplus for CPS.\(^ {116}\) Projection 1 assumes that for future years, TIF surplus will continue to grow at the same rates as the citywide EAV growth, at 12.45% for 2020, and 4% for 2021 and 2022. Projection 2 assumes that the TIF surplus to CPS remains at $97 million annually for 2020 through 2022.

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<tr>
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</thead>
<tbody>
<tr>
<td><strong>Projection 1</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TIF Surplus</td>
<td>$22</td>
<td>$109</td>
<td>$113</td>
<td>$118</td>
</tr>
<tr>
<td>Annual Increase</td>
<td></td>
<td>$87</td>
<td>$4</td>
<td>$5</td>
</tr>
<tr>
<td><strong>Projection 2</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TIF Surplus</td>
<td>$22</td>
<td>$97</td>
<td>$97</td>
<td>$97</td>
</tr>
<tr>
<td>Annual Increase</td>
<td></td>
<td>$75</td>
<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>

**State EBF & State Early Childhood**

For the 2018-2019 budget, CPS received $65 million in increased EBF funding from the State, in a year where state-wide EBF funding had increased at the statutory minimum of $350 million. CPS also received $19 million for early childhood when statewide early childhood funding increased by $50 million.\(^ {117}\) For 2019-2020, Governor Pritzker signed a budget that included an additional $25 million to the statutory increase, for a $375 million increase to education funding, and increased early childhood funding by another $50 million.\(^ {118}\) Projection 1 assumes that future statewide education funding increases will be $400 million in 2021, and $425 million in 2022, and that CPS continues to receive roughly 18.5% of the increase. Early childhood education funding is assumed to increase at higher funding rates, to fulfill the Governor’s commitment to establishing universal pre-k in four years.\(^ {119}\)

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>State</strong></td>
<td>$350</td>
<td>$375</td>
<td>$400</td>
<td>$425</td>
<td>Assumes continued increase of $25 million a year</td>
</tr>
<tr>
<td><strong>CPS</strong></td>
<td>$65</td>
<td>$70</td>
<td>$74</td>
<td>$79</td>
<td>Same proportionate share of state funding as 2019</td>
</tr>
<tr>
<td><strong>Early Childhood Funding</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>Assumes 20% increase in 2021 and 2022</strong></td>
</tr>
<tr>
<td><strong>State</strong></td>
<td>$50</td>
<td>$50</td>
<td>$60</td>
<td>$72</td>
<td>Same proportionate share of state funding as 2019</td>
</tr>
<tr>
<td><strong>CPS</strong></td>
<td>$19</td>
<td>$19</td>
<td>$22</td>
<td>$27</td>
<td></td>
</tr>
</tbody>
</table>

\(^ {115}\) See [https://cps.edu/fy19budget/documents/FY19_BudgetBook_Approved.pdf#page=28](https://cps.edu/fy19budget/documents/FY19_BudgetBook_Approved.pdf#page=28)


\(^ {117}\) See [https://cps.edu/fy19budget/documents/FY19_BudgetBook_Approved.pdf#page=30](https://cps.edu/fy19budget/documents/FY19_BudgetBook_Approved.pdf#page=30)


Projection 2 assumes that future statewide education funding will continue to increase at $375 million a year, and that early childhood funding increases at $50 million a year.

Expenditure Savings
Reimbursement to City of Chicago for CPD
The City covered the cost of police in schools in 2015, when it was argued by the district that the city provides the service to schools as it does to any other part of the city. However, in the 2018-2019 year, the City began charging CPS again for the cost of police. Multiple investigations and reports on the impact of police in schools have noted how students are negatively impacted by their presence, and how the CPD lacks structure for training and standards for how police interact with students in schools. Ending the reimbursement or service would recover $27 million in revenue for CPS. Phasing out the reimbursement or the service over three years would recover $9 million in annual revenue.

Short-term borrowing costs
CPS has in the last several years, ran a short-term credit line of up to $1.5 billion for cash flow purposes. CPS has reduced their need for a short-term credit line by over $450 million since 2018. For the 2018-2019 year, CPS budgeted $21 million in short-term borrowing costs. Further improvement in their cash position, fund balance, and on-time payments from the State will reduce the extent of short-term borrowing. The new mayor has also indicated a desire and capacity to move away from short-term borrowing to meet cash flow – the City of Chicago decided to cancel their short-term credit line of $1.4 billion for a savings of $22 million from the City budget for 2020.

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123 See https://cps.edu/fy19budget/documents/FY19_BudgetBook_Approved.pdf#e=186
Appendix B – CTU Demand Cost-out and Revenue to Support Contract Demands

Contract Proposal Costs:

<table>
<thead>
<tr>
<th>Salary Proposals (costs in millions)</th>
<th>2019-2020</th>
<th>2020-2021</th>
<th>2021-2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teacher Salaries (+PPU)</td>
<td>$79</td>
<td>$82</td>
<td>$84</td>
</tr>
<tr>
<td>PSRP Salaries (+PPU)</td>
<td>$12</td>
<td>$13</td>
<td>$14</td>
</tr>
<tr>
<td>Annual Increase in Cost</td>
<td>$91</td>
<td>$95</td>
<td>$98</td>
</tr>
<tr>
<td>Cumulative Increase (relative to 2018-2019)</td>
<td>$91</td>
<td>$186</td>
<td>$284</td>
</tr>
</tbody>
</table>

The salary proposal for teachers and paraprofessionals will increase costs by roughly $90 to $100 million a year, including salary and pension pick up costs. By the 2021-2022 school year, salary costs will be $284 million greater than in 2018-2019.

<table>
<thead>
<tr>
<th>Staffing and school proposals</th>
<th>Notes</th>
<th># staff</th>
<th>Cost (millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class Size</td>
<td>class size maximums: pre-k - 18; k-20; 1st-3rd - 24; 4th-8th - 28</td>
<td>2,092</td>
<td>$209</td>
</tr>
<tr>
<td>Social Workers</td>
<td>1:250 gen ed, 1:50 sped</td>
<td>909</td>
<td>$91</td>
</tr>
<tr>
<td>Nurses</td>
<td>1:250 gen ed (LPN/HSN) &amp; a minimum 1 CSN per school</td>
<td>890</td>
<td>$74</td>
</tr>
<tr>
<td>PSRP additions</td>
<td>at least 1000 teacher assistants in elem &amp; high school</td>
<td>944</td>
<td>$66</td>
</tr>
<tr>
<td>Counselors</td>
<td>250: 1 gen ed</td>
<td>490</td>
<td>$49</td>
</tr>
<tr>
<td>Librarians</td>
<td>1 librarian per school</td>
<td>367</td>
<td>$37</td>
</tr>
<tr>
<td>Special Education Teachers</td>
<td>assumed increase of staffing levels by 10%</td>
<td>340</td>
<td>$34</td>
</tr>
<tr>
<td>Sustainable Community Schools</td>
<td>75 community schools</td>
<td></td>
<td>$38</td>
</tr>
<tr>
<td>Total Staffing Demands</td>
<td>Costs assume an average total $100K cost for teacher positions, and $70K cost for PSRP positions.</td>
<td>6,032</td>
<td>$597</td>
</tr>
</tbody>
</table>

The total cost of the salary, staffing and school proposals is estimated at $880 million greater in 2021-2022 than costs in 2018-2019. These cost increases are in line with expected increases in revenue.
Revenue Summary:

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Projection 1 Revenue</td>
<td>$314</td>
<td>$564</td>
<td>$861</td>
</tr>
<tr>
<td>Projection 1 Revenue + Expenditure Savings (police in schools &amp; short-term debt)</td>
<td>$362</td>
<td>$612</td>
<td>$909</td>
</tr>
<tr>
<td>Projection 2 Revenue</td>
<td>$285</td>
<td>$501</td>
<td>$738</td>
</tr>
<tr>
<td>Projection 2 Revenue + Expenditure Savings (police in schools &amp; short-term debt)</td>
<td>$304</td>
<td>$540</td>
<td>$786</td>
</tr>
</tbody>
</table>

By the end of the 2021-2022 school year, general operating revenue will be $738 to $909 million greater than in 2018-2019, even when excluding the increases to the pension levy. Additionally, as explained in *supra*, increases in the pension levy that outpace increases in the pension payments are expected to free up another $13 to $32 million a year in operating funds.