

## Appendix B School Funding Formulas

This appendix details the funding formulas used to allocate resources to schools. The appendix is organized in the following sections:

- District Schools
  - Student-Based Budgeting (SBB)
  - Allocations of Special Education Teachers and Paraprofessionals
  - Allocations of Supplemental Bilingual Teachers for English Learners (ELs)
  - General Education Allocations to Specialty and Options Schools
- Charter Schools, Contract Schools, and Alternative Learning Opportunity Programs (ALOPs)
  - Student-Based Budgeting (SBB)
  - Non-SBB
  - Supplemental Funding for Schools in Independent Facilities
  - Special Education
  - Allocations of Supplemental Bilingual Teachers for English Learners (ELs)
- Allocations of Other Discretionary Funds to All Schools

### **DISTRICT SCHOOLS**

#### **STUDENT-BASED BUDGETING (SBB)**

Student-Based Budgeting (SBB) is used to determine the resources a school receives for core instruction. SBB is a per-pupil funding allocation weighted based on grade level and diverse learner category.

For FY2020, the per-pupil allocation, or base rate, was increased to \$4,506.93 from the FY2019 rate of \$4,397.00. The base rate is allocated for students in grades 4–8. Students in grades K–3 receive a weight of 1.07, meaning their allocation is 7 percent higher than the base rate. This allocation reflects the district’s goal of lower class sizes in early grades. High school students receive a weight of 1.24 to provide high school teachers with two preparation periods and to ensure that high school students are able to meet all requirements for graduation.

Diverse learners are required to receive instruction in the least restrictive environment (LRE), which means that they should remain in the general education classroom whenever practicable. A diverse learner’s LRE category is based on how much time per school day the student is learning outside of the general education classroom:

**Table 1: LRE Categories for Diverse Learners**

LRE Category	Amount of the School Day Spent Outside of the General Education Classroom
LRE 1	Less than 20%
LRE 2	Between 20% and 60%
LRE 3	More than 60%

In elementary schools, LRE 1 and LRE 2 students receive the same per-pupil SBB funding as general education students because they receive a significant portion of their core instruction in the general education classroom, even though they may spend a substantial part of the day outside of it and receive additional funding to compensate for time outside of the classroom. LRE 3 students receive 40 percent of the per-pupil SBB rate because it is assumed that they receive their instruction in core subject areas from diverse learner teachers, and that they are in the general education classroom only for special periods like art, music, or physical education.

High school LRE 1 students receive the same funding as general education students because they may be in the general education classroom for every period. LRE 2 students receive 70 percent of the high school per-pupil rate because they will likely receive instruction from special education teachers for at least two periods in core subject areas. LRE 3 students receive 40 percent of the high school per-pupil rate because they likely take only elective subjects in the general education setting. More information on additional funding for diverse learners is detailed later in this chapter.

**Table 2: FY2020 SBB Rates**

<b>Enrollment Category</b>	<b>SBB Weighting</b>	<b>SBB Rates</b>
K–3 Gen Ed / LRE 1 / LRE 2	1.07	\$4,822.42
4–8 Gen Ed / LRE 1 / LRE 2	1.00	\$4,506.93
9–12 Gen Ed / LRE 1	1.24	\$5,588.59
K–3 LRE 3	40% of 1.07	\$1,928.97
4–8 LRE 3	40% of 1.00	\$1,802.77
9–12 LRE 2	70% of 1.24	\$3,912.01
9–12 LRE 3	40% of 1.24	\$2,235.44

**Total Amount of SBB Allocation**

For FY2020, the SBB allocation is \$1.62 billion which is a \$5 million decrease from the FY2019 budget.

**Table 3: Distribution of SBB Allocation for FY2019 and FY2020**

<b>(All amounts in \$000s)</b>	<b>FY2019</b>	<b>FY2020</b>
Base SBB Rate Allocation	\$1,388,815	\$1,361,714
Teacher Salary Adjustment for District Schools	\$23,203	\$32,510
Multiple Building Adjustment for District Schools	\$1,350	\$1,325
Misc Adjustments	\$6,103	\$932
Small School Supplement	\$9,873	-
Equity Grant	-	\$30,694

Program Support	\$2,505	\$450
Contingency for 10th Day Adjustments	\$5,981	\$4,290
<b>Total SBB Dollar Distribution for FY2020</b>	\$1,436,281	\$1,431,915
Cost of Foundation Positions for District Schools	\$189,596	\$188,522
<b>Total SBB Allocation</b>	<b>\$1,625,877</b>	<b>\$1,620,437</b>

### **Enrollment Counts for SBB Adjustments**

Funding for SY2019–20 is based on the 20th-day enrollment count in SY2018–19. This approach ensures schools will not see a budget reduction in the fall, even if enrollment declines. However, if a given school’s enrollment in the fall exceeds 20th-day enrollment in SY2018–19, they will receive additional, supplemental funding. This model allows schools to plan confidently for the year ahead and provides school-based staff greater certainty about their positions.

The following rules apply to the counting of enrollment for funding purposes:

- Official enrollment counts are based on enrollment data collected by the district system on a specified enrollment count date.
- Students are not included in the enrollment count if they are not scheduled at the school or if they have not been in attendance for at least one full school day as of the enrollment count date. Schools are responsible for ensuring that enrollment, scheduling, and attendance information is up-to-date in CPS’ student information systems by the enrollment count date.
- If a student is included in the enrollment count, but enrollment and attendance records are subsequently updated to show that the student was not enrolled in the school on the enrollment count date, the student shall be retroactively excluded from the enrollment count, and the school’s funding shall be adjusted accordingly.

### **SBB Funds Distributed Outside of the Per-Pupil Rate**

The SBB model includes four categories of SBB funds that are distributed to district schools outside of the per-pupil rates.

#### *Foundation Positions*

Every district school is required under state law or the Chicago Teachers Union contract to employ three foundation positions — one principal, one counselor, and one clerk — in addition to the school’s per-pupil allocation. The total cost of foundation positions in district-run schools in FY2020 is \$189 million.

#### *Teacher Salary Adjustment*

Both the district-wide and school-specific teacher salary averages are calculated, and the district schools that have a higher average staff salary than the overall district receive a teacher salary adjustment to help pay their staff costs. The averages are adjusted based on estimated resignations and retirements that will take effect before SY2019–20. The exact adjustment amount is calculated by multiplying the difference between the school’s average and the district’s average by the number of staffed teachers at the school, then subtracting the estimated resignations and retirements. The teacher salary adjustment is recalculated every year to account for school and district staffing changes. Therefore, it is possible for

a school to receive a teacher salary adjustment this year and not receive one next year. In FY2020, the total cost for teacher salary adjustments in district-run schools is \$32,509,699.

#### *Equity Grants*

To ensure that students who attend schools with low or declining enrollment rates receive the benefits that their peers attending larger schools receive, CPS provided \$31 million in equity grant funding to 219 elementary (ES) and high schools (HS) that need additional support. Schools below a specific enrollment threshold (450 for ES and 600 for HS) will receive an equity grant that equals \$750 for ES and \$1,200 for HS per student below the threshold. Schools experiencing drastic year-over-year enrollment loss receive additional funds, capped at \$400,000 per school.

#### *Multiple Building Adjustment*

Additional SBB funds are given to 26 schools that have a branch building that is a significant distance from the main school building to help cover the staffing costs of a clerk or other administrative support needed at the second building. No additional funding is given to schools with multiple buildings that are on the same block or on the same campus, where the buildings are within walking distance of each other.

For schools that do qualify for additional funding, the amount given is based on the size of the school. Larger schools are given smaller amounts due to economies of scale in SBB that support their ability to provide administrative support for the branch building.

The following table shows the formula for the multiple building adjustment:

**Table 4: Formula for Multiple Building Adjustment**

<b>K-12 Enrollment of School</b>	<b>Amount</b>
750 or fewer students	\$75,000
751 to 1,000 students	\$50,000
More than 1,000 students	\$25,000

The total cost of the FY2020 multiple building adjustment in district-run schools is \$1,325,000.

## **ALLOCATIONS OF SPECIAL EDUCATION TEACHERS AND PARAPROFESSIONALS**

### **Diverse Learner Allocation**

In FY2020, schools received an allocation of centrally-funded special education teachers and paraprofessionals to serve diverse learners outside of cluster programs.

FY2020 allocations are based on the number of special education teachers and paraprofessionals needed to meet the IEP needs of students at the school (excluding students in cluster programs), as determined by a school-by-school review. Additionally, FY2020 allocations were determined from each school's special education student population in March 2019.

**Cluster Programs**

Schools with cluster programs receive additional centrally-funded positions for each cluster program, as shown in the following table:

**Table 5: Cluster Allocations**

Type of Cluster Program	No. of Teachers	No. of Paraprofessionals
Mild/Moderate	1	2
Severe/Profound	1	3
Deaf/Hard of Hearing	1	1
Vision Impairment	1	1
Multisensory	1	1
Early Childhood Instructional	1	1

Additional centrally-funded paraprofessional positions have been allocated for students in cluster programs who require full-time dedicated paraprofessional support.

**ALLOCATIONS OF SUPPLEMENTAL BILINGUAL TEACHERS FOR ENGLISH LEARNERS**

Supplemental bilingual funding is determined by the Office of Language and Cultural Education (OLCE). In FY2020, OLCE continued the allocation of supplemental bilingual teachers based on the allocation model introduced in FY2016.

All schools are legally required to provide Transitional Bilingual Education (TBE) and/or Transitional Programs of Instruction (TPI) for their English learner (EL) students. Supplemental bilingual resources are allocated to district-run schools to support student needs based on EL enrollment in the following tiered system:

**Table 6: Supplemental Bilingual Position Allocations for District-Run Schools**

EL Enrollment	250 +	200-249	100-199	50-99	20-49	Less than 20
Supplemental Position (EL Resource Teacher)	1.0 SUP TBE/TPI teaching	1.0 SUP TBE/TPI teaching	0.5 SUP TBE/TPI teaching	0.5 SUP TBE/TPI teaching	0.5 SUP TBE/TPI teaching	
Per-Pupil Allocation						\$450/pupil
Supplemental EL Coach Position	0.5 SUP EL Coaching					

DLE Coordinator (DLC)	Each traditional CPS school approved for a Dual Language Education (DLE) Program (implementing or in a planning year) receives a 0.5 supplemental (SUP) DLC position.					
Bilingual Advisory Committee Funding	\$500	\$500	\$500	\$500	\$500	
EL After School Tutoring (EL Grades 2-8, 9-12)	\$5500	\$5500	\$5500	\$5500	\$5500	
ELPT Annual Stipend	\$3000	\$2500	\$2000	\$1500	\$1000	\$500

35 schools received 0.5 FTE position allocations to support dual language programs in FY2020.

Additionally, OLCE will provide Title III funding to support after-school tutoring programs to provide Bilingual and English as a Second Language (ESL) academic support for EL students. 299 schools are eligible to apply for the \$5,500 tutoring funds.

- 299 schools with 20 or more EL students will receive \$1.6 million in Title III funding to launch EL after-school tutoring programs, altogether serving more than 52,000 EL students.
- 472 schools are eligible to have their designated EL Program Teacher (ELPT) receive a stipend that varies from \$500–\$3,000 a year, depending on the number of ELs in the program.
- 301 schools are eligible to receive \$500 in Bilingual Advisory Committee (BAC) funds, once they submit proof that they have established a BAC.

## GENERAL EDUCATION ALLOCATIONS TO SPECIALTY AND OPTIONS SCHOOLS

### Specialty Schools

Seven specialty schools primarily serve students with significant diverse learning needs; three early childhood centers have only pre-kindergarten students. Because of the specialized focus of these schools, core instruction funding is not provided through SBB. As such, these schools receive additional staff positions, as well as funding for non-personnel resources. Most of the classroom teachers are special education teachers or early childhood teachers, both of which are funded by the Office of Diverse Learner Supports and Services and the Office of Early Childhood Education.

Specialty schools also receive the following general education resources:

- One principal, one counselor, and one clerk, which is the same administrative base that all district schools receive through SBB.
- A staff allocation of general education teachers to ensure that teachers in self-contained classrooms receive coverage for their preparation periods. General education teachers typically teach art, music, or physical education.
- An allocation for non-personnel items, equal to \$35,000 per school, plus \$150 for each Pre-K student, \$300 for each elementary school student, and \$400 for each high school student.

### Options Schools

District options schools provide a pathway toward high school graduation for students who have dropped out of traditional high schools (e.g., over-age students without enough credits to graduate,

pregnant students, or students in confinement). District options schools include one school located at the Cook County Jail (Consuella B. York Alternative High School), one at the Cook County Juvenile Temporary Detention Center (Nancy B. Jefferson Alternative High School), one school serving pregnant students (Simpson Academy High School for Young Women), and one school serving students at risk of dropping out or returning dropouts (Peace and Education Coalition High School).

The district options schools are not funded through SBB, nor is their funding based on any formula tied to enrollment. Enrollment counts at alternative schools can often be misleading, given the highly-transient nature of the student body population. Rather, the core allocation given to options schools is based on the programs run at the school and the needs of the students served.

**CHARTER SCHOOLS, CONTRACT SCHOOLS, ALTERNATIVE LEARNING OPPORTUNITY PROGRAMS (ALOPs), AND SAFE SCHOOLS**

**STUDENT-BASED BUDGETING (SBB)**

Like most district schools, charter schools, contract schools, and Alternative Learning Opportunity Programs (ALOPs) receive funding for their core instruction through SBB. The SBB rates for these schools, however, are modified to include additional components of SBB distributed to district schools outside of the per-pupil formula. These allocations, including foundation positions, teacher salary adjustment, multiple building adjustment, and equity grants, are translated to per-pupil amounts and added to the base rate to determine a modified base rate for charters, contracts, and ALOPs.

**Table 7: Calculation of Modified SBB Base Rate for Charter Schools, Contract Schools and ALOPs**

	<b>FY2020 District School Allocation</b>	<b>Weighted District School Enrollment</b>	<b>Per-Pupil Equivalent</b>
Foundation Positions	\$189,596,459	300,895	\$630.11
Teacher Salary Adjustment	\$32,509,699	300,895	\$108.04
Multiple Building Adjustment	\$1,325,000	300,895	\$4.40
Equity Grant	\$30,693,750	300,895	\$100.68
<b>Per-Pupil Equivalent for Contract/ALOP</b>	<b>\$253,724,908</b>	<b>300,895</b>	<b>\$843.23</b>
<b>District School Base Rate</b>			<b>\$4,506.93</b>
<b>Modified Charter/Contract/ALOP Base Rate</b>			<b>\$5,350.16</b>

Note: Foundation positions total cost reflect FY2019 foundation position costs, used at the time of budget development.

The modified SBB base rate for charter schools, contract schools, and ALOPs is applied using the same weights as used for district schools, as outlined in Table 8.

**Table 8: FY2020 SBB Rates for Charter Schools, Contract Schools, and ALOPs**

<b>Enrollment Category</b>	<b>SBB Weighting</b>	<b>SBB Rates with Equivalents</b>
K–3 General Education / LRE 1 / LRE 2	1.07	\$5,724.68
4–8 General Education / LRE 1 / LRE 2	1.00	\$5,350.16
9–12 General Education / LRE 1	1.24	\$6,634.20
K–3 LRE 3	40% of 1.07	\$2,289.87
4–8 LRE 3	40% of 1.00	\$2,140.07
9–12 LRE 2	70% of 1.24	\$4,643.94
9–12 LRE 3	40% of 1.24	\$2,653.68

**NON-SBB**

Charter schools, contract schools, ALOPs, and Safe School programs receive a per-pupil equivalent for services that are provided in-kind to district schools, including operations and maintenance, security, Chicago Board of Education-funded programs (e.g., magnet, selective enrollment), and Central Office management. The non-SBB allocation is the entire amount of general funds in the operating budget, excluding special education, SBB allocation, and a limited set of items that are classified as district-wide shared obligations.

**Table 9: FY2020 Non-SBB Allocation**

	<b>FY2020 Budget (in \$ thousands)</b>
General Funds Excluding Special Education (Funds 115, 129, 210, 230)	\$4,156,633
Less SBB (Includes foundation positions, teacher salary adjustment, multiple buildings adjustment, equity grants)	\$2,000,010
Less Supplemental Aid	\$267,825
Less State Bilingual Funding	\$34,613
Less District-Wide Shared Obligations	\$1,090,139
<b>Amount of Non-SBB to be Distributed on Per-Pupil Basis</b>	<b>\$764,046</b>



Table 10 lists the district-wide shared obligations that are not included in the non-SBB allocation:

**Table 10: District-Wide Shared Obligations**

	<b>FY2020 Budget (in \$ thousands)</b>
Unfunded Pension Liability	\$609,013
Facilities Supplement for Charter/Contract/ALOP	\$61,635
Interest on Short-Term Debt	\$13,275
Core Instruction for Options, Specialty, Safe Schools	\$9,526
Real Estate Leases	\$16,482
Risk Management/Insurance	\$10,102
Transportation/Drivers Ed	\$2,669
Early Childhood (funded with General Funds)	\$58,161
New and Expansion Schools/School Transition	\$2,096
Offsetting revenue from Charters, JROTC, and E-Rate	\$66,299
Contingency	\$126,882
Vacancy Savings	\$114,000
<b>Total District-Wide Shared Obligations</b>	<b>\$1,090,139</b>

After removing the district-wide shared obligations, the non-SBB rate was based on an estimated non-SBB allocation of \$764 million. The non-SBB allocation includes the following categories of funding:

**Table 11: FY2020 Non-SBB Allocation By Category**

<b>Category</b>	<b>Description</b>	<b>FY2020 Budget (in \$ thousands)</b>
Operations	Operations and maintenance of school buildings, including cost of engineers, custodians, utilities, repairs, and Central Office operations management	\$340,710
Security	Security guards in school buildings and Central Office management of security operations	\$84,166
IT Phone/Data Network	Telephone and high-speed data wiring and network infrastructure in school buildings	\$27,939

Central Office Services	Central Office services funded from local sources, other than operations, security, and IT phone/data	\$177,198
School-Based Programs	Funding for magnet, selective enrollment, IB, STEM, JROTC, and other programs that provide supplemental funding to schools from local funds	\$110,319
Vacancy Savings	Estimated amount that district-run schools will underspend in SBB or other local funds due to vacancies — in FY2020, district-run schools are not allowed to reallocate vacancy savings for other purposes.	\$(114,000)
<b>Subtotal of Above Items</b>		<b>\$626,333</b>
Non-SBB Tuition	Charter per-pupil share of the above spending categories	\$137,713
<b>Total Non-SBB</b>		<b>\$764,046</b>

The non-SBB base rate is determined by dividing the components of the non-SBB allocation by the total weighted enrollment for district-run schools. For the first three components — operations, security, and IT phone/data networks — the total weighted enrollment includes charter school students who attend school in a CPS-owned facility.

Total weighted enrollment for the non-SBB rate is not the same as the total weighted enrollment for the SBB rate for the following reasons:

- 1) Diverse learner students are counted the same as general education students in the non-SBB rate. Some diverse learners receive a different SBB rate because much of their instruction is provided by special education teachers, which are funded outside of SBB. Since the non-SBB rate is based on the administrative and operational support provided to schools, general education and diverse learner students are counted the same way.
- 2) Enrollment for all schools is included — not just SBB schools.

The following table shows the calculation of the FY2020 non-SBB base rate:

**Table 12: Calculation of FY2020 Base Non-SBB Rate**

Category	FY2020 Budget	Weighted Enrollment	Per-Pupil Amount
Facilities and Maintenance	\$340,710	325,920	\$1,045.38
Security	\$84,166	325,920	\$258.24
IT Phone/Data Network	\$27,939	325,920	\$85.72
Central Office	\$177,198	307,578	\$576.09

Programs at Schools	\$110,319	307,578	\$358.67
Vacancy Savings	(\$114,000)	307,578	(\$370.64)
<b>Total</b>	<b>\$626,333</b>		<b>\$1,953.47</b>

The following table shows the FY2020 non-SBB rates for all grade levels:

**Table 13: FY2020 Non-SBB Rates**

<b>Non-SBB Rates</b>	<b>ES K-3</b>	<b>ES 4-8</b>	<b>HS 9-12</b>
Weighting	1.07	1.00	1.24
Per-Pupil Amount for All Schools	\$2,090.21	\$1,953.47	\$2,422.29

### **SUPPLEMENTAL FUNDING FOR SCHOOLS IN INDEPENDENT FACILITIES**

In FY2020, charter school, contract school, and ALOP facilities not owned by CPS will receive a facility supplement of \$1,457.75 per pupil to cover the costs of renting or owning the school facility. The FY2020 rate reflects an update from prior years when schools in independent facilities received \$750 per student.

Charter and contract schools that are housed in a CPS-owned building do not receive the facilities supplement, but are allowed to occupy the CPS-owned facility at the nominal rental rate of \$1 per year.

### **Enrollment Counts for SBB, Non-SBB and Facilities Supplement Adjustments**

SBB, non-SBB, and facilities supplement funding for charter and contract schools is based on two enrollment counts per the CPS calendar: a first semester count date on the 20th school day determines first semester funding and a second semester count date on the 10th day of the second semester determines second semester funding.

Beginning in FY2020, charter and contract schools will be funded on the greater of the prior and current year enrollment counts for each semester, to reflect the same enrollment policy CPS applies to district schools.

SBB, non-SBB, and facilities supplement funding for ALOP schools will remain based on quarterly enrollment counts as verified by attendance.

The following rules apply to the counting of enrollment for funding purposes:

- Enrollment counts are based on enrollment data in the district's system after the close of business on the enrollment count date.
- Students are not included in the enrollment count if they are not enrolled at the school on the enrollment count date, or if they were not enrolled for at least one full day as of the enrollment count date. Schools are responsible for ensuring that enrollment, scheduling, and attendance information is up to date in CPS' student information system on enrollment count dates.

- If a student is included in the enrollment count, but enrollment and attendance records are subsequently updated to show that the student was not enrolled in the school on the enrollment count date, the student will be retroactively excluded from the enrollment count, and the school’s funding will be decreased accordingly.

**Safe School Program**

CPS funds one Safe School program for students who have been expelled from traditional schools due to violence. It is funded like an ALOP, with a floor of 100 students, regardless of the actual number of students enrolled, to ensure that spots are available when needed. CPS receives a Regional Safe School grant from the State of Illinois, which helps pay these costs.

**SPECIAL EDUCATION**

**Charter and Contract School Special Education Funding**

In SY2019–20, charter and contract schools will receive a per-pupil allocation based on the number of students with Individualized Education Programs (IEPs) at each school. Similar to district school allocations, we used a March 2019 enrollment snapshot to determine each school’s allocation for SY2019–20, based on the following rates:

**Table 14: Special Education Per-Pupil Funding Rates**

	LRE 1	LRE 2	LRE 3
Elementary School	\$11,500	\$13,800	\$17,250
High School	\$9,315	\$11,178	\$13,973

Instead of reimbursements for services rendered, these per-pupil amounts will be paid on a quarterly basis along with regular charter and contract tuition payments. These per-pupil allocations will not be automatically adjusted but schools with extraordinary resource needs may request a review of their funding.

**ALOP Special Education Funding**

ALOP schools are assigned special education teacher and paraprofessional positions using the same allocation methodology as district-run schools.

**Table 15: Special Education Reimbursements**

Position	Maximum for average position	Maximum for any individual position
Allocated teacher positions (license required)	\$90,000	\$110,000
Allocated paraprofessional (license required)	\$40,000	\$53,000

Allocation clinician (license required)	\$90,000	\$110,000
Case manager stipend (one per school)	To be determined	

### 1. Special Education Teacher Reimbursement

- a. The school will hire its own special education teacher(s) based on the school's population of students with disabilities. CPS will reimburse the school on a quarterly basis. This reimbursement will be based on CPS' determination that each special education teacher possesses the proper license(s) as required by the State of Illinois and that the number of full-time equivalent (FTE) teacher positions for reimbursement does not exceed the CPS-approved allocation for the school.
- b. The maximum reimbursement rate for any FTE special education teacher is \$110,000 per year. The maximum reimbursement rate for all FTE special education teachers for each school is an average per-teacher reimbursement rate of \$90,000 per FTE special education teacher.
- c. The quarterly reimbursement to the school for FTE special education teachers will be the lesser of the (i) product of the maximum reimbursement rate multiplied by the number of CPS-approved, FTE teachers for the percentage of the quarter's instructional days for which the teacher was employed; or (ii) aggregate sum of the actual salaries and benefits paid to CPS-approved special education teachers employed at the school for the percentage of the quarter's instructional days for which the teacher was employed.

### 2. Special Education Paraprofessional Reimbursement

- a. The school will hire its own paraprofessionals to provide the necessary supports required by its students' IEPs.
- b. CPS will reimburse the school on a quarterly basis. This reimbursement will be based on CPS' determination that each special education paraprofessional providing instructional support is highly qualified in accordance with the federal Every Student Succeeds Act (ESSA) standards and that the number of FTE paraprofessional positions for reimbursement does not exceed the CPS-approved allocation for the school.
- c. The maximum reimbursement rate for any FTE special education paraprofessional is \$53,000 per year. The maximum reimbursement rate for all FTE special education paraprofessionals for each school is an average per-paraprofessional reimbursement rate of \$40,000 per FTE paraprofessional.
- d. The quarterly reimbursement to the school for FTE special education paraprofessionals will be the lesser of the (i) product of the maximum reimbursement rate multiplied by the number of CPS-approved, FTE paraprofessionals for the percentage of the quarter's instructional days for which the paraprofessional was employed; or (ii) aggregate sum of the actual salaries and benefits paid to the CPS-approved, special education paraprofessionals employed at the school for the percentage of the quarter's instructional days for which the paraprofessional was employed.

### 3. Special Education Clinician Reimbursement

- a. If clinicians are required by the students' IEPs, the school will hire its own clinicians to provide the necessary supports.

- b. The school may have the Board furnish clinicians to serve the school’s students with disabilities, only if a waiver is given by CPS.
- c. If the school hires its own clinicians, then CPS will reimburse the school on a quarterly basis. This reimbursement will be based on CPS’ determination that each clinician possesses the proper license(s) as required by the State of Illinois and that the number of FTE clinicians does not exceed the CPS-approved allocation for the school.
- d. The maximum reimbursement rate for any FTE clinician is \$110,000 per year. The maximum reimbursement rate for all FTE clinicians for each school is an average per-clinician reimbursement rate of \$90,000 per FTE clinician.
- e. The quarterly reimbursement to the school for FTE clinicians will be the lesser of the (i) product of the maximum reimbursement rate multiplied by the number of CPS-approved, FTE clinicians at the school for the percentage of the quarter's instructional days for which the clinician was employed; or (ii) aggregate sum of the actual salaries and benefits paid to the CPS-approved clinicians at the school for the percentage of the quarter's instructional days for which the clinician was employed.

**4. Special Education Case Manager Reimbursement**

- a. The school shall appoint and pay a salary and benefits to its own qualified case manager.
- b. CPS will provide the school with a stipend for a qualified case manager that is equivalent to the amount given to case managers at district-run schools. The amount of the stipend is to be determined, pending an agreement between the Board and the Chicago Teachers Union.
- c. A case manager shall be deemed qualified if he or she has appropriate licenses and/or certifications as determined by the district. At least two years’ experience in the field of special education is recommended/preferred.

An individual serving as a case manager may receive only one stipend, even if the individual is serving more than one school. Related service providers are allocated using the same staffing formulas as district-run schools. The district will continue to reimburse schools for the actual cost of the related service providers. Schools are expected to hire their own related service providers and are reimbursed for their expenses at the following rates:

**Table 16: Special Education Reimbursements**

<b>Position</b>	<b>Maximum for average position</b>	<b>Maximum for any individual position</b>
Related service providers (license required)	\$90,000	\$110,000
Case manager stipend (one per school)	To be determined	

**ALLOCATIONS OF SUPPLEMENTAL BILINGUAL FUNDING FOR ENGLISH LEARNERS**

Charter/contract schools, ALOPs, and Safe School programs (collectively, “charter schools”) receive supplemental bilingual grant funding based on EL enrollment in the following tiered system:

**Table 17: State Funding for Charter Schools**

Tier	EL Enrollment	No. of Schools	FY2020 Supplemental Funding Allocation
1	100+ EL students enrolled	36	\$46,000
2	1 to 99 EL students enrolled	83	\$450 per EL student

**Table 18: Federal Title III Funding for Charter Schools**

Tier	EL Enrollment	No. of Schools	FY2020 Supplemental Funding Allocation
1	250+ EL students enrolled	7	\$46,000
2	1 to 249 EL students enrolled	112	\$103.88 per EL student*

\*Title III per-pupil rate:  $\$106 \times 98\%$  (2% administrative fee) =  $\$103.88$ .

Illinois Charter School Law now requires all charter schools to provide bilingual instruction to EL students. Charters are on a reimbursement system and must submit requests for reimbursement for expenses related to EL instruction. Charter schools are allocated grant funds in lieu of positions because Charter Management Organizations operate independently of CPS. Therefore, CPS cannot allocate positions but can allocate equitable funding based on EL enrollment at charter schools.

## **ALLOCATIONS OF OTHER DISCRETIONARY FUNDS TO ALL SCHOOLS**

### **Supplemental Aid (SA)**

As part of the FY2020 budget, charter schools, contract schools, and ALOPs will receive Supplemental Aid (SA) funding for Pre-K-12 students, which will follow the same spending rules as local funds. Funds are distributed to the schools in proportion to the number of pupils enrolled who are eligible to receive free or reduced-price meals under the federal Child Nutrition Act of 1966 and the National School Lunch Act as of a single point in time from the previous school year.

### **ESSA Title I**

CPS allocates federal Every Student Succeeds Act (ESSA) Title I funds to schools with high concentrations of low-income children that need supplementary services. The formula used to determine a school's eligibility for these funds is based on the ratio of Temporary Assistance to Needy Families (TANF) and free and reduced-price lunch school data as a percentage of enrollment. The data must be collected at a single point in time for the entire school system, and the district used January 3, 2020, as the collection point for FY2020.

In FY2020, the Title I poverty index is the weighted average of the number of students ages 5-17 who qualify for free or reduced-price lunch (70 percent weight) and the number of students ages 5-17 who qualify for TANF (30 percent weight), rounded up to the nearest whole number.

Once data is collected, CPS ranks schools and allocates additional funding to schools. Schools with a poverty index below 40 do not receive Title I funds, even if the school has eligible students. However, if

a school meets the poverty threshold for Title I eligibility one year, but their poverty index decreases to below 40 the next year, they may retain their Title I eligibility per federal provisions under ESSA.

Schools have received a Title I allocation based on their calculated Title I poverty index and their enrollment on January 3, 2020. Schools with higher concentrations of poverty receive more Title I funds per eligible students. The per-pupil allocation rate increases as the poverty index for the schools increases. A school with a poverty index of 40 receives an allocation of \$617.50 per eligible student. As the poverty index increases by one, the per-pupil allocation increases by \$15 per pupil. A school with a poverty index of 41 receives \$632.50 per pupil. A school with a poverty index of 50 receives \$772.50 per pupil.

Schools can budget SA and Title I funds at their discretion but must remain in compliance with regulations and guidelines. It is important to remember that the poverty rate calculations for Title I are more stringent than the calculations for SA. SA considers only the number of students who qualify for free and reduced meals, and it is not unusual for CPS schools to have poverty rates of 99 or 100 percent using that measure. The Title I poverty measure also looks at the number of students who qualify for TANF, and far fewer CPS students meet this standard.

## CHARGES AND FEES

### Facilities Charges for Schools in CPS-Owned Facilities

Charter schools, contract schools, and ALOPs occupying a CPS-owned facility are responsible for the operating costs of the building. Schools are charged for facilities costs based on per-pupil rates reflecting the average operating costs throughout the district.

Facilities charges are assessed for facilities and maintenance, security, and IT, with the per-pupil rates for each listed in Table 19. The FY2020 rate for each charge is the same as the corresponding component in the calculation of the base non-SBB rate (see Table 12, above).

**Table 19: Per-Pupil Rates for Facilities Charges**

<b>Deduction Type</b>	<b>FY2019 Rates</b>	<b>FY2020 Rates</b>
Facilities and Maintenance	\$965.14	\$1,045.38
Security	\$256.04	\$258.24
IT	\$84.13	\$85.72
<b>Total Facilities Charge</b>	<b>\$1,305.31</b>	<b>\$1,389.34</b>

Schools can opt out of the district’s security and IT services. Charter and contract schools that are the sole occupant of a CPS facility can also opt out of facilities and maintenance services. Schools that are sharing a facility with another school are not allowed to opt out of facilities and maintenance services.

Schools will not be charged for any component of the facilities charges from which they have opted out.



**Employer Pension Contribution Charges**

Under the SBB model, charter schools receive per-pupil funding based on an SBB allocation that includes the amounts spent on employer pension costs of certified teachers. For this reason, each contract school reimburses the district for the employer pension costs for its employees who participate in the Chicago Teachers Pension Fund. Schools are charged 11.16 percent of the salary costs of participating employees, consistent with the pension normal cost estimates for FY2020. Pension payments are deducted from quarterly tuition payments. Pension charges will not apply to special education teachers, aides, or clinicians.

**Administrative Fee**

Schools are charged a three percent administrative fee to cover the district’s costs in overseeing these schools and programs. The following table shows how the administrative fee is assessed for each funding source.

**Table 20: Administrative Fees**

Funding Source	Fee	How Admin Fee Will be Charged
SBB	3%	Total fee for SBB, non-SBB, SA, and Special Education will be deducted from quarterly tuition payments.
Non-SBB	3%	
Supplemental Aid (SA)	3%	
Special Education	3%	
Facilities Supplement	–	No admin fee.
Title I	–	No admin fee. District’s administrative costs are deducted prior to the allocation of Title I funds.
Title II	–	No admin fee. District administrative costs covered in Title I.
Title III	2%	Admin fee is capped at 2% per grant rules. 2% fee deducted from Title III payments.
State Bilingual	3%	Fee deducted from state bilingual payments.