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## Chicago Public Schools Budget Review FY 2017

Rodney D. Estvan M.Ed.

Education Policy Analyst  
Access Living of Metropolitan Chicago  
115 West Chicago Ave

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## **Executive Summary**

The proposed Chicago Public Schools (CPS) FY17 budget is \$ 5,459.9 million and it presented a radical change in the way special education funds were depicted and categorized. This report presented for Access Living a deep analytical challenge due to these changes. Special education has had the most complex state program code funding system in CPS's interactive online budget. Not counting administrative lines or city wide program lines there have been as many as 50 different defined instructional program codes for special education in the budget. Many of these program codes for FY 17 now read zero. We spend a good part of this report explaining where these funds went and how they return to schools. We look at one CPS elementary school in detail that lost funding for special education services. We found it difficult to draw districtwide conclusions on special education funding because of all the changes made and merging of fund lines.

There is an extensive discussion in this report of the overall fiscal situation of CPS and the history of funding proposals for CPS in the Illinois General Assembly over the last school year. We conclude that CPS remains in a deep fiscal crisis even with the funding that has been provided by the State, along with additional property taxes that have been approved. This crisis has an impact on special education and what can be done for students with disabilities within CPS and too much of the burden for adjusting budgets is being placed on principals.

We critique a new white paper issued by CPS on the state of special education in CPS that interfaces with the budget. We express some agreement with the analysis of CPS and many points of disagreement. We found it refreshing that CPS recognizes in the white paper that while CPS non-disabled students have shown academic progress, students with disabilities have not shown similar progress on average. We note that going back to 2007 Access Living has made this point and the CPS Board refused to acknowledge the reality of the situation.

We conclude the report with the following recommendations:

1. The CPS FY 17 budget is not transparent as to the merger of categorical district wide special education funding into Core Instructional Funding. CPS is not transparent as to what drives the school level special education funding. The CPS FY 17 budget does not provide an actual special education funding formula. It instead states that students with disabilities would be funded “based on IEP needs.” When a researcher for SEIU Local 73 tried to FOIA “a summary report of total minutes of Special Education services required by individual Education Plans of Diverse

Learners aggregated by school.” CPS argued that information “was prohibited from being disclosed by the Illinois School Student Records Act.” Eventually CPS complied with this request, but since this request was for what is now in reality the funding formula it should have not been that hard to get this information.

CPS could easily have corrected both of these problems:

First, by showing clearly for every school categorical district wide special education funding programs that were eliminated and then showing funds following to the schools from Special Ed Instruction K-12 program replacing them. The difference for each and every school should be provided in an easy to read manner.

Second, CPS could have made available to the public for every school the service minutes for IEPs at their school and quantify the average cost for the delivery of those minutes. Then parents of students with disabilities could see for themselves if their children’s service needs are being met by special education funding going to their schools. CPS explicitly did not do these things in the FY 17 budget.

2. CPS should produce an analytical report on its special education program annually. The report should provide to the public quantitative data on students with disabilities in CPS in some detail. The report should be an opportunity for self-reflection by CPS about its special education program. The larger school community should be invited to provide annual written public commentary on this report and periodic public hearings should occur focused on the report. The idea of CPS creating the white paper on special education was a step in the right direction even though Access Living disagreed with numerous aspects of that paper.

3. CPS remains in deep fiscal crisis and it has to establish realistic educational goals commensurate with its available resources. CPS is not keeping the cuts away from the classroom because that is simply impossible given the depth of the fiscal crisis faced by CPS. CPS has attempted to shift all school level instructional cuts to the decision making of principals, and that is problematic. The CPS Board needs to acknowledge publicly that it’s funding to schools forces principals into numerous dilemmas.

4. But CPS does not need to add to these funding dilemmas as it has with the merger of Core Instructional Funding and Special Education Funding for non-cluster site special education programs. The merger of these funds via student based budgeting should be abandoned. It can no longer be determined how much CPS is spending on many different groupings of students with disabilities due to this merger of funds.

5. Because of the crisis of violence faced by Chicago Public School students and the profound lack of resources CPS is faced with, the district needs to focus its resources for multi-tiered system of supports (MTSS) also known as Response to Intervention (RtI) on the social emotional learning needs of targeted students particularly in those communities with high violence.

6. CPS needs to examine outcomes for its more significantly disabled students who often do not take standardized tests, or who take alternative assessments. While these students can’t be compared to their non-disabled peers in a simple statistical manner, Access Living believes that

outcomes for these students post-graduation need to be measured and CPS needs to be held accountable for these students too. These outcomes need to include independent living outcomes, employment outcomes, and the percentages of these former students who are dependent for their survival on various forms of public assistance. The idea of continuous improvement needs to be applied to the lives of these more significantly disabled students.

7. CPS needs to reestablish an effective office for the Americans with Disability Act (ADA) related issues with a director. Every year there are hundreds of CPS employees, parents and grandparents, and students who need ADA accommodations or modifications to their schools and they need a clear point of contact for these services. Funding for ADA projects should be included in the Capital Budget to continue to make historic CPS schools accessible not just for accommodations.

8. Universal Design for Learning, which Access Living has long advocated for, is the most efficient approach to instructing students with disabilities. But the pathway to Universal Design for learning for all students will not be found by unifying the funding mechanisms first. It is to be found in having a school district where all teachers can instruct all children and where there are still specialists with deeper knowledge about students with disabilities. Such a transformation would take years.

## Introduction

The proposed Chicago Public Schools (CPS) FY17 budget is \$ 5,459.9 million, a decrease of about \$227.8 million from the proposed and approved FY16 budget of \$5,687.7 million.<sup>1</sup> However, due to mid-school year budget cuts which are discussed in our review the actual expended FY 16 budget was far below the proposed budget the CPS Board approved in August 2015, it was only about \$5,467.2 million.<sup>2</sup> So the actual reduction from what CPS expended in FY 16 to what it proposed for FY 17 was only about \$7.3 million. Nonetheless the Chicago Tribune editorial board stated: “There is some good news in this budget: The district plans to spend \$232 million less than last year. Claypool & Co. have done a good job trimming expenses and consolidating operations.”<sup>3</sup>

The primary concern relating to the FY 17 budget in the major media were assumptions made by CPS relating to savings for its contract with the Chicago Teachers Union and whether or not a strike would be triggered.<sup>4</sup> Access Living has many other concerns relating to services for students with disabilities attending Chicago Public Schools, charter schools, and contract schools

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<sup>1</sup> CPS FY 16 budget at page 18.

<sup>2</sup> CPS FY 17 budget at page 22.

<sup>3</sup> Editorial (August 9, 2016) “Chicago Public Schools budget: Promises, promises” *Chicago Tribune*.

<sup>4</sup> See Perez, J., Renault, M. (August 9, 2016) “CPS proposes \$5.4 billion budget, teacher pact similar to earlier submission” *Chicago Tribune* and Esposito, S., Rossi, R. (August 8, 2016) “CPS vows ‘balanced’ \$5.4B budget; CTU sees cuts, threatens strike” *Chicago Sun Times*.

which we will discuss. We have very major concerns about how student based budgeting for special education services are being implemented in schools, and we are concerned about how school based “discretionary funds” and “core instructional funds” may be being utilized to help support special education services that CPS is required by law to provide.<sup>5</sup>

We also discuss and review an important white paper that was issued by CPS on its special education program. We make specific recommendations to the CPS Board relating to special education and its funding.

## **Special education budget problems carry over into FY 16**

On July 1, 2015, CPS issued a press release with the title “After Springfield Inaction, CPS Reducing Expenses By \$200 Million.”<sup>6</sup> Of the \$200 million in reduced expenditures outlined in this press release, \$42.3 million were special education reductions.<sup>7</sup>

The special education funding reduction constituted about 21% of the overall budget reductions discussed in the July 1<sup>st</sup> press release, even though CPS students with disabilities only constituted about 13.8% of the student enrollment.<sup>8</sup> The press release provided a discussion of special education expenditures including this passage:

CPS conducted an 18-month review of services and staffing for students with disabilities to transform the way services are delivered. The long-term goal is for more students with unique learning needs to be able to receive services at their neighborhood schools. Under this plan, every child with an individualized education program will continue to receive the services in their plan.

Reading further in the press release, we realized, that that the 18 month review appeared to largely consist of an examination of where CPS schools fell under the level of the State of Illinois “maximum ratio” for special education class room staff to student ratios or where schools were well in excess of those ratios.<sup>9</sup> But the state administrative rule CPS referenced in this press release also clearly stated that maximum staff/student ratios, are not the only consideration in determining appropriate staffing for separate special education classes: “In the formation of

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<sup>5</sup> 105 ILCS 5/34-2.3.4d and d.1 which discusses the use of State Title I funds in CPS schools and requires that CPS provide “Schools shall receive personnel and funds based on, and shall use such personnel and funds in accordance with State and Federal requirements applicable to each categorical program provided to meet the special needs of the student body (including but not limited to, Federal Chapter I, Bilingual, and Special Education).”

<sup>6</sup> CPS (2015, July 1) “After Springfield Inaction, CPS Reducing Expenses by \$200 Million.”

<sup>7</sup> The FY 16 Budget indicates special education cost reductions of \$38.3 million. See table on page 63 of the FY 16 CPS Budget Book where total special education expenditure for FY 15 were listed at \$854,400,131 and the FY 16 proposed Budget for Special Education is listed as \$816,105,867. The FY 16 Budget Book in text at page 11 continues to use the \$42.3 million figure obviously copied from the PR statement and not corrected to the special education budget data in the tables.

<sup>8</sup>

[http://iirc.niu.edu/Classic/District.aspx?source=About\\_Students&source2=Educational\\_Environment&districtID=15016299025&level=D](http://iirc.niu.edu/Classic/District.aspx?source=About_Students&source2=Educational_Environment&districtID=15016299025&level=D)

<sup>9</sup> CPS has never made public any documentation from the 18-month review of services and staffing for students with disabilities.

special education classes, consideration shall be given to the age of the students, the nature and severity of their disabilities, the educational needs of the students, and the degree of intervention necessary.”<sup>10</sup>

Numerous requests were made by advocates for students with disabilities and the unions representing special education staff working in CPS for a copy of the 18 month review. CPS indicated orally at one point that no such formal study document ever existed.

Reports of significant school based budget cuts for special education stemming from the All Means All pilot program began to flood the inboxes of advocates for students with disabilities in Chicago. This was a student-based budgeting for special education program. Principals got a lump sum amount for students with disabilities instead of dedicated staff positions.<sup>11</sup> There were several protests related to these cuts organized by a coalition that included Access Living, the education unions, parent groups, and other advocacy organizations for people with disabilities.

After considering principal appeals to the special education cuts, at the end of November 2015, CPS restored almost 150 special education positions system-wide.<sup>12</sup> CPS said it based special education position cuts on a “flawed funding formula” and issued corrections to make sure every child with an Individualized Education Program gets the services guaranteed to them under federal law.<sup>13</sup> Shortly prior to these restorations, Markay Winston CPS’ special education chief, resigned.

The restorations came late in the school year and it was impossible for many schools to find qualified special education teachers to fill the positions, although most restored aide positions appeared to have been filled. This restoration process would come back to haunt schools in FY 17 because CPS used only expended FY 16 special education dollars from schools to establish their FY 17 budgets. So if a school failed to find a special education teacher, they got no cash credit for the approved position for the next school year, and if they hired a teacher or aide in December 2015 or January 2016, they only got credit for the money they expended up to the end of June 2016.

## **Actions during school year to reduce expenditures**

On January 22, 2016, CPS announced it was immediately issuing layoff notices to 227 administrative employees, and it was closing 180 vacant administrative positions. CPS also indicated at that point in the school year that it was operating with a \$480 million budget gap.<sup>14</sup> Many of the district’s layoffs hit the special education department, accounting for 80 of the 227 people laid off and 29 of the 180 districtwide vacancies eliminated.<sup>15</sup>

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<sup>10</sup> 23 ILLINOIS ADMINISTRATIVE CODE Section 226.730

<sup>11</sup> Vevea, B. (July 29, 2015) “CPS budget cuts hit special education students” *WBEZ Radio*.

<sup>12</sup> CPS provided the media on November 25, 2015 with a spread sheet of the special education restorations titled Diverse Learners Adjustments.

<sup>13</sup> FitzPatrick, L. (November 25, 2015) “Admitting ‘flawed’ formula, CPS restores nearly 150 special ed positions” *Chicago Sun Times*.

<sup>14</sup> CPS Office of Communications (Jan 22, 2016) “CPS STATEMENT ON LAYOFFS.”

<sup>15</sup> Fitzpatrick, L (January 25, 2016) “Special ed staff layoffs could hurt schools, advocate says” *Chicago Sun Times*.

The reason for these mid-year cuts can be found in this statement in the CPS FY 16 budget:

To present a balanced budget for FY16 and to ensure that we are continuing to protect classrooms, CPS is relying on \$500 million in pension funding equity from Springfield. If equity is not achieved, CPS will be forced to address the shortfall with a mix of deeper cuts and/or additional unsustainable borrowing.<sup>16</sup>

Rather amazingly, CPS stated in the same paragraph it is presenting to the public “a balanced budget for FY16,” and then admits it is only balanced if CPS gets \$500 million in additional funding from the Illinois General Assembly for funding its pension obligations. CPS did not get this appropriation from the Assembly.

In February 2016, CPS announced \$100 million in cuts from school budgets.<sup>17</sup> However, a letter sent to the Chicago Teachers Union from the CPS CEO stated: “I am directing school administrators to create a reduction in force plan that will achieve savings of \$50 million with layoffs to occur as soon as possible.”<sup>18</sup> Mr. Claypool went on to state that he was ordering a “re-purposing” of Federal Title I and II funds away from school equaling another \$50 million, stating that this would “have no significant overall funding impact on school budgets.” A few days later CPS issued a press release indicating that the cut in Federal Title I and II funds did have a significant impact. The release stated:

In meetings with principals from every school in the District, CPS leadership and budget officials provided adjusted school budgets that reflect \$120 million in annualized cuts, \$85 million of which will be realized in the current fiscal year.<sup>19</sup>

Initially, based on the \$85 million reduction, there were reported to have been 62 employees including 17 teachers laid off.<sup>20</sup>

Following this layoff announcement, CPS attempted to go to capital markets and borrow \$875 million. They were forced to withdraw the proposed borrowing when CPS was “asked by a couple of investors to just wait a couple of days and give them more time.” It was clear that both City of Chicago and CPS officials attempted to present the delay as routine. The decision more likely reflected the difficult market situation. According to the Chicago Tribune: “Before CPS decided to hold off on the borrowing deal, the district was planning to sell 25-year bonds at yields of up to 7.75 percent. By comparison, when the state of Illinois, itself struggling with significant liabilities, sold bonds earlier this month, yields reached only 4.27 percent for 25-year bonds.” One analyst was quoted by the Tribune as stating that CPS was offering its bonds at rates close to those of Puerto Rico and still could not get the deal done.<sup>21</sup>

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<sup>16</sup> Chicago Public Schools 2016-2017 Budget (August 10, 2015) p. 4.

<sup>17</sup> Grimm, A and Esposito, S. (February 2, 2016) “CPS announces \$100 million in cuts; CTU outraged” *Chicago Sun Times*.

<sup>18</sup> Claypool, F. (February 2, 2016) “Letter to Karen Lewis.”

<sup>19</sup> Chicago Public Schools (February 9, 2016)

<sup>20</sup> Fitzpatrick, L and Spielman, F (February 29, 2016) “CPS to cut \$85 million, lay off 62 employees” *Chicago Sun Times*.

<sup>21</sup> Gillers, H and Perez, J (Jan 27, 2016) “Chicago Public Schools holds off on \$875 million borrowing deal” *Chicago Tribune*. Puerto Rico was considered to be on the edge of default at the time.



In early February 2016, CPS managed to sell only \$675 million in bonds at a tax exempt interest rate of 8.5 percent.<sup>22</sup> Making things even worse, the day prior to this bond offering CPS issued more proposed budget cuts totaling \$50 million in additional positions to be eliminated “as soon as practicable along with eliminating a pension pickup for teachers equal to \$130 million.”<sup>23</sup> The cuts were ordered one day after the Chicago Teacher’s Union (CTU) rejected a contract proposal from the school district, and the CTU responded by stating that the CPS CEO had issued a declaration of war against the union.<sup>24</sup> Principals were reportedly told by CPS not to lay off special education teachers or aides and to avoid cutting classroom teachers.<sup>25</sup> By March the CTU was threatening to strike over the pension pick up issue, stating it was an unfair labor practice being implemented during collective bargaining. Within days, CPS dropped the idea of unilaterally eliminating the pick up by the school district of part of the normal teachers’ share of their pensions.<sup>26</sup>

CPS did immediately impose three unpaid furlough days on CPS staff that resulted in a 1.6 percent salary reduction for members of the CTU and generated \$30 million in savings for CPS.<sup>27</sup> Memos were sent to school principals informing them that district supervisors were required to approve all purchases that exceed \$5,000 and informed them of changes on how employees are reimbursed for expenses. The district also reset passwords used to approve purchases. According to a *Chicago Tribune* article these steps were designed to save \$55 million in the remainder of FY 16.<sup>28</sup>

## Debt worries during the 2015-16 school year

In April 2016, CPS provided City of Chicago Aldermen with power point presentations including graphs such as the one below. CPS stated it was “borrowing on a credit card” to address its cash flow needs. CPS had an \$870 million line of credit that expired in August 2016. In order to cover costs for the next school year, CPS would need to renew that \$870 million line of credit, but it could not do so without a Fiscal Year 2017 budget and a new property tax levy. “Banks will only lend if they see a balanced budget with meaningful progress to structural balance and positive projected cash flows for FY 2017,” the power point stated.<sup>29</sup>

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<sup>22</sup> Gillers, H (Feb 3, 2016) “CPS borrows \$675 million at extraordinarily high interest rate” *Chicago Tribune*.

<sup>23</sup> Claypool, F (Feb 2, 2016) “Letter to CTU President Lewis” Office of the CPS Chief Executive Officer.

<sup>24</sup> Perez, J. (Feb 2, 2016) “Chicago Teachers Union calls proposed cuts by district an act of war” *Chicago Tribune*. The cuts were to be implemented by reducing student base budget per child by 4.8%. The base per-pupil rate would be reduced from \$4,390 to \$4,176, a reduction of \$214. CPS Office of Communications (Feb 9, 2016) CPS Press Release.

<sup>25</sup> Belsha, K (Feb 9, 2016) “Cutting begins, principals told hands off special ed.” *Catalyst*.

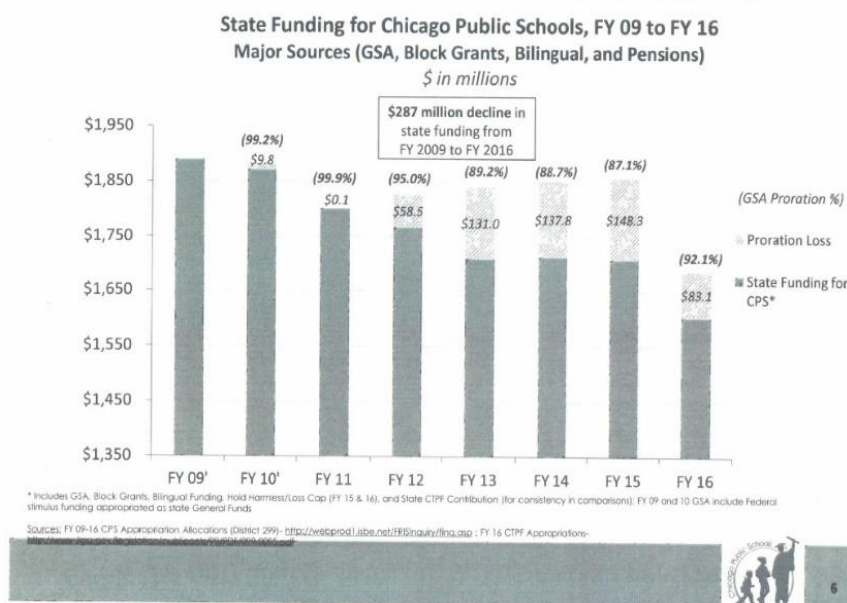
<sup>26</sup> Belsha, K and Choporis, S. (March 4, 2016) “Pension pickup remains, but union still plans action.” *Catalyst*.

<sup>27</sup> Perez, J. (March 4, 2016) “CPS sets 3 furlough days for workers, cancels school on Good Friday” *Chicago Tribune*.

<sup>28</sup> Perez, J. (March 9, 2016) “CPS tells principals it lacks the cash to get through this year” *Chicago Tribune*.

<sup>29</sup> See <https://www.aldertrack.com/> and <https://www.scribd.com/doc/311408433/CPS-Aldermanic-Briefing-Docs-5-3-16>

State funding to CPS down \$100M since just last year  
Proration has cost CPS \$569M cumulatively since FY 2010



CPS PowerPoint presentation to City Council April 2016

During the briefing, CPS officials outlined a plan to the Aldermen that was dependent on the Illinois General Assembly passing funding reform, and Governor Rauner signing it into law. CPS, according to a report of the closed door briefing stated it would at that point ask City Council to approve a \$142 million property tax levy devoted to CPS capital improvements. The Chicago City Council has a separate property tax levy so it could in theory use it to raise for money CPS capital spending.<sup>30</sup> Such an ordinance was never introduced in the City Council.<sup>31</sup>

This presentation to City Aldermen was consistent with a Moody's report issued at the end of December 2015.<sup>32</sup> During this same time frame the *Chicago Tribune* was running articles discussing what would likely happen if CPS missed a debt payment on General State Aid backed revenue bonds arguing: "If CPS were to fail to make the deposit (to pay bondholders), ... the trustee banks under the contract would direct the school board to proceed with (a) tax increase. The county clerk then would collect the taxes and deliver the money directly to the trustee banks."<sup>33</sup> According to this article, the existing Property Tax Extension Limitation Law (PTELL), which limits the amount CPS can raise property taxes, would not apply to this type of

<sup>30</sup> Description of the meeting appeared on Capitol Fax.com (May 4, 2016).

<sup>31</sup> Spielman, F. (June 30, 2016) "Chicago homeowners take bigger tax hit, but aldermen off the hook" *Chicago Sun Times*.

<sup>32</sup> Moody's Global Credit Research (Dec 21, 2015) "Rating Action:

Moody's downgrades Chicago Board of Education, IL's GO to B1; rating under review for further downgrade"

<sup>33</sup> Gillers, H. (March 17, 2016) "If CPS ever misses a debt payment, property owners would see taxes jump" *Chicago Tribune*.

increase. Market commentators who had predicted a CPS bond default hotly contested this assessment by the Tribune, arguing that the “Chicago Public School (CPS) system is bankrupt in every way but the final declaration. That declaration is a foregone conclusion, and bondholders will take it on the chin.”<sup>34</sup>

Governor Rauner for over a year made it clear his position was: “The state has a crisis, the city has a crisis. I’m concerned that [CPS] is going to have to go bankrupt.”<sup>35</sup> The Republican caucus in the General Assembly attempted to make bankruptcy for CPS a reality by introducing a bill to allow for it, but the bill never got out of committee.<sup>36</sup> Then the Governor attempted to utilize the Illinois State Board of Education to exercise control over CPS in relationship to Article 1A-8 of the School Code.<sup>37</sup> This would allow for CPS to be certified in financial difficulty and qualify for a Financial Oversight Panel (FOP). In April 2016, the Illinois Attorney General ruled CPS is exempt from these provisions based on the language of law and the Governor or ISBE can’t block CPS from further borrowing.<sup>38</sup> The ISBE launched an investigation of CPS requesting numerous documents and determined CPS did not meet the criteria for a FOP.<sup>39</sup>

The animosity level between the Governor and the Mayor of Chicago over school funding by June reached a level where they were trading barbs in the media.<sup>40</sup>

## **The stop gap solution for CPS fiscal crisis**

The fiscal crisis of CPS became a linchpin issue for the Illinois General Assembly in relationship to passing an FY 17 budget of any kind. The President of the Illinois Senate John Cullerton from Chicago threatened several times to block any K-12 funding bill for the entire state unless the legislature approved a school funding bill that included additional funding for CPS.<sup>41</sup> The bill President Cullerton supported to resolve the crisis was a comprehensive bill to restructure the entire Illinois school funding system, Senate Bill 231.<sup>42</sup> The bill passed the Senate on May 10, 2016 by a party line vote of 31 to 21. In the House there were leading Democrats from outside the City who did not support the bill, in particular because some of their own school districts lost money due to the proposed formula. The bill never got out of committee in the House.<sup>43</sup>

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<sup>34</sup> Shedlock, M. (March 18, 2016) “MishTalk” <https://mishtalk.com>

<sup>35</sup> CBS 2 News (April 15, 2015) “Rauner fears CPS is going to have to go bankrupt.”

<sup>36</sup> HB 4498.

<sup>37</sup> Sfondeles, T. and Spielman (Feb 2, 2016) “Rauner: State preparing to take over CPS” *Chicago Sun Times*.

<sup>38</sup> <http://chicago.suntimes.com/politics/illinois-ag-state-board-of-ed-cant-stop-cps-from-borrowing-cash/>

<sup>39</sup> FitzPatrick, L. (Feb 18, 2016) “State Board of Ed launches financial probe of CPS.” Perez, J. (May 8, 2016) “State: No need for CPS intervention” *Chicago Tribune*.

<sup>40</sup> Sfondeles, T. and Spielman, F. (June 6, 2016) “Rahm says Rauner appears to be auditioning to be Trump’s VP” *Chicago Sun Times*.

<sup>41</sup> Miller, R. (April 15, 2016) “Has Cullerton found a way to end the Springfield stalemate?” *Crains*.

<sup>42</sup> That bill would have increased state spending on K-12 schools by about \$900 million, with \$475 million of that going to CPS. However, CPS faced a loss of about \$220 million once a hold harmless provision relating to a special education funding block grant was fully phased out within three years.

<sup>43</sup> <http://www.ilga.gov/legislation/billstatus.asp?DocNum=231&GAID=13&GA=99&DocTypeID=SB&LegID=84192&SessionID=88>

Governor Rauner had also indicated if the bill passed he would veto it and there was little hope of an override.

Governor Rauner and the Republican caucus proposed a K-12 education bill that included some additional funding for CPS to prevent an actual drop in funding. This proposal was rejected by the leading Democrats, and CPS.<sup>44</sup> That bill never got out of committee. There was even a fusion bill proposed by several African American Democrats in the General Assembly that combined approaches to school funding reform with relief for CPS that did not move.<sup>45</sup>

Ultimately the legislative solution for the CPS fiscal crisis excluded any larger education funding reform proposals. It was a very traditional solution, increase property taxes, and deficit spending by the State for education.<sup>46</sup> The Illinois General Assembly passed a number of bills that are referred to in the media as the stopgap. One bill that included the K-12 funding for the entire State of Illinois was SB2047, which became PA 99-0524. This bill included a full-year FY2017 appropriation of \$5.1 billion for General State Aid (GSA) for education, that was \$361.4 million above the \$4.7 billion appropriated in FY2016 and \$306.1 million higher than the \$4.8 billion in the Governor's recommended FY2017 budget.

It also included \$250 million for schools with high concentrations of low-income students. CPS would receive an additional \$102.5 million in General State Aid from this pot of money in FY2017, according to the Illinois State Board of Education.<sup>47</sup> The overall school funding bill also included a \$12.2 million payment to CPS for pensions. Another bill, SB 2822 required the State to pay the normal cost (current service cost) of \$215.2 million for Chicago teachers' pensions in FY2017.<sup>48</sup> Yet another bill that became PA 99-0521 would allow CPS to levy a special property tax to help pay pension costs. That tax, at a rate of 0.383%, was estimated to generate about \$250 million per year.

Effectively, inclusive of additional property tax revenue, CPS in FY 2017 could receive \$567.7 million in additional funding to help offset its pension obligations. That would indicate based on deficit claims made by CPS at the beginning of 2016 that CPS still would need to make budget reductions in the range of \$232.3 million for the FY 2017 budget.<sup>49</sup> CPS in its FY 17 budget came up with a somewhat higher remaining deficit stating: "After action from Springfield, Chicago taxpayers and CPS' FY16 management efficiencies are applied to the budget, CPS was left with a \$300 million budget gap."<sup>50</sup>

By the end of July 2016, CPS was again borrowing money for capital projects. Rather than trying to sell \$150 million worth of bonds on the open market, CPS sold them to JPMorgan in what's

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<sup>44</sup> (June 7, 2016) "CPS rejects revised Rauner plan" *Capitol Fax*.

<sup>45</sup> HB 3190

<sup>46</sup> For a very critical analysis of this solution see The Civic Federation (July 1, 2016) "Break in Illinois' Budget Impasse Allows for Partial Spending Plan" <https://www.civiced.org>

<sup>47</sup> ISBE prepared a spread sheet that included this data called the Forecast 99-0524.

<sup>48</sup> As of August, 2016 this bill had not been sent to the Governor by the Senate and had not be signed by Governor Rauner.

<sup>49</sup> Gillers, H. (January 24, 2016) "CPS faces \$800M budget hole" *Chicago Tribune*.

<sup>50</sup> CPS FY 17 budget at page 7.

known as a “private placement.”<sup>51</sup> These privately placed bonds would pay 7.25% interest to the bank until 2046 that will be tax exempt. CPS indicated that this deal was an improvement over the 8.5% interest it had to pay when it last went to the public bond market.

In a February 2014 commentary, Standard & Poor’s Ratings Service (S&P) reiterated its continuing concerns regarding the growing use of direct-lending arrangements in the municipal market. S&P believes covenants in direct-lending contracts create the potential for “considerable credit risk exposure.”<sup>52</sup> CPS’s junk bond status has not been fixed by the stop gap solution and it remains in fiscal crisis.

Even before the CPS FY 17 budget was released, the news media began airing reports of up to 1,000 layoffs in traditional CPS schools.<sup>53</sup> The day following the formal release of the CPS FY 17 budget, Mr. Claypool indicated that there could be additional cuts to CPS classrooms if the CTU did not agree to concessions that were built into the budget as assumptions, or the State of Illinois failed to provide \$215 million to help pay the money CPS owes to the Chicago Teachers Pension Fund in June of 2017.<sup>54</sup>

## **CPS Develops a white paper on the state of education for students with disabilities**

For the first time in many years CPS presented a public assessment of the state of special education in the school district.<sup>55</sup> The title of this report was “Closing the Achievement Gap and Improving Outcomes for Students with Disabilities” and it was issued around July 25<sup>th</sup> 2016.<sup>56</sup>

The paper begins by arguing that while CPS non-disabled students have shown academic progress, students with disabilities have not shown similar progress on average. This analysis is consistent with work done by Access Living going back to 2001 basically showing that the performance gap between CPS students with disabilities and those without disabilities has continued to grow at most grade levels.<sup>57</sup> In 2007 we attached this gap analysis graph relating to reading in our report of that year.

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<sup>51</sup> Fusco, C. (July 29, 2016) “New CPS borrowing deal costly, but it’s better than last time.” *Chicago Sun-Times*.

<sup>52</sup> Cherney, M. (Feb. 18, 2014) “S&P Calls for More Disclosure of Municipal Bank Loans” *The Wall Street Journal*.

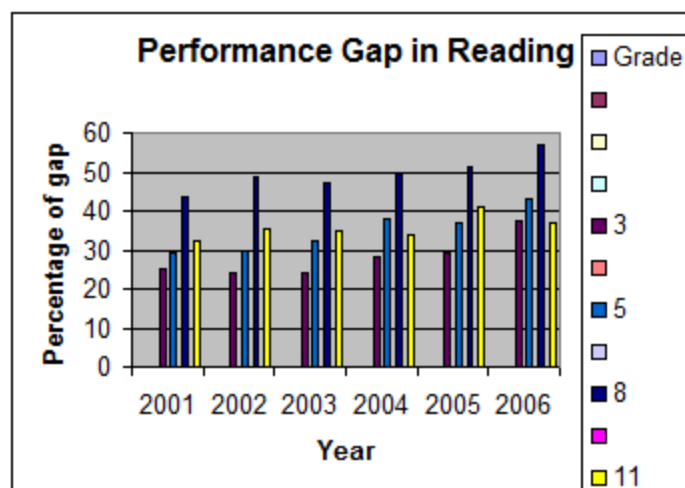
<sup>53</sup> Vevea, B. (August 5, 2016) “Chicago Schools Layoff Close To 1,000 Staff” *WBEZ Radio*.

<sup>54</sup> See footnote 48 above.

<sup>55</sup> Chicago Public Schools (October 2005) “Office of Specialized Services 2004/2005 Annual Report.” This was the last annual report of special education in CPS ever issued by the district.

<sup>56</sup> [http://cps.edu/SiteCollectionDocuments/odlss\\_whitepaper.pdf](http://cps.edu/SiteCollectionDocuments/odlss_whitepaper.pdf)

<sup>57</sup> Estvan, R (August, 2007) “Chicago Public Schools FY 08 Budget Review” Access Living of Chicago pages 11-14.



#### Access Living Gap analysis 2007

The response of the CPS Board of Education when we presented our findings in August 2007 at a Board meeting was simply a blank stare, as if to say yes we are aware of this gap, so what?

That many years later, CPS is publicly willing to admit the academic problem for its students with disabilities in 2016 is a positive development and probably a vindication for Access Living for years of pestering CPS over this issue. CPS indicates it wants to attack this performance gap in this white paper and provides readers with something of an approach to this problem. CPS states: “We must make it an immediate priority to reverse these academic and graduation trends for students with disabilities in Chicago.”

It also has to be noted that nowhere in the white paper is there any discussion of more significantly disabled students who do not take standardized tests, or who take alternative assessments. While these students can’t be compared to their non-disabled peers in a simple statistical manner, Access Living believes that outcomes for these students post-graduation need to be measured and CPS needs to be held accountable for these students as well.

#### **CPS strategy for improving students with disabilities academic outcomes related to scheduling and funding for special education first**

CPS lists a number of aspects of a strategy to improve the academic outcomes for students with disabilities. On page 4 of the white paper CPS states that students with IEPs are to be funded first and scheduled first in all schools. Access Living understands the scheduling issue for students with IEPs and agrees with CPS, because it's something Access Living has discussed for years. Elementary schools that do blocks of reading and math across grade levels make it impossible for the limited special education staff to service student inside general education classrooms efficiently during instruction, and forces more pull out programs.

The funding first issue is much more complex. CPS may be in effect making principals use their discretionary funds (Supplemental General State Aid SGSA) and Core Instructional fund to support special education first before making other allocations to make sure IEPs are honored. On the face of it, this seems to be very admirable, but on a closer examination problems appear.



Access Living in the past has indicated our larger and special education specific concerns with school based budgeting and we won't repeat them because CPS is going forward with implementation.<sup>58</sup>

In situations where the CPS allocation of dedicated special education funds merged into schools core instructional funding lines is insufficient to meet the IEP driven requirements for students with disabilities, schools are being asked to use these core instructional or discretionary funds and appeal to CPS for additional special education funding. So in the FY 17 budget we now read notes like this:

In FY17, diverse learner funding for teachers and paraprofessionals (except for cluster programs) was included with SBB funding. District-run schools received almost \$397 million of diverse learner funding for a combined SBB/diverse learner pot exceeding \$1.74 billion. This significant change in funding makes year-over-year comparisons difficult for district-run elementary and high schools. The FY17 budget for Core Instruction is much larger than in past years for district-run schools because it includes funding for diverse learners. Supplemental funding for diverse learners, similarly, is much smaller than in past years for district-run schools because it includes only the funding for teachers and paraprofessional in cluster programs.<sup>59</sup>

**CPS could put the district in danger of violating the federal rule that state and local educational agencies must use federal funds received under Title I only to supplement funding available from non-federal sources for the education of students participating in Title I services as we indicated in our budget report last year.** The danger lies with the necessity of hundreds of principals balancing individual budgets and responding to the service needs of students with disabilities at hundreds of different schools. ISBE has created a three part test for school districts to determine if they are supplanting by their use of these funds.

Test I: Required – Is the program or activity that the district wants to fund required under state, local, or another federal law? If it is, then it is supplanting.

Test II: Equivalency – Were state or local funds used in the past to pay for this program or activity? If they were, it is supplanting.

Test III: Non-Title I Programs – Are the same programs or activities being implemented in other schools that do not receive Title I funds AND are these programs and activities being paid for with state or local funds? If yes, then this is supplanting.<sup>60</sup>

The Chicago Tribune depicted a situation where supplanting could possibly be taking place and/or the Core Instruction Funding is being impacted. LaSalle Elementary Magnet School indicated that about \$100,000 was adversely affected by the district's new method of allocating special education funds.<sup>61</sup>

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<sup>58</sup> Access Living explained in some detail our concerns about school based funding in the past. See Estvan, R. "Chicago Public Schools Budget Review FY 14" Access Living of Chicago, pages 13-20. Ultimately CPS ended this specific version of school based funding for special education, but continued forward with the concept in general.

<sup>59</sup> CPS FY 17 Budget at pages 40-41.

<sup>60</sup> <http://www.isbe.net/e-bulletins/pdf/02-09.pdf>

<sup>61</sup> Perez, J (July 22, 2016) "Budget cuts, federal funds challenge CPS principals" *Chicago Tribune*.

When one examines LaSalle Elementary Magnet School's FY 17 budget on the CPS interactive site we see this information:

### Teachers

LaSalle Elementary magnet school	Teacher Count		
	2015	2016	2017
Teacher Category			
Core Allocation	22.0	22.0	30.0
Special Education	8.0	8.0	0.0
Bilingual	0.0	0.5	0.5
Other Board-Funded	8.5	8.5	8.4
Other Grant-Funded	0.0	0.0	0.0
Discretionary Funds	1.0	2.0	0.0
Early Childhood(Pre-K)	1.5	1.5	4.6
Other Funds	0.0	0.0	0.0
<b>Grand Total</b>	<b>41.0</b>	<b>42.5</b>	<b>43.5</b>

Due to SBB funding for special education a reader of this budget can't easily tell which teachers under the core allocation are licensed special education teachers and which are general education teachers. We can't easily tell if Core Instruction Funds, beyond the portion CPS is providing for special education services, are being used to hire special education teachers. If we go into the Job summary page for LaSalle Elementary Magnet School we find the special education teachers, and there are in fact nine of them which appears to be an increase of one position for FY 17.



Position Class LaSalle Elementary	Job Code	Job Title	FY 2017 Approved Positions	FY 2017 Proposed Budget
Teacher	JC000042	Assistant Principal	1.0	124,450
	JC000055	Bilingual Teacher	1.5	120,115
	JC000037	Magnet Program Specialist	1.0	88,903
	JC000041	Principal	1.0	129,525
	JC000049	Regular Teacher	29.0	2,299,893
	JC990101	School Counselor	1.0	74,629
	JC500629	Special Education Teacher	9.0	655,661
<b>Teacher Total</b>			<b>43.5</b>	<b>3,493,176</b>
Education Support Personnel	JC002738	Elementary Lunchroom Manager	1.0	31,640
	JC002770	Lunchroom Attendant	1.0	15,749
	JC002795	Porter	1.0	19,551
	JC000468	School Clerk I	1.0	52,530
	JC002501	School Clerk I (Bilin Spanish)	1.0	61,449
	JC000480	School Security Officer	3.0	93,848
	JC000464	Special Ed Classroom Assist	3.0	110,213
	JC000494	Special Ed Classroom Assist II	5.0	194,147
<b>Education Support Personnel Total</b>			<b>16.0</b>	<b>579,127</b>
<b>Grand Total</b>			<b>59.5</b>	<b>4,072,303</b>

But a reasonable reader still can't determine which pot of funds the nine special education teachers, let alone the special education aides, at LaSalle Elementary Magnet School were funded from. As we discuss below, the special education funds going to schools for non-cluster site special education programs flows through program P127725 "Special Education Instruction K-12." LaSalle Elementary Magnet School also receives funding for "Early Childhood Special Education Pre-K."<sup>62</sup>

If we look at the program summary for LaSalle Elementary Magnet School and look at program P127725 we see that the school was for FY 17 allocated \$863,866, whereas this program line allocated nothing in FY16 to this school.

<sup>62</sup> In FY 16 the school spent about \$ 362,695 in early childhood special education funds and in FY 17 the school was to receive an increase of funds up to \$447,855. This \$85,000 increase can't be used to cover k-8 core instructional funding because it is dedicated to early childhood only. This is because this early childhood program for special education at LaSalle is largely funded by two State grants, "State Preschool for All Age 3-5" and "State Preschool for All Age 3-5 Diverse Learners" that prohibits a school from doing that.

In order to determine what was or was not cut in K-12 special education funding to LaSalle Elementary Magnet School we have to add up all the special education program lines zeroed out for FY 17 at the level they were at in FY 16. The table below we have created does that.

Program	Program Description	FY2015 Adopted Budget	FY2015 Ending Budget	FY2015 Expenditures	FY2016 Adopted Budget	FY2016 Ending Budget	FY2016 Projected Expenditures	FY 2017 Proposed Budget
P121302	Autism	\$ 175,825.00	\$ 191,212.47	\$ 191,212.47	\$ 133,698.03	\$ 122,635.31	126,716.26	0
P122002	Cross Cat-EMH/LD/BD	\$ 593,817.00	\$ 569,530.83	\$ 569,530.83	\$ 500,691.23	\$ 514,858.02	529,348.57	-
P122009	Cross Cat-LD/BD-INSTR	\$ 245,507.00	\$ 347,188.24	\$ 347,346.48	\$ 345,870.06	\$ 371,781.56	383,614.27	-
P122001	Cross Cat-AUT/LD	51700	52441.11	52441.11	0	0	0	0
total FY 16							1,039,679.10	
P127725	Special Education Instr	\$ -	\$ 1,082.81	\$ 919.96	\$ -	\$ -	-	\$ 863,866.37
FY 16 vs FY 17	sped funding k-8	-175,812.73						

### LaSalle Elementary Magnet School FY 16 vs FY 17 k-8 funding for special education

The school's claim to the Tribune that about a \$100,000 loss in special education funding occurred in the transition to moving special education funds to Core Instructional Funds turns out to be actually closer to \$176,000. But the school clearly experienced other funding increases so it took a total school wide loss of \$100,129 between the end of FY 16 and the new FY 17 budget. In order have the number of special education teachers and aides necessary to service K-8 students with IEPs, the school was required to use Core instructional funds. LaSalle however, used none of its SGSA funding to pay for special education teachers or aides.

In a press release the Chicago Principals and Administrators Association quoted several CPS principals anonymously who expressed concerns over the CPS policy promoting utilizing discretionary funds and Core Instruction Funding for special education services. Probably the most explicit was a West Side Principal who was quoted as follows: "The special education funding level is based on what the school spent on personnel last school year minus 4% they held back for the district ... Our difference is nearly -\$200,000.00. It's a huge cut for our school. They (CPS officials presenting the school budgets) kept calling it "our" money or "the principal's" money. For example, you don't have enough staff to meet the needs of students with IEPs, then, you have to allocate from "your" money (SBB). If you use all "your money" (SBB), then there will be some appeal process they have yet to define."<sup>63</sup>

For Access Living an even greater concern about the use of the discretionary funds and Core funds are comments from several north side parents of significantly disabled elementary school students.<sup>64</sup> These parents expressed real worries about a backlash from parents of non-disabled students at their schools over Core or discretionary funds being utilized for services for students with disabilities because of the possibility of cuts to popular programs funded by those dollars. We discuss below the CPS allocation of funds for special education in general.

**Access Living does not support the CPS plan of simply requiring schools to fund for their students with disabilities first with merged general and special education funds, because we believe under both federal and state law the district has an obligation to appropriately fund these services without utilizing other funds. We agree that students with disabilities can**

<sup>63</sup> Chicago Principals & Administrators Association (July 14, 2016) "Press Release CPS Principals Respond to the misleading narrative"

<sup>64</sup> They comments were recorded in the field notes of R. Estvan during a meeting of a group called the Special Education Taskforce held on July 28 at the offices of the Chicago Teachers Union.

**and should receive supplemental services out of discretionary pots along with all students, but not funding for IEP driven services. Core instructional funds are subject to no clear overriding rules, but there are instructional implications for the education of all students, disabled and non-disabled, if these funds are utilized to support IEP determined services.**

### **CPS strategy for improving students with disabilities academic outcomes related to training administrators and teachers on best practices**

Access Living agrees with this idea, but we have no understanding where CPS will get the money to do this. CPS currently has little money for overtime pay, additional in-service days, and substitute teachers to cover classrooms if teachers are out for training. We look forward to seeing how CPS plans to implement and pay for this strategy.

In terms of best practices Access Living does have some concerns that the model school districts referenced in the white paper Boston, Austin and Tampa are all much smaller than CPS. Tampa schools Hillsborough County Public Schools, the largest of these referenced school districts has only 206,800 students (and a special education identification rate of about 15%), the Boston Public Schools has an enrollment of only 56,650 (and a special education identification rate of 20%), and Austin, Texas ISD which has an enrollment of about 83,600 (and a special education identification rate of 10%).

None of these school districts are faced with a comparable fiscal situation to that of CPS. In fact there is not a major school district in the United States that is faced with the level of fiscal crisis CPS is currently facing.<sup>65</sup> The ability of CPS to implement best practices is also dependent on CPS's special education teachers, and CPS is having difficulty hiring qualified and licensed special education teachers.<sup>66</sup>

The CPS white paper indicates that the Boston, Austin and Tampa school districts have been able to narrow their achievement gaps between regular education students and students with disabilities, but there is no information of the extent of that narrowing.<sup>67</sup> Progress for students with disabilities in Boston has been uneven, for example the Boston schools in 2009 had more than 50 percent of its students with disabilities scoring at proficient or higher by the 10th grade on their state English Language Arts examination, but that level of achievement was not again attained by that subgroup until 2015.<sup>68</sup>

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<sup>65</sup> Several of these school districts experienced budget reductions over the last several years, but none were anywhere near the scale faced by CPS.

<sup>66</sup> Chicago is not alone in this problem it is generalized across Illinois. See Illinois Association of Regional Superintendents of Schools (IARSS) (January 2016) "Teacher Shortage Survey"

<sup>67</sup> CPS white paper at page 3.

<sup>68</sup> See

<http://www.bostonpublicschools.org/site/Default.aspx?PageType=3&DomainID=4&PageID=1&ViewID=047e6be3-6d87-4130-8424-d8e4e9ed6c2a&FlexDataID=8561> This proficiency level in language arts is much higher than CPS was ever able to achieve for students with disabilities on State tests even before the implementation of the PARCC assessments.

Austin ISD special education scores on the National Assessment of Educational Progress exam were higher than all but one of the other large urban school districts that took the test. But here is the problem, Achieve, a 20-year-old education organization in its last edition of its “Proficient vs. Prepared” report notes that test scores across Texas have become stagnant so it’s difficult to determine if the gap closing for students with IEPs in Austin can continue.<sup>69</sup>

Equally complex is the situation of Tampa schools Hillsborough County Public Schools where a very dynamic Superintendent, Mary Ellen Elia, led the charge on trying to close the achievement gap. But the Board of Education itself fired her in part over the failure of the school district to provide services for special education students, many of whose families were taking special education vouchers for private schools and leaving the district.<sup>70</sup> Claudia Roberts, an advocate for students with disabilities in Tampa, said she had mixed feelings about Elia. But she stated that there were people in the community — including some parents of students with disabilities — who were calling for a change. Ultimately, she said, "If a message that's coming out of this is that special education children make a difference, then I would have to say it's a good thing."<sup>71</sup>

### **CPS strategy for improving students with disabilities academic outcomes related to improving case management practices**

Access Living has serious concerns that these reforms will take place because school based special education case managers are being treated as if they are administrators and in reality they have no administrative authority. Many if not the majority of CPS principals treat case managers as if they are assistant principals for special education. For the current case manager system to be reformed, it would require CPS case managers to have training as special education administrators including in the basics of special education law and practice. This in turn would require an increase in the salaries of these case managers, and CPS has not committed the resources to do that currently.

### **CPS strategy for improving students with disabilities academic outcomes related to curriculum and progress monitoring**

Access Living agrees, however, currently computerized systems for special education teachers to track progress of students with disabilities are not easy to use. Data entry and storage is cumbersome. Teacher time for data entry is limited or nonexistent. But most importantly, there is a pervasive fear of keeping data that could demonstrate that students with disabilities are not making adequate annual progress and open up CPS to potential litigation. Therefore much progress data is murky and equivocal. CPS would have to take some risks to implement better data keeping for special education students.

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<sup>69</sup> Weiss, J. (January 28, 2016) “Again, Texas dead last on national analysis of school testing standards” *The Dallas Morning News*.

<sup>70</sup> See <http://www.tampabay.com/news/education/k12/frustration-with-superintendent-maryellen-elia-bubbled-over/2215041>

<sup>71</sup> Ibid.

## **CPS strategy for improving students with disabilities academic outcomes related to district level administrative oversight**

The white paper notes:

Currently, CPS employs only 18 district-level administrators. These individuals are collectively responsible for monitoring the delivery of special education and related services to more than 52,000 students with IEPs. As a result of this resource imbalance, most analysis of school-level decision making and trends is reactive and ad hoc in nature. Currently, District oversight is primarily limited to coordinating responses to complaints, due process requests, and reacting to other pressing issues.<sup>72</sup>

The situation depicted in the white paper relating to administrative oversight of schools is correct, but it did not happen by accident. The most recent cuts to CPS special education administration were implemented in January of 2016 and objected to by Access Living.<sup>73</sup> But for years Access Living has objected to CPS administrative cuts to its core special education unit. For example, back in 2012 we wrote about these reductions stating:

The Office of Special Education & Supports central unit 11610 is now reduced to only 28 positions. This unit in FY 96 had 120 positions; in the FY 09 budget it had only 46 positions. By FY 10 this unit had 44 positions. This unit is legally responsible for assuring that services are provided to over fifty thousand students with disabilities in CPS and it is difficult to understand how that can be accomplished with such a small staff.<sup>74</sup>

Access Living has seen the staff for administration special education in CPS generally go down over the years with periodic increases after sharp cuts. We agree with the white paper that these cuts have had a negative impact on special education in schools and support increasing these administrative positions. But we are not confident that in the future CPS will not retrench yet again with administrative cuts. We have reservations about using some new CPS special education administrative staff to be assigned to Human Resources to help principals evaluate special education staff in schools.

### **White paper makes an indirect argument for reducing the percentage of CPS students being identified as disabled**

The white paper makes an indirect argument that CPS is over-identifying students as disabled and that CPS has, in particular, a problem with over identifying male African American students and Hispanic male students. We believe the methodology used by CPS is incorrect and the over identification of these two groups is much less significant than CPS seems argues. It does however exist. CPS in its white paper provides this table:

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<sup>72</sup> White paper at page 9.

<sup>73</sup> See the reference to Access Living's objections in Fitzpatrick, L (January 25, 2016) "Special ed staff layoffs could hurt schools, advocate says" *Chicago Sun Times*.

<sup>74</sup> Estvan, R. (August 2012) "Chicago Public Schools Budget Review FY 2013" Access Living of Chicago, p. 17.

<b>Student break down</b>	<b>African-American</b>	<b>Hispanic</b>	<b>White</b>	<b>Other</b>	<b>English learners</b>
<b>Male</b>	20%	18%	15%	10%	19 % both sexes
<b>Female</b>	10%	9%	8%	5%	

**Percent of CPS Students with IEPs Demographic Breakdown 2015-16 school year<sup>75</sup>**

CPS compares the percentage of African American males and Hispanic males to white males identified as needing special education services and then states those students “are far more likely to be identified as needing special education than their white male peers.” Because there are so comparatively few white students in CPS, 37,748 out of 392,285 this type of comparison becomes a problem.<sup>76</sup> Moreover, white students in CPS are more often from families living in economic census tracts with the highest incomes in the City.<sup>77</sup> These families can avoid special education identification through private tutoring and other services for more mild disabilities if they choose to. Historically CPS looked at this question differently than it does in the white paper. Below is the approach CPS took in 2005.

<b>Race</b>	<b>All students 2005</b>	<b>Students with IEPs 2005</b>
<b>African American</b>	49.8%	54.7%
<b>Hispanic</b>	38%	32.7%
<b>White</b>	8.8%	11%
<b>Asian</b>	3.2%	1.5%
<b>Native American</b>	0.2%	0.2%

**Table from CPS Office of Specialized Services 2004/2005 Annual Report**

The conclusion CPS drew from this data in 2005 was: “Both African American and White students are over-represented in special education, while Asian and Hispanic students are under-represented.”<sup>78</sup> So instead of comparing the percent of African American and Hispanic males to white males identified in CPS, a better approach would be to compare the total number of African American males in CPS to those males identified and similarly with Hispanics and Whites.

The Illinois State Board of Education presented another table in its last public summary of the racial identification data for CPS for the 2013-14 school year. The table is reproduced below:

<sup>75</sup> CPS (July 25) “Closing the Achievement Gap and Improving Outcomes for Students With Disabilities” page 3. Access Living has requested from CPS the background data on this table but has not as yet received it.

<sup>76</sup> <http://www.cps.edu/SchoolData/Pages/SchoolData.aspx> data is as of October 2015

<sup>77</sup> This can be shown by comparing the Socio-Economic Tiers based on Census Tracts to racial concentrations of whites within the City. [http://www.cpsoae.org/apps/news/show\\_news.jsp?REC\\_ID=184188&id=0](http://www.cpsoae.org/apps/news/show_news.jsp?REC_ID=184188&id=0) provides the social economic tiers. Information on the very low levels of white poverty in Chicago can also be seen in Yousef, O (August 12, 2015) “Where are Chicago's Poor White Neighborhoods?” WBEZ <https://www.wbez.org/shows/curious-city/where-are-chicagos-poor-white-neighborhoods/37e96521-d730-43b8-b645-633aab318314>

<sup>78</sup> Chicago Public Schools (October 2005) “Office of Specialized Services 2004/2005 Annual Report.” p. 21.

ISBE data 2013-14		White	Black	Hispanic	Asian	Native Hawaiian	Native American	Two or more races
CPS <sup>79</sup>	All students	9.3%	39.9%	45.5%	3.5%	0.1%	0.3%	1.3%
	Students with IEPs	8.9%	44.0%	44.0%	1.6%	0.1%	0.3%	1.0%
State	All students	49.7%	17.6%	17.6%	4.5%	0.1%	0.3%	3.1%
	Students with IEPs	52.3%	20.5%	20.5%	2.2%	0.1%	0.5%	3.1%

From 2005 to 2014, CPS slightly reduced its over identification of African American students from being 4.9% away from perfect proportionality in 2005 to being only 4.1% away from perfect proportionality in 2014. In neither 2005, 2014, nor in 2016 has Illinois State Board Education cited CPS for over identifying racial subgroups as disabled. The differences did not rise to the level of intervening with CPS based on federal guidelines establishing “significant disproportionality.”<sup>80</sup> CPS has a right to attempt to have its identification levels reflect more closely its enrollment by race, but how close should these levels be? The white paper never informs us of that. We are also not informed how CPS would go about correcting the racial imbalance it sees.

As to the general argument of over identification being made by CPS, we think that the fact that the CPS current special education rate is 13.31%<sup>81</sup> as compared to an only slightly higher statewide rate of around 14.1%<sup>82</sup> is a problem for this argument. Moreover, the current CPS special education identification rate is similar to many urban school districts in Illinois that have percentages of students with IEPs that are higher or the same as CPS. (For example, Rockford SD 205 is at 14%, Cairo USD 1 is at 20.2%, Elgin U-46 is slightly below CPS in its percentage, Aurora East USD 131 is also only slightly below CPS, Aurora West USD 129 is exactly the same as CPS, and Decatur SD 61 is slightly higher than CPS.<sup>83</sup>)

CPS in the white paper seems very concerned about the fact that in the 2014-15 school year CPS had 51,648 students with identified disabilities and in the 2015-16 school year there were 52,595 students with identified disabilities.<sup>84</sup> The increase of 947 identified student represents an increase of 1.83% which is not really alarming, but longer rate of increase merits a closer examination. A deeper level of analysis of this increase by grade level and school type may be of

<sup>79</sup> ISBE, 2013-14 Illinois special Education Profile, SD 299 [http://www.isbe.net/spec-ed/pdf\\_reports/2014/15016299025.pdf](http://www.isbe.net/spec-ed/pdf_reports/2014/15016299025.pdf)

<sup>80</sup> <http://idea.ed.gov/explore/view/p/.root.dynamic.TopicalBrief.7>, CPS provided Access Living with raw masked data files on all its students with disabilities for the last school year and there was no evidence of significant disproportionality in identification rates for racial subgroups that we could determine.

<sup>81</sup> <http://www.cps.edu/SchoolData/Pages/SchoolData.aspx>

<sup>82</sup> <http://www.illinoisreportcard.com/State.aspx?source=StudentCharacteristics&source2=IEP&Stateid=IL>

<sup>83</sup> All district data based on School Report Cards on the ISBE website.

<sup>84</sup> CPS white paper at page 6.

value for CPS. For example, some of the questions that need to be thought about and answered are: Has there been a significant increase in identification in charter schools? In the traditional schools has the identification increase year to year been more pronounced at certain grade levels?

CPS states in the white paper: “While male students make up half of the overall student population, they represent two-thirds of students with disabilities at CPS. This pattern has been repeated over many years and is consistent with national trends of disproportionality.”<sup>85</sup> So it seems clear CPS does not believe there has been any increase in the identification of males that would be the driver of the higher totals of special education students it is concerned about in the white paper.

CPS states in the white paper: “Students with a SLD (severe learning disability) comprise the largest proportion of all disability areas. Across CPS, 51 percent of students with IEPs are identified as having a SLD, compared to 37 percent nationally. This disparity is unusually high.”<sup>86</sup> This cannot possibly be the cause of the increase in identification CPS is concerned about because we can read in a CPS report from 2005 the following: “In 2005, 58% of all [CPS] students with an IEP had a learning disability.”<sup>87</sup>

In the white paper, CPS places a major emphasis on a renewed effort to implement multi-tiered system of supports (MTSS) also known as Response to Intervention (RtI). RtI is mandated in Illinois<sup>88</sup> and is considered to be an important part of the pre-special education referral process.

The critique in the white paper of some of the problems with current CPS implementation of RtI are valid. But a very massive factor is left out of the critique and that is instructional time to implement these interventions.

As an article in Educational Leadership notes, RtI's underlying premise is that schools should not wait until students fall far enough behind to qualify for special education to provide them with the help they need. Instead, schools should provide targeted and systematic interventions to all students as soon as they demonstrate the need.<sup>89</sup> The authors of the article note that a critical factor in relationship to implementing RtI is “time.” That is time to provide each student identified with deficits targeted instruction. Time unfortunately equals money and CPS right now has very little of that available. These interventions are required to be implemented primarily by general education teachers who have very little time to implement targeted instruction given the requirements of the curriculum.

In the budget, CPS allocates some additional resources to beef up MTSS. For example CPS increased funding for differentiated instructional strategies by \$66,387 bringing it up to just \$69,387.<sup>90</sup> CPS will be adding coaches in this area. None of this will be enough to have much of

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<sup>85</sup> CPS white paper at page 6.

<sup>86</sup> CPS white paper at page 6.

<sup>87</sup> Chicago Public Schools (October 2005) “Office of Specialized Services 2004/2005 Annual Report.” p.19.

<sup>88</sup> 23 Illinois Administrative Code 226.130.

<sup>89</sup> Buffum, A. , Mattos M., and Weber C (October 2010) “The Why Behind RTI” *Educational Leadership, Volume 68 Number 2*.

<sup>90</sup> See program line P111125.



an impact relating to academic areas of math and reading. Unless CPS uses RtI as an attempt to inappropriately block identification of students as disabled, which CPS informed Access Living was not its intention,<sup>91</sup> there will likely be no significant decrease in the identification rate of students with deficits in reading and math given the available resources. We recommend that CPS throw all of its MTSS efforts into social emotional learning interventions in an effort to help contain the massive violence that is overwhelming our City.<sup>92</sup>

CPS overall needs to do a much deeper analysis of what it apparently believes is its ever increasing levels of disabled students, because what is in the white paper explains very little in terms of causation.

*Historically one of the greatest areas of over identification of African American males in CPS has been emotional behavior disorders (EBD). In the past CPS has found that African American students are over two and one half times more likely to be identified as having an emotional disability than all other students.<sup>93</sup> The CPS white paper makes no mention at all relating to the identification of African American students as it relates to having EBD.*

*Access Living is particularly concerned about what is called the “school to prison pipeline” for African American CPS students, and we are concerned that the CPS white paper never looked at the issues around labeling African Americans EBD. In the mid-1980s, Rutherford, Nelson, and Wolford (1985)<sup>94</sup> conducted a national survey of state special education and correctional education agencies to determine the need for, and provision of, special education services to incarcerated youth with disabilities. The survey found that 46% of youth with a disability in corrections had a primary diagnosis of specific learning disability and 45% were identified with an emotional disturbance. McIntyre (1993) who looked at this issue again found even higher levels of students with emotional disturbance in our nation’s juvenile detention facilities.<sup>95</sup>*

*Another academic paper has argued that many CPS students are in fact suffering from PTSD due to the sustained levels of violence in many communities.<sup>96</sup> Access Living believes CPS needs to devote significant attention to this issue and it should start with utilizing all its MTSS efforts to address the social emotional learning needs of students.*

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<sup>91</sup> Access Living met with senior CPS staff and CEO Claypool on July 20, 2016.

<sup>92</sup> This is sometimes discussed as Positive Behavior Interventions and Supports (PBIS). This is a proactive approach to establishing the behavioral supports and social culture and needed for all students in a school to achieve social, emotional and academic success. See <https://www.pbis.org>

<sup>93</sup> Chicago Public Schools (October 2005) “Office of Specialized Services 2004/2005 Annual Report.” p.24.

<sup>94</sup> Rutherford, R. B., Nelson, C. M., & Wolford, B. I. (1985). Special education in the most restrictive environment: Correctional/special education. *Journal of Special Education*, 19, 59-71.

<sup>95</sup> McIntyre, T. (May 1993) “Behaviorally Disordered Youth in Correctional Settings: Prevalence, Programing, and Teacher Training” *Behavioral Disorders* Vol. 18, No. 3.

<sup>96</sup> Bell, C. and Jenkins, E (1991) “Traumatic Stress and Children” *Journal of Health Care for the Poor and Underserved*, Volume2, Number 1, Summer 1991, pp. 175-185. The authors of this study have done several follow up studies of Chicago youth. Dr. Bell also has done articles on interventions with these youth. See Bell CC, McBride D (2010) “Affect Regulation and Prevention of Risky Behaviors” *The Journal of the American Medical Association* 304(5):565-566.

## White paper analysis of the costs of special education

Access Living has repeatedly noted that educating the district's students with disabilities is an expensive process. So for example back in 2012 we wrote:

As will be discussed in the sections to follow, students with disabilities who attend CPS now and who will be attending in the future can be very expensive. CPS to its credit admits this in its budget. To give an example of just how expensive these students can be, the costs for some of those students who are among those who are most disabled, called "severe and profoundly" or multiple disabled students can be examined. Their costs can be found in CPS program budgets 120206, 122730, and 120402, where we find that actual expenditures for these highly disabled students in FY 12 was about \$27.3 million for programs at CPS elementary and high schools. According to the FY 13 budget the total amount of money spent for special education in all CPS schools in FY12 was about \$525.5 million, so to educate this small group (less than 2% of students) of its most disabled children CPS spent about 5% of its total school based special education budget.<sup>97</sup>

Nonetheless we have some concerns about statements relating to costs in the white paper and the interpretation of special education staffing levels. CPS for example states that from 2011 to 2016 its special education instructional staff grew from 6,466 to 7,395.<sup>98</sup> Access Living does have some of this data and the CPS white paper data is consistent with other data on school based special education staffing.<sup>99</sup>

It should be noted, however, that these numbers include special education positions both filled and vacant. CPS currently has a shortage of special education teachers and an unknown number of positions are not filled. CPS assumes in the FY 17 budget a "vacancy factor" of \$105.2 million. The number of special education teacher positions assumed in this total is unknown, but \$6.8 million alone are for related service providers like social workers and psychologists.<sup>100</sup>

From 2012 to 2015 total school based special education positions grew by 609 or 8.9%. Special education enrollment grew over the same period of time by about 5.7%.<sup>101</sup> The growth rate in staff is larger than the growth rate in students with disabilities, but not outrageously so.

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<sup>97</sup> Estvan, R. (August 2012) "Chicago Public Schools Budget Review FY 13" *Access Living of Chicago*, p. 9. Our cost factoring here is radically lower than the CPS total for FY 13 in its white paper, because it does not include students placed in private schools, 504 students, or payments for special education services made to charter schools, and other costs.

<sup>98</sup> CPS white paper at page 7.

<sup>99</sup> In the CPS budget for FY 13 the CPS special education program already listed a total of 8,474 actual special education positions for 2012, of which 6,786.5 positions were school based. In the CPS budget for FY 14 the CPS special education program (now called Diverse Learners) listed a total of 8,623.2 actual special education positions for 2013, of which 6,935.2 positions were school based. In the CPS Budget for FY 15 the CPS special education program listed a total of 8,890.5 positions at the end of 2014, of which 7,191.5 positions were school based. In the CPS Budget for FY 16 the CPS special education program listed a total of 9,014.5 positions as the end of 2015, of which 7,395.5 were school based.

<sup>100</sup> The vacancy factor is listed in the CPS FY 17 budget as program code P109981.

<sup>101</sup> <http://www.cps.edu/SchoolData/Pages/SchoolData.aspx>

In 2012 CPS had a total staffing of 40,667 and in 2015 there were 38,359 total positions in CPS.<sup>102</sup> The FY 17 budget indicates that the latest position total for CPS is now 37,091.<sup>103</sup> CPS continues to downsize despite its concerns about special education staffing growth and it is less than clear how many special education positions are currently unfilled. *The data on special education staffing in the white paper is consistent with the current reality of CPS and is not alarming. Why CPS wants to turn increases in special education staffing into a specter hanging over the school district is not clear to Access Living.*

As Access Living has repeatedly noted in our reports CPS has been for years been a school district that is highly dependent on special education aides. This is in part due to waivers granted to CPS by ISBE for class size expansion for self-contained settings that necessitate increased numbers of aides by rule, but also because of the use of aides for behavior management and one on one instruction not possible with expanded class sizes.<sup>104</sup>

We also noted that CPS used data from its annual financial reports (AFR) to ISBE to calculate its special education expenditures per fiscal year.<sup>105</sup> It then divided those totals for special education by the number of students with IEPs the district had for each fiscal year, to create an average expenditure per IEP.

The problem with this approach is that the CPS AFRs include direct instructional expenditures for special education services for pre-school and K-12, but many millions in addition for its support services budget (health, social work, psychological, counseling, etc.). The complexity is not all of the money listed for support services is actually going to students with IEPs, some may be going to traumatized students without IEPs, or even students struggling with substance abuse without IEPs, or general counseling services for non-disabled students who do not have IEPs.<sup>106</sup> Those services are critical and important, but they are not IEP delineated services.

In order to get to actual IEP costs, the delineated services on IEPs based on actual hours of services these need to be quantified and linked to average salary costs for the various service providers. In our 2015 CPS budget review we wondered whether CPS's electronic IEP was going to be linked to a tracking system.<sup>107</sup> CPS can't even begin to think about costs for special education services for students with IEPs until it knows what those costs actually are. *Access Living recommends CPS develop better tools to better understand what special education services are costing it on a student by student basis.*

CPS also argues that its current special education student to staff ratios are "lower than national averages for other urban districts," providing data that indicates CPS has an 11.7 student to special education teacher ratio and the average for other urban districts is about 14.5 students to

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<sup>102</sup> A decline of 5.7%

<sup>103</sup> CPS FY 17 budget at page 21. Overall CPS positions declined in five years by

<sup>104</sup> State Administrative Rule Part 226.730 provides minimum requirements for special education class size. Districts and special education cooperatives have the ability to request a deviation from these class size requirements on a case-by-case basis.

<sup>105</sup> CPS white paper at page 7.

<sup>106</sup> We looked closely at the CPS AFR filed with ISBE for 2014 see <ftp://ftpfinance.isbe.net/AFR>

<sup>107</sup> Estvan, R. "Chicago Public Schools Budget Review FY 15" *Access Living of Chicago*, page 13.

special education teacher ratio. CPS provided to Access Living the underlying data from Urban Special Education Leadership Collaborative and it did indeed indicate exactly what CPS claimed in the white paper. What was also interesting was Boston (which CPS saw in the white paper as a model district) had a lower ratio with 10 students to special education teacher ratio, as did the Austin, Texas school district (which was another model district) which had a 10.4 student to special education teacher ratio. Tampa was not listed.

## **Funding for Special Education Services in FY 17**

Special education has had the most complex state program code funding system in CPS's interactive online budget. Not counting administrative lines or city wide program lines there have been as many as 50 different defined instructional program codes for special education in the budget. Many of these program codes for FY 17 now read zero. So for example, CPS program code P121302 for Autism programs that contained funding and positions for 162 schools reads zero in the FY 17 budget. Numerous cluster programs were consolidated into two larger program lines making comparisons close to impossible.

As discussed above, CPS moved most school based funding for special education into what it calls Core Instructional Funding, specifically now CPS program code P127725 "Special Ed Instruction K-12." So this one program now has special education funding in it for 653 schools totaling \$455.4 million. There are now 5,935.5 positions assigned to this one program code. These positions are not defined as being either licensed teachers or special education aides. However the CPS budget narrative itself provides something of a breakdown indicating 2,842.8 special education teachers and 2,321.8 teacher aide positions were paid for out of P127725 at schools.<sup>108</sup>

The CPS FY 17 budget does not provide an actual special education funding formula. It instead states that students with disabilities would be funded "based on IEP needs."<sup>109</sup> However, when a researcher for SEIU Local 73 tried to FOIA "a summary report of total minutes of Special Education services required by Individual Education Plans of Diverse Learners aggregated by school," CPS argued that information "was prohibited from being disclosed by the Illinois School Student Records Act." SEIU sought enforcement of its request for this information from the Office of the Attorney General of Illinois.<sup>110</sup> CPS complied with this request just within the last few days and the data has yet to be examined by SEIU.

Using the zeroed out special education program codes in the budget and comparing that funding to the current funding for P127725, we can draw some conclusions of the funding level for non-cluster site programs in traditional CPS schools. While this is a less than perfect way to look at this, it's the only one available. Our conclusion is that the CPS funding for programs in schools

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<sup>108</sup> While this totals only 5,164.6 positions the other positions could be related service providers assigned to schools.

<sup>109</sup> CPS FY 17 budget at page 42.

<sup>110</sup> Letter from C. R. Boggs Assistant Attorney General to Mr. Andrew Mason Freedom of Information Act Officer Chicago Public Schools dated July 14, 2016.

is in total for FY 16 and FY 17 within 9 to 10 million dollars of each other without taking into consideration the 4% CPS withholding for adjustments.

*There may well be many school based special education funding problems for CPS special education, but in the process of rolling from a dedicated special education position assignment process to the SBB process, not much, school based funding has just disappeared from last year.*

#### Office of Diverse Learners FY 17 budget departmental budget

<i>ODLSS budget</i>	<i>2015 Actual Expenses</i>	<i>2016 Approved Budget</i>	<i>2016 Ending Budget</i>	<i>2016 Expenditures</i>	<i>2017 Proposed Budget</i>
<i>General Fund</i>	219,776,419	214,756,013	223,508,152	215,185,474	223,921,218
<i>Other Funds</i>	21,703,224	23,165,400	21,869,510	20,604,171	16,407,925
<i>Total</i>	241,479,643	237,921,413	245,377,662	235,789,645	240,329,143
<i>Department Budgeted at Schools</i>	621,328,188	578,184,454	607,402,907	607,402,907	135,760,997
<i>Grand Total</i>	862,807,831	816,105,867	852,780,569	843,192,552	376,090,140

The massive reduction in funds budgeted at schools is explained in the following note:

2017 Budgeted at Schools: Schools received Student Based Budgeting (SBB) and Diverse Learner funding as one combined allocation in FY17. Diverse Learner allocations were determined separately as a dollar amount based on actual FY16 (non-cluster) spend, and were added to SBB funds. For FY17, this meant that an additional \$474,900,626 was provided directly to schools in Diverse Learner funding. An apples-to-apples comparison between the FY16 “Budgeted at Schools” amount to FY17, would be \$578,184,454 (FY16 Approved Budget) to \$610,661,623 (FY17 Proposed Budget + Amount Budgeted Provided Directly to Schools).<sup>111</sup>

Elsewhere in the FY 17 budget book we read:

In FY17, diverse learner funding for teachers and paraprofessionals (except for cluster programs) was included with SBB funding. District-run schools received almost \$397 million of diverse learner funding for a combined SBB/diverse learner pot exceeding \$1.74 billion. This significant change in funding makes year-over-year comparisons difficult for district-run elementary and high schools. The FY17 budget for Core Instruction is much larger than in past years for district-run schools because it includes funding for diverse learners. Supplemental funding for diverse learners, similarly, is much smaller than in past years for district-run schools because it includes only the funding for teachers and paraprofessional in cluster programs.

We certainly agree with the statement that: “This significant change in funding makes year-over-year comparisons difficult for district-run elementary and high schools.” Here is an example of

<sup>111</sup> CPS FY 17 budget at page 69.

how difficult it can be. If we go back to LaSalle Elementary Magnet School it can be determined that this school received from CPS \$863,866 to fund its special education positions for grades K-8 from program P127725 and additional funding for its early childhood program. As we indicated above the school took over a \$100,000 loss from year to year. It is possible that this loss was driven at least in part by a 4% reserve fund taken from every school's special education allocation and put in an adjustment pot which in theory would have in it at least \$18.2 million, and possibly more.<sup>112</sup> This reserve was explained to principals at a meeting in July, but this pot of money is not discussed in the budget.

*The way the FY 17 budget has been reformatted as it relates to special education makes comparisons between fiscal years for schools very difficult. It should not be this way. It is also very difficult to determine the total number of special education aides and teachers in all CPS schools in FY 17.*

To make this even more complex, CPS is funding special education cluster programs by a direct allocation method. One example of the funding for these cluster programs can be seen in CPS program P120206 "Severe and Profound Intellectual Disabilities." This program line also absorbed some cluster sites it did not have in FY 16. So the budget for this line went from \$8.4 million in FY 16 to \$11.2 million in FY 17. The CPS program P12034 called "Cognitive Developmental Delay Disabilities" was expanded from \$8,234,527 in FY 16 to \$42,154,941 in FY 17. The positions went from 100 to 554. It's impossible to tell if the programs at actual schools were reduced or increased because of the expansion.

The cluster programs for deaf students essentially remained intact and we can determine its budget was reduced by \$730,390 or 6.4%. Even with the funding reduction the positions in the program increased positions by one.

CPS funding for out placed students in the form of Tuition for Special Education Private Programs (P124904) was projected to have cost CPS for FY 16, \$60.8 million, but was allocated for FY 17 only \$57.5 million. Funding for assistive technology for students with disabilities was increased for FY 17 by \$38,000.<sup>113</sup>

Add to this complexity what CPS calls "Supplemental Diverse Learner Funding," and it is not at all well defined in the budget document.<sup>114</sup>

*All this budgetary reorganization makes it simply impossible for Access Living to determine funding decreases or increases with any reasonable levels of certainty in many program areas we have looked at for years. We think that is not a good thing for either the tax paying public or for the families of students with disabilities attending CPS who are at best skeptical about the level of special education services actually delivered to their children.*

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<sup>112</sup> This 4% reserve is also being applied to charter schools based on our discussions with charter school officials.

<sup>113</sup> CPS FY 17 budget program code P120412.

<sup>114</sup> CPS FY17 budget at page 44.

## **CPS and its ADA program**

The FY 17 CPS budget restored funding to the school districts ADA program to the level it was at prior to May 2015, \$500,000. While this is an improvement, it's still insufficient to even make one full historically antiquated CPS school fully accessible.

Taking a look back, on May 1, 2015 CPS released its capital budget and its Education Facilities Master plan. The plan included the complete elimination of then existing \$500,000 budget for district-wide Americans with Disabilities Act (ADA) driven by accommodations and accessibility requirements. These accommodations were for employees, students and in some cases even for parents of CPS students. Sometime following the May release of its capital plan, CPS added back \$150,000 for ADA accommodations.

Access Living has for years been extremely supportive of CPS efforts to make schools accessible and we have even made a point of noting these efforts publicly to the CPS Board. However, CPS has made a dramatic, and we believe short-sighted, decision to largely end its efforts in this area. Prior to 2006, CPS lagged in making schools accessible and lacked leadership who understood its legal obligations and the practical needs of persons with disabilities. CPS constructed or renovated for improved accessibility about 150 schools from 1995-2005, but had tapered its efforts starting in 2003. In 2006, only 176 of over 600 schools (less than 1/3) were accessible or were under renovation to be accessible. Only 1/3 of independent (non-CPS) charter school sites were accessible enough for a full student curriculum. Most charters that were in CPS sites were eventually made accessible – though many not at opening – but nearly 20% were not even planned to be accessible.

During the Modern Schools across Chicago program, the City and CPS agreed to devote nearly \$140 million over 5 years toward expanding accessibility at neighborhood schools, using CPS capital dollars and TIF funding. As of 2013, CPS had about 281 fully accessible schools. On August 10, 2015, CPS laid off its Director of ADA Policy as part of a larger layoff of administrative staff.

## **Recommendations**

1. The CPS FY 17 budget is not transparent as to the merger of categorical district wide special education funding into Core Instructional Funding. CPS is not transparent as to what drives the school level special education funding. The CPS FY 17 budget does not provide an actual special education funding formula. It instead states that students with disabilities would be funded “based on IEP needs.” When a researcher for SEIU Local 73 tried to FOIA “a summary report of total minutes of Special Education services required by individual Education Plans of Diverse Learners aggregated by school.” CPS argued that information “was prohibited from being disclosed by the Illinois School Student Records Act.” Eventually CPS complied with this

request, but since this request was for what is now in reality the funding formula it should have not been that hard to get this information.

CPS could easily have corrected both of these problems:

First, by showing clearly for every school categorical district wide special education funding programs that were eliminated and then showing funds following to the schools from Special Ed Instruction k-12 program replacing them. The difference for each and every school should be provided in an easy to read manner.

Second, CPS could have made available to the public for every school the services minutes for IEPs at their school and quantify the average cost for the delivery of those minutes. Then parents of students with disabilities could see for themselves if their children's service needs are being met by special education funding going to their schools. CPS explicitly did not do these things in the FY 17 budget.

2. CPS should produce an analytical report on its special education program annually. The report should provide to the public quantitative data on students with disabilities in CPS in some detail. The report should be an opportunity for self-reflection by CPS about its special education program. The larger school community should be invited to provide annual written public commentary on this report and periodic public hearings should occur focused on the report. The idea of CPS creating the white paper on special education was a step in the right direction even though Access Living disagreed with numerous aspects of that paper.

3. CPS remains in deep fiscal crisis and it has to establish realistic educational goals commensurate with its available resources. CPS is not keeping the cuts away from the classroom because that is simply impossible given the depth of the fiscal crisis faced by CPS. CPS has attempted to shift all school level instructional cuts to the decision making of principals, and that is problematic. The CPS Board needs to acknowledge publicly that it's funding to schools forces principals into numerous dilemmas.

4. But CPS does not need to add to these funding dilemmas as it has with the merger of Core Instructional Funding and Special Education Funding for non-cluster site special education programs. The merger of these funds via student based budgeting should be abandoned. It can no longer be determined how much CPS is spending on many different groupings of students with disabilities due to this merger of funds.

5. Because of the crisis of violence faced by Chicago Public School students and the profound lack of resources CPS is faced with, the district needs to focus its resources for multi-tiered system of supports (MTSS) also known as Response to Intervention (RtI) on the social emotional learning needs of targeted students particularly in those communities with high violence.

6. CPS needs to examine outcomes for its more significantly disabled students who often do not take standardized tests, or who take alternative assessments. While these students can't be compared to their non-disabled peers in a simple statistical manner, Access Living believes that outcomes for these students post-graduation need to be measured and CPS needs to be held accountable for these students too. These outcomes need to include independent living outcomes,



employment outcomes, and the percentages of these former students who are dependent for their survival on various forms of public assistance. The idea of continuous improvement needs to be applied to the lives of these more significantly disabled students.

7. CPS needs to reestablish an effective office for the Americans with Disability Act (ADA) related issues with a director. Every year there are hundreds of CPS employees, parents and grandparents, and students who need ADA accommodations or modifications to their schools and they need a clear point of contact for these services. Funding for ADA projects should be included in the Capital Budget to continue to make historic CPS schools accessible not just for accommodations.

8. Universal Design for Learning, which Access Living has long advocated for, is the most efficient approach to instructing students with disabilities. But the pathway to Universal Design for learning for all students will not be found by unifying the funding mechanisms first. It is to be found in having a school district where all teachers can instruct all children and where there are still specialists with deeper knowledge about students with disabilities. Such a transformation would take years.