

## EDUCATOR ADVISORY COMMITTEE: RECOMMENDATIONS ON BUDGET PROCESS

MARCH 2025

### **Executive Summary**

The Chicago Public Education Fund (The Fund) convenes its Educator Advisory Committee (EAC), an annually rotating cohort of 30-40 principals and assistant principals, to provide feedback on The Fund's work. The group aims to shape The Fund's policy agenda, offer recommendations on programming, and facilitate connections with other leaders across the city.

For the first part of the 2024-25 school year, the EAC has engaged in policy exploration and development to create this memo. The leaders on the EAC chose the topic of the CPS budget process, as the rollout of the new school-based budgeting framework in the previous school year presented an opportunity for school leader feedback in advance of the second budget under that framework. Because the budget process is already underway, the EAC engaged in an abbreviated policy development process in order to make these recommendations available before school budgets are released in spring 2025.

### **Context of the CPS Budget Process**

CPS is notable among large school districts in that it allows principals significant autonomy in developing their own school budgets, with input from their school communities through their local school councils (LSCs). Because of this autonomy, principals in CPS are especially concerned with a budget process that is transparent, offers relevant support, and addresses the needs of their individual school communities. Budgeting at the school level is a major responsibility and a valued autonomy for principals: in The Fund's 2024 Principal Engagement Survey, 95% of principals agreed that the ability to allocate resources and develop the school budget impacted their ability to be an effective leader.

From 2013 to 2023, school budgets were determined by a student-based budget model, where the number and characteristics of students in a building largely determined that school's funding. In 2024, that system was replaced with a school-based budgeting model, which moved away from funding per student toward a preference for ensuring all schools have a base level of funding. Most notably, this new system expanded the number and types of positions that were considered "foundation" positions, i.e. those provided for by the district rather than out of individual schools' budgets. While this change had varying impacts on different schools, most school leaders in the EAC appreciated the assurance that they would not have to worry about finding funding for these positions from their own resources.

While members of the EAC also discussed issues with adequacy and equity in the CPS budget, the group chose to focus on the district's process of communicating school budgets to principals, not on the elements of the budget themselves. They made this choice to provide immediately actionable feedback for district officials based primarily on their experiences during the prior year's budget process, in hopes that some recommendations may be implemented in time for the 2025-26 budget rollout.

## Recommendations

### Foundation Positions

*Context:* EAC members shared varying experiences with the foundational positions provided in the new budget framework for SY25. They acknowledged that this system had winners and losers based on previous distribution of resources, and largely understood the reasons for these shifts. However, reaction to several of the positions being included in foundation funding, specifically assistant principals, was overwhelmingly positive.

One area where EAC members found unnecessary vagueness was in the ability to consolidate unfilled positions, which was perceived as depending on individual Networks' willingness to approve such transfers of funds. The inability to consolidate positions reduces the resources available to schools and undermines principals' support of this new formula.

*Recommendations:* In order to increase consistency in the application of and build buy-in to the school-based budgeting approach, CPS should:

- **Provide clear and consistent guidance on how to consolidate unfilled foundation positions, including the use of the proper budget lines.** Principals reported that Networks approve position consolidation inconsistently or do not provide clarity on how to get such approval. A set of clear written guidelines, applying to all school types and in all Networks, could help to ensure consistent application of this new policy. This guidance should clearly and specifically note which positions can be liquidated and under what circumstances, and lay out the process for doing so.
- **Provide information on which foundation positions will be continued as soon as possible.** As suggested by the above recommendation, principals sometimes have difficulty filling positions provided by foundational funding, and need time to find and vet candidates. Consequently, they suggested that the district should give schools the most lead time possible to hire for these roles by confirming which positions will be included in foundational allotments early in the process. Specifically, they pointed to the transfer window as a timeline around which to orient this information, as the close of this window significantly restricts their ability to fill positions. Some leaders mentioned that receiving assurances that these positions would be funded across multiple school years would also help them to recruit and retain high-quality staff without having to worry about job security from one year to the next.
- **Confer with principals to explore expanding the foundation funding model to other positions and resources.** EAC members expressed a desire to work with CPS as the district makes decisions about the positions and, potentially, other resources that should be covered under a centralized funding model. For example, several members mentioned a technology coordinator position as one that could usefully be included in foundational funding. Conversely, some leaders felt that not all schools would see the same benefit from the positions currently funded centrally, especially small schools where some staff members might successfully cover multiple roles. The members recommended that CPS engage in ongoing dialogue with school leaders as it refines this formula. The EAC also considered the topic of funding certain technological resources in the foundation model (e.g., ensuring each classroom has a smart board); however, the group did not come to a conclusion on this recommendation.

### **Opportunity Index**

*Context:* School leaders in the EAC were generally supportive of the Opportunity Index, both its objectives and its implementation. Numerous school leaders pointed to examples where the use of the Index drew down specific resources needed in their schools. However, several leaders also noted that the inadequacy of overall resources at the district level meant that resources were sometimes redistributed away from schools that still face substantial needs.

As the district's focus on equity leads to a heavier reliance on the Index to make resourcing decisions, principals desire a better understanding of how it works and continual monitoring and adjustment to ensure it continues to meet its intended purpose. School leaders would like to be a part of these continuing efforts by providing feedback from their schools' experiences.

*Recommendations:* In order to ensure the continued alignment between the goals and outcomes of the Opportunity Index, CPS should:

- **Build flexibility into the Opportunity Index to meet school needs not showing up in the index.** School leaders noted that, while the Index takes many school and student characteristics into account, it cannot provide a truly comprehensive picture of each unique school. Many schools face challenges related to specific aspects of their communities, students, or buildings that may not show up in the Index. Thus, CPS should maintain flexibility in its funding calculations and open communications with school leaders to ensure unique school needs are met.
- **Engage in dialogue with principals to ensure the Opportunity Index is meeting the needs of students in their schools.** Many EAC members expressed a desire for further clarity on what factors go into the Index, including specific information on what characteristics of the student body or school neighborhood are accounted for in the calculations, and examples from different school types. More broadly, they wished to engage in conversation with district officials to revisit the Index and potentially revise it to better align to the often unique challenges schools face. These conversations can provide insights to CPS that can help them modify the Index to better account for individual school needs.

### **Support and Communication**

*Context:* Above all, school leaders on the EAC desired clear, frequent, and authentic communication with district officials throughout the budget process. As noted in the above recommendations, school leaders value opportunities to share the specific circumstances of their schools to help inform the way CPS determines elements of school budgets.

In addition to opportunities for school leaders to share their experiences with CPS officials, EAC members also considered areas where further support from the district might improve the budgeting process at their own schools. Principals are in charge of ensuring a wide range of school stakeholders understand the budget, from members of their own leadership team to members of their communities, and it is important that they have the information and resources they need to make school budgeting a truly inclusive process.

*Recommendations:* To ensure school leaders are able to accurately and effectively communicate information about their school budgets to their communities, CPS should:

- **Provide materials to inform community stakeholders on the budget.** Principals on the EAC acknowledged their role in convening stakeholders from their school communities to comment on the budget, including members of their LSCs. Several members noted that LSC members can

play an important part in engaging the broader community, but they need training and support to do so. The district could provide decks, talking points, and templates for informational materials that principals can use to engage these stakeholders and encourage further community participation in the budgeting process.

- **Increase high-quality budget support for principals, especially those new to the role.** School leaders on the EAC expressed a desire for more in-person opportunities to work on budgets with CPS staff, as they felt this format was more helpful than asynchronous trainings or other static resources. Specifically, several newer principals shared that they received little guidance from their predecessors when compiling their first budgets, and some assistant principals expressed an interest in wanting to gain experience in the budget process before moving up to the principalship. These comments suggest that embedding a school-specific budget walkthrough in principals' transition documents could help incoming school leaders better understand the details of their own schools' budgets.
- **Provide guidance on how upcoming changes will impact current and future budgets.** School leaders are doing their best to keep up to date with district-level developments that could affect budget figures and processes, including negotiations around the Chicago Teachers Union (CTU) contract and the change in governance represented by the new, partially-elected school board. However, EAC members expressed a desire for more regular updates on these matters, so they have a better idea of what to expect in the upcoming budget season and know how to answer questions from members of their school communities. While understanding the fluid nature of these issues, school leaders appreciate frequent contact points to discuss these developments.

## **Conclusion**

CPS school leaders have a unique level of oversight over their school budgets, and a crucial familiarity with the needs of their school communities. With this perspective, members of the EAC welcome the opportunity to share their experiences with district leaders to inform a more responsive budgeting process. The Fund looks forward to facilitating ongoing efforts to bring school leader perspective into the conversation as CPS prepares for its second year of the school-based budgeting framework.