

February 22, 2023

**CHICAGO PUBLIC SCHOOLS ANNUAL REPORT ON FISCAL EFFICIENCY FOR SCHOOL YEAR  
2021-2022**

Pursuant to Section 85 of Public Act 102-1088 (collectively, “Decennial Committees on Local Government Efficiency Act”), Illinois School Districts are required to provide a report which summarizes district attempts to improve fiscal efficiency through shared services or outsourcing in the prior fiscal year. Specifically, attempts related to Insurance, Employee Benefits, Transportation, Personnel Recruitment, Shared Personnel, Technology Services, Energy Purchasing, Supply and Equipment Purchasing, Food Services, Legal Services, Investment Pools, Special Education Cooperatives, Vocational Cooperatives, Shared Educational Programs, Curriculum Planning, Professional Development, Custodial Services, Maintenance Services, Grounds Maintenance Services, Grant Writing, and STEM Program Offerings.

The Chicago Public Schools (CPS) has defined attempts to improve fiscal efficiency through shared services or outsourcing in the prior fiscal year as any new expenditure in the reporting fiscal year or reduction in expenditure that was intended to or had the effect of, reducing or avoiding overall expenditure, without reducing services, through either:

- Sharing a service between multiple CPS operating units
- Sharing a service between CPS and other entities
- Outsourcing an existing or new service

The Office of the Chief Financial Officer worked with representatives from the Department of Procurement, and additional staff as needed, to compile expenses that met this definition into the attached report.

This report is accompanying the Fiscal Year 2022 Annual Comprehensive Financial Report, which is also being presented to the Board of Education of the City of Chicago at its February 2023 regular meeting.

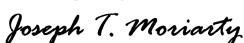
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<b>Name</b>	<b>Description</b>	<b>Amount</b>	<b>Additional Details</b>
Technology Services			
Windows/Chrome book Device Strategic Source Contract	Centralized device contract to ensure standardization of new devices.	\$296,000,000	Approximately 78% of CPS' devices are Chromebooks or use the Windows operating system, the remaining 22% are Apple devices. Purchasing devices from different vendors meant that there was additional overhead in asset tagging, deploying, and supporting devices. Centralizing this contract ensures that CPS devices have a standard configuration, are asset tagged in a standard way, and that CPS is getting the lowest possible pricing for devices and services.
Apple Device Strategic Source Contract	Centralized device contract to ensure standardization of new devices.	\$50,000,000	
Audio Visual/Interactive Whiteboard Strategic Source Contract	Centralized contract to provide a curated catalog of Audio/Visual (A/V) or Interactive White Board (IWB) equipment to standardize on specific models that schools can buy.	\$6,000,000	Prior to implementing the centralized strategic sourcing contract, schools and departments have purchased A/V and IWB equipment through different procurement avenues with different pricing and support offerings. Leveraging a centralized contract enables CPS to use the district's collective buying power to ensure the lowest pricing.
Software Procurement Contract	Centralized contract with two software value-added resellers (VAR).	\$60,000,000	VARs evaluate software licensing options based on a client's organizational needs and scale. Centralizing our Software Procurement Contract with two VARs ensures that CPS can procure software at the lowest cost.
Field Support Services (FSS) Vendor contract	Centralized contract with negotiated rates for technical field support. Vendors visit each school based on the number of devices they have to ensure devices are in proper working order.	\$16,750,000	Historically, individual schools have contracted with vendors for on-site technical support. This centralized FSS contract ensures a standard district-wide support price lower than the previous average school-specific cost.

Name	Description	Amount	Additional Details
Shared Educational Programs			
GoCPS Expansion	Expanded the GoCPS system to include 0-3 year-olds.	\$2,682,320.00	CPS expanded the use of the application platform to include citywide prenatal programs (0-3) into K-12 programs. The systems that support GoCPS are now leveraged for programs for all city agencies and all age groups- primarily through a partnership with Chicago's Department of Family Support & Services and many Community-based PreK programs.
Food Services			
Food Services RFP	Reduced costs by centralizing food services to two vendors.	\$88,500,000	In order to reduce costs and increase supplier diversity, CPS issued a Food Services RFP with more discrete categories than the previous RFP. As a result, the district was able to negotiate cost savings and awarded the RFP to two prime vendors, with a woman-owned vendor awarded the contract for satellite sites, and Aramark awarded the contract for elementary and high schools.
Legal Services/Special Education			
SSCA Claims Administration	Contracted with a vendor to centrally manage the claims administration process for Student Specific Corrective Actions (SSCA).	\$310,000.00	CPS does not have the internal capacity to manage the volume of SSCA claims it receives. Instead, the vendor; maintains a website where families can file their claims, manages the information provided, and issues payments.

Name	Description	Amount	Additional Details
Financial Services			
Centralized Banking Services	CPS mandates that all schools use the same banking vendor and hold no other non-approved accounts.	NA	With over 500 local school accounts, tracking and recording uses of monies necessitate alignment for safekeeping best practices; the centralized contract also provides pricing efficiency and the ability to absorb costs at one central office point.
Credit Card Consortium with City of Chicago Agencies	CPS created a consortium with multiple City of Chicago agencies whereby combined aggregate credit card spending increases the percentage of rebate received.	NA	Participating in the no-cost consortium allows CPS to have higher credit card rebates, thus reducing overall costs.
Employee Benefits			
Supplemental Retirement Savings	Selected a single vendor to provide recordkeeping and third-party administration services for 403(b) and 457(b) Plans.	No cost to CPS.	CPS shifted from a multi-vendor platform to a single-vendor platform. This new approach offers participants a simplified, lower-fee retirement savings program, financial wellness resources, and unbiased retirement readiness education.