



42 West Madison Street, 3rd Floor • Chicago, IL 60602

Jesse H. Ruiz
Interim Chief Executive Officer

April 30, 2015

Ms. Karen Lewis
President
Chicago Teachers Union
Merchandise Mark Plaza, Suite 400
Chicago, IL 60654

Re: Article 49-1

Karen

Dear President Lewis:

As the Chicago Public Schools and the Chicago Teachers Union continue to have productive conversations regarding the next contract, I am writing to inform you that the Board of Education will not have sufficient funds to extend the current collective bargaining agreement for one year under the terms set forth in Article 49-1 of the agreement.

The fourth year of the agreement, which grants the CTU bargaining unit a minimum of a three percent increase in wages and salary for Fiscal Year 2016, would increase the Board's salary and wage costs by \$105 million per year, when including the increases for lanes and steps. Our financial challenges are well known, and while the Board of Education recognizes that CPS teachers and staff have worked extremely hard during the last three years, and our students have achieved great academic success as a result of these efforts, the Board unfortunately cannot extend this contract.

We were optimistic that solutions to the Board's structural financial challenges would have been achieved by now and a well-deserved increase for CPS staff would have been possible. Regrettably that is not the case.

In the coming weeks, we hope to work with you on the most pressing fiscal issue facing CPS -- the continued inequity in pension funding. CPS students and Chicago taxpayers continue to carry the burden of this inequity, and it has come at a great cost. In the coming weeks, we hope you will join us in Springfield on working to reform this inequity.

I hope that constructive talks between your team and the CPS labor team will continue and ultimately yield an agreement that benefits our teachers, staff and, most importantly, our students and their families. Thank you for your continued partnership.

Sincerely,

A handwritten signature in cursive script that reads "Jesse H. Ruiz".

Jesse H. Ruiz
Interim Chief Executive Officer
Chicago Public Schools