



RECEIVED

FEB 02 2016

OFFICE OF  
THE PRESIDENT

Forrest Claypool  
Chief Executive Officer

42 West Madison, 3<sup>rd</sup> Floor • Chicago, Illinois 60602

February 2, 2016

Karen Lewis  
222 Merchandise Mart Plaza  
Suite 400  
Chicago, Illinois 60654

Dear Ms. Lewis:

I was very disappointed to hear that the CTU's large bargaining team rejected the January 29, 2016 tentative agreements after the very long and arduous work of our respective negotiators. I have directed the Board's bargaining team to make itself available to meet with your representatives and the mediator immediately in the hope of finding a positive path forward.

Unfortunately, however, the Board can no longer stay its hand in implementing significant cost-savings measures. Accordingly, please be advised that I am taking the following actions that will impact your bargaining unit in 30 days:

1. Pursuant to Article 36-4.3 and the August 20, 2015 agreement, I will discontinue the pension pick-up for the bargaining unit no sooner than 30 days from the date of this letter, which will save Board \$130 million annually in pension costs
2. 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 practicable.
3. I am implementing waiver provisions that will allow the Board to save another \$50 million by re-purposing Title I and Title II funds, which will result in a reduction in general education funding to the schools while having no significant overall funding impact on school budgets.

These actions are necessary for the financial health of the district and are being implemented because we no longer have a choice but to implement them.

Sincerely,

  
Forrest Claypool  
Chief Executive Officer

Cc: Joseph T. Moriarty  
Jesse Sharkey

