



**Arne Duncan**  
Chief Executive Officer

Dear Administrative Employee:

Yesterday, the Board of Education approved a new salary system for central office employees that will directly affect you and your career here at the Chicago Public Schools. Our goal is to reward all of you who work hard. It offers you a chance to prove your value and gives your supervisor a way to pay you accordingly. It's called *pay for performance* and it is built on the very simple concept that hard workers deserve to be fully and fairly compensated for their efforts.

We have also created a new organization chart (see attached) that will help us operate more efficiently and clarify lines of authority so we all know who is directly responsible for the work in the central office. Our larger goal is to be as efficient as possible downtown so we can be as effective as possible in the classroom and do the best job we can of supporting our principals and teachers.

On November 20<sup>th</sup> and 21<sup>st</sup>, the Department of Human Resources will hold informational meetings for employees in the board chambers to explain this compensation system. On the 28<sup>th</sup> and 29<sup>th</sup> we will meet with managers, also in the board chambers. (We have attached to this memo a flyer with details about the meetings.)

But here's a little background for you to consider. Historically administrative employees have received the same annual cost-of-living adjustments as teachers and other unionized employees. At the same time, raises were often granted by supervisors in an inconsistent manner. The result is that some long-time employees are paid more than the going rate in the market for someone doing the same job, others are paid less, and within CPS, two employees doing similar work are paid different salaries.

Due to our continuing budget woes resulting from underfunding by the State of Illinois, CPS eliminated across-the-board raises this year for all central office employees earning more than \$40,000. You probably also remember that last year, administrators received just 2% raises even as teachers got the 4% raises specified in collective bargaining agreements. There were also no promotions last year as we began the compensation analysis and review.

To bring our compensation system in line with the market and make it more internally consistent, we painstakingly evaluated every single administrative job – from secretary to CEO – compared them to the market and established a set of pay bands that every employee must fall within. All salary changes will be communicated verbally by supervisors. Here's how it affects you:

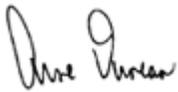
- If your salary is below your pay band it will be boosted to the minimum level effective September 1, 2006. Your new salary will be reflected in your next paycheck and retroactive payments will be made on December 15.
- If your salary is above your pay band your salary will not be reduced but it will remain the same until your pay band catches up with you.

- For all other employees, your salary will remain the same for the rest of this year.

For all employees, you and your supervisor will work together to establish clear work goals and performance measures for the current year. At the end of this year, your supervisor will evaluate your work and decide if you have earned a raise or a promotion. There will be no more annual, across-the-board raises for administrative employees.

Whether you run a major department or work as a part-time intern, you play a key role in our school system, helping support teachers and principals as they do the hard but essential work of educating students. You deserve to be fairly compensated. With a school system as large as ours, we need everyone on the team working hard and working together on behalf of the children and families of Chicago. This new compensation system should inspire all of us to work harder and create a culture of excellence that helps attract great people to work in public education. Ultimately, because of your hard work, it will bring us closer to our goal of creating the best urban school system in America. Thanks so much for your help, your dedication and your commitment.

Sincerely,



Arne Duncan  
Chief Executive Officer  
Chicago Public Schools