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<div>PHILIP WEISS, BRIDGET CUEVAS, ROSEMARY SWEARINGEN, THEODORE KALAGERESIS, and KENNETH MERACLE,</div> <div>Plaintiffs</div> <div>v.</div> <div>CHICAGO TEACHERS UNION, LOCAL 1, IFT-AFT, AFL-CIO; STACY DAVIS GATES, President; and MARIA T. MORENO, Financial Secretary,</div> <div>Defendants.</div>	<div>No. 2024 CH 09334</div> <div>Judge David B. Atkins</div> <div>Calendar 16</div>
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PLAINTIFFS’ RESPONSE IN OPPOSITION TO DEFENDANT’S MOTION
FOR SUMMARY JUDGMENT

Jeffrey M. Schwab (#6290710)
Dean McGee (NY Bar # 5135884)*
James McQuaid (#6321108)
Liberty Justice Center
7500 Rialto Blvd.
Suite 1-250
Austin, Texas 78735
512-481-4400
jschwab@libertyjusticecenter.org
dmcgee@libertyjusticecenter.org
jmcquaid@libertyjusticecenter.org

Attorneys for Plaintiffs

*Admitted Pro Hac Vice (Illinois attorney registration # 6350837).

INTRODUCTION

Plaintiffs are dues-paying CTU members who seek to enforce CTU’s constitutional obligation to furnish audited reports to its members. For years, CTU complied with its own rules by annually publishing reports from independent auditors to its members. That stopped abruptly in September of 2020. After this suit was filed, CTU released self-prepared summary reports that bear none of the hallmarks of the type of legitimate, independent audits it used to release. On this motion, CTU’s sole argument is that these short summaries suffice to meet their obligations, and therefore the case is moot.

CTU’s summary judgment motion represents its second attempt to end this case without discovery—this one filed less than three months after the Court denied its initial motion to dismiss. But nothing has changed since that motion, in which the Court recognized that disputed issues of material fact cannot be resolved based solely on CTU’s unsupported assertion that it has satisfied its obligations. CTU’s repeated argument that the case is “moot” was wrong three months ago, and it remains wrong now.

BACKGROUND

Factual Background

Plaintiffs are longtime members of CTU who are employed as teachers and staff members throughout Chicago Public Schools, including a social worker and a diverse learning teacher. Def. Ex. 1 (Compl.) at ¶¶ 2–5. CTU’s Constitution is a binding contract between CTU and its members. Compl. ¶¶ 12–14. The Constitution

establishes the responsibilities of CTU officers, including a President who serves as the chief executive officer and a financial secretary charged with overseeing CTU's finances, including financial reports and audits. Def. Ex. 2 (Constitution & ByLaws) § 1. The Constitution requires that “[e]ach year, the Financial Secretary shall furnish an audited report of the Union which shall be printed in the Union’s publication.” *Id.*¹

For years prior to 2020, full audit reports were furnished to members through CTU’s now-defunct publication, the Chicago Union Teacher. *See* Exhibit A, Weiss MTD Decl. ¶ 4. The December 2020 edition of that publication includes a complete reproduction of a 19-page Independent Auditor’s Report prepared by Certified Public Accountants Bansley & Kiner LLP. Exhibit A ¶ 5 & Ex. 1.² Despite discontinuing the publication in 2023, CTU still furnishes updates to members via regular email bulletins.³

In May 2024, Mr. Weiss made multiple attempts to obtain the missing audits, only to be met with silence and obstruction. Exhibit A ¶¶ 7-8. Three separate emails to CTU’s Chief of Staff, Matthew Luskin, requesting access to the audits went unanswered—an experience consistent with that of other CTU members. Exhibit A

¹ The Board of Trustees is also required to ensure that “a reliable and adequate audit of the finances of the Union . . . may be inspected in the Union office by any member.” Compl. Ex. A (CTU Constitution) § 2.A.

² *Chicago Union Teacher*, Vol. 84 No. 3 (December 2020), <https://www.ctulocal1.org/chicago-union-teacher/84-3/> (accessed September 12, 2025).

³ “Note on the Official Union Publication,” *Chicago Union Teacher*, <https://www.ctulocal1.org/union/chicago-union-teacher/> (accessed September 12, 2025).

¶ 8 & Ex. 2. After Mr. Weiss and his co-plaintiffs retained *pro bono* counsel to secure the audits, CTU President Stacy Davis Gates and Defendant’s counsel launched public attacks against Plaintiffs, falsely alleging that they were part of an “extreme right wing” effort to undermine the Union, and sabotaging Mr. Weiss’ campaign for a trustee position at a “meet the candidates” event. Exhibit A ¶¶ 11-12. At the time, in October of 2024, Ms. Gates and her counsel insisted that full audits had always been available for member review—statements refuted by Ms. Gates’s own declaration here, which concedes that “CTU has been catching up on finishing audits after 2019” and that the 2021–2022 audits were not “ready” until “around early December 2024.” Gates Decl. ¶ 3.

Defendants attempted to moot the case in December of 2024 by belatedly uploading three documents titled “Audited Reports” to the member portal, covering the years 2020-2022. Exhibit A ¶ 14 & Ex. C; Supp. Hilgendorf Decl. ¶ 3.⁴ These documents, however, appear to be self-prepared short summaries that Mr. Hilgendorf distinguishes from “full annual audits” which are “available for inspection.” Supp. Hilgendorf Decl. ¶ 2. In a further attempt to obscure financial transparency, CTU simultaneously deleted the previously available full audit reports from the portal—marking a blatant regression from its longstanding practice of making those reports accessible to members. Exhibit A ¶¶ 4, 16. Mr. Weiss made an appointment to inspect the “full audits” on February 25, 2025. *Id.* ¶

⁴ A similar report for 2023 was made available around March of 2025. *See* Supp. Hilgendorf Decl. ¶ 2.

18. According to Mr. Weiss, “[w]hile more detailed than the three-page summaries on the portal, these documents lacked an independent auditor’s opinion letter, and were labeled ‘Combined Financial Statements.’” *Id.* ¶ 19. The lack of an independent auditor’s report among the statements rendered them “[in]consistent with what CTU had historically provided to members.” *Id.* ¶ 20.

Procedural History

The Complaint was filed on October 8, 2024. CTU responded to the Complaint with a Motion to Dismiss on February 4, 2025, arguing, among other things, that the case was moot because CTU had produced the limited summaries now attached to the Supplemental Hilgendorf Declaration. The Court denied the Motion to Dismiss on May 14, 2025, rejecting Defendant’s argument “that the matter is moot because Plaintiff Weiss has now been provided individual access to summary ‘Audit Reports’ for the relevant years”—finding that “Plaintiffs are entitled to have their allegations viewed in the light most favorable to them under the present posture, and under that standard the court cannot resolve those questions at the pleading stage.” MTD Order at 2.

Following the next status conference, Plaintiffs served interrogatories and requests for the production of documents on August 6. Exhibit B, McGee Decl. ¶ 3. Defendant then filed this summary judgment motion on August 13, followed by a request for a protective order asking for discovery to be postponed pending a resolution of this motion. The summary judgment motion argues that Plaintiffs’ case is moot because CTU has released partial summaries of audit reports to

members, making the same argument this Court rejected when addressing the motion to dismiss. In addition, CTU has now attached a declaration from President Davis Gates, acknowledging that CTU used to “print[] the entire audit” for members but that, after the filing of this litigation, she “decided that publishing a short report drawn from the audit was compliant with . . . CTU’s Bylaws” Gates Decl. ¶ 3. CTU asserts that the Court is required to defer to this revised interpretation of CTU’s Constitution and Bylaws.

LEGAL STANDARD

Summary judgment is only “appropriate when there are no genuine issues of material fact.” *Outboard Marine Corp. v. Liberty Mut. Ins. Co.*, 154 Ill. 2d 90, 102 (1992). “Summary judgment is a drastic measure and should only be granted if the movant’s right to judgment is clear and free from doubt.” *Id.* “Where a reasonable person could draw divergent inferences from undisputed facts, summary judgment should be denied.” *Id.*

ARGUMENT

I. Summary judgment is premature because plaintiffs have not had an opportunity to obtain discovery.

Defendant has prematurely moved for summary judgment even though material facts are in dispute and Plaintiffs have not had the opportunity to pursue discovery. For that reason alone, its motion must fail.

“While section 2-1005(b) indeed states that a defendant may move for summary judgment at any time, it does not say that the trial court must immediately adjudicate the motion regardless of pending discovery.” *Jiotis v. Burr Ridge Park*

Dist., 2014 IL App (2d) 121293, ¶ 23. Indeed, “it is critical that the respondent be given a reasonable opportunity to conduct discovery before summary judgment is rendered against him or her in a case where the movant asserts that the nonmovant cannot prove a *prima facie* case and the movant does not have the burden of proof on the issue.” *Id.* ¶ 27 (cleaned up). This approach is “sensible and persuasive” because “discovery is intended, first and foremost, for the ascertainment of truth, for the purpose of promoting either a fair settlement or a fair trial.” *Id.* ¶ 28 (cleaned up).

Here, less than three months before the filing of Defendant’s motion for summary judgment, this Court summarized why discovery is needed:

Plaintiffs have alleged that the CTU is required by its Constitution to “furnish an audited report of the Union which shall be printed in the Union’s publication,” but has failed to do so since 2020. The CTU does not even directly dispute this, instead arguing the provision is “outdated” (because it no longer prints any publication), and that the matter is moot because Plaintiff Weiss has now been provided individual access to summary “Audit Reports” for the relevant years. Plaintiffs dispute that this satisfies the alleged obligation both in form and in substance. *Plaintiffs are entitled to have their allegations viewed in the light most favorable to them under the present posture, and under that standard the court cannot resolve those questions at the pleadings stage.*

Order, May 14, 2025, at ¶ 4 (emphasis added).

The Court also noted that “Plaintiffs assert that both the summary reports (allegedly available to any CTU member on request), and more detailed ‘full’ reports that Plaintiff Weiss accessed in person, are materially less detailed than those published prior to 2020.” *Id.* at n.7. CTU’s new response to this is to say that “[f]or some period prior to 2021, CTU went beyond what the Bylaws required and printed

the entire audit in its publication.” CTU MSJ at 3. But “what the Bylaws require” is plainly a disputed material fact, as is CTU’s interpretation of them. And Defendant’s assertion that Plaintiffs “have no evidence of arbitrariness” (CTU Mem. at 7) only underscores why summary judgment must be denied: CTU seeks to forestall discovery and prevent Plaintiffs from ever obtaining additional evidence needed to prove their claim.⁵

For example, Defendants submit a declaration from CTU President Stacy Davis Gates stating that “[d]uring or around early December 2024” (i.e., in the midst of litigation and just before the motion to dismiss was filed) “I decided that publishing a short report drawn from the audit was compliant with the requirement in Article VI, Section 1(d) of CTU’s Bylaws that CTU’s Financial Secretary furnish an audited report of the union.” Gates Decl. ¶ 3. But what was the basis for that decision? Was it documented or communicated to the executive board or the House of Delegates, which holds authority to override her interpretation? Was it a reasonable exercise of presidential authority? Did she consult accounting experts in redefining “audited report?” Is her testimony credible, given her prior representation to Plaintiffs that audits had long been available before December 2024? ⁶ These are precisely the

⁵ Even without discovery, Plaintiffs already have evidence of arbitrariness: Defendants’ own admissions that their interpretation was adopted only after this litigation began, in sharp departure from CTU’s prior practice, as well as expert testimony that the interpretation lacks any grounding in professional auditing standards.

⁶ CTU’s credibility is also called into question by the irreconcilable conflicts between their assertions in this litigation under penalty of perjury that audits were not completed and available until December of 2024 (Gates Decl. ¶ 3; Supp. Hilgendorf

kinds of questions that require production of documents and deposition testimony, before they can be fairly resolved.

Likewise, Mr. Hilgendorf claims that the “audited reports” provided to members “consist of the auditor’s summary pages from the full audit showing the revenues, expenses, assets and liabilities for each audited year.” Supp. Hilgendorf Decl. ¶ 3. But even setting aside that a summary does not constitute an “audited report,” Plaintiffs cannot test the accuracy of this assertion without access to the underlying audit documents in discovery. Defendants further argue that the case is moot because “full” audits are available for inspection by appointment and that Plaintiff Weiss reviewed such reports. Supp. Hilgendorf Decl. ¶ 4. Yet, as this Court already recognized that Mr. Weiss disputes this too: the documents he inspected lacked the essential hallmark of an audited report—an independent auditor’s opinion letter. Without discovery into the underlying audits, neither Plaintiffs nor the Court can determine whether Mr. Hilgendorf’s assertions are accurate.

Accordingly, because the underlying timeline and factual record here are disputed, the case is not ripe for adjudication on the present record, and summary judgment must be denied until Plaintiffs have had the opportunity to complete discovery. *See generally* Exhibit B.

Decl. ¶ 2) and President Gates’s assertions under penalty of perjury in CTU’s form LM2 filings with the Department of Labor that the audits of its books and records had already been conducted by an outside auditor. Exhibit C, Weinberg Decl. ¶ 16.

II. The Case is not moot, and CTU is not permitted to reinterpret its Constitution to artificially manufacture mootness.

A case is moot only when “plaintiffs have secured what was originally sought.” *Duncan Publ’g, Inc. v. City of Chicago*, 304 Ill. App. 3d 778, 782 (1st Dist. 1999). CTU contends that because it has produced documents it labels “audit reports”—which are not independently certified and contain only a fraction of the information provided in the audits published prior to 2020—Plaintiffs have received what they sought, and the case is therefore moot. (Def. Mem. 2–4; Pls. Resp. 9–11). CTU further asserts that “there is no controversy concerning the provision of the requested data.” (Def. Mem. 6). But the cases CTU cites involved plaintiffs who expressly conceded that they had received the requested materials and thus their claims were moot. *See, e.g., Garlick v. Bloomingdale Twp.*, 2018 IL App (2d) 171013, ¶ 38. Plaintiffs here make no such concession and instead maintain that CTU’s self-styled “audited reports” fall far short of the constitutional requirement.

Relying predominantly on *Diamond v. United Food & Commer. Workers Union Local 881*, 329 Ill. App. 3d 519 (2d Dist. 2002), Defendants argue that their stripped-down disclosures satisfy the CTU constitution’s requirement because “audited report” is undefined and ambiguous, and the CTU President has constitutional authority to interpret the constitution. (Def. Mem. 9). But a close examination of the *Diamond* case only highlights why Defendant’s motion should be denied. There, the court held that a private-sector local union chapter’s constitutional provision granting the president authority to “interpret the bylaws and rules of the Local Union” entitled the President to “some deference to the

president's interpretation of the bylaws." *Id.* at 524. But even with "some deference" given, the Court recognized that because "bylaws are a contract, they are capable of being breached," and that "if [the presidents] interpretations are unreasonable, they violate the duty of good faith implicit in the bylaws as a contract." *Id.* at 525–27.

Diamond was not decided on summary judgment without discovery, but after a bench trial in which union leadership's testimony regarding the reasonableness of their interpretation was subject to cross examination. *Id.* at 523. Additionally, unlike in *Diamond*, the CTU's Constitution and Bylaws includes an important caveat: the President's interpretations are "subject to reconsideration by the House of Delegates." Def. Ex. 2 at Art. VI Sec. 1a. Without discovery, it is unclear whether the House of Delegates has even been furnished with President Gates's new interpretation of the Constitution's audit provisions. Indeed, here we have no insight into "the president's method of interpretation" (*id.* at 527); President Gates has simply said that "she decided" to change the longstanding practice of the union. This implies precisely the type of "flipping a coin" decision-making that "would be arbitrary." *Id.* at 528.

This case is further distinguishable from *Diamond* because the term "audited report" in the constitution is not ambiguous. Until 2020, when the CTU stopped publishing audits, CTU members and leadership had a clear and shared understanding of what Article VI, § 1(d) required: full and independent CPA-certified audit reports. The last genuine audited report provided to Plaintiffs in 2020 was a 19-page, CPA-certified, and independently prepared report covering

2018 and part of 2019. Exhibit A ¶ 5. That report appeared to follow generally accepted accounting principles (GAAP) and included detailed financial statements, explanatory notes, and disclosures about the CTU's financial assets and obligations. Weiss. *Id.* ¶ 6. This repeated course of performance (publishing thorough audited reports to CTU members) gave “audited report” an unambiguous meaning. *See, e.g., Gomez v. Bovis Lend Lease, Inc.*, 2013 IL App (1st) 130568, ¶¶ 27–30 (using course of performance as extrinsic evidence to interpret contract provision); *see also Chi. & N. W. R. Co. v. Peoria & P. U. R. Co.*, 46 Ill. App. 3d 95, 101 (3d Dist. 1977) (“The parties to an agreement are in the best position to know what they meant, and their action under the contract is often the strongest evidence of their intended meaning.”). The so-called “audited reports” published from 2022–2024, on the other hand, are a far cry from these reports. They contain no independent certification, no detailed financial statements, and no disclosures. Exhibit A ¶¶ 14–15, 19–20.

Beyond the course of dealings, a “report” in the context of an “audit” is a term with a specific and consistent meaning. In support of this assertion, Plaintiffs submit the declaration of Sheila Weinberg, which explains that under authoritative professional standards, an “audited report” means a set of financial statements that have been examined by an independent CPA in accordance with GAAS, accompanied by the auditor's opinion as to whether those statements fairly present the organization's financial position under GAAP. Exhibit C, Weinberg Decl. ¶¶ 7–13. Ms. Weinberg further explains that the abbreviated summaries CTU has published since 2022 lack every hallmark of an audit report—including independent

certification, explanatory notes, and disclosures—and therefore cannot meet the constitutional standard. *Id.* ¶¶ 17–21. She also observes that, in its own LM-2 filings with the U.S. Department of Labor, CTU represents that it engages outside auditors and pays substantial sums for audit services, a representation that underscores the inconsistency of CTU’s position in this litigation and calls into question its credibility in attempting to downgrade the definition of “audited report” for its members. *Id.* ¶ 16.

Other authoritative sources undermine the reasonableness of President Gates’s interpretation of “audited report.” Federal law defines an audit report as a record prepared after an audit in which a public accounting firm either “sets forth the opinion of that firm regarding a financial statement” or “asserts that no such opinion can be expressed.” 15 U.S.C. § 7220(2). Black’s Law Dictionary likewise defines it as “an independent auditor’s written statement . . . expressing the auditor’s opinion of the accuracy of the company’s financial condition.” *Audit Report*, Black’s Law Dictionary (12th ed. 2024). Courts have also recognized that an audit report must be both independent and substantive. *See ACLU v. City of Chicago*, No. 75 C 3295, 2008 U.S. Dist. LEXIS 76316, at *4–5, *16 (N.D. Ill. Sept. 30, 2008) (rejecting a one-page audit report that merely recited compliance without explaining methodology as “meaningless”); *Janssen v. Reschke*, No. 17 C 8625, 2020 U.S. Dist. LEXIS 188834, at *10 (N.D. Ill. Oct. 13, 2020) (recognizing “an independent audit of [a company’s] financial statements completed by [an outside accounting firm]” as an “audit report”).

Lastly, even if the Court defers to the President's interpretation of "audited report," however, the case is still not moot because not all requested documents have been produced. *See Duncan Publ'g, Inc.*, 304 Ill. App. at 782. Defendants have conceded that the 2024 audited report is still not available even though it is now over eight months into 2025.

CONCLUSION

For the foregoing reasons, Defendants' motion for summary judgment should be denied.

Dated: September 15, 2025

/s/ Dean McGee

Jeffrey M. Schwab (#6290710)
Dean McGee (NY Bar # 5135884)*
James McQuaid (#6321108)
Liberty Justice Center
7500 Rialto Blvd.
Suite 1-250
Austin, Texas 78735
512-481-4400
jschwab@libertyjusticecenter.org
dmcgee@libertyjusticecenter.org
jmcquaid@libertyjusticecenter.org
Attorneys for Plaintiffs

*Admitted Pro Hac Vice (Illinois attorney registration # 6350837).

CERTIFICATE OF SERVICE

I, James McQuaid, an attorney, certify that on September 15, 2025, I served the foregoing on counsel for all parties by filing it electronically via the Odyssey eFile IL service.

/s/ James McQuaid

Exhibit

A

**IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION**

PHILIP WEISS, BRIDGET CUEVAS,
ROSEMARY SWEARINGEN, and
KENNETH MERACLE,

Plaintiffs

v.

CHICAGO TEACHERS UNION,
LOCAL 1, IFT-AFT, AFL-CIO; STACY
DAVIS GATES, President; and MARIA
T. MORENO, Financial Secretary,

Defendants.

No. 2024 CH 09334

Judge David B. Atkins

Calendar 16

**DECLARATION OF PHILIP WEISS IN SUPPORT OF PLAINTIFFS'
OPPOSITION TO DEFENDANTS' MOTION TO DISMISS**

COUNTY OF COOK)
) SS
STATE OF ILLINOIS)

I, Philip Weiss, an adult citizen of Illinois, Pursuant to Section 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, do hereby certify that the statements below are true and correct.

BACKGROUND

1. I have been a dues-paying member of the Chicago Teachers Union since 1998, when I was first hired as a social worker with Chicago Public Schools.

2. As a Plaintiff in the above-captioned action, I reviewed Defendants' memorandum of law in support of their Motion to Dismiss, including the Declaration of Kurt Hilgendorf.

3. In paragraph 3 of his declaration, Mr. Hilgendorf states that, to the best of his knowledge, "CTU has always made its full annual audits available for personal inspection," distinguishing them from "the summary audited reports previously printed in CTU's publication."

4. Mr. Hilgendorf's understanding is incorrect. My recollection is that, from the beginning of my membership in CTU through at least December 2020, CTU furnished full audit reports to members through both its publication, *Chicago Union Teacher*, and its online membership portal. Copies of these historical audit reports remained available in the member portal until recently.

5. As an example, I have attached as **Exhibit 1** the December 2020 edition of *Chicago Union Teacher*, which contains what appears to be a full audit, including an opinion letter from an independent outside auditor. That edition remains publicly available on CTU's website: <https://www.ctulocal1.org/chicago-union-teacher/84-3/>.

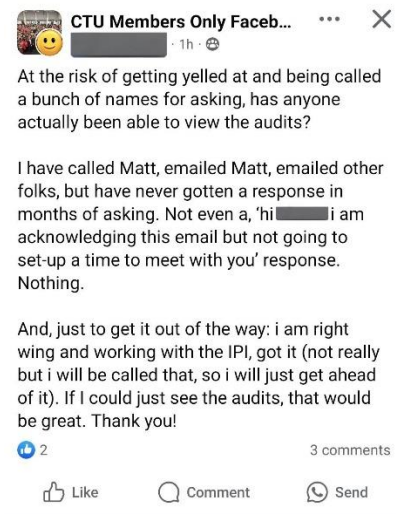
6. I consider that audit to be a "full" audit report because it was clearly prepared by an independent outside auditor and contained a formal opinion letter, financial statements, and explanatory notes consistent with professional auditing standards.

MY EFFORTS TO OBTAIN THE MISSING AUDIT REPORTS AND CTU LEADERSHIP'S RETALIATION AGAINST ME

7. Concerned about the years-long failure to produce audits, I began actively seeking them around May of 2024. I was informed by CTU delegate Debbie Yaker-Montalbano that I should email CTU Chief of Staff Matthew Luskin to arrange to see the audits.

8. I emailed Mr. Luskin three times in May 2024 requesting access to the audits but received no response except for one out-of-office message on May 1 indicating that Mr. Luskin "expects to be back to work within a few days." My emails are compiled and attached hereto as **Exhibit 2**.

9. Other CTU members have had similar experiences. For example, in or around October 2024, a member unaffiliated with me posted the following message on CTU's Members Only Facebook page that they "have called Matt, emailed Matt, emailed other folks, but have never gotten a response in months of asking":



10. When my co-Plaintiffs and I retained *pro bono* counsel, we hoped that CTU leadership would voluntarily furnish the audits to members (or at least provide a clear explanation as to when they would be furnished), thereby obviating the need for litigation. Instead, CTU ignored our request and pursued a campaign of retaliation against us.

11. On the evening of October 8th 2024, the same day Defendants' counsel was notified of our names as potential Plaintiffs, CTU held a virtual "Meet the Candidates" event for members running for trustee positions on the Pension Board. Defendant Davis-Gates was running that meeting.

12. As a candidate for the Pension Board, I attended the event. Before I was introduced, Defendant Gates stated that the "extreme right wing" was in the room and falsely associated my co-Plaintiffs and me with "Project 2025." Defendants' counsel then read our names aloud and claimed that CTU would not respond to our attorney's letter, asserting that the audits had always been available upon request by emailing Mr. Luskin.

13. I also knew that Defendants' counsel's claim was false based on my own unanswered emails to Mr. Luskin. Paragraph 4 of Mr. Hilgendorf's declaration now confirms that audits for fiscal years 2020–2023 were not even available until December 2024—long after we had made our requests.

DEFENDANTS' ATTEMPT TO MOOT THIS LAWSUIT WITH POST-LITIGATION AUDIT SUMMARIES

14. In December, 2024, after this lawsuit was filed, CTU uploaded three documents to the member portal labeled "Audited Reports" for the years 2020, 2021, and 2022. These documents are attached as **Exhibit 3**.

15. The documents are brief, three-page financial summaries that appear to be self-prepared. Unlike prior audits, they lack essential elements such as an opinion letter from an independent auditor certifying compliance with generally accepted accounting principles, and explanatory notes providing context to the financial statements.

16. Around the same time these summary documents were uploaded, all prior full audits previously available on the membership portal were apparently deleted. As a result, members now have even less access to financial information than before.

MY EFFORTS TO INSPECT THE “FULL” AUDITS

17. Paragraph 6 of the Hilgendorf Declaration correctly notes that after CTU uploaded the summary documents in December 2024, I emailed CTU on January 8, 2025, to request access to the full audits.

18. To my knowledge, I never received a response to that email. However, after reviewing the Hilgendorf Declaration (which includes a response I am still unable to locate in my inbox) I followed up again and scheduled an appointment to view the full audits at CTU’s headquarters on February 25, 2025.

19. When I reviewed the documents at CTU headquarters, they did not resemble the audit reports previously furnished to members. While more detailed than the three-page summaries on the portal, these documents lacked an independent auditor’s opinion letter, and were labeled “Combined Financial Statements.” When I asked where the full audits were, the two persons present indicated the documents were the only “audits” available to members.

20. Based on my experience with past CTU audits, I would not consider these to be “full” audit reports consistent with what CTU had historically provided to members.

Under penalties as provided by law pursuant to Section 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, the undersigned certifies that the statements set forth in this Declaration are true and correct, based on knowledge, information and belief.


Philip Weiss

Date: 2/27/25

Exhibit

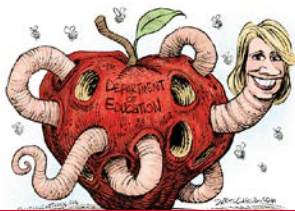
1

PSRP Corner: Mayor continues to act like she's above the law, forcing clerks, staff to work in unsafe buildings

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President's message: Safety, equity, trust in short supply as mayor pushes dangerous reopening plan

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Good and bad of 2020 election: Trump, DeVos lose, but billionaires' misinformation campaign kills the Fair Tax ballot measure

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If only CPS officials took a lead from their counterparts in LA, we could have a Hollywood ending, too

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Victory in North Lawndale: Parents, community win school closing fight, demand investments mayor promised

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WHAT DO WE WANT?

SAFETY



EQUITY



TRUST



**CHICAGO
TEACHERS
UNION**

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Waiting to exhale

Mayor Lightfoot continues to act like she's above the law, forcing clerks, school staff to continue working in unsafe buildings

BY CHRISTEL WILLIAMS-HAYES

The Saturday that Joe Biden won the presidential election, Black and Brown women and men across America felt like we could breathe again. We'd been holding our breath through four years of racist hatred from President Donald Trump, and we finally felt like we could exhale.

But, by Monday, when our clerks, tech coordinators and other staff reported back to work in their unsafe buildings, that sense of relief vanished. They were once again, literally, afraid to breathe.

Biden's victory is, in large part, a repudiation of Trump's pathetic pandemic response. So you would hope the mayor and CPS would take note. But their horrifying indifference to the health and safety of our members persists.

Think about it. An independent arbitrator found that school buildings are unsafe and ordered that clerks and other staff should be allowed to work remotely at least four days a week. But the mayor decided she's above the law and refused to abide by that ruling.

CPS claims can't be trusted

In early November, as COVID-19 infections and deaths were surging across the state, the mayor told all Chicagoans to stay home for 30 days, and Gov. J.B. Pritzker begged all Illinoisans to work remotely. But CPS and the mayor ignored the governor's pleas, still refusing to let clerks do their jobs from home.

To assuage parent and educator concerns about returning to in-person school in poorly ventilated buildings, CPS purchased 4,200 air purifiers to be used in classrooms whenever in-person instruction begins. Was this equipment immediately distributed to our clerks, some of whom have already been sickened by COVID in their buildings, to assuage their fears about working in unsafe schools? While we were receiving daily reports of new coronavirus infections among our clerks, other school staff and



CTU Recording Secretary Christel Williams-Hayes at a pre-dawn action to support clerks and tech coordinators (Photo: CTU)

An independent arbitrator found that school buildings are unsafe, but the mayor has refused to abide by that ruling.

their families, the equipment was sitting in a warehouse.

CPS claims it performed air quality inspections on all buildings and they all passed. But those inspections failed to test for the most important aspects of air quality during a pandemic — how much air is being recirculated out of the room and how rapidly, the only way to verify that ventilation systems are actually working to mitigate virus spread. That's why the Union has demanded — and the arbitrator has agreed — that our own inspectors review ventilation systems, as is our contractual right.

Yet CPS refuses to allow us access to inspect building ventilation systems for safety, or abide by a legally binding arbitrator's ruling or the Governor's

work-from-home requests, even as our clerks who are being exposed and sickened by COVID-19 fear for their lives.

It's as if the mayor simply does not care about our workers. It is hard to reach any other conclusion.

We'll fight with everything we've got

Our Union will continue to use every legal tool we have to force CPS to follow the law and protect workers, students and families. We will continue to be guided by science, which dictates that when coronavirus is surging through our communities, we cannot put students, educators and staff in harm's way by sending them into unsafe buildings.

Chicago's Black and Brown communities are being slammed by double-digit COVID-19 infection rates. Our school clerks, mostly Black and Brown women, live and work in these same communities. They are committed to serving our students and their families. But they should not be forced to choose between a paycheck and their very lives just because the mayor shares the Trump/DeVos agenda to return workers and students to schools regardless of the health risks.

It's time for CPS and the mayor to follow the law. Let our school clerks and other staff breathe a little easier. [CTU](#)

Christel Williams-Hayes is the CTU Recording Secretary.



Norine Gutekanst works the phone (Photo: CTU)

Bon voyage, Norine

Her 70-hour weeks as CTU organizing coordinator may be behind her, but it's a good bet that you'll run into her at the next Union protest

BY CTU COMMUNICATIONS

Norine Gutekanst comes from a family of educators and strong union people. Her godmother, aunt and sister are teachers and her father's family were strong union activists. So it's no wonder she became a fixture at Union meetings, public hearings, rallies, protests and, more recently, car caravans.

Union activism is in her blood and so is teaching.

After working a string of odd jobs, including one at CNW Railroad, Norine began her education career in 1987 at Inter-American Magnet School (IAMS), a wonderful dual language school that, notably, was founded by parents. She taught first through fourth grades at IAMS for 17 years until a destructive Local School Council (LSC) took over and installed a principal who didn't have the support of the school community.

"My wonderful colleagues from IAMS are still some of my closest and dearest friends," she said. "They, like so many CPS teachers, were truly dedicated to the students we served, who came mostly from Latinx families." After leaving IAMS, she taught third grade at Whittier Elementary in Pilsen, again serving mostly working-class Spanish-speaking students and families.

Norine recalls the early 1990s organizing campaigns against Mayor Richard Daley and his corporate backers, who were pushing to reconstitute, turn around and close schools serving mostly Black and Brown students on the south and west sides of the city.

"I began working with other CTU members to fight the school closings," she recalled. "We wanted to stop those destructive actions, which ripped apart entire school communities. But we also wanted to find a way to activate members for the broader fight to defend public education and defend our Union and our working conditions."

Joining CTU staff

She joined with others in that movement — Karen Lewis, Jesse Sharkey, and Jackson Potter, to name a few — in order to revitalize militant struggle in the Union. In 2010, Norine joined them on CTU staff as coordinator of the Union's first ever organizing department, a role she held until her retirement this fall.

Her proudest moments working for CTU? The historic strikes in 2012, 2016 and 2019 top the list, of course. But so does the courageous ISAT boycott by members in 2015 and CTU's alliance with community groups in the Grassroots Education Movement (GEM). And don't forget the CTU merger with charter union ChiACTS and the historic charter strikes of the last two years, which helped stall charter expansion in the city. She also is incredibly proud of the increasing leadership of CTU rank and file members, assisted by CTU's leadership trainings and summer institutes.

"Norine has been instrumental in every single battle and every single victory CTU has won over the last decade," CTU President Jesse Sharkey said. "She has been a fierce, dedicated champion for our Union, our public schools and our students. To say CTU will miss her is an understatement of gigantic proportions."

"I feel completely privileged to have been part of CTU's organizing department for 10 years and to work with the most amazing people, both on staff and in the schools," Norine said. "I am so inspired by our brilliant members who love — and fight for — their students, colleagues and schools."

Norine's next phase

How does she plan to occupy her days, now that the 70-hour weeks are behind her? Reading, travelling and spending time with her adorable grandson come to mind. But she also plans to stay involved in CTU and its fight for the schools our children deserve. So don't be surprised if you see her — in her signature yellow marshall's vest — at the next action. [CTU](#)

CHICAGO
UNION
TEACHER

EDITED BY THE CHICAGO TEACHERS
UNION COMMUNICATIONS DEPARTMENT

CONTRIBUTING WRITERS /
Kurt Hilgendorf, Jackson Potter, Jesse
Sharkey, Christel William-Hayes

CONTRIBUTING PHOTOGRAPHERS /
Chicago Teachers Union, Tennille Evans

ADVERTISING MANAGER / Lupe Coyle

DESIGN AND PRODUCTION / Eric Ruder

OFFICERS
Jesse Sharkey / PRESIDENT
Stacy Davis Gates / VICE PRESIDENT
Christel Williams-Hayes / RECORDING SECRETARY
Maria Moreno / FINANCIAL SECRETARY

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1901 WEST CARROLL AVENUE
CHICAGO, IL 60612

TELEPHONE:
312-329-9100

GENERAL E-MAIL:
LEADERSHIP@CTULOCAL1.ORG

ADVERTISING E-MAIL:
LUPECOYLE@CTULOCAL1.ORG

WWW.CTULOCAL1.ORG



Safety,
equity,
trust

Sisters and Brothers,

By any measure, the coronavirus was raging in November when Mayor Lightfoot and CPS announced that in-person instruction for our most vulnerable students would begin Jan. 11. Daily infection rates hovered around 2,300 at the time. That’s nearly six times higher than the 400 cases CPS initially said would trigger remote learning.

At the time of the announcement, 150 schools had reported COVID-19 infections — in buildings staffed with skeleton crews. Clerks, principals, assistant principals and lunch staff at those schools had become infected. Multiple families contracted the virus and at least one teacher and a security guard — that we know of — died.

At the same time the mayor was telling Chicagoans to stay home and skip Thanksgiving gatherings, she was steam-rolling ahead with plans to reopen schools for pre-k and cluster students, who are some of our most fragile children, just after the new year.

How did the mayor settle on the Jan. 11 date? No one in the scientific or medical community was predicting the pandemic would be under control by then. In fact, leading authorities were predicting just the opposite, a dangerous post-holiday surge.

Instead of relying on science, the mayor pulled an arbitrary date out of thin air to serve a political agenda, urging us all to cross our fingers and hope the virus mysteriously disappears. If that sounds familiar, it’s because Mayor Lightfoot seems to be the last person listening to Donald Trump when it comes to the virus and reopening schools.

Our Union and our families know this is a recipe for disaster. That’s why over 1,000 parents joined a Union town hall in December and why hundreds came out for our Safety, Equity and Trust car caravan in the Loop. We all want to be back in our classrooms, but not until it is safe to do so. Our families are on the same page.

While the mayor distorts the facts and low balls the COVID risk in schools, we have developed clear, effective demands anchored in the core principles of safety, equity and trust. Lightfoot claims we are the ones hurting students when, in fact, she fails to lead with the empathy, equity and integrity our school communities deserve.

Safety must be first and foremost in any reopening plan. We need clear public health criteria to trigger reopening, not a random date dictated by political considerations. We need real resources put behind

safety protocols like masks, screening, nurses and upgrades to make ventilation safe. COVID testing, contact tracing, and a plan for vaccinations must be priorities.

To ensure equity for our students, CPS must revamp remote learning, reduce screen time and provide prep time and PD for educators. All students must have the technology to learn virtually and our families must be given services and support. Our clerks, mostly Black and Brown women, must be allowed to work remotely as an independent arbitrator ordered.

For any reopening plan to succeed, educators and parents need to believe decisions are being made to serve the best interests of students. But trust is in short supply given the district’s track record of lies, negligence, and corruption. That list includes the Aramark boondoggle, the sex abuse scandal CPS swept under the rug and the gutting of special ed services that led to a state takeover. And, let’s not forget, a former CEO went to jail for taking kickbacks and another got pushed out amid an ethics scandal.

To rebuild trust with workers and parents, CPS must bargain in good faith with our Union and give parents, students and community members a seat at the table. We must have independent verification that safety protocols are being met through a CTU-CPS Joint Committee. And safety panels should be empowered to act in each school if violations occur.

While CPS contends it is safe to reopen, no study has examined reopening schools in a city like Chicago, where students frequently live in multigenerational families who rely on public transportation, confront high levels of poverty and with individuals who are essential workers already at higher risk for COVID-19.

The district was unable to enforce even the most basic safety protocols while school buildings were mostly empty this fall. We don’t trust CPS to do it when they are full of teachers and students and the virus is surging. Reopening our buildings must be done in collaboration with the people who know our schools best.

You are the ones who understand what your schools need to be safe. You are the ones parents trust — not the mayor or her CPS mouth pieces.

You are the ones being asked to risk your lives and the lives of your family. And you are the ones who, by standing together, in solidarity, will force the mayor to back down and do what is right for Chicago students and educators.

In solidarity,

Jesse Sharkey
Jesse Sharkey



the
president's
message

Lightfoot seems to be the last person listening to Donald Trump when it comes to the virus and reopening schools.

The CUT interviewed members about remote learning. They shared how it's working in their schools — and what needs to change to improve virtual teaching and learning conditions.



LINDA PERALES
Bilingual SPED cluster teacher
Corkery Elementary

Special ed teacher Linda Perales and her colleagues at Corkery Elementary are making remote learning work, but it's not without challenges. They are following an hour on and hour off schedule, which makes it easier. "But that's a lot to ask of our families — to be on call for seven hours a day with their student," she said. "Many of them are working and just can't do it. So, we definitely need a more humane schedule."

Perales also doesn't mince words when it comes to CPS-dictated technology. "Google classroom is the worst," she said. It's not user friendly and teachers cannot mute the classroom. That is especially problematic for Perales' students, all of whom have disabilities. They get easily distracted if other students are talking or if there's any background noise.

Members speak out

What we need to make remote learning work for students and educators: less screen time, more flexible schedules

"We've found a way in our little bubble to make it work. But that's because everyone — teachers and parents — are working together," she said. "But what we really need to address the problem is for our parents to get paid to stay home and help their children."



EMILY HECHT
Spanish/Science teacher
Jackie Vaughn Occupational High School

Emily Hecht says her colleagues are making remote learning work, but they need a more flexible schedule.

CPS apparently believes that a schedule suitable for a classroom doesn't require significant modification to make it suitable for students learning from home.

The school asked CPS to approve block scheduling, which would allow teachers to delve into more detail during longer periods. The district denied the request.

She thinks it's unfair that educators can't use their contractually-guaranteed supply reimbursement funds to pay for the technology they need to teach remotely, like a new laptop or monitor. And, she said, the lunch time schedule is ridiculous.

"If you have several children in different classes or in different schools, all with different lunch times, you feel like you're in the kitchen all day," she said. "They need to consider the needs of teachers who are parents, too."



WILLIE COUSINS
Pre-k instructional aid
Bond Elementary

Remote learning is working at Bond Elementary, PSRP Willie Cousins said, because parents and the school community are all working together. "Our parents have been great," he said. "They understand we're all in this together. It's a tough situation and every-

one is doing the best they can."

Still, he said the excessive screen time being forced on four year olds in his pre-k classroom is developmentally inappropriate and cruel. They have trouble focusing and staying on task — and he worries it will squash their love for learning. Ideally, he would like to see CPS reduce the amount of screen time to 30 minutes, an hour tops.

He also worries about teachers and staff like himself, who have their own children at home while they are working. "CPS has done nothing to address the difficulties facing working parents," he said. "I'm very concerned about the mental health, as well as the physical health, of our staff and students."



MICHELLE GUNDERSON
Kindergarten teacher
Nettelhorst Elementary

Don't send us back

Vaughn High School parents, teachers say remote learning can work for students with disabilities — and keep students safe

BY CTU COMMUNICATIONS

Catherine Henchek's son has epilepsy, and a fever lowers his seizure threshold. So Catherine was shocked when she heard that the mayor wants special ed students like her son and pre-K children to be the first ones to return to in-person school.

"Obviously, CPS is not saying it's safe to go back to school," she told the unelected CPS Board members at their October meeting. "If it were safe, we'd be sending general ed students back, too."

Henchek and other Vaughn parents, as well as the school's teachers, want the district to stick with remote learning until COVID-19 is under control. But the mayor and CPS are pushing for in-person school in January for our most vulnerable students.

"CPS wants to send special education students back because they are engaging less with remote learning than other students," Hecheck said. "I get that, but shouldn't the solution be to find ways to get them to engage better and help those parents that need it, not send them all back in during a worsening pandemic?"

Student engagement up

The Union is asking the same question. At Vaughn, student engagement is up from

where it was last year and attendance is at pre-pandemic levels. So, why risk coronavirus exposure for the school's 234 students, many of whom are medically fragile?

In March, Vaughn experienced CPS' first known case of coronavirus. That case prompted the district to shut the school down two weeks before Gov. J.B. Pritzker closed the rest of the state's schools. The first months of remote learning in the spring were rough, but the training and hard work of teachers and parents has dramatically improved the program this year.

Vaughn specializes in teaching life skills to help young adults with cognitive, developmental and multiple disabilities become independent. The school's culinary arts program operates a cafe staffed by students. Along with core subjects, the high school teaches students how to take public transportation, buy and pay for things and make change.

Families of incoming freshmen and upper-classmen have been praising the curriculum this year, says Vaughn Local School Council president Cindy Ok. Students are taking online cooking classes, making and selling crafts online, and participating in programs with community partners such as Wright Community College and Access Living.

Emily Hecht, CTU delegate at Vaughn, agrees that training has been key to improve-

ments in remote learning.

Teachers working overtime

"Our teachers have been working overtime creating everything new, and our parents and students have become self learners," she said. "Our parents are real superheroes."

Routines are critical to students with disabilities. So this year's remote learning routine, while not perfect, is helping students stay on track, Hecht said. Forcing students back to in-person school would disrupt the effective routines that parents and teachers have worked so hard to establish.

Henchek agrees. She told the CPS board that teachers and staff have made considerable progress in improving online learning from where it was in the spring and summer.

"Students are having lessons taught in real time by their subject teachers. They have developed a routine. They are engaged. They are learning," she said. "No, it's not the same as in-person learning before the pandemic. But the in-person learning that we would go back to won't be the same either."

While Hecht thinks students are more engaged in remote learning this year, she wants CPS to accept educators' recommendations for improvement. The day is too long for students, and teachers need a lot more planning time.



LORI TORRES
World language teacher
Monroe Elementary

Like many teachers, Michelle Gunderson was overwhelmed when she started back to school this fall. “As a first grade teacher, I felt the amount of screen time children were required to attend was inappropriate and that I was given no support or materials to make it work,” she said. “Twelve weeks later, I feel that we have all had to make do with so little.”

“The success of the online teaching and learning I have experienced during the first quarter had nothing to do with the latest app that came down the line, or the newest gadget that I bought,” she said. “It happened when I remembered who I was as a teacher and why I became a teacher 34 years ago.”

Maria Montessori’s maxim “follow the child” has guided Gunderson’s work remotely, just as it does in a physical classroom. “We play games together, use our math materials to learn, read books that we love, and take care of our relationships,” she said. “We stay away from rote worksheet-based learning and canned programmed curricula. But in the end, what makes it work is administrators and the district staying out of our way and letting us just teach.”

“The fact that CPS seems to think that transferring an in-person schedule to online learning is crazy,” Monroe Elementary teacher Lori Torres said. “I am challenged to focus on my students and support my own children’s learning when they struggle and need support.”

One solution, she said, would be to create consistent schedules for grade bands. For example, eight to noon for younger grades, 10 to noon for middle schoolers, and so on. Families also need a universal lunch break and teachers need a day to plan, grade, give feedback, and have office hours.

Older siblings may be the caregivers to their siblings during the day. A revised schedule would help them support their younger siblings and let parents focus on one age group at a time, she said. It also could relieve broadband bottlenecks that make connecting remotely a challenge in some households and communities.

She also sees the need for more counselors and social workers to help students struggling with isolation. “I’m not sure teachers are able to catch the signs as well as we would in person,” she said. “But parents are seeing it and they need some assurance that the school can help.” [CTU](#)



Jacqueline Vaughn Occupational High School

Still, she says, the school community is doing a great job, making the best of a difficult situation.

“Everyone is doing an amazing job,” she said. “We just need to hang in there

and keep communicating with each other.” And we need to continue to push CPS to make the modifications to remote learning that students and educators need.” [CTU](#)

California dreaming

If only CPS officials would follow the example of their counterparts in Los Angeles, we might have a Hollywood ending, too

BY **JACKSON POTTER**

Unlike CPS’ refusal to bargain with the CTU over remote learning or return to in-person school, our Union sisters and brothers in Los Angeles have been properly engaged by their school management. Maybe it’s because Los Angeles has an elected school board. Or, maybe, officials there realize you cannot run a school system without the workers.

Either way, I’m dreaming of California as our Union fights to ensure safety and equity for our members and students during the COVID crisis.

A product of actual negotiation, Los Angeles’ remote learning plan makes a lot more sense than the plan imposed on CPS educators. United Teachers Los Angeles (UTLA) also reached an agreement on a package of safety protocols to pave the way for some in-person teaching.

Reasonable day

For example, their virtual day goes from a more reasonable 9 a.m. to 2:15 p.m. It also gives educators and schools the autonomy to determine what ratio of online and offline time is developmentally appropriate.

UTLA members also get a one-time pandemic supply fund provision. The fund has minimal restrictions, while CPS restrictions are insane. The amount also is double what CTU members normally receive per our contract to prepare for remote learning. Lastly, the UTLA and the district regularly tweak the agreement to respond to new developments and concerns.

CPS insisted all through the fall that it would not bargain with CTU over a return to in-person school. Meanwhile, UTLA reached an agreement in October that covers adult education, in-person assessments and in-person tutoring. All are programs the union agrees require some in-person work. The agreement covers critical areas CPS refused to even address.

For example, participation by educators is voluntary. The agreement mandates six feet social distancing and daily sanitation of work spaces. CPS forced clerks, tech coordinators and other staff back to unsafe buildings in August. It wants to force pre-k and special ed teachers back to those same buildings beginning in early January — a date CPS has had to push back once already from November as the virus surges. CPS continues to refuse to bargain safety protocols.

Testing and tracing

All participating UTLA members and students must be tested and cleared

before coming to school. Walk-up, on-site, COVID testing is also provided, with UTLA nurses participating on a voluntary basis. UTLA also has worked out a system for contact tracing of students and staff. CPS’ reopening “plan” does not require testing and potential contact tracing will be woefully insufficient.

The UTLA agreement sets the conditions and metrics for an eventual physical return to school without setting an actual date to reopen. That’s similar to what New York City enacted. As we approach the second quarter of school, CTU members still have no idea what metrics will be used to reopen buildings here.

The Los Angeles agreement requires PPE, including face masks, shields (upon request), hand sanitizer and hand washing, and one-use supplies such as pencils. CPS claims it will provide proper safety equipment but has refused to sign a written agreement to that effect.

Get it in writing

The need to have safety protocols in writing — and not just in a press release — became even more apparent to me when I helped administer the PSAT at my school in September, an act of solidarity with colleagues who CPS required to work on-site. I also wanted to assess the conditions inside our schools.

Needless to say, there were problems. The test required the classroom door to be closed. No windows were open. This small detail is just one of hundreds of decision points that would need to be adjusted for school practices to reflect the best advice of public health experts.

Other questions arose. Do you let a student eat or drink in their classroom? Do you actually measure the six feet distance between desks rather than wing it? Do you sanitize your hands after handing out supplies to students? How and when do the students sanitize their hands?

The questions are numerous and the countless issues teachers and students have to navigate require a negotiated agreement with our Union. Anything less would make a return to in-person school unworkable, even if transmission rates decrease to acceptable levels.

Maybe, if we had an elected school board or, at a minimum, a willing partner on the other side of the table, we could have a Hollywood ending to our current fight with CPS. But with the mayor calling the shots, I’m not holding my breath. [CTU](#)

Jackson Potter is a social studies teacher at Back of the Yards College Prep High School.

CHICAGO TEACHERS UNION
COMBINED FINANCIAL REPORT
JUNE 30, 2019 AND 2018

CHICAGO TEACHERS UNION

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INDEPENDENT AUDITOR'S REPORT

Chicago Teachers Union
Chicago, Illinois

Report on the Financial Statements

We have audited the accompanying combined financial statements of Chicago Teachers Union, which comprise the combined statements of financial position as of June 30, 2019 and 2018, and the related combined statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of Chicago Teachers Union as of June 30, 2019 and 2018, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

MEMBERS: AMERICAN INSTITUTE OF CPAs • ILLINOIS CPA SOCIETY
AN INDEPENDENT MEMBER OF THE BDO ALLIANCE USA



Other Matter

As described in Note 1 to the financial statements, Chicago Teachers Union adopted the provisions of Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities* during the year ended June 30, 2019. Our opinion is not modified in respect to this matter.

Consolidated Financial Statements of Chicago Teachers Union

We have also audited, in accordance with auditing standards generally accepted in the United States of America, the consolidated financial statements of Chicago Teachers Union, which comprise the consolidated statement of financial position as of June 30, 2019 and 2018 and the related consolidated statements of activities, functional expenses and cash flows for the year then ended (none of which are presented herein), and we expressed an unmodified opinion on those financial statements. Such consolidated financial statements are the general purpose financial statements of Chicago Teachers Union, and the combined financial statements of Chicago Teachers Union presented herein are not a valid substitute for those consolidated financial statements.

Bansley and Kiener, L.L.P.
Certified Public Accountants

September 9, 2020

CHICAGO TEACHERS UNION
COMBINED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2019 AND 2018

	2019	2018
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 5,346,427	\$ 3,318,179
Certificates of deposit	125,594	125,594
Receivables		
Due from Foundations	3,284,169	2,656,274
Due from affiliates	927,970	884,703
Other receivables	977,910	907,433
Prepaid expenses and other current assets	142,554	157,239
Total current assets	10,804,624	8,049,422
ACCRUED RENTAL REVENUE	81,975	101,639
DEFERRED LEASING COSTS, net	66,582	96,174
PROPERTY AND EQUIPMENT, net	4,322,318	5,409,900
Total	\$15,275,499	\$13,657,135
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Current maturities of capital lease obligations	\$ 101,109	\$ 90,344
Accounts payable	4,658,475	2,042,298
Accrued expenses	3,484,167	5,467,356
Total current liabilities	8,243,751	7,599,998
LONG-TERM LIABILITIES		
Capital lease obligations, less current maturities	138,263	233,297
Note payable - Foundation	4,708,369	5,021,213
Deferred rent	1,352,668	1,756,831
Total	6,199,300	7,011,341
NET ASSETS (DEFICIENCY)		
Net assets without donor restrictions	360,166	(1,195,435)
Net assets with donor restrictions	472,282	241,231
Total net assets (deficiency)	832,448	(954,204)
Total	\$15,275,499	\$13,657,135

The accompanying notes are an integral part of the combined financial statements.

CHICAGO TEACHERS UNION
COMBINED STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2019 AND 2018

	2019			2018		
	Net assets without donor restrictions	Net assets with donor restrictions	Total	Net assets without donor restrictions	Net assets with donor restrictions	Total
Net assets without donor restrictions						
Support and revenue						
Dues and fees	\$25,322,335	\$ -	\$25,322,335	\$24,574,480	\$ -	\$24,574,480
IFT organizational and other assistance	2,686,003	492,725	3,178,728	2,613,574	460,251	3,073,825
AFT reimbursement and special assistance	519,881	-	519,881	267,896	-	267,896
Contributions	-	630,465	630,465	-	337,747	337,747
Rent	379,050	-	379,050	378,249	-	378,249
Interest	1,001	-	1,001	2,320	-	2,320
Other	19,022	(396)	18,626	16,243	(19,812)	(3,569)
	<u>28,927,292</u>	<u>1,122,794</u>	<u>30,050,086</u>	<u>27,852,762</u>	<u>778,186</u>	<u>28,630,948</u>
Net assets released from restrictions	891,743	(891,743)	-	1,132,671	(1,132,671)	-
Total support and revenue	<u>29,819,035</u>	<u>231,051</u>	<u>30,050,086</u>	<u>28,985,433</u>	<u>(354,485)</u>	<u>28,630,948</u>
Expenses						
Collective bargaining and member services	5,839,691	-	5,839,691	6,773,593	-	6,773,593
Unallocated payments to affiliates	13,557,550	-	13,557,550	13,384,652	-	13,384,652
Member development	2,084,432	-	2,084,432	2,872,250	-	2,872,250
Management and general activities	5,890,018	-	5,890,018	7,140,947	-	7,140,947
Political action committee	889,743	-	889,743	1,132,671	-	1,132,671
RAPP	2,000	-	2,000	-	-	-
Total expenses	<u>28,263,434</u>	<u>-</u>	<u>28,263,434</u>	<u>31,304,113</u>	<u>-</u>	<u>31,304,113</u>
Increase (decrease) in net assets	1,555,601	231,051	1,786,652	(2,318,680)	(354,485)	(2,673,165)
Net assets (deficiency) beginning of year	(1,195,435)	241,231	(954,204)	1,115,178	595,716	1,710,894
Net assets transferred in merger	-	-	-	8,067	-	8,067
Net assets (deficiency) end of year	<u>\$ 360,166</u>	<u>\$ 472,282</u>	<u>\$ 832,448</u>	<u>\$ (1,195,435)</u>	<u>\$ 241,231</u>	<u>\$ (954,204)</u>

The accompanying notes are an integral part of the combined financial statements.

CHICAGO TEACHERS UNION
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2019

	Program Services	Supporting Services					Totals
	Collective Bargaining and Member Services	Unallocated Payments to Affiliates	Member Development	Management and General Activities	Political Action Committee	RAPP	
Affiliations	\$ -	\$13,557,550	\$ -	\$ -	\$ -	\$ -	\$13,557,550
Salaries	2,539,437	-	1,003,496	2,125,755	-	-	5,668,688
Employee benefits	665,917	-	289,232	621,936	-	-	1,577,085
Payroll taxes	210,913	-	77,547	162,801	-	-	451,261
Travel and staff expense	260,609	-	55,563	44,070	-	-	360,242
Collective bargaining	160,600	-	63,980	-	-	-	224,580
Meetings	291,641	-	85,655	28,984	-	-	406,280
Defense	733,805	-	-	-	-	-	733,805
Professional fees	-	-	-	1,049,047	-	-	1,049,047
Publications	130,340	-	5,600	14,097	-	-	150,037
Death benefits	-	-	13,000	-	-	-	13,000
Political Action Committee	-	-	-	-	889,743	-	889,743
All other	12,468	-	166,961	611,248	-	2,000	792,677
Conventions and conferences	-	-	-	136,025	-	-	136,025
Executive board	-	-	-	30,979	-	-	30,979
Election expenses	-	-	-	280,609	-	-	280,609
Rent and utilities	303,361	-	117,639	243,766	-	-	664,766
Telephone	22,937	-	8,895	18,431	-	-	50,263
Office supplies and expense	150,164	-	58,231	120,664	-	-	329,059
Insurance	44,027	-	17,073	35,377	-	-	96,477
Depreciation and amortization	313,472	-	121,560	251,892	-	-	686,924
Interest expense	-	-	-	114,337	-	-	114,337
	<u>\$ 5,839,691</u>	<u>\$13,557,550</u>	<u>\$ 2,084,432</u>	<u>\$ 5,890,018</u>	<u>\$ 889,743</u>	<u>\$ 2,000</u>	<u>\$28,263,434</u>
	21%	48%	7%	21%	3%	0%	100%

The accompanying notes are an integral part of the combined financial statements.

CHICAGO TEACHERS UNION
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2018

	Program Services	Supporting Services				
	Collective Bargaining and Member Services	Unallocated Payments to Affiliates	Member Development	Management and General Activities	Political Action Committee	Totals
Affiliations	\$ -	\$13,384,652	\$ -	\$ -	\$ -	\$13,384,652
Salaries	2,491,175	-	1,197,105	2,713,887	-	6,402,167
Employee benefits	629,884	-	283,204	818,850	-	1,731,938
Payroll taxes	163,994	-	70,754	275,469	-	510,217
Travel and staff expense	254,297	-	64,444	62,905	-	381,646
Collective bargaining	65,749	-	288,626	-	-	354,375
Meetings	224,527	-	60,802	-	-	285,329
Defense	892,053	-	-	-	-	892,053
Professional fees	-	-	-	704,081	-	704,081
Publications	232,771	-	-	32,147	-	264,918
Death benefits	-	-	15,500	-	-	15,500
Political Action Committee	-	-	-	-	1,132,671	1,132,671
All other	43,870	-	81,506	242,421	-	367,797
Conventions and conferences	-	-	-	71,375	-	71,375
Executive board	-	-	-	50,176	-	50,176
Election expenses	-	-	-	340	-	340
Rent and utilities	1,272,330	-	580,745	1,391,592	-	3,244,667
Telephone	18,651	-	8,513	20,400	-	47,564
Office supplies and expense	156,452	-	71,411	171,116	-	398,979
Insurance	35,812	-	16,346	39,170	-	91,328
Depreciation and amortization	292,028	-	133,294	319,402	-	744,724
Interest expense	-	-	-	227,616	-	227,616
	<u>\$ 6,773,593</u>	<u>\$13,384,652</u>	<u>\$ 2,872,250</u>	<u>\$ 7,140,947</u>	<u>\$ 1,132,671</u>	<u>\$31,304,113</u>
	22%	43%	9%	23%	4%	100%

The accompanying notes are an integral part of the combined financial statements.

CHICAGO TEACHERS UNION
COMBINED STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
Cash flows from operating activities:		
Increase (decrease) in net assets	\$ 1,786,652	\$(2,673,165)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	686,924	744,724
Deferred rent	(404,163)	30,687
Amortization of deferred leasing costs	-	29,592
Interest accrued on note payable	100,561	208,248
Changes in assets and liabilities:		
(Increase) decrease in:		
Due from Foundations	(627,895)	(1,060,540)
Due from affiliates	(43,267)	(302,572)
Other receivables	(70,477)	(302,884)
Prepaid expenses and other current assets	14,685	42,863
Accrued rental revenue	19,664	(101,639)
Increase (decrease) in:		
Accounts payable	2,616,177	(583,960)
Accrued expenses	(1,983,189)	803,382
Total adjustments	338,612	(492,099)
Net cash provided by (used in) operating activities	<u>2,125,264</u>	<u>(3,165,264)</u>
Cash flows from investing activities:		
Purchase of property and equipment	(12,747)	(391,616)
Purchase of certificates of deposit	-	(325)
Proceeds from maturities of certificates of deposit	-	109,527
Net cash used in investing activities	<u>(12,747)</u>	<u>(282,414)</u>
Cash flows from financing activities:		
Reduction of capital lease obligations	(84,269)	(102,261)
Net cash used in financing activities	<u>(84,269)</u>	<u>(102,261)</u>
Assets transferred in merger	-	8,067
Net increase (decrease) in cash and cash equivalents	<u>2,028,248</u>	<u>(3,541,872)</u>
Cash and cash equivalents		
Beginning of year	<u>3,318,179</u>	<u>6,860,051</u>
End of year	<u>\$ 5,346,427</u>	<u>\$ 3,318,179</u>
Supplemental disclosures of cash flow information		
Cash payment for:		
Interest	\$ 13,677	\$ 19,281
Non-cash investing and financing activities:		
Reduction in note payable and leasehold improvements due to revised estimate of construction costs	\$ 413,406	\$ -

The accompanying notes are an integral part of the combined financial statements.

(Continued on next page)

CHICAGO TEACHERS UNION
NOTES TO COMBINED FINANCIAL STATEMENTS

Note 1 – Nature of Activities and Significant Accounting Policies

Nature of Activities

The Chicago Teachers Union (“Union”) is an organization whose objective is to improve the status of teachers, educational workers and other workers in the City of Chicago.

The Chicago Teachers Union Political Action Committee (PAC) was organized on January 4, 1975. The PAC is comprised of the officers and a trustee of the Union. Contributions to the PAC are voluntary from Union members.

The Chicagoans United for Economic Security Political Action Committee (CUES) was organized on February 5, 2014 and terminated effective January 29, 2019. CUES is also comprised of the officers and a trustee of the Union.

Chicago Teachers Union Local 1 PAC (CTU Local 1 PAC) was organized on February 14, 2018. CTU Local 1 PAC is also comprised of the officers and a trustee of the Union.

Principles of Combination

The combined financial statements include the accounts of the Union, the PAC, CUES and CTU Local 1 PAC after elimination of all significant interfund balances and transactions.

The Union is affiliated with the Chicago Teachers Union Foundation, Inc. (Foundation) which is not combined herein. During 2017, the Union relocated its offices from the Merchandise Mart to the building owned by the Foundation (See Note 4). Management evaluated its present relationship with the Foundation and determined both control and an economic interest exist. Consequently, the Union prepared separate general purpose financial statements as of and for the years ended June 30, 2019 and 2018 consolidating the activities of the Foundation.

The Union has a controlling financial interest in the Children and Teachers Foundation of Chicago Teachers Union (Children and Teachers Foundation). The Union has elected not to combine this entity in the combined financial statements; however, it is included in the general purpose financial statements of the Union.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Union considers all cash accounts, which are not subject to withdrawal restrictions or penalties, and all money market funds to be cash equivalents.

CHICAGO TEACHERS UNION
NOTES TO COMBINED FINANCIAL STATEMENTS

Note 1 – Nature of Activities and Significant Accounting Policies (Continued)

Property and Depreciation

Depreciation of property and equipment is computed principally on the straight-line method over the following estimated useful lives:

	Years
Office equipment	5-7
Leasehold improvements	5-15

Maintenance and repairs of property and equipment are charged to operations and major improvements are capitalized. When assets (including equipment under capital lease) are sold, retired or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is included in the change in net assets.

Restricted and Unrestricted Revenue and Support

Net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Union and changes therein are classified as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Union. The Union’s Executive Board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Deferred Leasing Costs and Tenant Improvements

Leasing commissions, other leasing costs, and tenant improvements directly attributable to the tenant sublease are capitalized as deferred leasing costs or leasehold improvements and are amortized or depreciated over the term of the sublease agreement.

Rental Revenue

The Union records rental revenue on a straight-line basis for “free rent” and for minimum rental revenue increases scheduled over the lease term as required by accounting principles generally accepted in the United States of America. The difference between rental revenue earned on a straight-line basis and the cash rent due under provisions of the lease agreement is recorded as accrued rent revenue on the accompanying statement of financial position.

Death Benefits

The Union provides a discretionary death benefit for beneficiaries of individuals who are Union members at the time of death. The benefit is a one-time payment ranging from \$300 to \$1,000 based on the individual’s length of membership. The Union’s policy is to expense these benefits as they are incurred. Death benefit expense for the years ended June 30, 2019 and 2018 was \$13,000 and \$15,500, respectively.

CHICAGO TEACHERS UNION
NOTES TO COMBINED FINANCIAL STATEMENTS

Note 1 – Nature of Activities and Significant Accounting Policies (Continued)

Income Tax Status

The Union is exempt from federal income taxes under Section 501(c)(5) of the Internal Revenue Code. The PAC, CUES and CTU Local 1 PAC, as political organizations under Section 527 of the Internal Revenue Code, are exempt from income taxes with the exception of their net investment income. No provision for income taxes was required for 2019 or 2018. The Union’s and political organizations’ tax filings for the prior three years are subject to review by the Internal Revenue Service, generally for three years after the returns have been filed.

Functional Expenses

Expenses are categorized based upon their functional classifications on the statements of activities. The statements of functional expenses present the natural classification of expenses by function. Certain expenses are allocated among program and supporting services benefitted. Expenses attributable to both program services and supporting services are allocated on a reasonable basis that is consistently applied. Certain expenditures are allocated based upon direct expenditures incurred, while others are allocated based upon estimated time and effort.

Reclassifications

Certain reclassifications have been made in the prior year financial statements to conform to the current year presentation. The reclassifications had no impact on previously reported net assets.

Evaluation of Subsequent Events

Management has evaluated subsequent events through September 9, 2020, the date the financial statements were available to be issued.

New Accounting Pronouncement

On August 18, 2016, the FASB issued ASU 2016-14, *Not-for-Profit Entities (Topic 958) - Presentation of Financial Statements of Not-for-Profit Entities* (ASU 2016-14). The Union has adjusted the presentation of its financial statements accordingly, applying the changes retrospectively to the comparative period presented. The new standards changed the following aspects of the Union’s financial statements:

- The temporarily restricted and permanently restricted net assets classes have been combined into a single net asset class renamed net assets with donor restrictions.
- The unrestricted net asset class has been renamed net assets without donor restrictions.
- The addition of a statement of functional expenses for each year presented.
- The financial statements include a new disclosure about liquidity and availability of resources (Note 11).

CHICAGO TEACHERS UNION
NOTES TO COMBINED FINANCIAL STATEMENTS

Note 1 – Nature of Activities and Significant Accounting Policies (Continued)

New Accounting Pronouncement (Continued)

The changes have the following effect on net assets at June 30, 2018.

Net Asset Class	As Originally Presented	After Adoption of ASU 2016-14
Unrestricted net assets (deficiency)	\$(1,195,435)	\$ -
Temporarily restricted net assets	239,231	-
Permanently restricted net assets	2,000	-
Net assets (deficiency) without donor restrictions	-	(1,195,435)
Net assets with donor restrictions	-	241,231
Total net assets (deficiency)	<u>\$ (954,204)</u>	<u>\$ (954,204)</u>

Note 2 – Property and Equipment

Property and equipment at June 30, 2019 and 2018 consist of the following:

	2019	2018
Office equipment	\$2,052,858	\$2,040,111
Office equipment held under capital lease	551,116	551,116
Leasehold improvements	<u>3,805,586</u>	<u>4,218,991</u>
	6,409,560	6,810,218
Less accumulated depreciation and amortization	<u>2,087,242</u>	<u>1,400,318</u>
	<u>\$4,322,318</u>	<u>\$5,409,900</u>

Note 3 – Cash and Certificates of Deposit Concentration

The Union maintains cash balances and certificates of deposit at several banks. Accounts at these institutions may from time to time exceed amounts insured by the Federal Deposit Insurance Corporation.

Note 4 – Due from Foundations

The Union is affiliated with the Children and Teachers Foundation. Beginning in 2019, major transactions with the Children and Teachers Foundation include payment by the Union of salary, taxes and benefits on behalf of the Children and Teachers Foundation. These expenses amounted to \$168,239 for the year ended June 30, 2019. The Union also advanced \$50,000 to the Children and Teachers Foundation to fund the Children and Teachers Foundation’s operations during 2019. The total amount due from the Children and Teachers Foundation at June 30, 2019 is \$218,239.

CHICAGO TEACHERS UNION
NOTES TO COMBINED FINANCIAL STATEMENTS

Note 4 – Due from Foundations (Continued)

A summary of the Children and Teachers Foundation's statement of financial position as of June 30, 2019 and 2018 is as follows:

	2019	2018
Assets		
Cash and cash equivalents	\$ 73,127	\$17,149
Other	-	100
Total	<u>\$ 73,127</u>	<u>\$17,249</u>
Liabilities and Net Assets		
Accounts payable and accrued expenses	\$ 48,396	\$ 8,510
Due to CTU	218,239	-
Other	<u>152,825</u>	-
	419,460	8,510
Net assets (deficiency)	<u>(346,333)</u>	<u>8,739</u>
Total	<u>\$ 73,127</u>	<u>\$17,249</u>

The Union is also affiliated with the Chicago Teachers Union Foundation, Inc. (Foundation). Major transactions with the Foundation include payment by the Union of salary, taxes and benefits on behalf of the Foundation. Also, during the year ended June 30, 2019, rent to be paid by the Union to the Foundation was offset against the receivable. The amount due from the Foundation at June 30, 2019 and 2018 is \$3,065,930 and \$2,656,374, respectively.

The Union also leases its office space from the Foundation (See Note 5).

A summary of the Foundation's statement of financial position as of June 30, 2019 and 2018 is as follows:

	2019	2018
Assets		
Cash and investments	\$10,911,250	\$13,507,868
Property and equipment - net	32,960,967	32,570,446
Note receivable - CTU	4,708,369	5,021,213
Other assets	<u>1,694,667</u>	<u>1,290,935</u>
Total	<u>\$50,275,253</u>	<u>\$52,390,462</u>
Liabilities and Net Assets		
Accounts payable and accrued expenses	\$ 813,558	\$ 1,025,870
Deferred grant and rental income	700	50,000
Due to CTU	<u>3,065,930</u>	<u>2,656,374</u>
	3,880,188	3,732,244
Net assets	<u>46,395,065</u>	<u>48,658,218</u>
Total	<u>\$50,275,253</u>	<u>\$52,390,462</u>

CHICAGO TEACHERS UNION
NOTES TO COMBINED FINANCIAL STATEMENTS

Note 5 – Leases

Operating Lease with the Merchandise Mart

The Union has a lease agreement for office space which expires on October 31, 2021. The agreement provides that the lessee pay its proportionate share of the operating costs plus a base rental amount. As an inducement, the lessor agreed to provide the Union allowances to be used for leasehold improvements and monthly rental payments as detailed in the lease agreement. In conformity with accounting requirements, the Union is recognizing the deferred rent credit over the lease term.

During 2015, Union management decided to relocate its offices to the building owned by the Foundation. Negotiations for a buyout of this lease with the lessor and efforts to sublease this former office space were not finalized until July 2019.

During the buyout negotiations, the lessor was cooperative in attracting new tenants to mitigate any potential losses. However, the Union incurred losses on the lease for its former office space after its relocation. The amount of loss is the amount by which costs to be incurred exceed the amounts reasonably expected to be received from any subleases. These amounts are adjusted annually for amounts paid while the property is vacant. The Union recorded an expense and a liability related to the projected shortfall between the rent obligation under the lease and the rental income to be received over the term of the sublease (as discussed below). During 2017, the Union recorded a loss of \$3,042,000. During 2018, the Union recorded an additional loss totaling \$705,000 based upon the revised projected shortfall at June 30, 2018. During 2019, the Union agreed to pay the lessor a termination fee of \$678,000 and agreed to a reduced rent schedule based upon a reduction in the rentable space from 41,598 square feet to 24,022 square feet.

The revised minimum future rental payments under the non-cancelable operating lease which has a remaining term in excess of one year as of June 30, 2019, for each of the next three years are as follows:

Year Ending June 30,	Amount
2020	\$ 872,166
2021	901,950
2022	<u>303,114</u>
Total minimum future rental payments	<u>\$2,077,230</u>

Consequently, the Union recorded a \$1,900,000 reduction in the accrued loss in 2019 as a result of the favorable outcome from the buyout negotiations. The amount of loss included in accrued expenses at June 30, 2019 and 2018 was \$1,847,000 and \$3,747,000, respectively.

Rent expense under this operating lease was \$1,612,801 in 2019 and \$1,297,975 in 2018.

On July 18, 2017, a portion of the leased space in the Merchandise Mart was subleased. Amounts expected to be received from this sublease reduce the accrued loss on the operating lease as described above. The sublease provides for noncancelable terms for four years and three months at lease inception. Rents are scheduled to increase \$0.75 per square foot on each anniversary of the lease commencement date. The lease also provides for the abatement of monthly rents for the first three months during the first year of the lease. The Union recognizes such rental revenue earned on a straight-line basis. The difference between rental revenue earned and the cash rent due under the provision of the lease agreement is recorded as accrued rent revenue on the accompanying statement of financial position.

CHICAGO TEACHERS UNION
NOTES TO COMBINED FINANCIAL STATEMENTS

Note 5 – Leases (Continued)

Operating Lease with the Merchandise Mart (Continued)

Minimum future rentals under this lease are as follows:

Year ending June 30	Amount
2020	\$397,265
2021	407,327
2022	<u>104,348</u>
Total	<u>\$908,940</u>

Rental income under this operating lease was \$367,539 in each of the years ending June 30, 2019 and 2018.

Operating Lease with the Foundation

On December 1, 2016, a portion of the building owned by the Foundation was leased to the Union. The lease provides for noncancelable terms for 15 years at lease inception. Rents are scheduled to increase every five years by a fixed rate of 2.5% compounded annually. The lease also provides for the abatement of monthly rents for the first three months during each of the first five years of the lease. The Union is recognizing office rent expense on a straight-line basis over the lease term.

Minimum future rentals under this lease are as follows:

Year ending June 30	Amount
2020	\$ 700,489
2021	700,489
2022	1,004,742
2023	1,055,283
2024	1,055,283
Thereafter	<u>8,512,875</u>
Total	<u>\$13,029,161</u>

Rent expense under this operating lease was \$1,467,564 in 2019 and \$1,208,931 in 2018.

As an additional lease incentive, the Foundation agreed to provide the Union with an improvement allowance of \$3,561,300 towards the costs and expenses incurred by the Foundation in the design and construction of the Union premises including the purchase of the Union's furniture and fixtures; however, the cost exceeded the allowance by \$4,293,650. The Foundation agreed to provide the Union with financing necessary to repay the cost exceeding the allowance. A promissory note was entered into, with an interest rate of 3.75% per annum, payable monthly, with the principal amortized over 30 years, but subject to a balloon payment of all unpaid principal and accrued interest on the fifth anniversary of the note, presently January 1, 2022. Scheduled repayments of the note have not commenced as of June 30, 2019. The note is secured by the Union's assets, including furniture, fixtures, equipment and other personal property. As of June 30, 2019 and 2018, the balance of the note, including accrued interest was \$4,708,369 and \$5,021,213, respectively.

CHICAGO TEACHERS UNION
NOTES TO COMBINED FINANCIAL STATEMENTS

Note 5 – Leases (Continued)

Operating Lease with the Foundation (Continued)

At June 30, 2018, the design and construction costs in excess of the improvement allowance were determined based on estimates of the Union's share of the original schematic design, change orders and other fees totaling \$4,707,056. During 2019, the Foundation revised these estimates and reallocated \$413,406 of construction costs to the Foundation's fixed assets and reduced the promissory note balance by the same amount.

Also, the interest rate was renegotiated and reduced from 4.5% per annum to 3.75% per annum. Adjustments made to the accounting records to account for these revisions did not have a significant effect on the Union's net assets or its change in net assets as of or for the year ended June 30, 2019.

Capital Leases

The Union leases office equipment under contracts qualifying as capital leases. Such contracts have original terms between four and six years. The contracts qualifying as capital leases each contain a bargain purchase option. Some of the leases also provide for a monthly charge for equipment maintenance which is included in the lease payment.

The capitalized leased assets included in office equipment at June 30, 2019 and 2018 are detailed as follows:

	2019	2018
Office equipment	\$551,116	\$551,116
Less: accumulated depreciation	<u>249,181</u>	<u>174,799</u>
	<u>\$301,935</u>	<u>\$376,317</u>

Minimum future rental payments under capital leases having remaining terms in excess of one year as of June 30, 2019, for each of the next three years and in the aggregate are:

Year Ending June 30,	Amount
2020	\$119,330
2021	112,104
2022	<u>41,599</u>
Total minimum lease payments	273,033
Less amount representing maintenance	17,965
Less amount representing interest	<u>15,696</u>
Present value of net minimum capital lease payments	239,372
Less current portion of obligations under capital leases	<u>101,109</u>
Obligations under capital leases, excluding current portion	<u>\$138,263</u>

(Continued on next page)

CHICAGO TEACHERS UNION				16
NOTES TO COMBINED FINANCIAL STATEMENTS				
Note 6 – Pension Plans				
The Union contributes to various defined contribution pension plans that cover substantially all of the Union's employees. Contribution expense for the years ended June 30, 2019 and 2018, amounted to \$857,578 and \$966,447, respectively, and is based on a percentage of each participating employee's salary.				
Note 7 – Affiliations				
The Union is affiliated with the American Federation of Teachers ("AFT") and the Illinois Federation of Teachers ("IFT"). Major transactions with these affiliates include receipt of organizational assistance funds and COPE reimbursements from IFT, and special assistance and legal fee reimbursements from AFT. The Union is also required to pay fees to both IFT and AFT based on the number of Union members. The amounts due from affiliates at June 30, 2019 and 2018 are \$927,970 and \$884,703, respectively.				
Note 8 – Net Assets with Donor Restrictions				
A summary of net assets with donor restrictions and net assets released from restriction for the years ended June 30, 2019 and 2018 follows:				
RAPP Memorial Political action committees	2019			
	Beginning Balance	Additions	Net Assets Released	Ending Balance
	\$ 2,000	\$ -	\$ 2,000	\$ -
	239,231	1,122,794	889,743	472,282
	\$241,231	\$1,122,794	\$891,743	\$472,282
RAPP Memorial Political action committees	2018			
	Beginning Balance	Additions	Net Assets Released	Ending Balance
	\$ 2,000	\$ -	\$ -	\$ 2,000
	593,716	778,186	1,132,671	239,231
	\$595,716	\$778,186	\$1,132,671	\$241,231
Net assets are released from donor restrictions when the Union incurs expenses satisfying the restricted purposes, or by occurrence of other events specified by the donors.				
Following is a summary of net assets with donor restrictions:				
RAPP Memorial	– Earnings on the fund may be used to benefit the deaf and hard of hearing children attending the Chicago public schools.			
Political action committees	– committees support candidates in state and local governmental elections.			

CHICAGO TEACHERS UNION				17
NOTES TO COMBINED FINANCIAL STATEMENTS				
Note 9 – Contingencies				
The Union is currently involved in various litigations and disputes, the ultimate dispositions of which the Union believes will not have a material effect upon the Union's financial position.				
Note 10 – Merger of Alliance Charter Teachers and Staff Local 4343				
On March 1, 2018, the members of the Chicago Alliance of Charter Teachers and Staff Local 4343 (Local 4343) merged with the Union. Local 4343 transferred net assets totaling \$8,067 to the Union. The merger of Local 4343 had no significant effect on the Union's operating activities.				
Note 11 – Liquidity				
The Union's financial assets available within one year of the balance sheet date for general expenditure are as follows:				
	2019	2018		
Cash and cash equivalents	\$ 5,346,427	\$3,318,179		
Certificates of deposit	125,594	125,594		
Due from Foundations	3,284,169	2,656,274		
Due from affiliates	927,970	884,703		
Other receivables	931,245	907,433		
	\$10,615,405	\$7,892,183		
Less assets not available for general expenditure - Purpose restricted	472,282	241,231		
Financial assets available to meet cash needs for general expenditures within one year	\$10,143,123	\$7,650,952		
As part of the Union's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.				
Note 12 – Subsequent Event				
On January 30, 2020, the World Health Organization (WHO) declared the COVID-19 outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. Business disruption as a result of the spread of the COVID-19 coronavirus is expected to be temporary, though there is considerable uncertainty around the duration. The financial impact as a result of the spread of the COVID-19 coronavirus cannot be reasonably estimated at this time.				

House of Delegates Meeting /
Wednesday, November 4, 2020

Delegates not present: **NETWORK 1A** Brennan, Jennifer; Green, Laurie / **NETWORK 1B** Davis, Deborah; Garrity, Norma / **NETWORK 1C** Burchfield, Elizabeth; Cantu, Lisa; Dillon, Barbara; Graves, Kenneth; Wehbeh, Jenine / **NETWORK 2A** Askounis, Katherine; Gladney, Maxine; Lancaster, Elizabeth; Williams, Isaac / **NETWORK 2B** Hernandez, Wilson; Park, Kimberly; Pedersen, Christian / **NETWORK 3A** Arroyo, Judith; Martinez, Nellie; Poellinetz, Andre / **NETWORK 3B** Crowder, Sharon; Del Monico, Kathleen; Moore, Tammy; Poole, Alethea / **NETWORK 4A** Cieslik, Laura; Hungerford, Robert; Jun Suvatne, Wonju; Ryan, Phyllis; Schmidt, Kathryn; Zoldan, Sara / **NETWORK 4B** Rendleman, Hillarey; Schroeder, Zach / **NETWORK 4C** Reddicliffe, Rebecca; Sikes, Jonathan / **NETWORK 5A** Cerda, Brian; Grayer, Barbara; Greco-Serwa, Sandra; Hudson, Jessie; James, Donella; Koziol, Monica; Page, Catherine /

NETWORK 5B Bryant, Michael; Georgopoulos, Stella; Jasutis, Susan; Smith, Edie; Watson, Joyce; Williams, Lekisch / **NETWORK 6A** Anderson-Matchem, Candace; Bertoni-Mancine, Arlene; Stewart, Cailynn / **NETWORK 6B** Bruesch, Michael; Jean, Alicia; Scanlon, Heather; Taylor, Steven / **NETWORK 7A** Chino, Ervis; Fragoso, Miguel; Moreno, Karin; Neuman, Robert; Perez, Carmencita; Reed, Anne; Rentz, Kathleen / **NETWORK 7B** Castaneda, Bertha; Kniff, Jennifer; Peralta, Alfredo; Zygowicz, Debra / **NETWORK 8A** Burke, Niamh; Carapia, Yesenia; Cleve, Craig; Matuska, Lisa / **NETWORK 8B** Banasiak, Sally; Gallagher, Martin; Helfman, Kevin; Saucedo, Ernestina / **NETWORK 9A** Denard, Kimberly / **NETWORK 9B** Banks, Lindsey; Horton, Kawana; MacKay, Gideon; Olson, Genni; Schnall, Jamie / **NETWORK 10A** Martinez, Teresa; O'Malley, Margaret; Toro, Theresa / **NETWORK 10B** Kelly, Laura; Linehan, Joseph; McDevitt, Julie; Zachary, Terri / **NETWORK 10C** Fuller, Nicole; Jemison, Diannia; Vinezeano, Michele; Wagner, Colette / **NETWORK 11A** Miller, David;

Mitchell, Susan; Threlkeld, Selena / **NETWORK 11B** Holmes, Davina; House, Mariah; White, Larnce / **NETWORK 11C** Smith, Kimnise; Stephanos, Peter / **NETWORK 12A** Carter, Launder; Crockett, Nicole; Keys-Brickford, Samica; Pineda, Leticia; Robinson, Chaunte; Simpson, Andrea / **NETWORK 12B** Bell, Wilma; Farmer, Yvette; Johnson, Tequila; Jones, Kallie; Kidd, Tracey; Kile, Carmen; Thigpen, Sondra / **NETWORK 13A** Abioro, Elizabeth; Bobo, Jennifer; Gordon-Thompson, Latonya; Mason, James; Miller, Taniko / **NETWORK 13B** Carrethers, Loreal; Koslowski, Mary; Lee, Tyrone; Schmitt, Mary Therese / **NETWORK 14** Hesselthaler, Jennifer; Iselin, Gabriella; Islas, Raul; Kaplan, David; Lewis, Shereena; Mead, Thomas; Schmidt, Sharon; Szweczyk, Nickolas / **NETWORK 15** Banda, Stephen; Ford-France, Phyllis; Harris, Stephanie; Huirache, Jessica; Padilla, Juan; Roberson, Gerald; Thomas, Alison; Zwiazek, Carly / **NETWORK 16** Burke, Heide; Cover, Marc; Daniels, Rochelle / **NETWORK 17**; Miller, Martin; Riouse, Nicole; Sullivan, Nancy / **AUSL SOUTH** Calhoun,

M'rald; Sanders, Toya / **AUSL WEST** Kelly, Ryan; Pope, Bryan; Redmond, La'Tina; Waters, Cynthia / **CTUA1** Buffington, Brigid; Byrnes, Megan; Crooks, Andrew; Jones, Sarah; Kalisky, Jean; Loafmann, Paul; Pietruszka, David; Rouke, Bethany; Staples, Bradley / **CTUA2** Anfossi, Sabrina; Berner, Indalia; Brooks, James; Ferri, Enrico; Foley, Seamus; Holmes, Claude; Martin, Roy; Martinez, Marines; Rousakis, Nicole; Tobin, Paul; Van Herik, Andrew; Vargas, Valerie / **CITY-WIDE CAREER SERVICE** Bullocks, Latonya; Butler, Deborah; Campbell, Jacqueline; Casimir, Jacqueline; Cruz, Griselda; Davis, Barbara; Garcia, Bethsaida; Gonzalez, Maria; Hill, Delphine; Johnson, Marsha; Jordan, Sherry; Lozoya, Maria; Martinez, Nellie; Powers, Reyne; Schmidt, Kathryn; Smith, Cynthia; Trice, Jeanine / **CITY-WIDE** Ali, Jamillah; Beavers, Charles; Bell, Benna; Chistensen, William; Daniels, Theresa; Lopez, Gabriel; Manney, Germaine; Morgan, Merritt; Schecter, Jeff; Schwab, Jean; Scott, Cecelia; Stachler, Lara; Temkin, David; Vega, Hilario; White, Leandres; Zoller, Daniel

House of Delegates Meeting /
Wednesday, December 9, 2020

Delegates not present: **NETWORK 1A** Brennan, Jennifer; McNulty, Scott / **NETWORK 1B** All Present / **NETWORK 1C** Burchfield, Elizabeth; Flanagan, Nora / **NETWORK 2A** All Present / **NETWORK 2B** Bravo-Gonzalez, Mayra; Park, Kimberly; Trice, Jeanine / **NETWORK 3A** Arroyo, Judith; Cantillon, Siobhan / **NETWORK 3B** Crowder, Sharon; Del Monico, Kathleen; Montanez, Rene; Moore, Tammy / **NETWORK 4A** Hungerford, Robert; Jun Suvatne, Wonju; Zoldan, Sara / **NETWORK 4B** All Present / **NETWORK 4C** Reddicliffe, Rebecca / **NEWORK 5A** Grayer, Barbara; Greco-Serwa, Sandra; Koziol,

Monica; Oliva, Melissa; Wendorf, Lori / **NETWORK 5B** Bryant, Michael; Clark, Clinetta; Watson, Joyce; Williams, Lekisch / **NETWORK 6A** Jones, Shaleka / **NETWORK 6B** Burks, Kenyada / **NETWORK 7A** Fragozo, Miguel; Rentz, Kathleen; Vidakovic, Diana / **NETWORK 7B** Castaneda, Bertha; Peralta, Alfredo / **NETWORK 8A** Matuska, Lisa / **NETWORK 8B** Gallagher, Martin / **NETWORK 9A** Denard, Kimberly / **NETWORK 9B** Burrell, Curtis; Horton, Kawana; Jefferson, Joyce; MacKay, Gideon; Olson, Genni / **NETWORK 10A** Martinez, Teresa; O'Malley, Margaret; Strange, Brenda; Toro, Theresa / **NETWORK 10B** Sullivan, Kathleen / **NETWORK 10C** Fuller, Nicole; Jemison, Diannia; Vinezeano, Michele / **NETWORK 11A**; Mitchell, Susan / **NETWORK 11B** Holmes,

Davina; House, Mariah / **NETWORK 11C** Smith, Kimnise; Smith, Patrick; Stephanos, Peter / **NETWORK 12A** Carter, Launder; Crockett, Nicole; Robinson, Chaunte; Simpson, Andrea / **NETWORK 12B** Bell, Wilma; Farmer, Yvette; Kidd, Tracey; Kile, Carmen; Thigpen, Sondra / **NETWORK 13A** Bobo, Jennifer; Gordon-Thompson, Latonya; Holmes, Deborah; Mason, James; Miller, Taniko / **NETWORK 13B** Carrethers, Loreal; King, Latia / **NETWORK 14** Shoffer, Trevor; Ward, Anne / **NETWORK 15** Banda, Stephen; Ford-France, Phyllis; Huirache, Jessica; Roberson, Gerald; Ruiz, Melanie; Thomas, Alison / **NETWORK 16** Burke, Heide; Byrnes, Christopher; Cybulski, Nicholas; Daniels, Rochelle; Kelly, Jason / **NETWORK 17** Infante, Xochitl; Riouse, Nicole; Sullivan, Nancy / **AUSL SOUTH**

Sanders, Toya / **AUSL WEST** Pope, Bryan / **CTUA1** Buffington, Brigid; Byrnes, Megan; Crooks, Andrew; Jones, Sarah; Kalisky, Jean; Loafmann, Paul; Pietruszka, David; Staples, Bradley; Thomas, Meghan; Wax Trost, Joanna / **CTUA2** Anfossi, Sabrina; Brooks, James; Ferri, Enrico; Foley, Seamus; Martin, Roy; Martinez, Marines; Rousakis, Nicole; Van Herik, Andrew; Wallek, Bradley / **CITY-WIDE CAREER SERVICE** Bullocks, Latonya; Butler, Deborah; Campbell, Jacqueline; Coty, Sharon; Cruz, Griselda; Gonzalez, Maria; Jordan, Sherry; Lozoya, Maria; Shlemon, Sarah; Smith, Cynthia / **CITY-WIDE** Christensen, William; Cochrane, Christine; Daniels, Theresa; Hill, Alex; Lopez, Gabriel; Manney, Germaine; Schecter, Jeff; Scott, Cecelia; Smith, Eileen; Stachler, Lara

In memoriam

2019
December 26 Myrtle G Rhoden, Mozart

2020
August 17 Gloria H Spears, Kohn
September 14 Lois W Travis, Evergreen Acad
October 7 Sylvia Schneider, Mayer
October 8 Carolyn S Armstrong, Copernicus
October 11 Janette Pauley, Wright
October 13 Joseph W Washington, Douglas
October 19 Willie L Gray, Harvard
October 21 James A Yates, Harlan High
October 21 Dorothy L Stigus, Altgeld
October 21 Freddie McGee, Ross
October 23 Dorothy S Dawson, City College, Recip

October 24 Allen J Kaiser, Medill PDC
October 24 Margaret M Kruczkowski, Henderson
October 26 George L Hobby, Clay
October 27 Arline Shah, Harlan Comm Acad
October 28 Cyrene P Grierson, Steinmetz
October 28 Joann Tomlinson, Mason
October 29 Monserrate Quinones, Barry
October 30 Csaba Czabafi, Senn
October 30 Jeremiah Jenkins, Emmet
October 31 Evelyn A Carson, Carpenter
October 31 Sandra A Givens, Res eval & acct
November 1 Shirley T Shechtman, Hilbbard
November 2 Jacqueline M White, Young
November 3 Barbara J Martin, Clemente
November 3 Betty J Hogg Pittman, Medill
November 3 Joyce J McCree, Hubbard
November 4 Lucille Outlaw, Barry
November 5 Adell Ellis, Harte

November 5 Argie S Bingham, Roberson
November 6 Narcissa T Cummings, Lovett
November 6 Dennis Nodulman, Gage Park
November 7 Alfred L Dean, Dyett
November 7 Ann D Connelly, Edwards
November 7 William S Noonan, Cooper
November 8 Velma Chavis, Bouchet Branch
November 9 Virginia R Ficek, Reciprocal
November 9 Edythe S Freeman, Hanson Park
November 10 Wilbur N Daniel, Hughes
November 10 Rogelio Villalobos, Juarez
November 11 Iona H Harris, Prussing
November 12 Richard M Rath
November 12 Robert L Edwards, Buckingham
November 12 Joan M Pufundt, Foreman
November 12 Robert L Woods, Delano
November 13 Ronald P Cheek, Gage Park
November 13 Tommie L Martin, Wadsworth

November 14 William R Charleston, Tilton
November 14 Anna Marie Donatelli, Lovett
November 16 Clarence Johnson, Jefferson
November 17 Luisa P Ali, Harvard
November 17 James P Kelly, Kelly
November 18 Barbara A Hamilton, Herbert
November 18 Monetta White, Tesla
November 18 Eleanor M Vega, Cooper
November 19 Janice Mayo, Farragut
November 19 Isabel Deguzman, Dist 10
November 20 Gwendolyn Square, Howland
November 21 Anita Welborn, Abbott
November 21 Marek J Michalski, Sub
November 22 John J Greven, OSS
November 22 Charlean A Pelekoudas, Tonti
November 23 Yvonne Arroyo, Spry
November 24 Cheryl Clark, C-W Spec
November 26 Eduardo D Lopez

Lists of deceased members of the Chicago Teachers Union (CTU) are provided to the Chicago Union Teacher by the office of the Chicago Teachers Pension Fund (CTPF) and are printed as received. If you notice an error or omission, please first contact the CTPF at 312.641.4464 or via email at memberservices@ctpf.org to report the information. Please contact the CTU Financial Dept. as well by phoning 312.329.9100. Both the CTPF and CTU disburse death benefits to a member's designated beneficiaries.



Victory in North Lawndale

Parents, community win the fight against more school closures, demand investments that the mayor promised during her campaign instead

BY CTU COMMUNICATIONS

It felt like déjà vu in North Lawndale. The west side community knows better than most the trauma of school closings. CPS has shuttered six neighborhood schools in the area since 2005 — all while opening a slew of new charters — and three more neighborhood schools were on the chopping block.

But an expansive group of parents, teachers and students, organized as the North Lawndale Parent and Community Coalition (NLPCC), fought back and won the latest battle. In a historic victory, CPS failed to announce the planned closings by the legally-required Dec. 1 deadline.

In the months since the closings came to light, NLPCC organized parents, students, and staff in the three schools as well as community members, many who had no idea the schools could be shuttered. And, at every turn, they reminded Mayor Lori Lightfoot that she promised equity and investment for Chicago's Black community — not more of the same failed policies of Rahm Emanuel.

STEAMrolling the community

The plan, being falsely touted as “com-

munity driven,” would have closed and consolidated Lawndale Community Academy, Crown Community Academy and Charles Sumner Math and Science Community Academy to make way for a new STEAM school in the Lawndale area.

PSRP Willie Cousins, whose fourth grade daughter attends Crown, helped organize parents and neighborhood residents in the fight to save the three schools. They attended CPS board meetings, held press conferences and rallies, met with Alderman Michael Scott and, at press time, had collected over 1,400 signatures opposing the school closings.

Parents shut out

“CPS keeps calling this a community proposal, but they’re not being honest about it,” Cousins said. “The people of North Lawndale — the parents, teachers and students at these schools — have been shut out of the process. We are going to keep organizing and fighting because this is about our children’s safety and the future of our community.”

School closings and consolidations are the bedrock of long standing disinvestment in the West Side community, which has been starved of the programs and

services students so desperately need. In just the last five years, CPS’ Student-Based Budgeting slashed North Lawndale school budgets by \$4 million.

While proponents of the closings say the new STEAM school would be a boon for the neighborhood, community residents note it does nothing to address a lack of jobs and affordable housing or increased violence. Those conditions, along with school destabilization, have created a perfect storm, causing enrollment at schools to drop and neighborhood population to plummet. In 1960, 124,937 people lived in a thriving, bustling North Lawndale community. By 2018, the population dropped to 33,854.

Promises made, promises broken

Parents, teachers, administrators, and community members are calling on the mayor to turn back that tide by providing the investments she promised during her campaign.

“The mayor said it was a new day. She said she wouldn’t close schools because she understood the trauma that caused the community,” Cousins said. “But in her second year, she already wants to close three schools...it’s just more of the same,

promises made, promises broken.”

Speaking at a community press conference in November, CTU Recording Secretary Christel Williams-Hayes, a North Lawndale resident, urged parents not to “drink the kool-aid.”

Stop taking from us

“We can’t always be excited because somebody is offering us something new,” Williams-Hayes said. “We are already devastated with crime, we are devastated with death. Give us what we deserve. Invest in these schools. Stop taking from us. They’ve taken so much from us already.”

While the closings are off the table for now, organizers like Cousins know these fights aren’t won in the legal arena. They intend to keep fighting.

“To lose these schools would be another huge loss for the community,” he said. “This is why we went on strike last year to get investments in these schools to help bring the community back. With the right support, they could be a beacon of light. So, we’re going to keep fighting and organizing in the community because we know the people are on our side.” [ctu](#)



A sleepless election night

After tossing and turning, we woke to some good and some bad news in the aftermath of a frantic 2020 election season

BY KURT HILGENDORF

Despite warnings from election authorities about ballot counting delays, despite the fact that my job involves the minutiae of elections and I knew ballots would take a while to count, and despite the fact that ballot-counting in the era of mail ballots and touch screens largely avoids problems like the “hanging chads” in Florida 20 years ago, I still didn’t sleep election night. Turns out my emotional self trumped my rational self, at least for one night.

Fortunately, Biden trumped Trump that night. Kim Foxx trumped white reactionaries trying to subvert her criminal justice reform work in the Cook County State’s Attorney’s office. And some of CTU’s staunchest allies triumphed over their opponents.

Unfortunately, billionaires — the ones mostly outside Chicago — also had a great night as their misinformation campaign defeated the graduated income tax amendment. And Trump did better than predicted — he got the most votes of any Republican presidential candidate ever, even in a loss.

What does it all mean?

Politics is rarely a clean sweep. The key question now is, “What does it all mean?”

At the national level, Biden’s win was the result of Black voters not being taken for granted. It was the result of organizers in Detroit and Atlanta and Philadelphia and Milwaukee and Arizona turning people out in a pandemic. Victory came from millions across the country voting for their own lives and economic securi-

ty over the politics of racism, conspiracy theories, and fear mongering.

The election result means the end of Betsy DeVos’ U.S. Department of Education. It means a much more coordinated national response to the COVID-19 pandemic, and hopefully some real economic relief for the millions devastated by the economic downturn. That said, there are still real challenges in Congress — including two Senate races in Georgia that won’t be settled until January run-offs, and the fact that Democrats lost seats in the House.

Long road ahead

The U.S. remains deeply red in large portions of the country, including in large sections of Illinois. A huge Trump turnout benefited Republicans up and down the ballot. State legislatures that theoretically could have become Democratic will remain Republican. That has implications for the next 10 years, as redistricting tied to the census will be determined by those same Republican state legislatures. If the massive amounts of voter suppression and efforts to discredit elections by Trump and his allies are any indication, we have a long road ahead.

At the State level, the political prognosis is clearer. Democrats hold supermajorities in both chambers of the Illinois General Assembly. Democrats lost one seat in the state house but still hold a 73 to 45 majority. In the Illinois Senate, Democrats gained one seat and now hold a 41 to 18 advantage.

CTU-endorsed general assembly candidates Rep. Lindsey LaPointe, Rep. Fran Hurley, Sen. Celina Villanueva and Sen. Rob Martwick all won on election day.

Additional CTU-endorsed candidates, like Denyse Wang Stoneback, Rep. Lakeasia Collins, and Rep. Omar Williams, won their primaries and faced no general election opponent. Our Union’s influence in the Illinois Legislature continues to grow.

Wealthy Illinoisans sink ballot measure

The budgetary and economic prognosis, on the other hand, is not as clear. The Fair Tax defeat means the loss of \$3 billion in annual revenue from Illinois’ wealthiest residents. Their steadfast opposition, rooted in dishonest claims about the amendment, combined with the uncertainty of the pandemic, sunk the ballot measure. To be clear, though, that message was most effective outside of Chicago.

In the City, 10 years of work by the CTU and its allies to hammer home the need for progressive revenue resulted in the Fair Tax receiving 72 percent of the vote. Some 700,000 Chicagoans agreed that taxing the wealthiest to pay for things our state needs, like public education, is the best public policy.

Margins were even higher in the wards where our students live, with some South and West side wards nearing 90 percent support for the Fair Tax amendment. Governor J.B. Pritzker has already started warning of deep budget cuts, which would be devastating during the pandemic. Thus, it is critical that we continue to advocate for new revenue at the state and city level.

That’s why the CTU supports ending Illinois corporate tax loopholes worth \$1 billion to those same entities that opposed the Fair Tax. And that’s why the CTU is advocating for a series of city budget or-

finances to immediately end downtown TIF districts that take tens of millions of dollars from CPS and other city agencies. Those sweet deals must end now.


CTU has real power

The election results make one additional critical point crystal clear. When the CTU engages in the electoral process, with our endorsements, grassroots organizing and campaigning, we have a real impact. We have helped elect members to the Chicago City Council, Cook County Board, and Illinois Legislature. We have moved hundreds of thousands of Chicago voters to advocate for a more progressive vision of social, racial, and economic justice.

For example, CTU members made thousands of phone calls in support of the Fair Tax, to other states in support of President-elect Biden and Vice President-elect Harris and to voters in key state legislative races. That work would have been impossible without our Political Action Committee.

If you don’t yet contribute to the CTU PAC, please consider doing so. Even a contribution of \$5 a month makes a difference. Sign up at <https://www.ctulocal.org/movement/ctu-pac/>.

If you already contribute, thank you. Your commitment is helping us advance our progressive legislative agenda.

See you on Zoom, in the streets, or, hopefully, soon in the State Capitol when it is safe to do so. Thanks for your advocacy for the schools Chicago’s students deserve. 

Kurt Hilgendorf is CTU’s legislative and policy director.

Exhibit

2

From: Philip Weiss [REDACTED]

Date: May 1, 2024 at 5:08:24 PM CDT

To: [REDACTED]

Subject: Audits

Greetings Matt,

Would you be so kind as to send me a copy of the last four years of CTU Audits, 2020-2023?

Respectfully,

Phil Weiss

Sent from my iPhone

From: Philip Weiss [REDACTED]

Date: May 3, 2024 at 6:17:11 AM CDT

To: [REDACTED]

Subject: Audits 2nd Request

Greetings Matt,

Would you be so kind and forward me the 2020-2023 CTU Audits? I hear they are complete.

Thanks,

Philip Weiss

Member CTU

Sent from my iPhone

From: Philip Weiss [REDACTED]

Date: May 8, 2024 at 11:39:50AM CDT

To: [REDACTED]

Subject: Audit Reports 3rd Request

Greetings Matt,

I hope all is well. I am making a third request for the CTU 2020-2023 Audit reports. Can you please take an opportunity and forward them to me? If there is someone else to request these documents from, please let me know.

Kind regards,

Philip Weiss
Member CTU

FILED DATE: 9/15/2025 4:45 PM 2024CH09334

Exhibit

3

Fiscal Year 2020 Audited Report
for
Chicago Teachers Union, AFT Local 1

Covering the period of: July 1, 2019 – June 30, 2020	Audit completed by Legacy Professionals, LLP (formerly Bansley & Kiener, LLP, merged with Legacy Professionals, LLP)
	Jesse Sharkey, CTU President

Asset summary

At the end of Fiscal Year 2019, the CTU had \$16,158,611 in assets and \$14,443,051 in liabilities, for a positive net asset position of \$1,715,560.

At the end of Fiscal Year 2020, the CTU had \$15,347,414 in assets and \$12,430,707 in liabilities, for a positive net asset position of \$2,916,707.

The Union's net assets increased by \$1.2 million between FY2019 and FY2020.

A full audit of the Union is available at the Union offices for inspection by members of the Chicago Teachers Union. Contact InformationRequest@ctulocal1.org to make arrangements.

CHICAGO TEACHERS UNION

COMBINED STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 7,667,656	\$ 4,893,942
Cash and cash equivalents - restricted	457,261	452,485
Certificates of deposit	125,594	125,594
Receivables		
Due from Foundations	885,395	3,284,169
Due from affiliates	819,989	927,970
Other receivables	1,287,621	1,861,022
Prepaid expenses and other current assets	<u>295,353</u>	<u>142,554</u>
Total current assets	11,538,869	11,687,736
ACCRUED RENTAL REVENUE	52,250	81,975
DEFERRED LEASING COSTS - net	104,620	66,582
PROPERTY AND EQUIPMENT - net	<u>3,651,675</u>	<u>4,322,318</u>
Total assets	<u>\$ 15,347,414</u>	<u>\$ 16,158,611</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Current maturities of capital lease obligations	\$ 106,339	\$ 101,109
Accounts payable	3,623,054	4,658,475
Accrued expenses	<u>2,366,212</u>	<u>3,484,167</u>
Total current liabilities	<u>6,095,605</u>	<u>8,243,751</u>
LONG-TERM LIABILITIES		
Capital lease obligations, less current maturities	38,290	138,263
Note payable - Foundation	4,869,377	4,708,369
Deferred rent	<u>1,427,435</u>	<u>1,352,668</u>
Total long-term liabilities	<u>6,335,102</u>	<u>6,199,300</u>
Total liabilities	12,430,707	14,443,051
NET ASSETS		
Net assets without member restrictions	<u>2,916,707</u>	<u>1,715,560</u>
Total liabilities and net assets	<u>\$ 15,347,414</u>	<u>\$ 16,158,611</u>

CHICAGO TEACHERS UNION

COMBINED STATEMENTS OF ACTIVITIES

YEARS ENDED JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
SUPPORT AND REVENUE		
Dues and fees	\$ 27,145,095	\$ 25,322,335
IFT organizational and other assistance	3,162,106	3,178,728
AFT reimbursement and special assistance	388,840	519,881
Contributions	870,682	630,465
Rent	376,667	379,050
Merchandise sales	277,031	63,995
Interest	1,400	1,001
Other	6,793	18,626
Total support and revenue	<u>32,228,614</u>	<u>30,114,081</u>
EXPENSES		
Collective bargaining and member services	7,528,080	5,684,073
Member development	2,853,836	2,152,419
Management and general activities	5,770,913	5,848,091
Other	14,344,817	13,557,550
Political action committee	529,821	889,743
Total expenses	<u>31,027,467</u>	<u>28,131,876</u>
INCREASE IN NET ASSETS	1,201,147	1,982,205
NET ASSETS (DEFICIENCY)		
Beginning of year - as restated	<u>1,715,560</u>	<u>(266,645)</u>
End of year	<u>\$ 2,916,707</u>	<u>\$ 1,715,560</u>

CTU note: Due to the use of standardized reporting practices, the audit expense category of "other" is comprised of per capita dues paid by the CTU to the AFT, IFT and other affiliate organizations, as detailed in the LM-2 filed with the US Department of labor and various membership reports.

Fiscal Year 2021 Audited Report
for
Chicago Teachers Union, AFT Local 1

Covering the period of: July 1, 2020 – June 30, 2021	Audit completed by Legacy Professionals, LLP
	Jesse Sharkey, CTU President

Asset summary

At the end of Fiscal Year 2020, the Union had \$15,347,414 in assets and \$12,430,707 in liabilities, for a positive net asset position of \$2,916,707.

At the end of Fiscal Year 2021, the Union had \$15,709,704¹ in assets and \$10,592,695 in liabilities, for a positive net asset position of \$5,117,009.

The Union's net assets increased by \$2.2 million between FY2020 and FY2021.

A full audit of the Union is available at the Union offices for inspection by members of the Chicago Teachers Union. Contact InformationRequest@ctulocal1.org to make arrangements.

CHICAGO TEACHERS UNION**COMBINED STATEMENTS OF FINANCIAL POSITION**

JUNE 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 8,212,415	\$ 7,667,656
Cash and cash equivalents - restricted	1,092,649	457,261
Certificates of deposit	125,962	125,594
Receivables		
Due from Foundations	1,038,482	885,395
Due from affiliates	1,078,971	819,989
Other receivables	274,958	518,844
Prepaid expenses and other current assets	341,083	295,353
Total current assets	12,164,520	10,770,092
OTHER DEPOSITS	525,517	768,777
ACCRUED RENTAL REVENUE	12,462	52,250
DEFERRED LEASING COSTS - net	24,305	104,620
PROPERTY AND EQUIPMENT - net	2,982,900	3,651,675
Total assets	<u>\$ 15,709,704</u>	<u>\$ 15,347,414</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Current maturities of capital lease obligations	\$ 44,961	\$ 106,339
Accounts payable	1,958,161	3,623,054
Accrued expenses	2,234,221	2,366,212
Total current liabilities	<u>4,237,343</u>	<u>6,095,605</u>
LONG-TERM LIABILITIES		
Capital lease obligations, less current maturities	-	38,290
Note payable - Foundation	4,882,794	4,869,377
Deferred rent	1,472,558	1,427,435
Total long-term liabilities	<u>6,355,352</u>	<u>6,335,102</u>
Total liabilities	10,592,695	12,430,707
NET ASSETS		
Net assets without member restrictions	<u>5,117,009</u>	<u>2,916,707</u>
Total liabilities and net assets	<u>\$ 15,709,704</u>	<u>\$ 15,347,414</u>

CHICAGO TEACHERS UNION

COMBINED STATEMENTS OF ACTIVITIES

YEARS ENDED JUNE 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
SUPPORT AND REVENUE		
Dues and fees	\$28,276,215	\$27,145,095
IFT organizational and other assistance	3,597,011	3,162,106
AFT reimbursement and special assistance	625,190	388,840
Contributions	409,983	870,682
Rent	379,505	376,667
Merchandise sales	33,158	277,031
Interest	4,100	1,400
Other	<u>29,957</u>	<u>6,793</u>
Total support and revenue	<u>33,355,119</u>	<u>32,228,614</u>
EXPENSES		
Collective bargaining and member services	6,547,398	7,528,080
Member development	3,130,233	2,853,836
Management and general activities	6,588,575	5,770,913
Other	14,511,232	14,344,817
Political action committee	<u>377,379</u>	<u>529,821</u>
Total expenses	<u>31,154,817</u>	<u>31,027,467</u>
INCREASE IN NET ASSETS	2,200,302	1,201,147
NET ASSETS		
Beginning of year	<u>2,916,707</u>	<u>1,715,560</u>
End of year	<u>\$ 5,117,009</u>	<u>\$ 2,916,707</u>

CTU note: Due to the use of standardized reporting practices, the audit expense category of "other" is comprised of per capita dues paid by the CTU to the AFT, IFT and other affiliate organizations, as detailed in the LM-2 filed with the US Department of labor and various membership reports.

Fiscal Year 2022 Audited Report
for
Chicago Teachers Union, AFT Local 1

Covering the period of: July 1, 2021 – June 30, 2022	Audit completed by Legacy Professionals, LLP
	Jesse Sharkey, CTU President

Asset summary

At the end of Fiscal Year 2021, the CTU had \$15,709,704¹ in assets and \$10,592,695 in liabilities, for a positive net asset position of \$5,117,009.

At the end of Fiscal Year 2022, the CTU had \$17,573,032 in assets and \$10,931,151 in liabilities, for a positive net asset position of \$6,641,881.

The Union's net assets increased by \$1.5 million between FY2021 and FY2022.

A full audit of the Union is available at the Union offices for inspection by members of the Chicago Teachers Union. Contact InformationRequest@ctulocal1.org to make arrangements.

CHICAGO TEACHERS UNION

COMBINED STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 10,908,874	\$ 8,212,415
Cash and cash equivalents - restricted	1,099,762	1,092,649
Certificates of deposit	125,962	125,962
Receivables		
Due from Foundations	1,103,187	1,038,482
Due from affiliates	713,235	1,078,971
Other receivables	286,086	274,958
Prepaid expenses and other current assets	<u>117,906</u>	<u>341,083</u>
Total current assets	14,355,012	12,164,520
OTHER DEPOSITS	595,845	525,517
ACCRUED RENTAL REVENUE	-	12,462
DEFERRED LEASING COSTS - net	-	24,305
PROPERTY AND EQUIPMENT - net	<u>2,622,175</u>	<u>2,982,900</u>
Total assets	<u>\$ 17,573,032</u>	<u>\$ 15,709,704</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Current maturities of capital lease obligations	\$ 107,295	\$ 44,961
Accounts payable	2,543,551	1,958,161
Accrued expenses	<u>1,790,688</u>	<u>2,234,221</u>
Total current liabilities	<u>4,441,534</u>	<u>4,237,343</u>
LONG-TERM LIABILITIES		
Capital lease obligations, less current maturities	170,649	-
Note payable - Foundation	4,882,794	4,882,794
Deferred rent	<u>1,436,174</u>	<u>1,472,558</u>
Total long-term liabilities	<u>6,489,617</u>	<u>6,355,352</u>
Total liabilities	10,931,151	10,592,695
NET ASSETS		
Net assets without member restrictions	<u>6,641,881</u>	<u>5,117,009</u>
Total liabilities and net assets	<u>\$ 17,573,032</u>	<u>\$ 15,709,704</u>

CHICAGO TEACHERS UNION

COMBINED STATEMENTS OF ACTIVITIES

YEARS ENDED JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
SUPPORT AND REVENUE		
Dues and fees	\$ 29,443,082	\$ 28,276,215
IFT organizational and other assistance	3,683,191	3,597,011
AFT reimbursement and special assistance	321,190	625,190
Contributions	322,868	409,983
Rent	103,876	379,505
Merchandise sales	38,981	33,158
Interest	4,009	4,100
Other	<u>23,895</u>	<u>29,957</u>
Total support and revenue	<u>33,941,092</u>	<u>33,355,119</u>
EXPENSES		
Collective bargaining and member services	6,336,499	6,547,398
Member development	3,127,387	3,130,233
Management and general activities	6,655,191	6,588,575
Other	15,425,748	14,511,232
Political action committee	<u>871,395</u>	<u>377,379</u>
Total expenses	<u>32,416,220</u>	<u>31,154,817</u>
INCREASE IN NET ASSETS	1,524,872	2,200,302
NET ASSETS		
Beginning of year	<u>5,117,009</u>	<u>2,916,707</u>
End of year	<u>\$ 6,641,881</u>	<u>\$ 5,117,009</u>

CTU note: Due to the use of standardized reporting practices, the audit expense category of "other" is comprised of per capita dues paid by the CTU to the AFT, IFT and other affiliate organizations, as detailed in the LM-2 filed with the US Department of labor and various membership reports.

Exhibit

B

**IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION**

PHILIP WEISS, BRIDGET CUEVAS,
ROSEMARY SWEARINGEN,
THEODORE KALAGERESIS, and
KENNETH MERACLE,

Plaintiffs

v.

CHICAGO TEACHERS UNION,
LOCAL 1, IFT-AFT, AFL-CIO; STACY
DAVIS GATES, President; and MARIA
T. MORENO, Financial Secretary,

Defendants.

No. 2024 CH 09334

Judge David B. Atkins

Calendar 16

**DECLARATION OF DEAN McGEE IN OPPOSITION TO
DEFENDANT'S MOTION FOR SUMMARY JUDGMENT**

I, Dean McGee, declare as follows:

1. I am a U.S. citizen over the age of 18. I reside in Ulster County, New York. My business address is 7500 Rialto Blvd., Suite 1-250, Austin TX 78735. If called to testify, I would testify as follows. I have personal knowledge of the events herein.

2. I am lead counsel for Plaintiffs in *Weiss v. Chicago Teachers Union, Local 1, IFT-AFT, AFL-CIO*, No. 2024 CG 09334.

3. On August 6, 2025, I caused Plaintiffs' First Requests for Production and First Set of Interrogatories to be served on Defendant's counsel.

4. This discovery seeks, inter alia, the identity of all persons and organizations involved in CTU's efforts to comply with Article VI, Section 1(d) and Article VI, Section 2(a) of the CTU's bylaws; communications between CTU and any auditor regarding its audits since 2020; documents concerning CTU's interpretation of the relevant CTU bylaws; and the "full annual audits" referenced in the February 4, 2025 declaration of Kurt Hilgendorf. True and correct copies of these discovery devices are attached as Exhibits 1 and 2.

5. On August 25, 2025, counsel for Defendant proposed via email that discovery be stayed until after this Court rules on CTU's motion for summary judgment. Plaintiffs rejected Defendant's proposal.

6. The following day, Defendant filed its motion for protective order and informed me via email that CTU would not respond to Plaintiffs' discovery until this Court rules on that motion.

7. This discovery, along with deposition testimony of relevant CTU officials is necessary to rebut arguments Defendant put forth in their Motion for Summary Judgment.

Dated: September 15, 2025.

/s/ Dean McGee
Dean McGee
LIBERTY JUSTICE CENTER

Exhibit

1

**IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION**

PHILIP WEISS, et al.,)	
)	
Plaintiffs,)	
)	No. 2024 CH 09334
v.)	
)	Hon. David B. Atkins
CHICAGO TEACHERS UNION,)	
LOCAL 1, IFT-AFT, AFL-CIO)	
)	
Defendant,)	

PLAINTIFFS' FIRST SET OF INTERROGATORIES

Pursuant to Illinois Supreme Court Rule 213, Plaintiffs propound the following Interrogatories to be answered in writing by Defendant Chicago Teachers Union, Local 1, IFT-AFT, AFL-CIO ("CTU") under oath separately, fully, and in writing within 28 days after service of same by e-mail upon Defendant.

INSTRUCTIONS AND DEFINITIONS

1. Answer each discovery request fully. If you object to any request, state the basis for the objection and answer the request to the extent that it is not objectionable. If you are unable to answer an request fully, provide as much information as you have available; explain why your answer is incomplete; and identify or describe all other sources of more complete or accurate information.
2. **All Interrogatories shall be deemed continuing in nature** such that you must provide supplemental responses under the Illinois Supreme Court Rules if you obtain further relevant information between the time you serve your responses and the conclusion of trial.
3. **"CTU," "Defendant," and "you"** mean Defendant Chicago Teachers Union, Local 1, IFT-AFT, AFL-CIO, as well as its officers, employees, representatives, attorneys, agents, and all persons acting at the direction or on their behalf.
4. **"Communication"** means or refers to all inquiries, discussions, conversations, negotiations, agreements, understandings, meetings, telephone

conversations, letters, notes, memoranda, telegrams, advertisements, or other forms of verbal intercourse, whether oral or written, or any summaries, paraphrases, or other records of any of the foregoing.

5. **“Document”** shall mean any original written, typewritten, handwritten, printed, or recorded material, as well as tapes, discs, computer hard drive stored information, nonduplicate copies and transcripts thereof, now or at any time in your possession, custody, or control. Without limiting the generality of the foregoing definition, but for the purposes of illustration only, “document” includes drawings, sketches, specifications, computer printouts, computer data, computer hard drives, diskettes, calendars, address and telephone records, photographs, audio and video tape recordings, compact discs, facsimile transmission cover sheets, and financial statements and records. Without limiting the term “control” as used in the preceding sentence, a document is deemed to be in your control if you have the right to secure the document or a copy thereof from another person or public or private entity having actual possession thereof.

6. **“Identify,”** when used in reference to:

(a) an individual person: means to state the person’s full name; present or last-known address; present or last-known email address and telephone number; present or last-known position and business affiliation; and a brief description of the person’s role relevant to the context of the Interrogatory.

(b) an organization: means to state the full legal name of the organization; present or last-known address; identify (as defined above) your main point of contact with the organization; and provide a brief description of the organization’s role relevant to the context of the Interrogatory.

(c) a document: means to provide the date of the document, the author, the subject matter, and, where applicable, all recipients of the document.

(d) a communication: means to provide the date of the communication, the person making the communication, the subject matter, and all persons who received the communication.

7. **If you claim in your answer to any Interrogatory that any requested information is “privileged” or otherwise not subject to discovery under the Illinois Supreme Court Rules,** describe the information for which you claim privilege or protection and state the legal and factual basis for your claim of privilege or protection. Also identify by name, title, and business address all custodians of the referenced information and any related documents. Provide a privilege log of any and all documents or information withheld on the basis of the privilege asserted, including the number of pages in each document withheld, the

type of document withheld, and the date(s) of the document withheld, so that the claim of privilege may be adjudicated.

8. **“The relevant time period”** means from the beginning September 1, 2020 to the present day, except where otherwise specified

9. **“The Audit Provisions”** refers to Article VI, Section 1(d) and Article VI, Section 2(a) of CTU’s bylaws.

INTERROGATORIES

INTERROGATORY NO. 1:

Identify all persons and organizations involved with compliance with the Audit Provisions during the relevant time period.

INTERROGATORY NO. 2:

Identify all non-members of CTU—including, but not limited to, outside professionals, consultants, or vendors—who have had access to CTU’s financial records at any time after the last public audit from 2020 through the present.

INTERROGATORY NO. 3:

Identify all external auditing organizations that CTU consulted with regarding its financial records and reports during the relevant time period.

INTERROGATORY NO. 4:

Identify all persons believed to have or to have had in their possession drafts of CTU audit reports during the relevant time period.

INTERROGATORY NO. 5:

Identify the “full annual audits” purportedly made available for review by CTU members, as referenced in the February 4, 2025 declaration of Kurt Hilgendorf, including the date each was made available to CTU members and the manner in which they were made available.

INTERROGATORY NO. 6:

Identify all lay and expert witnesses you intend to call at trial.

Dated: August 6, 2025

/s/ Dean McGee

Jeffrey M. Schwab (#6290710)

Dean McGee (NY Bar # 5135884)*

James McQuaid (#6321108)

Liberty Justice Center

7500 Rialto Blvd.
Suite 1-250
Austin, Texas 78735
512-481-4400
jschwab@libertyjusticecenter.org
dmcgee@libertyjusticecenter.org
jmcquaid@libertyjusticecenter.org

Attorneys for Plaintiffs

*Admitted Pro Hac Vice (Illinois attorney registration # 6350837).

CERTIFICATE OF SERVICE

I, James McQuaid, an attorney, certify that on August 6, 2025 I served the foregoing Requests for Production of Documents on Defendants by email.

/s/ James McQuaid

Exhibit

2

**IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION**

PHILIP WEISS, et al.,)	
)	
Plaintiffs,)	
)	No. 2024 CH 09334
v.)	
)	Hon. David B. Atkins
CHICAGO TEACHERS UNION,)	
LOCAL 1, IFT-AFT, AFL-CIO)	
)	
Defendant,)	

**PLAINTIFFS' FIRST SET OF REQUESTS FOR PRODUCTION OF
DOCUMENTS**

Pursuant to Illinois Supreme Court Rule 214, Plaintiffs propound the following Requests for Production upon Defendant Chicago Teachers Union, Local 1, IFT-AFT, AFL-CIO to be answered within 28 days after service of same by e-mail upon Defendant.

INSTRUCTIONS AND DEFINITIONS

1. "CTU," "Defendant," and "you" mean Defendant Chicago Teachers Union, Local 1, IFT-AFT, AFL-CIO, as well as its officers, employees, representatives, attorneys and agents, and all persons acting at the direction or on their behalf.

2. "Communication" means or refers to all inquiries, discussions, conversations, negotiations, agreements, understandings, meetings, telephone conversations, letters, notes, memoranda, telegrams, advertisements, or other form of verbal intercourse, whether oral or written, or any summaries, paraphrases or other records of any of the foregoing.

3. The term "document" shall mean any original written, typewritten, handwritten, printed or recorded material, as well as tapes, discs, computer hard drive stored information, nonduplicate copies and transcripts thereof, now or at any time in your possession, custody or control. Without limiting the generality of the foregoing definition, but for the purposes of illustration only, "document" includes drawings, sketches, specifications, computer printouts, computer data, computer hard drives, diskettes, calendars, address and telephone records, photographs, audio and video tape recordings, compact discs, facsimile transmission cover sheets, financial statements and records. Without limiting the term "control" as used in the

preceding sentence, a document is deemed to be in your control if you have the right to secure the document or a copy thereof from another person or public or private entity having actual possession thereof.

4. If you claim in your answer to any Request that any requested document is “privileged” or otherwise not subject to discovery under the Illinois Supreme Court Rules, describe the document for which you claim privilege or protection and state the legal and factual basis for your claim of privilege or protection. Also identify by name, title, and business address all custodians of the referenced document and copies thereof.

5. All Requests shall be deemed continuing in nature such that you must provide supplemental responses under the Illinois Supreme Court Rules if you obtain further relevant information and/or documents between the time you serve your responses and the conclusion of trial.

6. You must produce each requested document (along with all drafts and non-identical copies thereof) in its entirety and without abbreviation, expurgation or reduction. If you claim privilege or some other basis for protection as to part of the document, produce the document redacting only those portions for which you claim privilege or protection, indicating what portions have been redacted, and describe the subject matter of the redacted portions.

7. If any requested document has been destroyed or discarded, or is no longer in existence or within your custody or control, identify the document by stating:

- (a) The identity of each author, addressor, and addressee;
- (b) The document's date, subject matter, number of pages, and attachments;
- (c) The identity of each person to whom the document (including blind or carbon copies) was distributed, shown, or made available;
- (d) The date the document was destroyed, discarded, or left your custody or control;
- (e) The manner of destruction, discard, or transfer;
- (f) The identity of each person responsible for its destruction, discarding, and/or transfer; and
- (g) The identity by name, title, and address of the document's custodian.

8. The documents produced in response to these Requests shall be

- (a) Organized and designated to correspond to the categories and subcategories of the Requests;
- (b) Produced in the form that accurately reflects the manner in which they are maintained by you in the course of business; and
- (c) Produced so that all pages now stapled or fastened together will remain stapled or fastened together at the time they are produced.

9. If a document that is responsive to any Request exists in electronic form, the Request shall be interpreted to call for production of electronic copies of such document, in electronic form. If an electronic document is stored in a readily-usable format (e.g., Word, Excel, Outlook, .pdf, etc.), you should produce the native file. If a document is encrypted, you must produce the decryption keys.

10. Documents produced shall be paginated (i.e., Bates stamped) for ease of identification.

REQUESTS

REQUEST NO. 1:

Produce all Documents and Communications relating to any annual audit or audited financial report of the Chicago Teachers Union for the years 2019 to the present, including but not limited to any versions, drafts, summaries, or final reports.

REQUEST NO. 2:

Produce all Documents and Communications reflecting when, how, and to whom any annual audit or audited financial report for the years 2019 to the present was made available, published, distributed, or otherwise provided to CTU members, including any notices, emails, website or portal postings, or other Communications.

REQUEST NO. 3:

Produce all Documents and Communications between CTU and any CTU member, from September 10, 2020 to the present, concerning requests for, access to, or the content of any annual audit or audited financial report.

REQUEST NO. 4:

Produce all drafts, internal or external, of any audit report or alleged “Audited Report” created or published since November 2020.

REQUEST NO. 5:

Produce all Documents and Communications concerning any interaction, communication, or

engagement with any auditing organization regarding the preparation, review, or finalization of any audit or audited financial report since September 10, 2020.

REQUEST NO. 6:

Produce all Documents and Communications concerning any policy, discussion, or decision by CTU regarding its interpretation of, application of, or compliance with its Bylaws or Constitution as it relates to the preparation, publication, or distribution of annual audits or audited financial reports.

REQUEST NO. 7:

Produce all Documents and Communications relating to any claim, assertion, or discussion that the relief sought in this lawsuit is moot, including any actions taken by CTU in response to this lawsuit or to requests from any Plaintiff for access to audits or audited financial reports.

REQUEST NO. 8:

Produce all copies of any Union publication, whether printed or electronic, from January 1, 2015 through December 31, 2019, that contains, attaches, or references any audit report or audited financial information of the Chicago Teachers Union.

REQUEST NO. 9:

Produce all Documents related to any witness disclosed pursuant to Illinois Supreme Court Rule 213(f), including but not limited to: (a) all Communications to and from any lay or expert witness; (b) all Documents provided to and relied upon by any lay or expert witness; and (c) any transcripts of prior testimony or reports of any expert witness.

REQUEST NO. 10:

To the extent not encompassed by the requests above, produce all Documents that Defendant believes may be relevant to Plaintiffs' claims or Defendant's defenses.

Dated: August 6, 2025.

/s/ Dean McGee
Jeffrey M. Schwab (#6290710)
Dean McGee (NY Bar # 5135884)*
James McQuaid (#6321108)
Liberty Justice Center
7500 Rialto Blvd.
Suite 1-250
Austin, Texas 78735
512-481-4400
jschwab@libertyjusticecenter.org
dmcgee@libertyjusticecenter.org
jmcquaid@libertyjusticecenter.org
Attorneys for Plaintiffs

*Admitted Pro Hac Vice (Illinois attorney registration # 6350837).

CERTIFICATE OF SERVICE

I, James McQuaid, an attorney, certify that on August 6, 2025 I served the foregoing Requests for Production of Documents on Defendants by email.

/s/ James McQuaid

Exhibit

C

**IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION**

PHILIP WEISS, et al.	No. 2024 CH 09334
Plaintiffs	Judge David B. Atkins
v.	Calendar 16
CHICAGO TEACHERS UNION, LOCAL 1,	
Defendant.	

**DECLARATION OF SHEILA A. WEINBERG, CPA
IN SUPPORT OF PLAINTIFFS' OPPOSITION TO DEFENDANT'S MOTION
FOR SUMMARY JUDGMENT**

COUNTY OF COOK)
) SS
STATE OF ILLINOIS)

I, Sheila A. Weinberg, an adult citizen of Illinois, declare under penalty of perjury that the following statements are true and correct to the best of my knowledge, information, and belief.

QUALIFICATIONS

1. I am a Certified Public Accountant (CPA). I graduated from the University of Denver in 1979 with a Bachelor's degree in Accounting and received my CPA credential from the State of Washington in 1981. I have been licensed in the State of Illinois since 2009.

2. I am the Founder and Chief Executive Officer of Truth in Accounting, a nonprofit organization that for over 20 years has promoted fiscal transparency by applying rigorous accounting standards to government and nonprofit financial reporting. My work has focused on helping stakeholders, including auditors, regulators, and the public, understand the misuse of financial terminology and the importance of reliable, audited disclosures.

3. I have over four decades of professional experience encompassing public accounting, nonprofit financial accountability, and government transparency. I have spoken and published extensively on the meaning and use of audited financial information and am recognized for my expertise in the principles underlying

Generally Accepted Auditing Standards (“GAAS”), Generally Accepted Accounting Principles (“GAAP”), and related financial reporting frameworks.

4. A copy of my CV is attached hereto as **Exhibit 1**

ASSIGNMENT AND BASIS OF OPINIONS

5. I have been asked by Plaintiffs’ counsel to provide an expert accounting opinion concerning the meaning of the term “audited report” as used in union bylaws and financial disclosure obligations, and to evaluate whether the documents the Chicago Teachers Union (“CTU”) provided that are attached as Exhibits A-D to the Supplemental Declaration of Kirk Hilgendorf constitute “audited reports.”

6. In preparing this declaration, I have reviewed the documents submitted in support of CTU’s Motion for Summary Judgment, including the relevant portions of the CTU Constitution and Bylaws, and the Declaration of Kurt Hilgendorf with its accompanying exhibits. My opinions are also based on my knowledge of professional auditing standards and decades of work in applying those standards.

PROFESSIONAL STANDARDS DEFINING AN “AUDIT” AND “AUDITED REPORT”

7. As a nonprofit under IRC § 501(c)(5), CTU must prepare its financial statements under Generally Accepted Accounting Principles (GAAP) as codified by the Financial Accounting Standards Board (FASB), including ASC 958 for nonprofit financial reporting.¹

8. ASC 958 requires presentation of a “Complete Set of Financial Statements” (e.g., Statement of Financial Position, Statement of Activities, Statement of Cash Flows and accompanying notes to financial statements).

9. By design, GAAP-based financial statements are auditable, in that they provide the framework necessary for an independent auditor.

10. As discussed below, the endpoint of such an audit is the issuance of an independent auditor’s report containing the auditor’s opinion as to whether those GAAP statements are presented fairly, in all material respects.

¹ ASC refers to the Accounting Standards Codification (ASC), the single authoritative source of GAAP issued by the FASB. The ASC is organized by topic, and ASC 958 specifically addresses the accounting and financial reporting for Not-for-Profit Entities, including labor unions. See ASC 958-10-15-3(u). The entire ASC can be found online at <https://asc.fasb.org/Home>.

11. Under the standards promulgated by the American Institute of Certified Public Accountants (“AICPA”), an audit is an independent examination of financial statements performed in accordance with Generally Accepted Auditing Standards (“GAAS”) for the purpose of expressing an auditor’s opinion on whether the statements are presented fairly, in all material respects, in accordance with the applicable financial reporting framework. See AU-C § 200.04²

12. The product of such an examination is an independent auditor’s report, which always includes the auditor’s opinion letter. In discussing the objectives of an auditor, AU-C § 200 specifically references “the auditor’s report” in discussing the auditor’s obligation to “obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error.” AU-C § 200.06

13. Likewise, AU-C § 700 describes in detail the auditor’s duties in drafting an audited report, including the auditor’s duty to “conclude whether the auditor has obtained reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error,” and whether “whether the financial statements are prepared, in all material respects, in accordance with the requirements of the applicable financial reporting framework.” AU-C § 700.13

14. Therefore, internally prepared summaries that lack an independent auditor’s opinion do not meet the definition of an “audited report” under this professional accounting standard. Such summaries offer no independent assurance and cannot substitute for an audit in form or substance.

15. In addition, the Labor-Management Reporting and Disclosure Act of 1959 (“LMRDA”), enforced by the Department of Labor’s Office of Labor-Management Standards (“OLMS”), establishes a federal baseline of transparency and accountability for union finances. Section 201(a)(5)(E) of the LMRDA requires unions to include in their constitutions and bylaws provisions for the “audit of financial transactions of the labor organization.” Section 201(c) further grants members the right to examine supporting records to verify reported figures. These

² AU-C Sections refer to the Codification of Statements on Auditing Standards (SASs) issued by the Auditing Standards Board (ASB) of the AICPA, currently available at <https://www.aicpa-cima.com/resources/download/aicpa-statements-on-auditing-standards-currently-effective>. These standards provide authoritative guidance for auditors performing audits of financial statements for non-issuers (entities not subject to Public Company Accounting Oversight Board (PCAOB) standards). AU-C Section 200, specifically, addresses the independent auditor’s overall responsibilities when conducting an audit in accordance with GAAS.

provisions are intended to ensure that members receive reliable, verifiable, and auditable financial information, not merely management-prepared summaries.

16. The OLMS's Form LM-2 Annual Report, which CTU is required to file, likewise emphasizes the expectation of "a signed certification by an independent public accountant." The LM-2 instructions require unions to disclose whether their financial statements were audited, and to identify the independent auditor. In CTU's own LM-2 filings, including its most recent Form LM-2 for fiscal years 2024, 2023, and 2022 (excerpted and attached hereto as **Exhibit 2**) CTU identifies its auditor by name and states that its financial statements were audited. By doing so, CTU itself confirms the professional understanding that audited reports are distinguished from internal reports or summaries by the involvement and opinion of an independent auditor.

ANALYSIS OF CTU'S "AUDITED REPORTS"

17. Based on established professional standards and applicable legal disclosure requirements, the term "audited report" as used in CTU's Bylaws must be understood in its professional and legal context: as a set of financial statements prepared in accordance with GAAP, independently audited under GAAS, and accompanied by the auditor's written opinion. The LMRDA and OLMS reporting framework reinforce this definition, underscoring the inadequacy of summaries that lack independent verification.

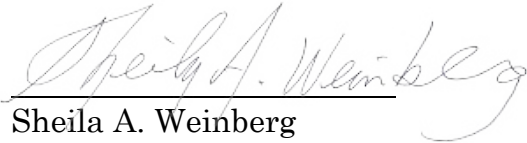
18. CTU asserts that it has satisfied its bylaw obligation by providing members with short summaries of its financial statements, attached as exhibits A-D to the Supplemental Hilgendorf Declaration.

19. The summaries provided by CTU consist of individual financial statements that would be components of a complete audited report. The limited summaries CTU provided do not include other elements of an audited report, including a, a Statement of Cash Flows, and accompanying notes to financial statements. There is no opinion letter from the auditor included.

20. Based on my training and decades of experience as a Certified Public Accountant, the meaning of the term "audited report" in the accounting profession is clear and established. It refers to a set of financial statements prepared in accordance with GAAP that have been independently examined under GAAS, culminating in the issuance of a written auditor's report containing an audit opinion.

21. Summaries of financial information without an auditor's opinion, like those provided by CTU, do not meet this definition and cannot provide the same assurance to union members or other stakeholders.

Under penalties as provided by law pursuant to Section 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, the undersigned certifies that the statements set forth in this Declaration are true and correct, based on knowledge, information and belief.


Sheila A. Weinberg

Date: September 15, 2025

Exhibit

1

SHEILA WEINBERG, CPA

Glencoe, IL | (847) 835-5200 | sweinberg@truthinaccounting.org

Certified public accountant with GAAP expertise and experience in the full spectrum of public accounting. In-depth knowledge of federal, state, and local government accounting.

EXPERIENCE

TRUTH IN ACCOUNTING | CHICAGO, IL | 2002-PRESENT

Founder & CEO

- Oversees all day-to-day operations to ensure the organization is staying true to its mission of educating and empowering the public.
- Leads all research initiatives, including the "Financial State of the States," "Financial State of the Cities," and the "Financial State of the Union," all of which analyze government annual financial reports.
- Manages all full-time team members across all departments to ensure timely project completion.
- Frequently cited in major news publications such as the Chicago Tribune, Wall Street Journal, and Accounting Today.
- Called upon as an expert in government accounting by various organizations, such as the Association of Government Accountants, and invited to present to their members.
- Testified before the Federal Accounting Standards Advisory Board (FASAB), the Government Accounting Standards Board (GASB), and numerous state legislative hearings on matters of proper government accounting.

INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARDS BOARD (IPSASB) | 2018-PRESENT

Consultative Advisory Group Member

- Advises on numerous areas, including the IPSASB's strategy, work program and agenda, including project priorities;
 - IPSASB's projects, including views on key technical issues or matters that may impede the adoption or effective implementation of IPSAS™; and
- Contributes knowledge and expertise relevant to the standard-setting activities of the IPSASB.

UNIVERSITY OF DENVER, DANIELS SCHOOL OF BUSINESS | 2016-PRESENT

School of Accountancy Advisory Board Member

- Provides insight and direction for the school's strategic plan.
- Works with other board members to ensure the school's program meets the needs of the accounting profession, both today and in the future.

THE ILLINOIS CPA SOCIETY | 2014-PRESENT

Member Of Government Executive Committee

- Works with fellow committee members to encourage excellence in the performance of professional services related to accounting for and auditing of federal, state, and local governmental units and agencies.
- Provided insights to the committee's response to the Governmental Accounting Standards Board regarding pension and other post-employment reporting requirements.
- Keeps the committee abreast of FASAB activities, including public comment documents.

UNION LEAGUE CLUB OF CHICAGO | 2016-2023

Chair of Public Affairs Committee – State and Local Government Subcommittee

- Leads the Public Affairs Committee's advocacy of transparent, fiscally responsible government.
- Organized the debate on Illinois "Fair Tax" Constitutional amendment, including developing a briefing booklet on Illinois tax policy that included arguments for and against the amendment, information on how tax brackets might be structured if the amendment were adopted, and links to source materials.

ASSOCIATION OF GOVERNMENT ACCOUNTANTS | 2014-2020

Financial Standard Management Board Member

- Oversees all aspects of AGA's role in reviewing and responding to standard setter's due process documents alongside other board members.
- Instrumental in the development of the board's comments to the Governmental Accounting Standards Board regarding pension and other post-employment reporting requirements.

PRO CONSULTING ASSOCIATES | CHICAGO, IL | 1987-2002

Consultant

- Consulted with companies, including Post Pro Video and Brambles to help solve their computer hardware and software needs.
- Developed, programmed, and implemented accounting and business systems.
- Gained a thorough understanding of basic and complex accounting issues through facilitating programming and implementation of accounting software.

Exhibit

2

FORM LM-2 LABOR ORGANIZATION ANNUAL REPORT

U.S. Department of Labor
Office of Labor-Management Standards
Washington, DC 20210

MUST BE USED BY LABOR ORGANIZATIONS WITH \$250,000 OR MORE IN TOTAL ANNUAL RECEIPTS AND
LABOR ORGANIZATIONS IN TRUSTEESHIP

Form Approved
Office of Management and Budget
No. 1245-0003
Expires: 01-31-2025

This report is mandatory under P.L. 86-257, as amended. Failure to comply may result in criminal prosecution, fines, or civil penalties as provided by 29 U.S.C. 439 or 440.

READ THE INSTRUCTIONS CAREFULLY BEFORE PREPARING THIS REPORT.

For Official Use Only	1. FILE NUMBER 545-781	2. PERIOD COVERED From 07/01/2021 Through 06/30/2022	3. (a) AMENDED - Is this an amended report: (b) HARDSHIP - Filed under the hardship procedures: (c) TERMINAL - This is a terminal report:	No No No
4. AFFILIATION OR ORGANIZATION NAME TEACHERS AFL-CIO			8. MAILING ADDRESS (Type or print in capital letters)	
5. DESIGNATION (Local, Lodge, etc.) LOCAL UNION			First Name STACY	Last Name DAVIS GATES
6. DESIGNATION NBR 1			P.O Box - Building and Room Number	
7. UNIT NAME (if any) CHICAGO TEACHERS UNION			Number and Street 1901 WEST CARROLL STREET	
9. Are your organization's records kept at its mailing address? Yes			City CHICAGO	
			State IL	ZIP Code + 4 606120000

Each of the undersigned, duly authorized officers of the above labor organization, declares, under penalty of perjury and other applicable penalties of law, that all of the information submitted in this report (including information contained in any accompanying documents) has been examined by the signatory and is, to the best of the undersigned individual's knowledge and belief, true, correct and complete (See Section V on penalties in the instructions.)

70. SIGNED: Stacy L Davis Gates	PRESIDENT	71. SIGNED: Maria T Moreno	TREASURER
Date: Nov 01, 2022	Telephone Number: 312-329-6228	Date: Nov 01, 2022	Telephone Number: 312-329-6214

Form LM-2 (Revised 2010); (Tech. Rev. 2/2013)

ITEMS 10 THROUGH 21

10. During the reporting period did the labor organization create or participate in the administration of a trust or a fund or organization, as defined in the instructions, which provides benefits for members or beneficiaries?
- 11(a). During the reporting period did the labor organization have a political action committee (PAC) fund?
- 11(b). During the reporting period did the labor organization have a subsidiary organization as defined in Section X of these Instructions?
12. During the reporting period did the labor organization have an audit or review of its books and records by an outside accountant or by a parent body auditor/representative?
13. During the reporting period did the labor organization discover any loss or shortage of funds or other assets? (Answer "Yes" even if there has been repayment or recovery.)
14. What is the maximum amount recoverable under the labor organization's fidelity bond for a loss caused by any officer, employee or agent of the labor organization who handled union funds?
15. During the reporting period did the labor organization acquire or dispose of any assets in a manner other than purchase or sale?
16. Were any of the labor organization's assets pledged as security or encumbered in any way at the end of the reporting period?
17. Did the labor organization have any contingent liabilities at the end of the reporting period?
18. During the reporting period did the labor organization have any changes in its constitution or bylaws, other than rates of dues and fees, or in practices/procedures listed in the instructions?
19. What is the date of the labor organization's next regular election of officers?

Form LM-2 (Revised 2010); (Tech. Rev. 2/2013)

20. How many members did the labor organization have at the end of the reporting period? 28,313
21. What are the labor organization's rates of dues and fees?

Rates of Dues and Fees					
Dues/Fees	Amount	Unit	Minimum	Maximum	
(a) Regular Dues/Fees	1202.80	per year	721.68	1202.80	
(b) Working Dues/Fees		per			
(c) Initiation Fees		per			
(d) Transfer Fees		per			
(e) Work Permits		per			

\$500,000

No

No

No

No

05/2025

Type or Classification (B)			
TELECOMMUNICATIONS			
Name and Address (A)	Purpose (C)	Date (D)	Amount (E)
BANSLEY & KIENER, L.L.P. O'HARE PLAZA SUITE 200 8745 W HIGGINS ROAD CHICAGO IL 60631	FISCAL YEAR AUDIT	12/30/2021	\$25,000
	FISCAL YEAR AUDIT	05/23/2022	\$35,000
	Total Itemized Transactions with this Payee/Payer		\$60,000
	Total Non-Itemized Transactions with this Payee/Payer		\$0
	Total of All Transactions with this Payee/Payer for This Schedule		\$60,000
AUDIT FIRM			
Name and Address (A)	Purpose (C)	Date (D)	Amount (E)
CDW Government Chicago IL	Total Itemized Transactions with this Payee/Payer		
	Total Non-Itemized Transactions with this Payee/Payer		\$5,583
	Total of All Transactions with this Payee/Payer for This Schedule		\$5,583
Computer Software & Supplies			
Name and Address (A)	Purpose (C)	Date (D)	Amount (E)
CDW GOVERNMENT SUITE 1515 75 REMITTANCE DRIVE CHICAGO IL 60675-1515	Total Itemized Transactions with this Payee/Payer		
	Total Non-Itemized Transactions with this Payee/Payer		\$5,582
	Total of All Transactions with this Payee/Payer for This Schedule		\$5,582
COMPUTER EXPENSES			
Name and Address (A)	Purpose (C)	Date (D)	Amount (E)
CHICAGO TEACHERS UNION FOUNDATION 1901 W. CARROLL AVE CHICAGO IL 60612	CTU Rent/CAM & PNote Int	08/01/2021	\$133,286
	CTU Rent/CAM & PNote Int	09/01/2021	\$133,286
	CTU Rent/CAM & PNote Int	10/01/2021	\$133,286
	CTU Rent/CAM & PNote Int	11/01/2021	\$133,286
	CTU Rent/CAM & PNote Int	12/01/2021	\$133,286
	CTU Rent/CAM & PNote Int	01/02/2022	\$133,286
	CTU Rent/CAM & PNote Int	02/01/2022	\$133,286
	CTU Rent/CAM & PNote Int	03/01/2022	\$133,286
	CTU Rent/CAM & PNote Int	04/01/2022	\$133,286
	CTU Rent/CAM & PNote Int	05/01/2022	\$133,286
LANDLORD	CTU Rent/CAM & PNote Int	06/01/2022	\$133,286
	CTU Rent/CAM & PNote Int	06/30/2022	\$133,286
	Total Itemized Transactions with this Payee/Payer		\$1,599,432
	Total Non-Itemized Transactions with this Payee/Payer		\$1,000
	Total of All Transactions with this Payee/Payer for This Schedule		\$1,600,432
Name and Address (A)	Purpose (C)	Date (D)	Amount (E)
COMCAST CABLE PO BOX 3001	Total Itemized Transactions with this Payee/Payer		
	Total Non-Itemized Transactions with this Payee/Payer		\$7,598
	Total of All Transactions with this Payee/Payer for This Schedule		\$7,598

FORM LM-2 LABOR ORGANIZATION ANNUAL REPORT

U.S. Department of Labor
Office of Labor-Management Standards
Washington, DC 20210

MUST BE USED BY LABOR ORGANIZATIONS WITH \$250,000 OR MORE IN TOTAL ANNUAL RECEIPTS AND
LABOR ORGANIZATIONS IN TRUSTEESHIP

Form Approved
Office of Management and Budget
No. 1245-0003
Expires: 01-31-2025

This report is mandatory under P.L. 86-257, as amended. Failure to comply may result in criminal prosecution, fines, or civil penalties as provided by 29 U.S.C. 439 or 440.

READ THE INSTRUCTIONS CAREFULLY BEFORE PREPARING THIS REPORT.

For Official Use Only	1. FILE NUMBER 545-781	2. PERIOD COVERED From 07/01/2022 Through 06/30/2023	3. (a) AMENDED - Is this an amended report: (b) HARDSHIP - Filed under the hardship procedures: (c) TERMINAL - This is a terminal report:	No No No
	4. AFFILIATION OR ORGANIZATION NAME TEACHERS AFL-CIO			
	5. DESIGNATION (Local, Lodge, etc.) LOCAL UNION		6. DESIGNATION NBR 1	
	7. UNIT NAME (if any) CHICAGO TEACHERS UNION		8. MAILING ADDRESS (Type or print in capital letters) First Name STACY Last Name DAVIS GATES P.O Box - Building and Room Number Number and Street 1901 WEST CARROLL STREET City CHICAGO State IL ZIP Code + 4 606120000	

Each of the undersigned, duly authorized officers of the above labor organization, declares, under penalty of perjury and other applicable penalties of law, that all of the information submitted in this report (including information contained in any accompanying documents) has been examined by the signatory and is, to the best of the undersigned individual's knowledge and belief, true, correct and complete (See Section VI on penalties in the instructions.)

70. SIGNED: stacy l davis gates Date: Sep 25, 2023 Telephone Number: 312-329-6228	PRESIDENT	71. SIGNED: Maria T Moreno Date: Sep 25, 2023 Telephone Number: 312-329-6214	TREASURER
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Form LM-2 (Revised 2010); (Tech. Rev. 2/2013)

ITEMS 10 THROUGH 21

10. During the reporting period did the labor organization create or participate in the administration of a trust or a fund or organization, as defined in the instructions, which provides benefits for members or beneficiaries?
- 11(a). During the reporting period did the labor organization have a political action committee (PAC) fund?
- 11(b). During the reporting period did the labor organization have a subsidiary organization as defined in Section X of these Instructions?
12. During the reporting period did the labor organization have an audit or review of its books and records by an outside accountant or by a parent body auditor/representative?
13. During the reporting period did the labor organization discover any loss or shortage of funds or other assets? (Answer "Yes" even if there has been repayment or recovery.)
14. What is the maximum amount recoverable under the labor organization's fidelity bond for a loss caused by any officer, employee or agent of the labor organization who handled union funds?
15. During the reporting period did the labor organization acquire or dispose of any assets in a manner other than purchase or sale?
16. Were any of the labor organization's assets pledged as security or encumbered in any way at the end of the reporting period?
17. Did the labor organization have any contingent liabilities at the end of the reporting period?
18. During the reporting period did the labor organization have any changes in its constitution or bylaws, other than rates of dues and fees, or in practices/procedures listed in the instructions?
19. What is the date of the labor organization's next regular election of officers?

Form LM-2 (Revised 2010); (Tech. Rev. 2/2013)

20. How many members did the labor organization have at the end of the reporting period? 27,844
21. What are the labor organization's rates of dues and fees?

Rates of Dues and Fees				
Dues/Fees	Amount	Unit	Minimum	Maximum
(a) Regular Dues/Fees	1242	per Year	745.19	1242
(b) Working Dues/Fees		per		
(c) Initiation Fees		per		
(d) Transfer Fees		per		
(e) Work Permits		per		

No

Yes

No

Yes

No

\$500,000

No

No

No

No

05/2025

Louisville KY 40290			
Type or Classification (B)			
Office Supplies			
Name and Address (A)			
Garvey's Office Supplies 5678	Purpose (C)	Date (D)	Amount (E)
Carol Stream IL 60197	Total Itemized Transactions with this Payee/Payer		
	Total Non-Itemized Transactions with this Payee/Payer		\$14,735
	Total of All Transactions with this Payee/Payer for This Schedule		\$14,735
Type or Classification (B)			
Office Supplies			
Name and Address (A)	Purpose (C)	Date (D)	Amount (E)
KONICA MINOLTA BUS SOLUTIONS	Usage of Office Copy Machines	07/05/2022	\$11,757
	Usage of Office Copy Machines	08/03/2022	\$11,757
21719 NETWORK PLACE	Usage of Office Copy Machines	09/06/2022	\$11,757
Chicago	Usage of Office Copy Machines	09/30/2022	\$11,757
IL	Usage of Office Copy Machines	11/02/2022	\$11,757
60673	Usage of Office Copy Machines	12/05/2022	\$11,757
Type or Classification (B)	Usage of Office Copy Machines	01/09/2023	\$11,757
	Usage of Office Copy Machines	02/06/2023	\$11,757
Leasing Company	Usage of Office Copy Machines	03/03/2023	\$11,757
	Usage of Office Copy Machines	04/03/2023	\$11,757
	Usage of Office Copy Machines	06/05/2023	\$11,726
	Usage of Office Copy Machines	06/30/2023	\$11,726
	Total Itemized Transactions with this Payee/Payer		\$141,022
	Total Non-Itemized Transactions with this Payee/Payer		
	Total of All Transactions with this Payee/Payer for This Schedule		\$141,022
Name and Address (A)			
Legacy Professionals LLP	Purpose (C)	Date (D)	Amount (E)
4 Westbrook Corporate Cente	Fiscal Year Audit	06/23/2023	\$35,000
Westchester	Total Itemized Transactions with this Payee/Payer		\$35,000
IL	Total Non-Itemized Transactions with this Payee/Payer		
60154	Total of All Transactions with this Payee/Payer for This Schedule		\$35,000
Type or Classification (B)			
Audit Firm			
Name and Address (A)			
Liberty Mutual 91013	Purpose (C)	Date (D)	Amount (E)
Chicago	WORKERS COMP, LIABILITY & OTHER INSURANCE	06/07/2023	\$107,545
IL	Total Itemized Transactions with this Payee/Payer		\$107,545
60680	Total Non-Itemized Transactions with this Payee/Payer		
Type or Classification (B)	Total of All Transactions with this Payee/Payer for This Schedule		\$107,545
Insurance Provider			

FORM LM-2 LABOR ORGANIZATION ANNUAL REPORT

U.S. Department of Labor
Office of Labor-Management Standards
Washington, DC 20210

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Form Approved
Office of Management and Budget
No. 1245-0003
Expires: 08-31-2026

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	5. DESIGNATION (Local, Lodge, etc.) LOCAL UNION		6. DESIGNATION NBR 1	
	7. UNIT NAME (if any) CHICAGO TEACHERS UNION		9. Are your organization's records kept at its mailing address? Yes	
		First Name STACY		Last Name DAVIS GATES
		P.O Box - Building and Room Number		
		Number and Street 1901 WEST CARROLL STREET		
		City CHICAGO		
		State IL		ZIP Code + 4 606120000

Each of the undersigned, duly authorized officers of the above labor organization, declares, under penalty of perjury and other applicable penalties of law, that all of the information submitted in this report (including information contained in any accompanying documents) has been examined by the signatory and is, to the best of the undersigned individual's knowledge and belief, true, correct and complete (See Section VI on penalties in the instructions.)

70. SIGNED: stacy l davis gates Date: Sep 27, 2024 Telephone Number: 312-329-6228	PRESIDENT	71. SIGNED: Maria T Moreno Date: Sep 26, 2024 Telephone Number: 312-329-6214	TREASURER
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Form LM-2 (Revised 2010); (Tech. Rev. 2/2013)

ITEMS 10 THROUGH 21

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18. During the reporting period did the labor organization have any changes in its constitution or bylaws, other than rates of dues and fees, or in practices/procedures listed in the instructions?

19. What is the date of the labor organization's next regular election of officers?

Form LM-2 (Revised 2010); (Tech. Rev. 2/2013)

20. How many members did the labor organization have at the end of the reporting period? 28,680

21. What are the labor organization's rates of dues and fees?

Rates of Dues and Fees				
Dues/Fees	Amount	Unit	Minimum	Maximum
(a) Regular Dues/Fees	1403.48	per Year	819.17	1403.48
(b) Working Dues/Fees	0	per	0	0
(c) Initiation Fees	0	per	0	0
(d) Transfer Fees	0	per	0	0
(e) Work Permits	0	per	0	0

No

Yes

No

Yes

No

\$500,000

No

No

No

No

05/2025

Type or Classification (B)			
Insurance Provider			
Name and Address (A)	Purpose (C)	Date (D)	Amount (E)
KONICA MINOLTA BUS SOLUTIONS 21719 Network Place Chicago IL 60673	Mthly Copier& ID reader lease	08/02/2023	\$11,726
	Mthly Copier& ID reader lease	09/01/2023	\$11,726
	Mthly Copier& ID reader lease	10/02/2023	\$11,726
	Mthly Copier& ID reader lease	11/02/2023	\$11,726
	Mthly Copier& ID reader lease	12/01/2023	\$11,726
	Mthly Copier& ID reader lease	01/02/2024	\$11,726
	Mthly Copier& ID reader lease	02/02/2024	\$11,726
Leasing Company	Mthly Copier& ID reader lease	03/04/2024	\$11,433
	Mthly Copier& ID reader lease	04/10/2024	\$11,433
	Mthly Copier& ID reader lease	05/08/2024	\$11,433
	Mthly Copier& ID reader lease	06/07/2024	\$11,433
	Total Itemized Transactions with this Payee/Payer		\$127,814
	Total Non-Itemized Transactions with this Payee/Payer		\$305
	Total of All Transactions with this Payee/Payer for This Schedule		\$128,119
Name and Address (A)	Purpose (C)	Date (D)	Amount (E)
Legacy Professionals LLP 4 Westbrook Corporate Ce Westchester IL 60154	Audit Services	04/16/2024	\$50,975
	Audit Services	02/27/2024	\$40,000
	Audit Services	03/04/2024	\$39,000
	Audit Services	03/05/2024	\$7,750
	Total Itemized Transactions with this Payee/Payer		\$137,725
Auditors	Total Non-Itemized Transactions with this Payee/Payer		
	Total of All Transactions with this Payee/Payer for This Schedule		\$137,725
Name and Address (A)	Purpose (C)	Date (D)	Amount (E)
Liberty Mutual 91013 Chicago IL 60680	WORKERS COMP, LIABILITY & OTHERINSURANCE	08/03/2023	\$44,040
	WORKERS COMP, LIABILITY & OTHERINSURANCE	05/17/2024	\$78,923
	Total Itemized Transactions with this Payee/Payer		\$122,963
	Total Non-Itemized Transactions with this Payee/Payer		
Insurance Provider	Total of All Transactions with this Payee/Payer for This Schedule		\$122,963
Name and Address (A)	Purpose (C)	Date (D)	Amount (E)
Micro-Tech USA 5 North Wabash Chicago IL 60602	Monthly Invoice	04/12/2024	\$23,497
	Monthly Invoice	04/16/2024	\$10,976
	Monthly Invoice	05/17/2024	\$10,976
	Monthly Invoice	06/14/2024	\$10,976
	Monthly Invoice	03/05/2024	\$10,670
	Monthly Invoice	07/03/2023	\$10,669
	Monthly Invoice	08/03/2023	\$10,669
IT Provider	Monthly Invoice	09/01/2023	\$10,669
	Monthly Invoice	10/03/2023	\$10,669
	Monthly Invoice	11/03/2023	\$10,669
	Total Itemized Transactions with this Payee/Payer		\$152,447
	Total Non-Itemized Transactions with this Payee/Payer		\$2,859
	Total of All Transactions with this Payee/Payer for This Schedule		\$155,306