Envisioning Educational Excellence:
A Plan for All of Pittsburgh’s Children

Envisioning Update to the Board of Directors

Agenda for the Board Workshop

Meeting Objectives

- Give an update on the Envisioning process and Listening Tour 5 min
- Share findings on key Envisioning topics:
  - Pittsburgh Students, Our Students, and the Schools They Attend 20 min
  - Equity and Choice
  - Our Financial Story
- Board Discussion: focus on ideas, concerns, and goals 50 min
- Agree on next steps 15 min
Our Approach to Envisioning Sets Us Up to Make Informed Choices about How Best to Achieve the District’s Goals

Our Goal is to both address our academic and fiscal challenges at the same time.

We Also Have to Look at Many Things At the Same Time

- Budget & Finance
- Innovation
- Current State Analysis

We are here.
Pittsburgh Students, Our Students, and the Schools They Attend

Question:

How many children ages 4-17 do you think reside in the City of Pittsburgh?
After More than a Decade of Decline, Births Have Leveled Off and Should Start to Stabilize School-Age Numbers

Births in Pittsburgh – 1992 to 2011

1992-2002: -31%
2002-today: flat

First year of “flow through”: 2002 babies entering pre-K

Between 2000-2010, the Population of School-Age Children in Pittsburgh Decreased by 29% to Less Than 38,000

Population in Pittsburgh, Ages 4-17 – 2000 vs. 2010

52,417
37,431

Ages 13-17
Ages 10-12
Ages 4-9

-29%
-24%
-33%
-30%

Question:

Of the 37,431, what % do you think attend PPS?

PPS Has 70% “Market Share,” 40% of Pittsburgh Students Choose to Attend Their Feeder Schools

Where Pittsburgh’s K-12 Children Attend School in 2012-13 (n=34,412)

70% PPS “Market Share”

60% “opt out” of PPS feeders

Source: School data provided by PPS. Differs slightly from Census data due to timeframe and the fact PPS systems do not capture all school-age children in the City of Pittsburgh. Notes: “Other PPS” includes open enrollment, school choice, and transfers to non-feeder schools, and enrollment within special schools. Students attending partial magnets are counted in the category which applies to them. If attending due to the feeder system then they are counted in the first column; if attending through the magnet system then they are counted in the second column.
Of the 70% Market Share We Hold, 57% Attends Their Feeder School

Where Pittsburgh Public Schools’ K-12 Children Attend School in 2012-13 (n=24,205)

- **57%**: PPS Students Attending Their Feeder
- **30%**: PPS Students Attending Magnets
- **13%**: All Other PPS Students

Source: School data provided by PPS. Differs slightly from Census data due to timeframe and the fact PPS systems do not capture all school-age children in the City of Pittsburgh. Notes: “Other PPS” includes open enrollment, school choice, and transfers to non-feeder schools, and enrollment within special schools. Students attending partial magnets are counted in the category which applies to them. If attending due to the feeder system then they are counted in the first column; if attending through the magnet system then they are counted in the second column.

Equity and Choice
The Choices Families Make Vary By Race

White Students' Use of School Choice

- Feeder: 36%
- Choice: 64%

African-American Students' Use of School Choice

- Feeder: 42%
- Choice: 58%

Notes: "Other PPS" includes open enrollment, school choice, and transfers to non-feeder schools, and enrollment within special schools.

Source: School data provided by PPS. Differs slightly from Census data due to timeframe and the fact PPS systems do not capture all school-age children in the City of Pittsburgh.

Feeder Pattern Attendance Rates Vary by Region: South/West Sends a Much Greater Percentage of Students than North/Central and East

Where Pittsburgh's School-Age Children Attend School in 2012-13*

<table>
<thead>
<tr>
<th>Region</th>
<th>% at Private / Parochial Schools</th>
<th>% at Charter</th>
<th>% at Other PPS School</th>
<th>% at PPS Magnets</th>
<th>% at Feeder</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL</td>
<td>20%</td>
<td>10%</td>
<td>9%</td>
<td>21%</td>
<td>40%</td>
</tr>
<tr>
<td>South/West</td>
<td>13%</td>
<td>10%</td>
<td>9%</td>
<td>17%</td>
<td>51%</td>
</tr>
<tr>
<td>North/Central</td>
<td>14%</td>
<td>15%</td>
<td>10%</td>
<td>17%</td>
<td>33%</td>
</tr>
<tr>
<td>East</td>
<td>29%</td>
<td>8%</td>
<td>7%</td>
<td>22%</td>
<td>34%</td>
</tr>
</tbody>
</table>

Notes: (*) Partial magnets are included in % at PPS Magnet for those students who are attending through the magnet system, and % at Feeder for those attending due to feeder assignment. Regions denote location of feeder pattern school. "Other PPS School" includes open enrollment, school choice, and transfers to non-feeder schools, and enrollment within special schools.

Source: School data provided by PPS. Differs slightly from Census data due to timeframe and the fact PPS systems do not capture all school-age children in the City of Pittsburgh.
Despite Choice, African-Americans Have Less Access to Schools with Both High Academic Proficiency and High Academic Growth

Based on PSSA Achievement and Growth

African-American Students as % of Enrollment

White Students as % of Enrollment

- Schools with at Least 75% Proficiency and a Growth Score of at least 50 (n=6): Banksville, CAPA, Dilworth, Fulton, Sci-Tech, Whittier* (3 of 6 are STAR schools)
- Schools with Proficiency Below 50% and a Growth Score Below 50 (n=11): Arsenal Elem., Brashear, Carrick, Faison, Grandview, King, Lincoln, Manchester, Perry, Westinghouse, Woolslair

Source: School data provided by PPS

Notes: Proficiency rates are the average proficiency rate for math and reading. Growth is defined by the composite growth score which is based on value-added measures (VAM). Liberty did not have an overall VAM score in the State of the District, but had a VAM in Math of 60 and in ELA of 43, and so has been reported here. The percentages above are not weighted averages but averages of the schools' percentages of African-American / White students.
PPS Spends ~$6,800 More Per Student Than State Peers After All “Unusual” Spend Categories (e.g., Charter Payments) Are Excluded

Adjusted 2011-2012 PPS and 2010-11 Peer Expenditures Per K-12 Enrollment

Pittsburgh Peer Average

In Thousands of Dollars

<table>
<thead>
<tr>
<th>Category</th>
<th>PPS</th>
<th>Peer Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pittsburgh</td>
<td>$20,500</td>
<td>$13,000</td>
</tr>
<tr>
<td>Peer Average</td>
<td>$18,400</td>
<td>$11,600</td>
</tr>
</tbody>
</table>

Notes: Central includes Administration (2300), Business (2500), and Central (2800) with the exclusion of Principal Services (2380). Instructional PD and Support is Instructional Staff (2200) with the exclusion of library services. PPS is $241 lower per K-12 student in all other areas to bring the net difference down to approximately $6,800.

“Regular Instruction” and Special Education Are the Largest Drivers of the Difference with Peers

Per K-12 Student Difference Between Adjusted PPS 2011-2012 and State Peers 2010-2011

<table>
<thead>
<tr>
<th>Category</th>
<th>PPS Difference</th>
<th>Peer Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular Instruction</td>
<td>$2,889</td>
<td>$1,365</td>
</tr>
<tr>
<td>Special Education &amp; Gifted</td>
<td>$322</td>
<td>$650</td>
</tr>
<tr>
<td>Principal Services</td>
<td>$639</td>
<td>$650</td>
</tr>
<tr>
<td>Operation &amp; Maintenance of Plant Services</td>
<td>$819</td>
<td>$94</td>
</tr>
<tr>
<td>District Bus Transportation</td>
<td>$575</td>
<td>$594</td>
</tr>
<tr>
<td>Central</td>
<td>$575</td>
<td>$594</td>
</tr>
<tr>
<td>Total</td>
<td>$4,600</td>
<td>$1,200</td>
</tr>
<tr>
<td>Grand Total</td>
<td>$7,000K</td>
<td>$1,200</td>
</tr>
</tbody>
</table>

To address the $53M deficit, PPS will need to reduce the per-student difference by at least $2,000
School Size Averages Fall Far Below Peer Districts in Pennsylvania

2012-2013 Enrollment Per School Building

Source: PPS general fund capacity data, Pennsylvania DOE enrollment data.

Pittsburgh Has Under-Utilized School Space throughout the City

Number of PPS Schools, by Capacity/Utilization Rate

Under-utilization is not just a feeder school issue

Source: School data provided by PPS
Notes: (*) Includes full and partial magnets. The chart does not include special schools or the Pittsburgh Online Academy.
PPS Must Reduce Costs by Over $53M by 2016 to Address Its Forecasted Deficit (and Make Significant Progress Sooner to Remain in Compliance)

Forecasted Deficit ($M)

Major Contributing Factors to the Forecasted Deficit Are Salaries, Charter Payments, Healthcare, and Retirement

Breakdown of 2013-2016 Forecasted Deficit: $53M

Source: Multiyear rolling forecast as of 3/13/2013.

Notes: Analysis based on general fund multi-year forecast. Does not show $9.9M in existing deficit. “Other” includes a wide variety of costs, such as transportation, utilities, and supplies.
PPS Must Reduce Costs by Over $53M by 2016 to Address Its Forecasted Deficit (and Make Significant Progress Sooner to Remain in Compliance)

![Graph showing forecasted reserve (in millions of dollars) from 2012 to 2016.]

Source: Multiyear rolling forecast as of 3/12/2013.

Tonight you have heard about:

• Our goal for our process
• Our goal for the plan
• Our students
• Our financial story
Now We Would Like to:

• Respond to questions

• Hear from the Board
  
  – Understanding how PPS is spending their money (slides 18 and 22), where would you want us to focus as we try to determine cost reductions?
  
  – Given what you learned about choice this evening, do you think we should expand or limit choice within PPS?
Target Class Sizes for 2012-13

### 2012-2013 Average Class Size

<table>
<thead>
<tr>
<th>Grade</th>
<th>Target</th>
<th>Actuals</th>
<th>Shortfall</th>
</tr>
</thead>
<tbody>
<tr>
<td>K-5</td>
<td>25</td>
<td>23.8</td>
<td>1.2</td>
</tr>
<tr>
<td>K-8</td>
<td>25</td>
<td>20.5</td>
<td>4.5</td>
</tr>
<tr>
<td>6-8</td>
<td>28</td>
<td>24.3</td>
<td>3.7</td>
</tr>
<tr>
<td>6-12</td>
<td>30</td>
<td>20.8</td>
<td>9.2</td>
</tr>
<tr>
<td>9-12</td>
<td>30</td>
<td>21.6</td>
<td>8.4</td>
</tr>
</tbody>
</table>

Notes: PPS 2011-2012 financials and state peer 2010-2011 financials; ADM reflect 2010-2011 school year; FRL as of 2012-2013;

Pittsburgh Spends Significantly More Than Its Pennsylvania Peer Districts

We compared Pittsburgh to seven Pennsylvania districts with average daily membership greater than 8,000 students, more than 50 percent of students receiving free or reduced lunch, and population of at least 25,000 residents. We then normalized data by excluding debt service, charter and non-public expenditures, non-public transportation, facilities acquisition and construction, and pre-K

<table>
<thead>
<tr>
<th>Name</th>
<th>Average Daily Membership</th>
<th>Free or Reduced Lunch</th>
<th>Geography</th>
<th>Cost Per Pupil</th>
<th>Normalized Cost Per Pupil</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pittsburgh</td>
<td>28,927</td>
<td>69%</td>
<td>Large City</td>
<td>$20,477</td>
<td>$18,371</td>
</tr>
<tr>
<td>Allentown</td>
<td>19,332</td>
<td>85%</td>
<td>Large City</td>
<td>$11,953</td>
<td>$11,497</td>
</tr>
<tr>
<td>Erie</td>
<td>13,665</td>
<td>75%</td>
<td>Large City</td>
<td>$12,913</td>
<td>$11,694</td>
</tr>
<tr>
<td>Hazleton</td>
<td>10,444</td>
<td>66%</td>
<td>Small City</td>
<td>$10,918</td>
<td>$9,606</td>
</tr>
<tr>
<td>Lancaster</td>
<td>11,171</td>
<td>69%</td>
<td>Medium City</td>
<td>$14,606</td>
<td>$13,149</td>
</tr>
<tr>
<td>Philadelphia</td>
<td>205,332</td>
<td>81%</td>
<td>Large City</td>
<td>$14,132</td>
<td>$12,988</td>
</tr>
<tr>
<td>Reading</td>
<td>18,308</td>
<td>87%</td>
<td>Medium City</td>
<td>$12,559</td>
<td>$10,705</td>
</tr>
<tr>
<td>Scranton</td>
<td>8,775</td>
<td>64%</td>
<td>Medium City</td>
<td>$13,793</td>
<td>$11,413</td>
</tr>
<tr>
<td>Peer Average</td>
<td>41,004</td>
<td>75%</td>
<td>N/A</td>
<td>$12,982</td>
<td>$11,579</td>
</tr>
</tbody>
</table>

Notes: PPS 2011-2012 financials and state peer 2010-2011 financials; ADM reflect 2010-2011 school year; FRL as of 2012-2013;
Structural Driver of Utilization: 1/4 of PPS Schools Are Operating at <50% Capacity

Source: PPS general fund capacity data, Pennsylvania DOE enrollment data.

Access to Schools with High Proficiency Levels and Growth Scores (Feeders and Magnets) Varies by Region

Notes: Proficiency rates are the average proficiency rate for math and reading. Growth is defined by the composite growth score which is based on value-added measures (VAM). Pittsburgh Online Academy is not listed as it does not apply to a certain region; also its achievement and growth are not listed in the State of the District report.
The Under-Capacity Issue Is Most Pronounced at the 6-8 and 6-12 Level: 5 of the 12 Schools Are Under 50% Enrolled

% of Capacity Filled at PPS' Most Under-Enrolled Schools

<table>
<thead>
<tr>
<th>K-5</th>
<th>K-8</th>
<th>6-8</th>
<th>6-12</th>
</tr>
</thead>
<tbody>
<tr>
<td>(22 Schools)</td>
<td>(12 Schools)</td>
<td>(7 Schools)</td>
<td>(5 Schools)</td>
</tr>
<tr>
<td>Westwood</td>
<td>Miller</td>
<td>Woolslair</td>
<td>Arsenal Elem</td>
</tr>
<tr>
<td>49%</td>
<td>49%</td>
<td>48%</td>
<td>43%</td>
</tr>
<tr>
<td>Ave: for grade span: 70%</td>
<td>Ave: 65%</td>
<td>Ave: 64%</td>
<td>Ave: 58%</td>
</tr>
<tr>
<td>King</td>
<td>Arsenal Mid</td>
<td>Classical</td>
<td>U. Prep</td>
</tr>
<tr>
<td>44%</td>
<td>39%</td>
<td>49%</td>
<td>43%</td>
</tr>
<tr>
<td>33%</td>
<td>33%</td>
<td>33%</td>
<td>46%</td>
</tr>
<tr>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>40%</td>
</tr>
</tbody>
</table>

None of PPS' four 9-12 schools are under 50% capacity

The Average PPS K-5 and K-8 Is Below Effective and Efficient Scale

School Size by Grade Configuration

Elementary scale
Potential target range:

- PPS AVG 506
- PPS AVG 337
- 534, Faison
- PPS AVG 337
- 258, Manchester
- 146, Woolslair
- 400, Colfax
- 722, Colfax

# of Schools

K-5: 22
K-8: 12

Source: School data provided by PPS; enrollment figures are projected for 2013-14
Notes: Schools (not school buildings) of approximately 400-600 elementary students and 500-1000 secondary students are the most effective and efficient (Odden and Picus, School Finance: A Policy Perspective, 2008).
The Average PPS 6-8 School Is Also Below Effective and Efficient Scale

School Size by Grade Configuration

- Secondary scale
- Potential target range:

<table>
<thead>
<tr>
<th>School Size</th>
<th># of Schools</th>
</tr>
</thead>
<tbody>
<tr>
<td>6-8</td>
<td>7</td>
</tr>
<tr>
<td>6-12</td>
<td>5</td>
</tr>
<tr>
<td>9-12</td>
<td>4</td>
</tr>
</tbody>
</table>

Source: School data provided by PPS; enrollment figures are projected for 2013-14
Notes: Schools (not school buildings) of approximately 400-600 elementary students and 500-1,000 secondary students are the most effective and efficient (Odden and Picus, School Finance: A Policy Perspective, 2008).

Next Steps

- **Board Follow-up**
  - Please contact Cate Reed if you have additional questions or comments to discuss
  - Questions have been recorded and responses will be provided to the Board wherever possible within 1 week
  - Additional Board workshops are in the process of being scheduled

- **Project Timeline**
  - Phases 2 & 3 will largely be completed by the end of May
  - Strategic option development will begin in earnest in June

- **PPS and Community Engagement**
  - The Advisory Group holds its second meeting on May 13th
  - A briefing for the Fund for Excellence will be held on June 11th
  - Work is under way to form an advisory group for teachers and principals
  - Envisioning updates will be posted to the website