

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

Envisioning Update to the Board of Directors



May 6, 2013

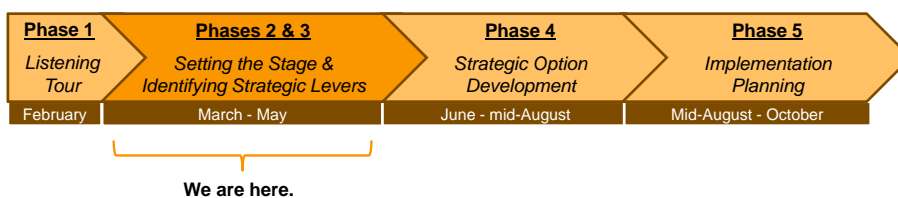
Agenda for the Board Workshop

Meeting Objectives

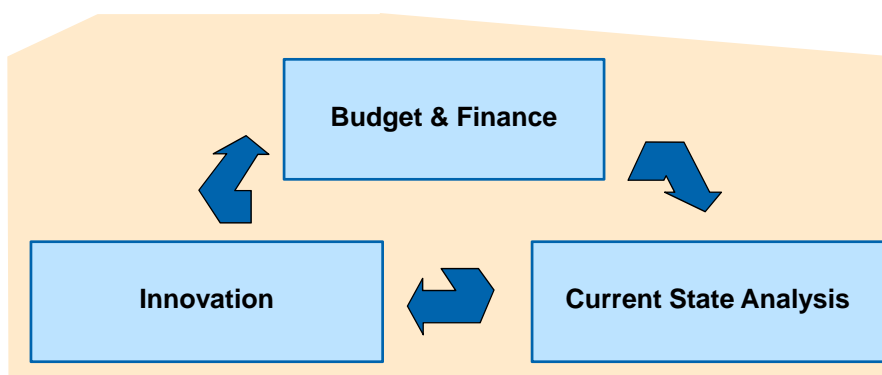
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|---|--------|
| • Give an update on the <i>Envisioning</i> process and Listening Tour | 5 min |
| • Share findings on key <i>Envisioning</i> topics: <ul style="list-style-type: none"> - Pittsburgh Students, Our Students, and the Schools They Attend - Equity and Choice - Our Financial Story | 20 min |
| • 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



Pittsburgh Students, Our Students, and the Schools They Attend

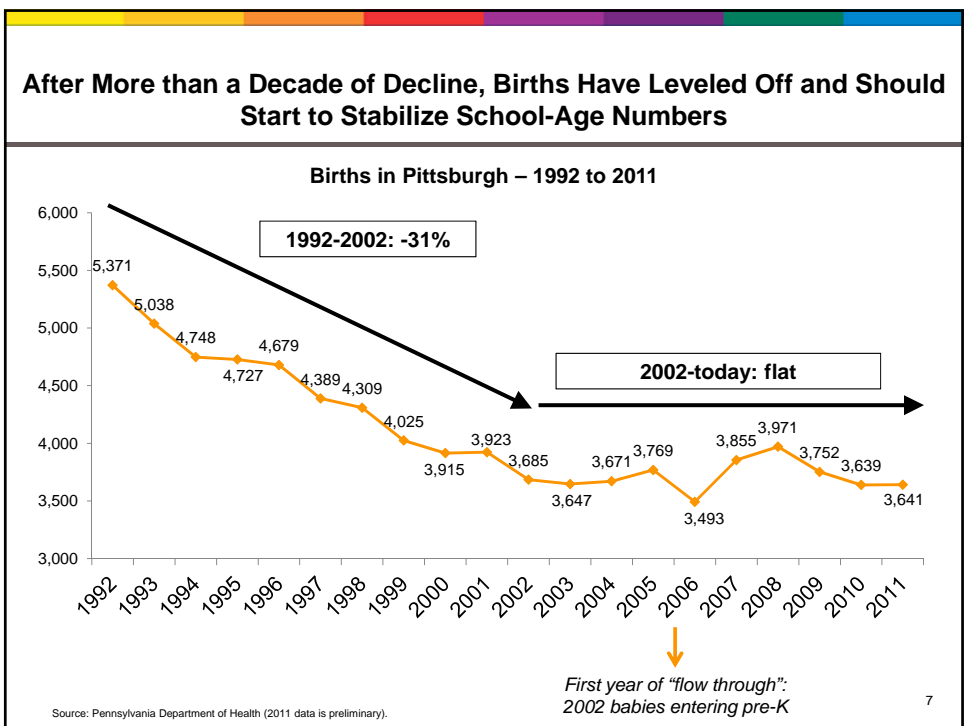


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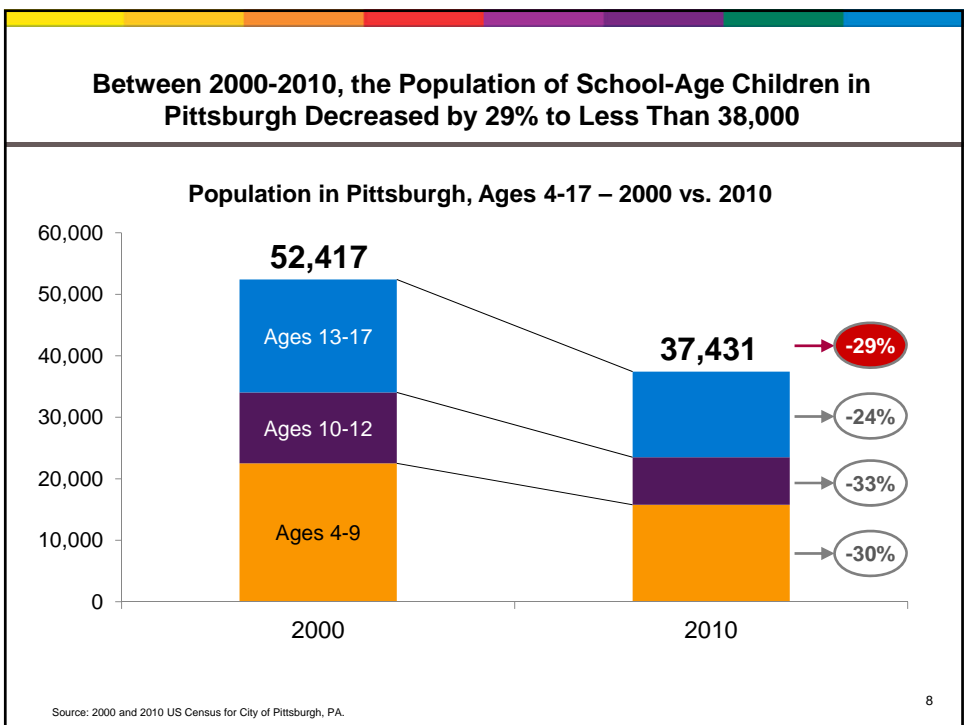
Question:

How many children ages 4-17 do you think reside in the City of Pittsburgh?

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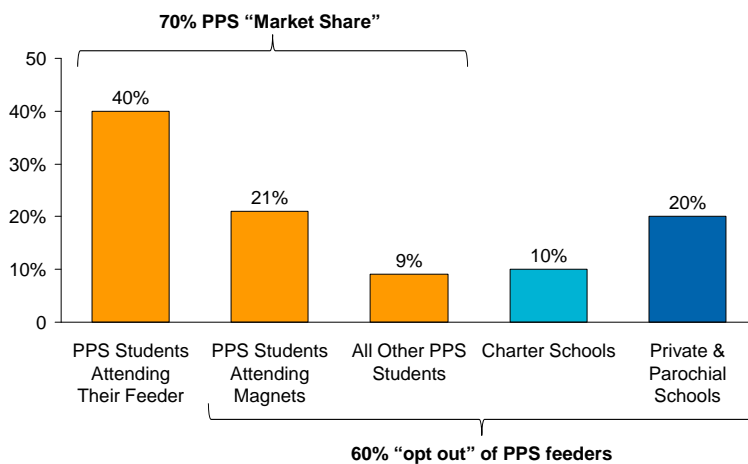
Question:

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

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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)

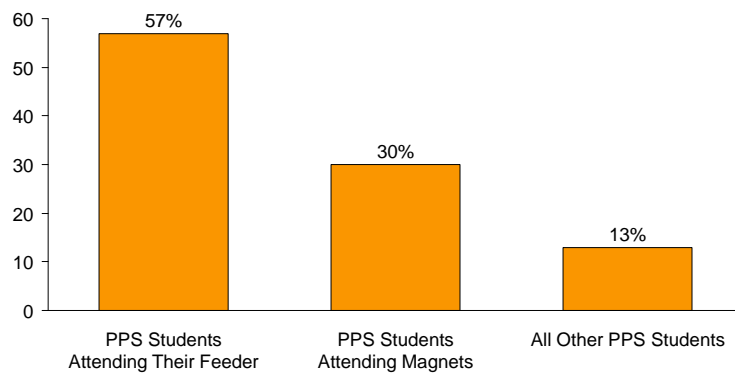


Source: School data provided by PPS. Differs slightly from Census data due to timeframe and the fact PPS systems do not capture all school-age children in the City of Pittsburgh.
 Notes: "Other PPS" includes open enrollment, school choice, and transfers to non-feeder schools, and enrollment within special 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.

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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)



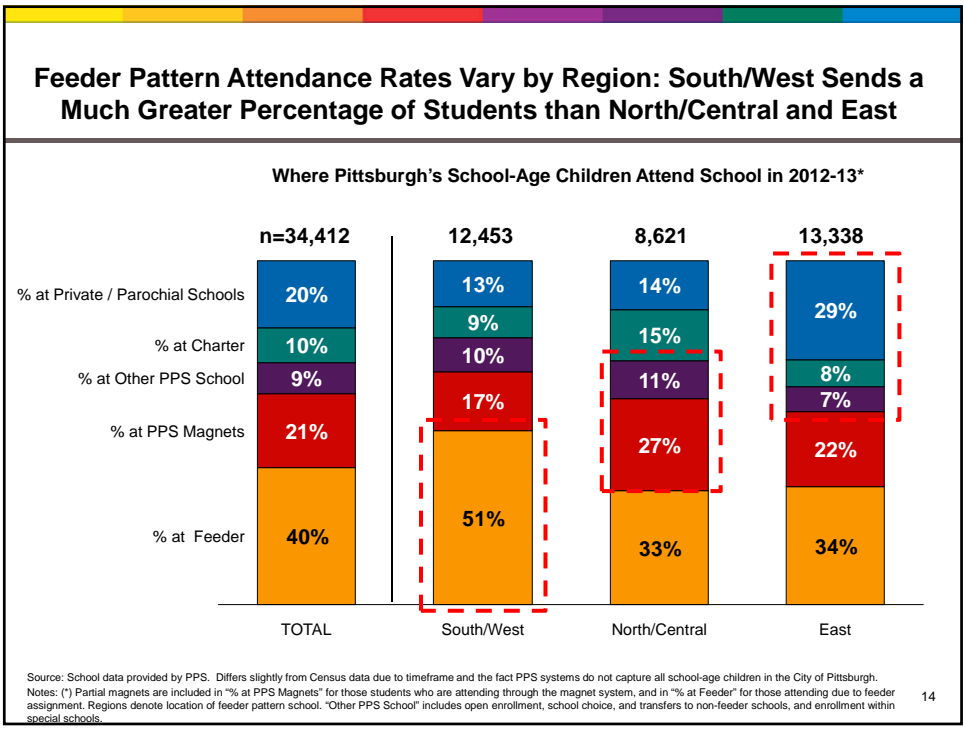
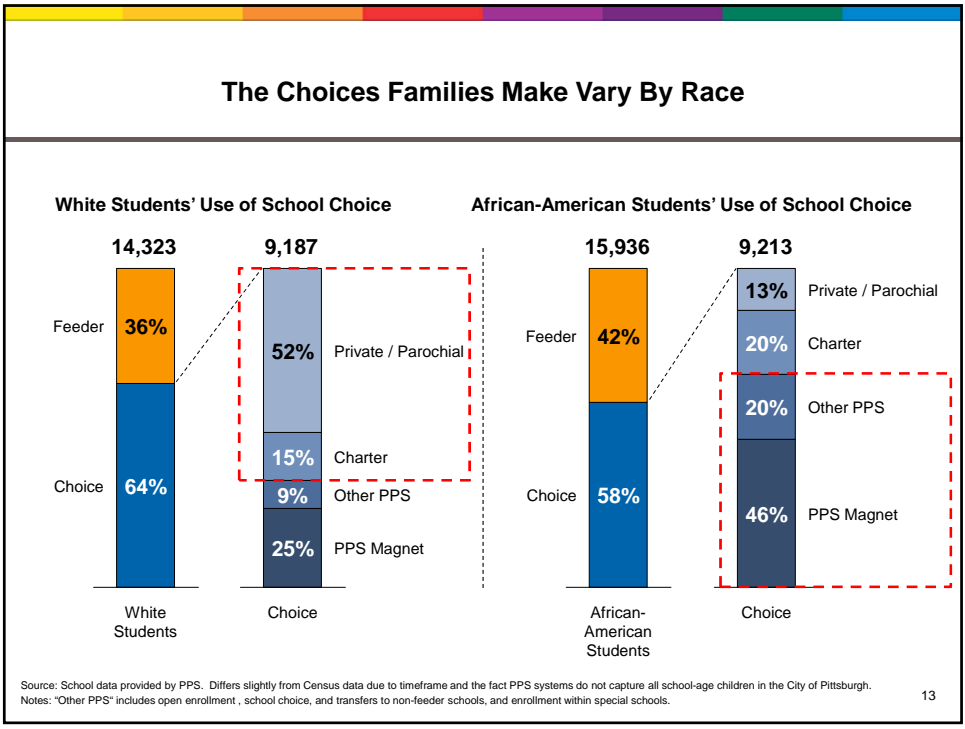
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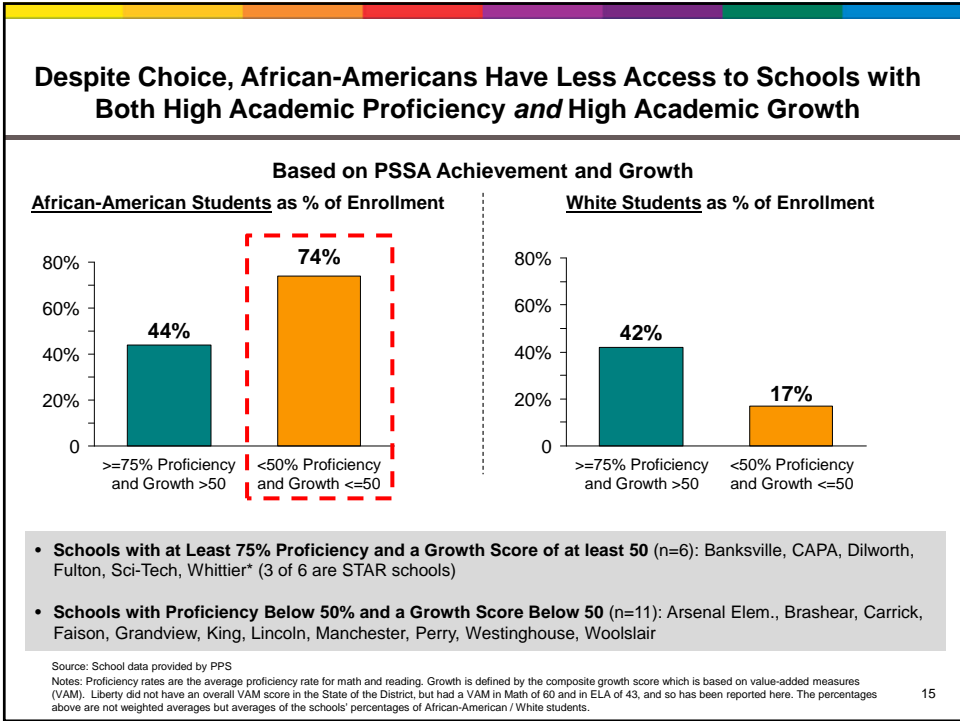
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Equity and Choice



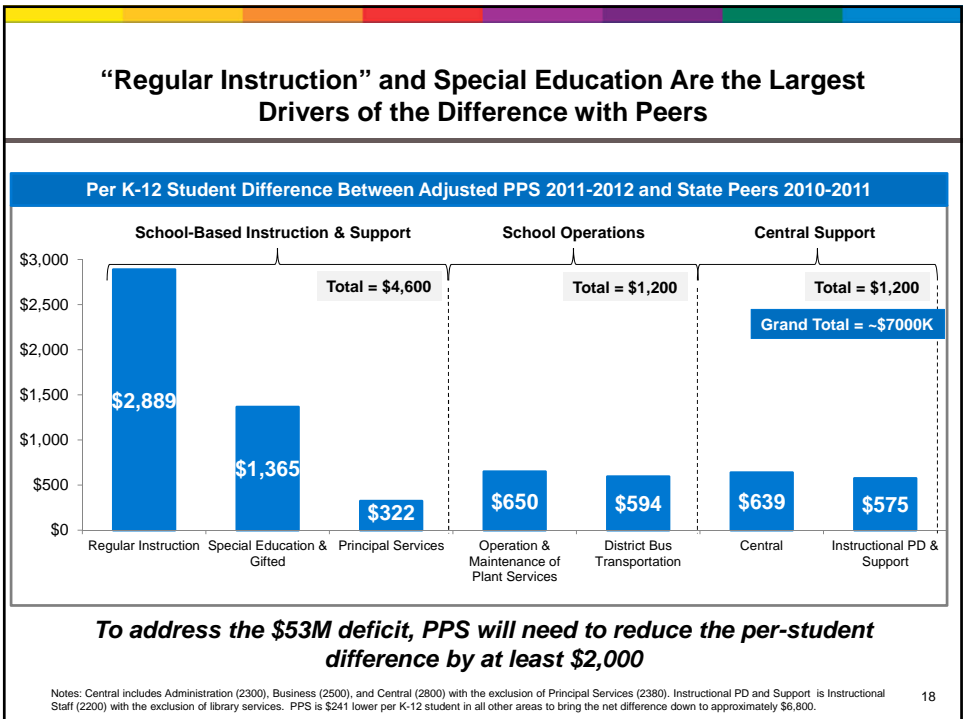
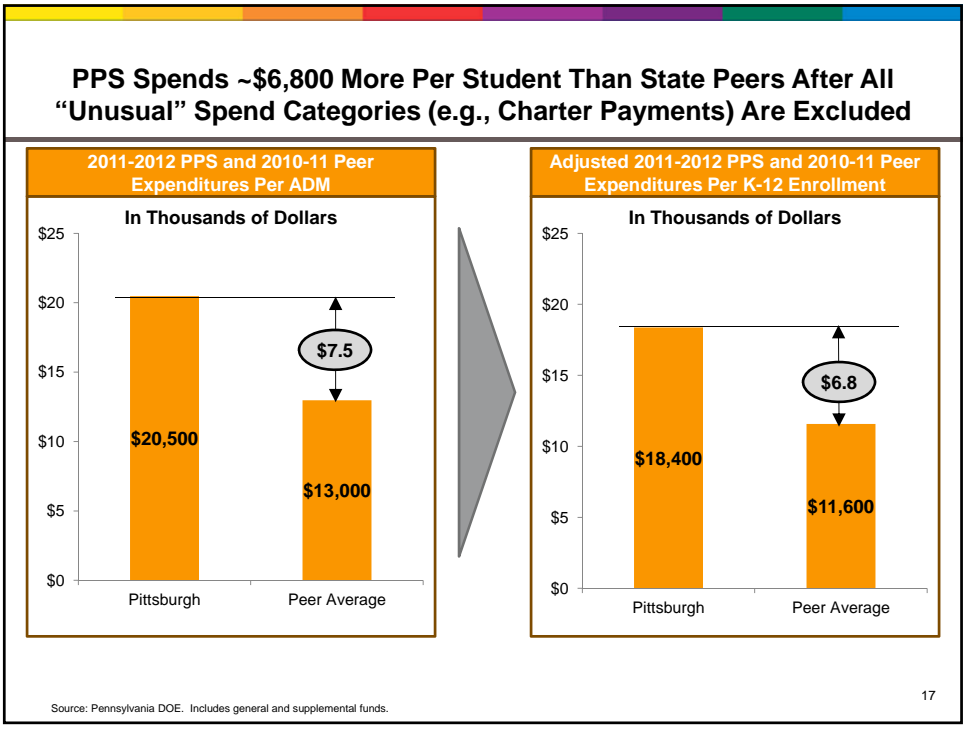
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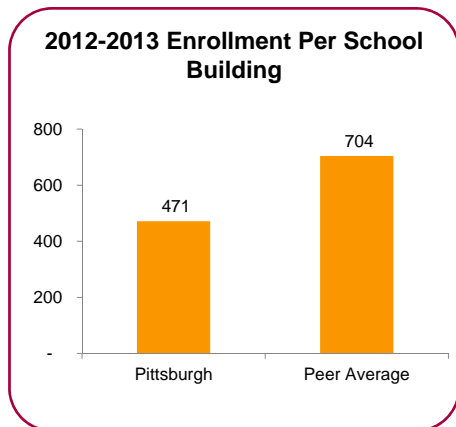


Our Financial Story

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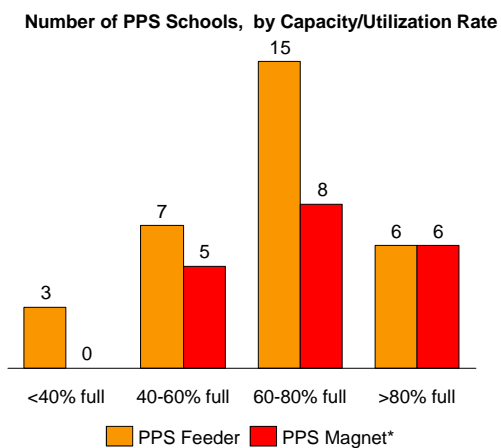
School Size Averages Fall Far Below Peer Districts in Pennsylvania



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

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Pittsburgh Has Under-Utilized School Space throughout the City

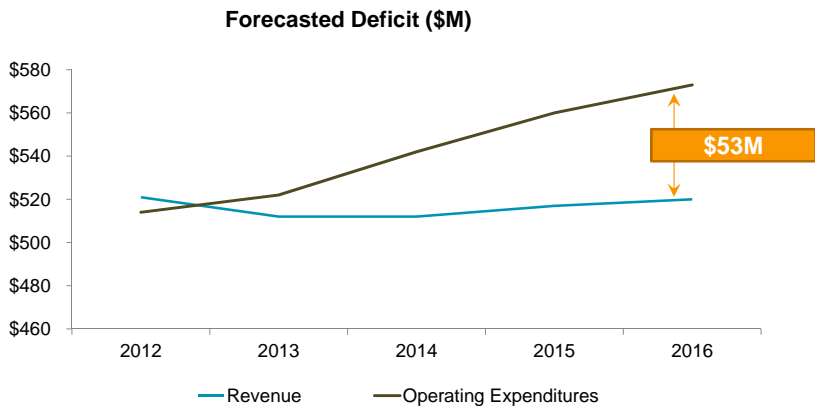


Under-utilization is not just a feeder school issue

Source: School data provided by PPS
 Notes: (*) Includes full and partial magnets. The chart does not include special schools or the Pittsburgh Online Academy.

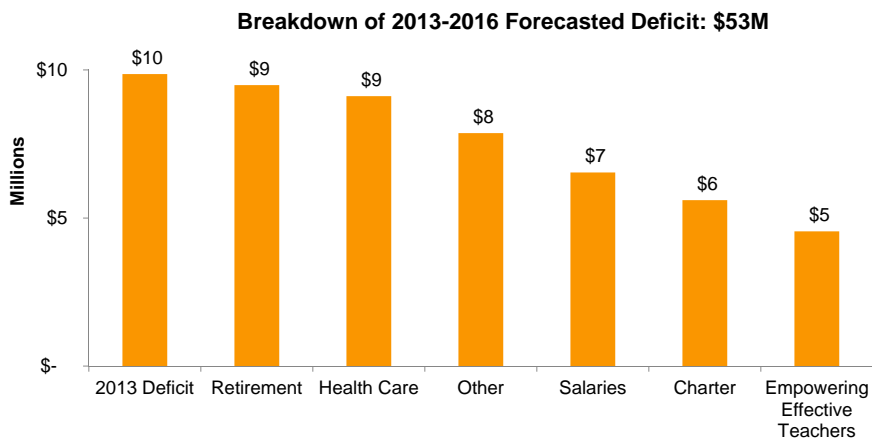
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PPS Must Reduce Costs by Over \$53M by 2016 to Address Its Forecasted Deficit (and Make Significant Progress Sooner to Remain in Compliance)



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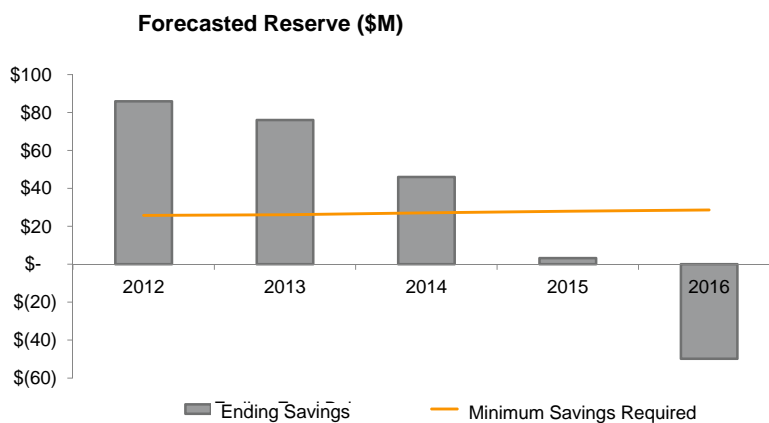
Major Contributing Factors to the Forecasted Deficit Are Salaries, Charter Payments, Healthcare, and Retirement



Source: Budget and finance buildup of deficit as of 4/8/2013.
 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.

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PPS Must Reduce Costs by Over \$53M by 2016 to Address Its Forecasted Deficit (and Make Significant Progress Sooner to Remain in Compliance)



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

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Tonight you have heard about:

- Our goal for our process
- Our goal for the plan
- Our students
- Our financial story

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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?

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Appendix

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Target Class Sizes for 2012-13

2012-2013 Average Class Size

	Target	Actuals	Shortfall
K-5	25	23.8	1.2
K-8	25	20.5	4.5
6-8	28	24.3	3.7
6-12	30	20.8	9.2
9-12	30	21.6	8.4

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Pittsburgh Spends Significantly More Than Its Pennsylvania Peer Districts

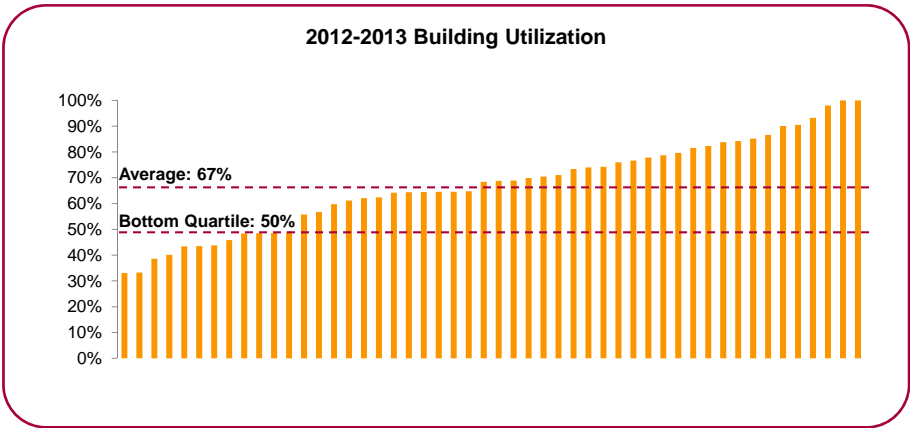
We compared Pittsburgh to seven Pennsylvania districts with average daily membership greater than 8,000 students, more than 50 percent of students receiving free or reduced lunch, and population of at least 25,000 residents. We then normalized data by excluding debt service, charter and non-public expenditures,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

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

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

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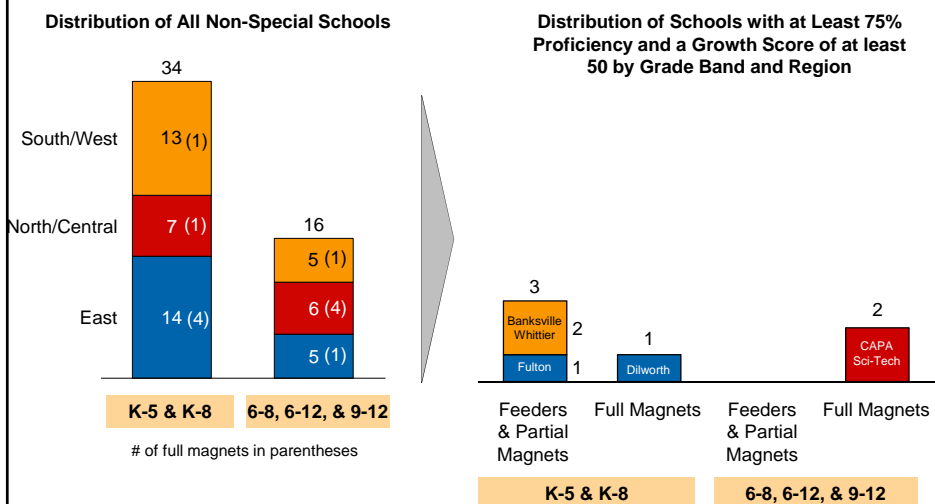
Structural Driver of Utilization: 1/4 of PPS Schools Are Operating at <50% Capacity



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

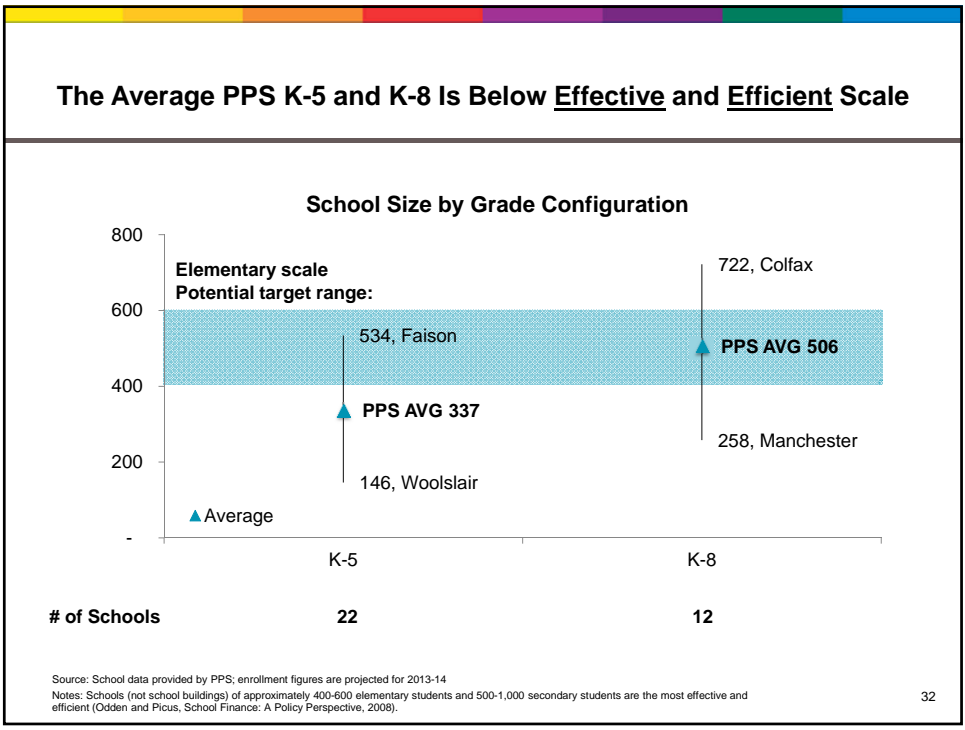
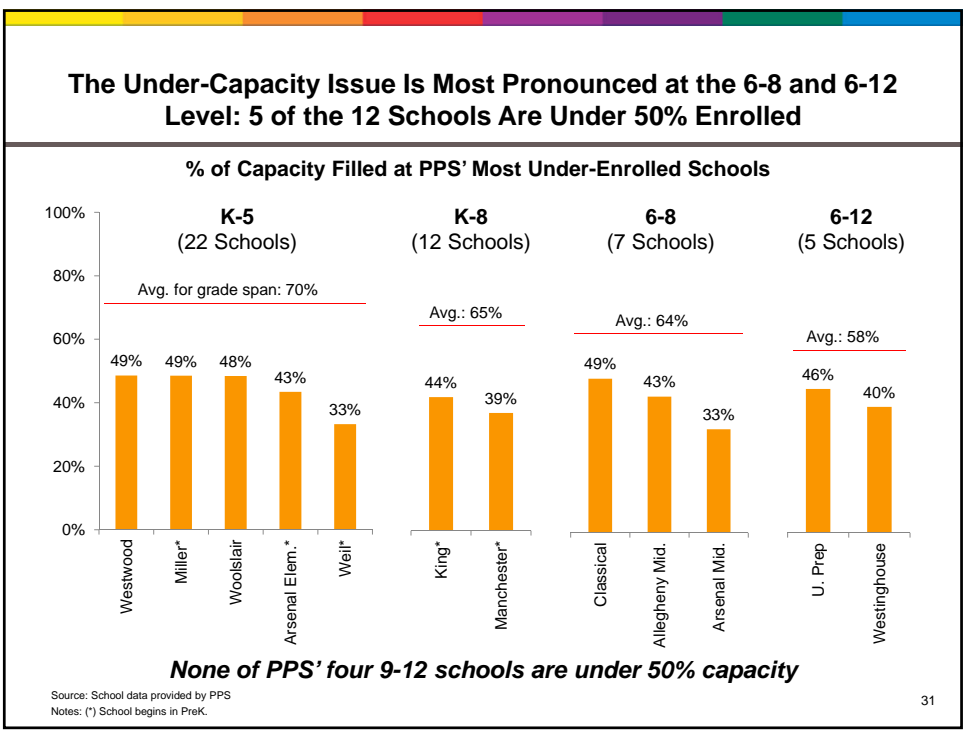
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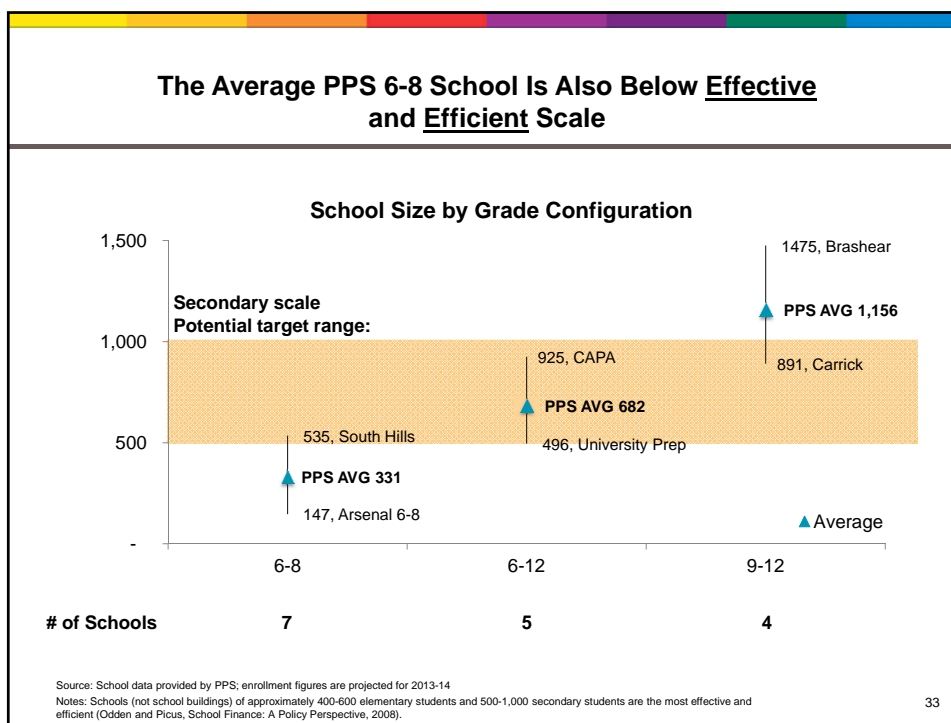
Access to Schools with High Proficiency Levels and Growth Scores (Feeders and Magnets) Varies by Region



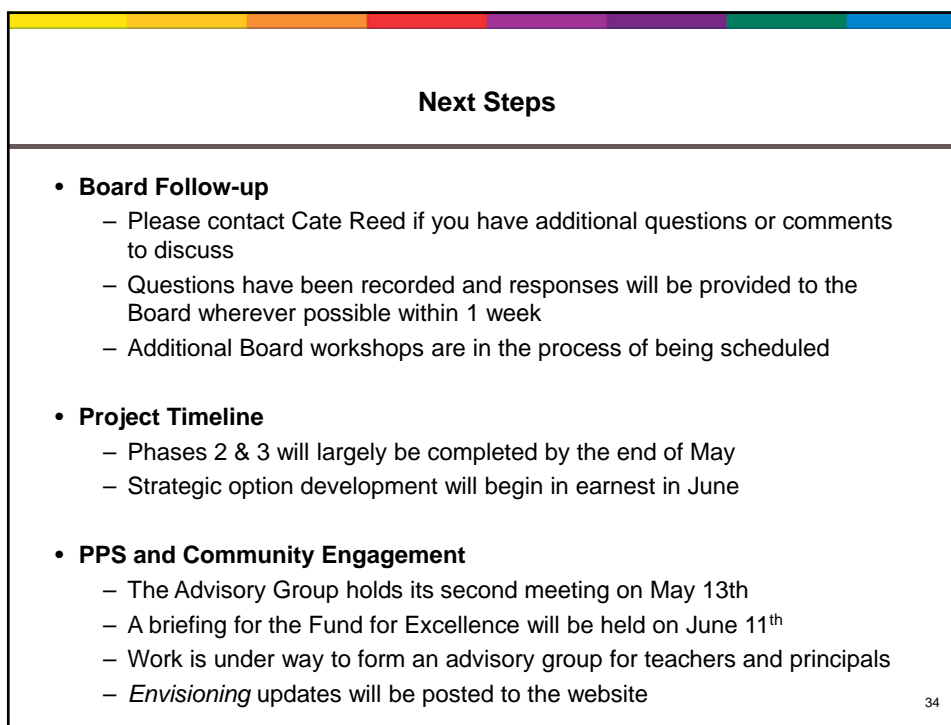
Notes: Proficiency rates are the average proficiency rate for math and reading. Growth is defined by the composite growth score which is based on value-added measures (VAM). Pittsburgh Online Academy is not listed as it does not apply to a certain region; also its achievement and growth are not listed in the State of the District report.

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