

For Immediate Release
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District Implements Reduction in Workforce

Reductions to Save District Approximately \$11.5 Million Annually

PITTSBURGH, June 22, 2011— At it's Legislative Session this evening the Board of Directors for the Pittsburgh Public Schools took action on a plan that reduces Central Office staff and Operational Support staff. Superintendent Linda S. Lane presented the plan that will save the District approximately \$11.5 million with 217 fewer positions, resulting in the layoff or furlough of 147 employees, elimination of 58 vacancies and 12 persons moved to school based budgets. The reduction of staff is a part of the District's continued efforts to reduce operating costs in order to address its fiscal challenges.

"Like school districts across the state, we are faced with the difficult task of making tough budgetary decisions. We are beginning with areas that less directly impact teaching and learning" said Dr. Lane. "We are facing significant financial challenges and these reductions to our staff are necessary if we are going to reach our goal of a sustainable budget."

When the District adopted the 2011 budget, the budget forecast an \$8.7 million deficit for 2011 and \$53.6 million deficit for 2012. The Commonwealth's proposed K-12 funding reductions and other issues have exacerbated the financial problems the District faces. The District's budget deficit is now projected at \$23.9 million for 2011, \$68 million in 2012 and up to \$100 million in 2015. With reserves of approximately \$70 million, and no action to reduce spending, Pittsburgh Public Schools would have been in negative spending by the third quarter of 2012.

Continued Lane, "I understand the disruption these difficult decisions cause in people's lives. In no way are these reductions a reflection on the dedication and talents of those employees we had to let go."

"We know that these reductions are going to force the District to make changes to how we deliver services. The expectation that we can absorb this level of significant workforce reductions and continue business as usual is unrealistic. This entire community needs to understand that we are going to have to do less with less," added Lane.

The cost savings from these reductions builds upon the District's continuing efforts to reduce expenditures, including reducing the District's 2011 Capital Budget spending plan by 75%, a freeze on hiring and implementing restrictions on all non-essential purchasing and travel.

Cuts to Central Office alone, however, will not solve the District's fiscal situation. The District will need to move forward with another phase of expenditure reductions later this year, which will include a reduction in teachers and other professional staff, as well as school realignment and closures. These reductions will be a part of the District's 2012 budget adoption process, which will impact school budgets for the 2012-13 school year.

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