



Contact: Carey Harris, A+ Schools
(412) 697-1298
charris@aplusschools.org

A+ Schools Releases Financial Analysis of Pittsburgh Public Schools
Protecting PPS Fund Balance, Controlling Employee Costs Among "Crucial" Steps Needed

PITTSBURGH, PA – Feb.20, 2012 – A+ Schools, Pittsburgh's community alliance for public education, today released findings from an independent analysis of the city school district's finances and budget challenges — initiated following a series of community meetings where residents expressed the need for more information on spending, course offerings, enrollment and effectiveness.

Carey Harris, executive director of A+ Schools, said, "This analysis provides valuable insight into what's been done, what's important and what needs to be monitored."

According to Harris, the analysis shows Pittsburgh Public Schools has made "solid progress" toward reaching financial stability by taking quick and decisive action to cut the projected \$100 million deficit down to \$30 million. "These steps have bought the district some time, but more needs to be done to cut costs," warned Harris. "This is a difficult time, but we cannot lose sight of the need for equity and excellence in Pittsburgh schools."

In its findings, A+ Schools urges the district to take crucial steps to protect its fund balance — a reserve that reflects the financial health and solvency of the district and the key reason PPS was able to "prudently address" its current financial issues.

"Maintaining a strong financial position allows the district to focus on educating students rather than managing financial crises," the analysis notes. "Unless PPS is vigilant and creative in pursuing all possible cost-cutting opportunities, the fund balance is at risk."

A+ Schools recommends that PPS undertake the following initiatives aimed at controlling employee costs:

- Compare the PPS collective bargaining agreement with neighboring school districts and comparable school districts across the state.
- Impose a temporary wage freeze for employees not covered by the collective bargaining agreement.
- Continue the current hiring freeze.
- Work with state legislators and the governor to change the state's School Employees Retirement System and consider alternatives.
- Continue to explore ways to reduce healthcare costs, including evaluating new providers and higher employee contribution rates.

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Harris said the analysis shows PPS is making “steady and consistent movement in the right direction.” She commended the PPS Board for the steps it has taken to date to ensure equity while confronting budget challenges but cautioned that, “As difficult as it has been to take these necessary actions, the work is far from over. Subsequent decisions will be successively more difficult yet must be addressed with a sense of urgency never before experienced.”

The analysis also notes that the Commonwealth’s preliminary budget for fiscal 2012-2013 presented by the Governor on Feb. 7 did not restore any of the funding that was eliminated in 2011-2012. While it did not contain any additional reductions that significantly impact K-12 programs, it does include substantial cuts in funding associated with pre-K programs — a serious concern for the school readiness prospects of thousands of low-income children.

Harris said it has never been more important for the Pittsburgh community to stay on top of ongoing budget discussions. She encourages the public to attend a Feb. 23 community forum on Equity in School Budget Cuts. “Our students need us to stay informed and engaged,” she said.

A+ Schools will continue to monitor the fund balance, the district’s continuing cost reduction efforts, as well as the state’s budget deliberations, and advocate for excellence and equity in Pittsburgh’s schools, Harris said. Later this spring, A+ will lead a review of individual budgets for all PPS schools with an eye to ensuring equity at high-risk, low-income schools.

The analysis is available on the A+ Schools website at www.aplusschools.org.

A+ Schools is an independent community advocate for improvement in public education. Its vision is a community mobilized to improve public education to produce successive generations of young people who thrive and who build their families and futures in Pittsburgh. Its purpose is to be a community force advancing the highest educational achievement and character development for every public school student in Pittsburgh. For more information, contact A+ Schools at 412-697-1298 or visit www.aplusschools.org.

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A+ Schools and the Pittsburgh Interfaith Impact Network (PIIN) will host a community forum on **Equity in School Budget Cuts** from 6 to 7:30 p.m. on Thursday, Feb. 23 at Bidwell Presbyterian Church on Liverpool Street in Manchester. To RSVP, visit www.aplusschools.org or call 412-697-1298, ext. 105.