

Legislative Budget and Finance Committee

**Summary of the Financial and Academic Status
of the Duquesne City School District**

**Report Presentation by Philip Durgin,
Executive Director, at June 28, 2011 Meeting**

Good morning. Act 45 of 2007 calls on the Legislative Budget and Finance Committee to provide summary information on the financial and academic status of the Duquesne City School District, a distressed district located in Allegheny County. Act 45 also requires that the report include an audit of the District's accounts for the immediately preceding school year. Rather than contract for a separate audit, our report is based on information from the independent financial audit for the 2009-10 school year that all districts are required to have conducted under the School Code.

For those who are not familiar with the situation at Duquesne, since October 2000 the Duquesne City School District has been under the control of a three-person, state-appointed Board of Control. The district's day-to-day operations are managed by the Allegheny Intermediate Unit. In June 2007, the Board of Control decided to close the Duquesne High School, and students from grades 9 through 12 now attend either West Mifflin Area High School or East Allegheny High School. The Duquesne school district continues to educate students in grades K-8th.

The financial status of the Duquesne City School District improved last year to the point where the district now has net assets of slightly over \$2 million, a marked change from 2006 when the district ended the year with a deficit of over \$4 million.

This turnaround has been due primarily to an infusion of state money, and in the 2009-10 school year, Duquesne received \$11.3 million in state funds, which amounted to 70.8 percent of its total revenues. Only one other district (Blacklick Valley) received a higher percentage of its revenue from state funds.

With regard to its academic status, we found that Duquesne's students continue to perform at well-below the statewide average at all grade levels tested. Despite this low performance, the District was able to meet its Adequate Yearly Progress (AYP) goals for the past two years. But the one school in the district, the Duquesne Consolidated School, has failed to make Adequate Yearly Progress in both of the last two years and is now in School Improvement II status. This can happen because districts and schools have different methods available to them to meet the AYP standards.

Thank you.