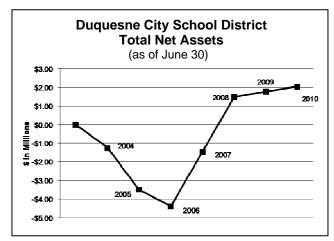
Report Highlights Summary of the Financial and Academic Status of the Duquesne City School District

Act 2007-45 called on the LB&FC to provide summary information on the financial and academic status of the Duquesne City School District (Duquesne). The report is to include a financial audit of the most recently completed school year.¹

Duquesne's net assets improved to \$2.04 million in FY 2009-10.



- ➤ Duquesne received an unqualified (clean) audit opinion on its FY 2009-10 financial statements. In an audit report, an unqualified, or clean, opinion is positive. The auditors also found no material weaknesses in the district's internal controls.
- ➤ Duquesne's General Fund balance improved to \$1.58 million. Duquesne's unreserved/undesignated General Fund balance, a key measure of financial health, improved to \$1.58 million as of June 3, 2010, or about 10% of total General Fund expenditures.
- ➤ Duquesne received \$11.27 million in state funds for the 2009-10 school year, or 70.8% of its total revenue. Only one other district (Blacklick Valley) received a higher percentage of its revenue from state funds.
- Duquesne's debt service expense is comparable to the statewide average. As of 6/30/2010, Duquesne had outstanding bond debt totaling \$15.5 million, with debt service

- expense in 2009-10 of \$1.6 million, or just under 10% of total expenditures. Duquesne's debt service expense is comparable to other districts as a percent of total expenditures.
- Duquesne's student PSSA scores are among the lowest in the state. Student academic performance at Duquesne is well below the statewide average at all grade levels tested.
- ➤ Duquesne Consolidated School did not meet its 2009-10 Adequate Yearly Progress goals. Through a variety of alternative methods, the Duquesne City School District was able to meet its Adequate Yearly Progress goals for the 2009-10 school year. The Duquesne Consolidated School, however, has not met its AYP goals for the past two years. (Districts and schools have different AYP standards.)
- ➤ Duquesne High School has closed. Beginning in the 2007-08 school year, students from grades 9-12 were sent to attend either West Mifflin Area High School (about 140 Duquesne students) or East Allegheny High School (about 70 Duquesne students). Duquesne continues to educate about 410 students in grades K-8.
- Since October 2000, the Duquesne City School District has been governed by a three-member, state-appointed Board of Control. The Allegheny Intermediate Unit manages day-to-day operations. Duquesne paid the AIU \$500,000 for these services in the 2009-10 school year.

¹Rather than conduct our own financial audit, we relied on the financial audit conducted as required under the Pennsylvania School Code. Readers who would like a copy of the FY 2009-10 audit report may contact our office.