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### Developments in the Transfer of Wilkinsburg Students to Westinghouse Academy

**Summary:** The agreement to send middle and high school students from the Wilkinsburg School District to Pittsburgh Public Schools is almost through its first year, and we examine details related to personnel, tuition, and non-tuition expenses of the agreement. Several important questions are raised regarding the transfer of Wilkinsburg students.

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Beginning this school year and through at least the 2021-22 school year, middle and high school students from Wilkinsburg will attend Pittsburgh Public Schools (PPS) under an agreement between the two districts. This year the students will be attending Westinghouse Academy and most will be there for the foreseeable future. Some might eventually be accepted into PPS magnet schools. The terms of this agreement were laid out in an October 2015 letter approved by PPS and the Wilkinsburg School District (WSD). Last year's *Policy Brief (Volume 16, Number 8)* described the schools' arrangement; this *Policy Brief* updates developments since early 2016.

Based on WSD board meeting minutes, on June 21<sup>st</sup>, 2016, at a special meeting for the WSD board of education the board approved the "...closure of the Wilkinsburg Middle School/High School effective upon the commencement of the 2016-17 school year, due to low pupil enrollments in grades seven through twelve".

When the school was closed, the WSD board voted to curtail eleven programs that made up its entire curriculum and thereby eliminated staff (21 teaching positions, one librarian, and two guidance counselors) in accordance with the Public School Code of 1949. Under that law, Section 1124(2) allows a school board to reduce headcount if there is "curtailment or alteration of the educational program on recommendation of the superintendent and on concurrence by the board of school directors...". Enrollment decline and reorganizations (consolidations, mergers, and creation of new districts) are also permitted "causes for suspension". The position of principal was eliminated at the following meeting held on July 26<sup>th</sup>.

It is not clear how many of those positions were actually filled and if seniority resulted in middle/high school employees taking other positions with WSD, but at two subsequent board meetings (September 27<sup>th</sup> and October 25<sup>th</sup>) the WSD board accepted resignations from a total of 11 teachers identified as "furloughed".

In terms of expenditures related to moving WSD students to PPS, financial documents provided by WSD separates spending into tuition and non-tuition for both districts. Note that this year PPS is charging WSD \$8,000 per-pupil, well under the per-pupil spending amount for both districts.

WSD made three tuition payments to PPS (October 2016, December 2016, and January 2017) totaling \$737,482 and PPS' reports show receipts for that amount. With approximately 270 students in the transfer arrangement, tuition (based on a May 2016 article) for 2016-17 should total \$2.16 million based on the \$8,000 amount. Note that per student spending at Wilkinsburg prior to the agreement with Westinghouse Academy was \$24,244. The WSD should be enjoying substantial savings from the arrangement.

The 2016 *Policy Brief* discussed the state's approval of \$3 million to fund the transition. These dollars were apparently included as an addition to WSD's basic education funding for school year 2016-17 as funding for that category was \$10.5 million compared to \$7.2 million and \$7.1 million in the two previous fiscal years. The proposed basic education allocation for WSD in the 2017-18 budget is \$10.6 million.

WSD transferred \$975,000 to PPS in January of 2016 (this was accepted by the PPS board on January 27, 2016). That amount is counted in WSD's total which shows that as of November 30, 2016 the District spent \$1,254,279. PPS' data shows that the District spent \$462,581 as of that same date, with the balance of \$512,418 remaining from the revenue transferred from WSD.

Thus, with a few months to go before the conclusion of the first year of the partnership, several key questions arise.

As mentioned, PPS is charging WSD \$8,000 per-pupil currently. Next year the tuition is set to rise to \$9,600 (20%) per student. Based on the terms of the agreement after 2017-18 tuition is to increase by the amount of the Act 1 index or by an alternative method if both districts agree. According to data from Pennsylvania Department of Education's Annual Financial Report both districts spent over \$23,000 per-pupil (total expenditure) and more than \$12,000 per-pupil for instruction expense in the 2014-15 school year. Even if the index grows at 2.5 percent annually through 2021-22, the PPS tuition charge to WSD of \$10,596 based on that growth would still be well below the instructional amount currently expended by either district for its instructional costs currently.

This raises an important question. Will the state, seeing the big drop in per student costs for the WSD students, lower the Commonwealth's allocation to the district? And, will it raise questions about the PPS expenditure level if it can teach Wilkinsburg students for the amount they are charging the WSD? In fact, why couldn't part of the transition costs be paid out of the savings on tuition WSD is realizing rather than having the state allocate an additional \$3 million per year? More pointedly, if the 270 transferred students were costing the WSD \$6.5 million annually prior to the transfer agreement and are now costing the WSD less than \$3 million—even allowing for reasonable administration and transportation expenses—where is the rest of the money going, and why are \$3 million more in state dollars required?

And if part of the reason for the tuition arrangement was the anticipated unemployment costs WSD would incur (based on a September 29, 2015 newspaper article) wouldn't the fact that there have been resignations of employees who were furloughed mean that WSD's unemployment costs are now lower?

It is not clear if the non-tuition expenditures will be subject to an audit separate from the regular auditing the Districts would normally undergo (the letter of agreement states that by June 30<sup>th</sup> tuition payments and enrollment will be audited). WSD received the money from the state, but PPS has made expenditures from the fund as well. Does the agreement get audited separately

from each District's annual spending? Does it get included in WSD's audit, or PPS'? That might only become clear once the 2016-17 school year concludes.

But the more important question is: why did the school board think sending their students to Westinghouse was in the best interest of the students or taxpayers funding their education? Westinghouse Academy has an educational achievement record that is on a par with terrible results posted in Wilkinsburg.

There were other possible choices. Hiring a reputable private school operator would be one. Giving parents money for scholarship vouchers to attend other schools of their choice would be another very good option. Unfortunately, WSD was determined to find another district to take the students off their hands. It was certainly not done to make the high school teaching staff and other personnel happy. Indeed, the employees who have lost jobs were undoubtedly not pleased.

The Pennsylvania Department of Education's record of dealing with failing schools or failing districts has been poor at best. But the decision to allow Wilkinsburg to send its students to a school as academically inadequate as Westinghouse is inexcusable. Of course, this is the same Department that had done little to nothing to fix the calamitous educational attainment situation that describes the majority of schools in Philadelphia, Harrisburg, Pittsburgh and several other districts across the Commonwealth.

The Department needs stronger guidance and, if needed, additional authority from the Legislature and the Governor on steps it needs to take to achieve better outcomes for students and taxpayers when it faces the kinds of totally unacceptable school performance seen in far too many Pennsylvania schools. But therein lies the problem. Legislators have shown little interest in real solutions for failing schools—probably because of the enormous pushback from the teacher unions and the public education establishment that seeks to protect its authority. Meanwhile, tens of thousands of students are graduating or dropping out of school barely literate after costing taxpayers a hundred thousand dollars or more per student for their pathetic education.

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