

**Recovery Plan
Fourth Amendment**

Duquesne City School District
Allegheny County, Pennsylvania

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November 9, 2020

Purpose

The Duquesne City School District (DCSD or District) Recovery Plan was approved on April 2, 2013 and has been amended three times: December 19, 2013, November 18, 2014, and March 18, 2019. Changes which have occurred in the last year and planning for the future dictate a fourth amendment be prepared for consideration. The Fourth Amendment to the Recovery Plan, as presented with specific intentions, addresses the current environment and establishes guidelines for the future of the School District.

The purpose of this Fourth Amendment is to establish the new directions of the DCSD. Included in the following outline of the amendment are the most important elements to be considered. Approval of the Fourth Amendment will allow District leadership to take Duquesne into the future. It is a transformational change in focus for the organization, and it is a concept embraced by the school and the community.

In addition to affirming and amending the first five items which are carried over from the Third Amendment, numbers six through eleven have been added in this Fourth Amendment:

1. Confirm the status of continuing operations of DCSD.
2. Incorporate updated information for student enrollment, staffing and finance.
3. Update strategy and goals for financial and educational recovery.
4. Reaffirm a clear commitment for the support of the District Level Comprehensive Plan and the School Level Comprehensive Plan.
5. Update the criteria for DCSD to exit financial recovery status.
6. Address administrative reorganization brought about by departures.
7. Address facility needs and maintenance of physical assets including a limited feasibility study.
8. Reestablish a Pre-K through grade 8 configuration and allow for a District cyber option.
9. Reaffirm the commitment to community-school partnerships.
10. Revise fiscal restrictions to allow restructuring current debt, adding to the length of current debt payments, new borrowing for major repairs and necessary replacements, and maintenance of physical assets, with revised annual debt service limits.
11. Establish an education foundation with strong community participation to assist with maintaining facilities which are used primarily by community groups and other District programs.

Unless changed by this Fourth Amendment, the Recovery Plan and previous amendments to the Plan remain in effect. Should any ambiguity exist between the original Recovery Plan, the First Amendment, Second Amendment, Third Amendment, and this Fourth Amendment, the Fourth Amendment shall take precedence.

The original Recovery Plan and amendments to it were based on enrollment, staffing and financial data then available. The Fourth Amendment is based on data from fiscal year 2018 – 19 and the 2019 – 20 and 2020 – 21 budgets, which have been provided by the administration of the DCSD. Also considered in preparing this amendment were increases in enrollment, community relations, and preserving the property assets of the District. Technical assistance for preparation of the Fourth Amendment has been provided by Public Financial Management (PFM).

Executive Summary

Introduction

During the course of amending the original Recovery Plan up to and including this Fourth Amendment, nearly all of the District metrics have been continuously updated. What was not addressed in the first three amendments was an updated overview of the District and the community. That is now available on the District website. (dukecitysd.org.) While there have been setbacks implementing the Recovery Plan and concomitant amendments, Duquesne City School District has made significant strides in most areas of concern. New leadership over the last two years has directed the adoption of new curriculum, reorganized administrative staff, reorganized the business office staff, recruited charter school students back to DCSD, imposed more accountability and transparency, and expanded community collaboration.

Most significant in the progress made thus far is a reversal of the diminishing presence of the school to reestablishing the school as a prominent part of the community. It is now the intent of DCSD administration to plan for the long-term future of the school by implementing the elements of this Fourth Amendment.

(Note: To access the documents referenced herein go to dukecitysd.org and select Recovery Plan in the menu at the top of the webpage – all documents referenced in this amendment except the PFM projection may be found there.)

Fourth Amendment Elements

In summary, this Fourth Amendment revises the following items:

1. Grade configuration –

Reconfigure the grade structure to again offer 7th and 8th grades at the Duquesne Education Center as a Pre-K – 8 building beginning with the 7th grade in the 2021 – 22 school year and adding the 8th grade in 2022-23. Increased enrollment, increased interest in the District, and formal and informal feedback convince us that this is the best option for our students. Student enrollment increased from 370 since the initiation of the Recovery Plan to 418 in June 2020 with the earlier grades being the largest class sizes. Enrollment on October 30, 2020 was 359, a reduction of 59 students since June 30, due primarily to a loss of 45 pre-K and K students, likely due to an overabundance of caution in the COVID era as well as reports by parents/guardians of four and five year old children who did not want to send their children to a virtual school, which is how Duquesne started the 2020-2021 school year. There has also been an influx of English Learner (EL) students, now numbering 40. Successful efforts to return charter school students to DCSD, although impacted somewhat by the pandemic, are continuing. In-district enrollment prior to the pandemic had increased approximately 13% since the implementation of the Recovery Plan, while charter enrollments remained flat.

Planning to return the 7th and 8th grades to the building is now underway, with additional enrollment anticipated to be 100 – 120 between the two added grades. West Mifflin's middle school is a grade 5 through grade 8 configuration. When our students enter in grade 7 they are entering in the middle of the grade configuration. Keeping them in Duquesne until grade 9 would allow the students to enter West Mifflin (WM) at the start of the 9 – 12 program. Approximately 90% of Duquesne students attend WM with the remaining 10% at East Allegheny (EA), therefore, structuring the transition to align to WM makes the most sense. Returning 7th and 8th grade students resident to the Duquesne Education

Center provides a strong case both educationally and financially for transformation as a "turnaround school" and the future viability and success of the Duquesne City School District.

Detailed enrollment figures from the Quarterly Report are available for convenience in the chart below. This information is also available in the Quarterly Reports that may be found on the DCSD website at dukecitysd.org. It is important to note that the data in the chart are reflective of the numbers on September 30, 2020 when the information for the Quarterly Report was compiled. Updated figures are found in several other places in this Amendment.

**Duquesne Elementary School
Student Enrollment
September 30, 2020**

Grade	Pre-K	K	1	2	3	4	5	6	Total
Sept. 2015	24	56	48	50	59	39	36	40	352
Dec. 2015	24	59	45	45	62	38	36	40	349
Mar. 2016	27	60	46	45	58	39	36	37	348
June 2016	26	57	48	43	59	41	37	39	350
Sept. 2016	23	50	45	42	35	52	39	34	320
Dec. 2016	26	51	43	41	33	54	42	34	324
Mar. 2017	29	54	44	40	33	58	42	35	335
June 2017	26	53	47	40	34	57	43	36	336
Sept. 2017	29	39	47	46	42	35	52	41	331
Dec. 2017	29	46	51	49	39	40	56	45	355
Mar. 2018	30	48	54	52	42	41	60	46	373
June 2018	30	48	56	53	40	42	58	46	373
Sept. 2018	32	60	45	44	53	38	37	59	368
Dec. 2018	31	58	43	47	52	35	37	60	363
Mar. 2019	30	58	43	47	52	35	37	60	363
June 2019	30	58	54	53	58	39	42	55	389
Sept. 2019	41	62	60	55	55	57	42	47	419
Dec. 2019	42	62	58	55	47	55	43	44	406
Mar. 2020	42	65	58	53	51	57	43	48	417
June 2020	42	65	58	53	51	58	43	48	418
Sept. 2020	13	54	61	51	47	55	52	42	375

Note – The June 2019 to June 2020 increase in enrollment was 29 students. That is nearly a 7.5% increase year-to-year. The increase since just before the fire at Duquesne Place in 2016, which caused a significant drop in enrollment, is 68 students, an increase of over 19%. The decline in September 2020 enrollment is likely due to the pandemic. We may see an increase in enrollments when we move to full-time face-to-face instruction.

In accordance with 22 Pa. Code § 4.41(c), DCSD intends to submit the appropriate request to the Pennsylvania Department of Education (PDE) to reestablish the grade configuration to Pre-K – Grade

8 at DCSD. We will research the details of the plan to include transfer of entities for teaching staff, addition of certified staff to accommodate the 7th and 8th grades over the two year transition, efficient use of building space, curriculum needs, and extracurricular activities and include that data in our plans. Further discussions with PDE are also a part of the District planning.

We are aware that our paperwork must be received by PDE by July 31, 2021 and that the earliest approval will be June 14 no matter when submitted, and that the effective date will be July 1 regardless of the processing date.

2. Staffing –

Reorganize and expand staff as necessary to address the needs of the 7th and 8th grades specifically over the two-year transition and the entire school in general. DCSD currently employs teachers who are certified to teach middle school subjects, providing some flexibility in hiring staff to accommodate the grade expansion.

The superintendent, who assumed her position on March 1, 2018, has engendered new enthusiasm and stronger leadership in the District, emphasizing school turnaround efforts. She has reorganized the administrative and business office personnel, and in the process has brought new leadership to the District in curriculum, professional development, special education, business operations, and building administration. In addition, in partnership with PDE, she has developed a relationship with the University of Virginia (UVA) which is entering its third year, and which is providing strong professional development focused on turnaround school best practices to meet the changing needs in advancing the school district. DCSD is a participant in Cohort 16 of the UVA initiative.

To better understand the UVA partnership, the following two slides taken from the PowerPoint presentation “UVA-PLE Core Partnership: University of Virginia/Partnership for Leaders in Education: Darden School of Business – Curry School of Education” are informative.

The first slide outlines the timeline which the Partnership will follow in the implementation of the program. Modest adjustments made necessary by the pandemic had little or no effect on the overall application of the program. The second slide lists the basic tenets with which the program was designed and under which the program operates.

UVA-PLE: Core Partnership, presentation – slide 5



UVA-PLE: Core Partnership, presentation – slide 14

UVA-PLE: Core Partnership Focus

- Understanding the fundamentals of successful turnarounds and organizational change
- Redesigning organizations to remove barriers impeding focus
- Redefining relationships to co-create success between system and school leaders
- Illuminating root-cause needs and developing focused action plans to address them
- Developing and communicating a vision that includes the need for urgent change
- Establishing a culture of high expectations
- Building effective coalitions and collaborations
- Using data to drive decisions and identify the need for mid-course corrections
- Teaching administrators to think like leaders, not simply managers

3. Finance –

Release the District from the restrictions imposed by the original Recovery Plan by allowing the District to extend debt, restructure debt, and add new debt within the limits stated herein as necessary to move the District forward. Total indebtedness has decreased from \$14,124,167 to \$3,912,500 since the implementation of the Recovery Plan. Debt service for 2019-20 through 2021-22 includes significant balloon payments, the consequences of which are instrumental in recent reductions of the fund balance.

However, after these three years, the financial situation stabilizes. As reflected in the financial projection by PFM beginning on page 8, it is anticipated that the return of the 7th and 8th grades to Duquesne will result in significant savings when compared to current and anticipated tuition payments. These savings will help reduce the precipitous downward trend in fund balance.

**Duquesne City School District
Bonds and Notes Payable
September 30, 2020**

Fiscal Year Ending June 30	Bonds Payable	Notes Payable	Total Bonds and Notes Payable
2012*	\$14,124,167	0	\$14,124,167
2013*	13,173,333	0	13,173,333
2014*	9,272,501	\$1,000,000	10,272,501
2015*	6,616,667	2,335,000	8,951,667
2016*	6,110,883	1,500,000	7,610,833
2017*	5,590,000	1,000,000	6,590,000
2018*	5,054,167	1,000,000	6,054,167
2019*	4,503,333	850,000	5,353,333
2020**	3,122,500	790,000	3,912,500
2021**	1,706,667	730,000	2,436,667
2022**	250,833	665,000	915,833
2023**	\$215,000	\$ -	\$215,000

*Audited financial statement

** Projected

- The increase in debt service payments had a significant impact on the 2019 – 2020 budget and will also impact the 2020-2021 and 2021–2022 budget years because of scheduled balloon payments. These balloon payments were built into the original payment schedule.
- Raising taxes in Duquesne would provide minimal revenue increases based on actual dollars collected. It is estimated that a tax increase at the index would result in an increase of approximately \$49,000 in net revenue. The current collection rate is approximately 77 percent. A modest tax increase earmarked for maintaining facilities should be considered in the future.

Recovering tuition amounts currently used for 7th and 8th grades to cover additional costs and reduce overall expenditures is reflected in the charts below. Making the Duquesne Education Center a more viable option to parents and students will hopefully also result in a reduction of charter school enrollments, thus returning additional tuition costs to the District.

Tuition rates for the secondary students at East Allegheny and West Mifflin and DCSD's charter school tuition rates have risen dramatically in recent years. These increases have a profound effect on Duquesne's financial status and are among the primary movers in the declining fund balance. From a budget and finance perspective, returning the 7th and 8th grade students will help sustain the viability of the Duquesne City School District, and most importantly, it will reinvigorate the school community of children, youth, families, and educators.

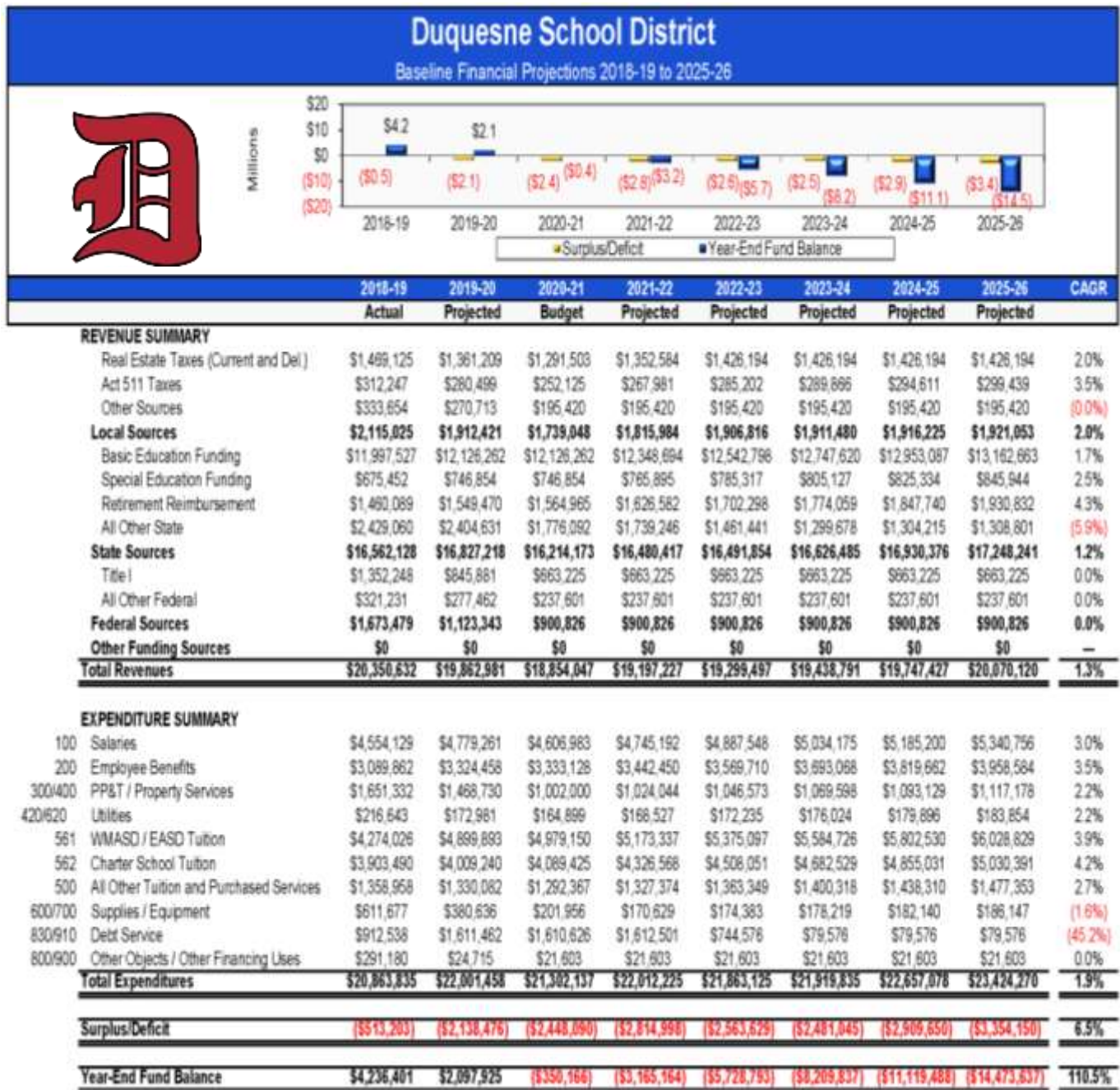
**Duquesne City School District
Tuition Enrollment
September 30, 2020**

Receiving Schools	Grades	Students June 30	Students Sept. 30	Projected 2020-2021 Tuition
West Mifflin Area School District	7 – 12	319	315	\$4,495,058
East Allegheny School District	7 – 12	23	21	299,853
Charter schools, regular education	K – 6	103	106	1,639,452
Charter schools special education	K – 6	24	31	1,013,860
Charter schools, regular education	7 – 12	50	62	958,924
Charter schools, special education	7 – 12	22	25	817,628
Special education schools	K – 12	18	22	712,005
Other schools	K – 12	4	4	79,945
Totals		563	586	\$10,016,725

The PFM generated charts below include a five-year projection based on current finances and the costs of retaining the Pre-K–6 configuration as compared to the Pre-K–8 configuration. The assumptions used to complete the chart include 120 additional 7th and 8th grade students returning to Duquesne in 2021-22, necessary additional teachers, start-up costs for athletic programs and extracurricular programs, and appropriate curriculum materials. This analysis was provided by PFM. *The 7/8 comparison chart is listed on pages 11 – 13.*

The PFM model was created using information from the spring of 2020. It has not been updated since that time and therefore reflects useful but somewhat outdated information. It has been included in this Fourth Amendment because it is useful for anyone interested in background research into the basis from which later models are created. The chart which follows uses the PFM model as a foundation and includes the two-year transition plan for grades 7 and 8.

NOTE: Covid related changes in revenues and expenditures are not yet factored into these models.



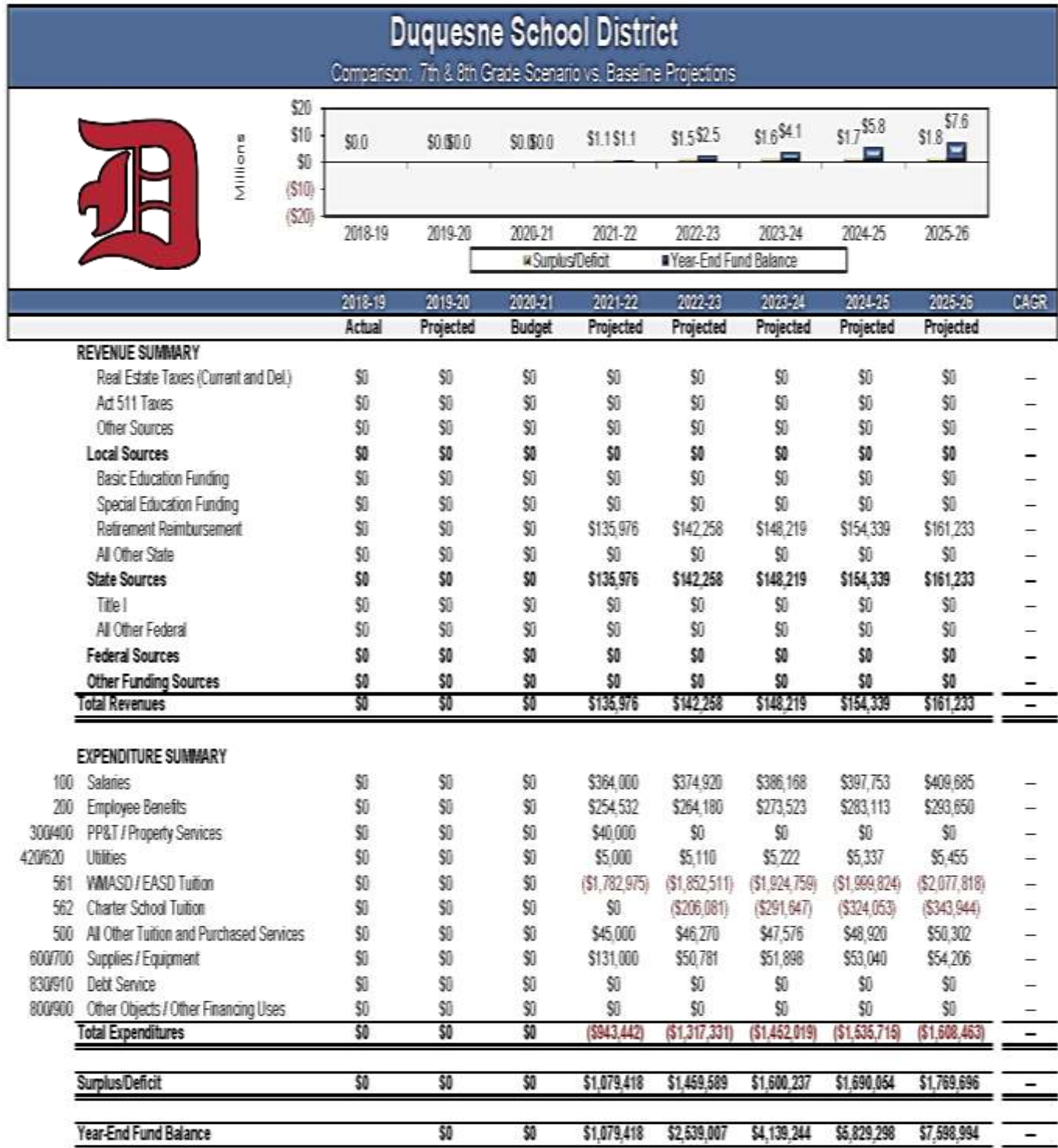
Duquesne City School District
Fourth Amendment
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		2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	CAGR
		Actual	Projected	Budget	Projected	Projected	Projected	Projected	Projected	
EXPENDITURES										
Personnel										
110	Administrators	\$370,202	\$561,092	\$532,886	\$548,672	\$565,339	\$582,299	\$599,768	\$617,761	3.0%
120	Teachers	\$2,840,041	\$2,988,564	\$2,857,553	\$2,943,280	\$3,031,578	\$3,122,525	\$3,216,201	\$3,312,687	3.0%
130	Nurse / Attendance Improvement & Facilities	\$188,762	\$54,654	\$109,740	\$113,032	\$116,423	\$119,916	\$123,513	\$127,219	3.0%
140	Network & Technology Support	\$48,653	\$50,113	\$51,616	\$53,165	\$54,759	\$56,402	\$58,094	\$59,837	3.0%
143	Extended Day Program	\$114,417	\$119,134	\$0	\$0	\$0	\$0	\$0	\$0	—
150	Clerical Staff	\$175,859	\$127,528	\$169,411	\$174,493	\$179,728	\$185,120	\$190,674	\$196,394	3.0%
180a	Custodians & Maintenance Worker	\$275,143	\$257,512	\$273,932	\$282,150	\$290,615	\$299,333	\$308,313	\$317,562	3.0%
180b	Security	\$0	\$52,857	\$51,947	\$53,505	\$55,110	\$56,764	\$58,467	\$60,221	3.0%
190	Paraprofessionals / PCAs	\$541,053	\$529,847	\$559,898	\$576,695	\$593,996	\$611,815	\$630,170	\$649,075	3.0%
193	Crossing Guard	\$0	\$37,961	\$0	\$0	\$0	\$0	\$0	\$0	—
	Subtotal	\$4,554,129	\$4,779,281	\$4,606,983	\$4,745,192	\$4,887,548	\$5,034,175	\$5,185,200	\$5,340,756	3.0%
Employee Benefits										
211	Medical Insurance	\$1,037,976	\$1,157,409	\$1,229,353	\$1,260,087	\$1,291,589	\$1,323,879	\$1,356,976	\$1,390,900	2.5%
220	Social Security	\$348,541	\$368,589	\$352,319	\$362,889	\$373,776	\$384,989	\$396,539	\$408,435	3.0%
230	PSERS	\$1,510,880	\$1,641,705	\$1,585,556	\$1,650,885	\$1,733,009	\$1,810,055	\$1,889,132	\$1,979,300	4.5%
2XX	Other Benefits	\$192,465	\$156,754	\$165,900	\$168,589	\$171,337	\$174,145	\$177,015	\$179,949	1.6%
	Subtotal	\$3,089,862	\$3,324,458	\$3,333,128	\$3,442,450	\$3,569,710	\$3,693,068	\$3,819,662	\$3,958,584	3.5%
Contracted Services										
322	IJ Services	\$681,972	\$425,471	\$419,528	\$428,758	\$438,190	\$447,830	\$457,683	\$467,752	2.2%
3XX	Purchased Services	\$813,003	\$932,643	\$490,728	\$501,524	\$512,558	\$523,834	\$535,359	\$547,137	2.2%
420/620	Utilities	\$216,643	\$172,981	\$164,899	\$168,527	\$172,235	\$176,024	\$179,896	\$183,854	2.2%
4XX	Property Services	\$156,357	\$110,615	\$91,744	\$93,762	\$95,825	\$97,933	\$100,088	\$102,290	2.2%
510	Transportation	\$823,425	\$787,067	\$821,893	\$846,550	\$871,946	\$898,104	\$925,048	\$952,799	3.0%
5XX	Other Purchased Services	\$211,795	\$212,406	\$187,624	\$191,752	\$195,970	\$200,282	\$204,688	\$209,191	2.2%
	Subtotal	\$2,903,196	\$2,641,183	\$2,176,416	\$2,230,873	\$2,286,724	\$2,344,008	\$2,402,761	\$2,463,022	2.5%
Tuition Expenditures										
561	WMASD/EASD Tuition	\$4,274,026	\$4,899,893	\$4,979,150	\$5,173,337	\$5,375,097	\$5,584,726	\$5,802,530	\$6,028,829	3.9%
562	Charter School Tuition	\$3,903,490	\$4,009,240	\$4,089,425	\$4,326,568	\$4,506,051	\$4,682,529	\$4,855,031	\$5,030,391	4.2%
564	Steel Center	\$125,425	\$163,517	\$146,700	\$149,927	\$153,226	\$156,597	\$160,042	\$163,563	2.2%
560	Other Tuition	\$198,313	\$167,092	\$136,150	\$139,145	\$142,206	\$145,335	\$148,532	\$151,800	2.2%
	Subtotal	\$8,501,253	\$9,239,743	\$9,351,425	\$9,788,978	\$10,178,581	\$10,569,186	\$10,968,135	\$11,374,582	4.0%
Other Expenditures										
610/630	Supplies & Meals	\$341,442	\$223,612	\$109,680	\$112,093	\$114,569	\$117,079	\$119,655	\$122,287	2.2%
640/650	Books and Technology	\$238,197	\$119,490	\$82,276	\$48,316	\$49,379	\$50,465	\$51,576	\$52,710	(3.5%)
700	Property	\$32,039	\$37,534	\$10,000	\$10,220	\$10,445	\$10,675	\$10,909	\$11,149	2.2%
8XX	Other Objects	\$41,180	\$24,715	\$21,603	\$21,603	\$21,603	\$21,603	\$21,603	\$21,603	0.0%
800/900	Debt Service	\$912,538	\$1,611,462	\$1,610,626	\$1,612,501	\$744,576	\$79,576	\$79,576	\$79,576	(45.2%)
9XX	Other Financing Uses	\$250,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	—
	Subtotal	\$1,815,395	\$2,016,813	\$1,834,185	\$1,804,733	\$940,562	\$279,398	\$283,319	\$287,326	(31.0%)

Duquesne City School District
Fourth Amendment
November 9, 2020

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	CAGR
	Actual	Projected	Budget	Projected	Projected	Projected	Projected	Projected	
REVENUES									
Revenue From Local Sources									
6111	Current Real Estate Taxes	\$1,214,334	\$1,206,194	\$1,163,977	\$1,185,086	\$1,206,194	\$1,206,194	\$1,206,194	0.7%
6143	Local Services Taxes	\$6,858	\$5,712	\$6,702	\$6,702	\$6,702	\$6,702	\$6,702	0.0%
6151	Earned Income Taxes	\$287,078	\$248,843	\$232,533	\$245,883	\$260,000	\$264,560	\$269,180	3.3%
6153	Real Estate Transfer Taxes	\$11,826	\$15,488	\$9,293	\$10,560	\$12,000	\$12,000	\$12,000	5.2%
6411	Delinquent Real Estate Taxes	\$254,790	\$155,015	\$127,525	\$167,498	\$220,000	\$220,000	\$220,000	11.5%
6451	Delinquent EIT	\$6,485	\$10,456	\$3,597	\$4,835	\$6,500	\$6,614	\$6,729	13.7%
6510	Interest	\$126,872	\$77,694	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	0.0%
6832	IDEA Pass Through	\$112,733	\$111,970	\$111,970	\$111,970	\$111,970	\$111,970	\$111,970	0.0%
6910	Rentals	\$32,404	\$41,662	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	0.0%
6XXX	Other Local Revenue	\$61,644	\$39,387	\$23,450	\$23,450	\$23,450	\$23,450	\$23,450	0.0%
	Subtotal	\$2,115,025	\$1,912,421	\$1,739,048	\$1,815,984	\$1,906,816	\$1,911,480	\$1,916,225	2.0%
Revenue From State Sources									
7110	Basic Education Funding	\$11,997,527	\$12,126,262	\$12,126,262	\$12,346,694	\$12,542,798	\$12,747,620	\$12,953,087	1.7%
7160	Tuition for Orphans	\$54,134	\$25,156	\$22,688	\$22,688	\$22,688	\$22,688	\$22,688	0.0%
7170	Empowerment Grant	\$1,000,000	\$300,000	\$0	\$0	\$0	\$0	\$0	—
7271	Special Education Funding	\$675,452	\$746,854	\$746,854	\$765,895	\$785,317	\$805,127	\$825,334	2.5%
7292	Pre-K Counts	\$144,500	\$376,250	\$289,000	\$289,000	\$289,000	\$289,000	\$289,000	0.0%
7310	Transportation Subsidy	\$389,134	\$532,116	\$399,087	\$403,477	\$407,915	\$412,402	\$416,939	1.1%
7320	PlanCon	\$232,190	\$481,067	\$454,729	\$448,493	\$166,250	\$0	\$0	(100.0%)
7340	Property Tax Reduction	\$367,469	\$367,456	\$367,456	\$367,456	\$367,456	\$367,456	\$367,456	0.0%
7361	School Safety and Security Grants	\$25,000	\$79,279	\$35,000	\$0	\$0	\$0	\$0	(100.0%)
7505	Ready To Learn Block Grant	\$202,807	\$202,807	\$202,807	\$202,807	\$202,807	\$202,807	\$202,807	0.0%
7810	Social Security Reimbursement	\$241,287	\$253,070	\$255,601	\$263,269	\$271,167	\$279,302	\$287,681	3.0%
7820	PSERS Reimbursement	\$1,218,803	\$1,296,400	\$1,309,364	\$1,363,313	\$1,431,131	\$1,494,757	\$1,560,069	4.5%
7XXX	Other State Revenue	\$13,825	\$40,500	\$5,325	\$5,325	\$5,325	\$5,325	\$5,325	0.0%
	Subtotal	\$16,562,128	\$16,827,218	\$16,214,173	\$16,480,417	\$16,491,854	\$16,626,485	\$16,930,376	1.2%
Revenue From Federal Sources									
8514	Title I Funding	\$1,352,248	\$845,881	\$663,225	\$663,225	\$663,225	\$663,225	\$663,225	0.0%
8515	Title II Funding	\$57,010	\$58,507	\$56,758	\$56,758	\$56,758	\$56,758	\$56,758	0.0%
8517	Title IV Funding	\$46,371	\$49,835	\$49,835	\$49,835	\$49,835	\$49,835	\$49,835	0.0%
8732	QSCB Reimbursement	\$33,808	\$33,395	\$33,808	\$33,808	\$33,808	\$33,808	\$33,808	0.0%
8800	Medicaid ACCESS	\$184,041	\$134,876	\$96,200	\$96,200	\$96,200	\$96,200	\$96,200	0.0%
8XXX	Other Federal Revenue	\$0	\$849	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	0.0%
	Subtotal	\$1,673,479	\$1,123,343	\$900,826	\$900,826	\$900,826	\$900,826	\$900,826	0.0%
	Total Revenues	\$20,350,632	\$19,862,981	\$18,854,047	\$19,197,227	\$19,299,497	\$19,438,791	\$19,747,427	1.3%

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	CAGR
	Actual	Projected	Budget	Projected	Projected	Projected	Projected	Projected	
Total Expenditures	\$20,863,835	\$22,001,458	\$21,302,137	\$22,012,225	\$21,863,125	\$21,919,835	\$22,657,078	\$23,424,270	1.9%
Surplus/Deficit	(\$513,203)	(\$2,138,476)	(\$2,448,090)	(\$2,814,998)	(\$2,563,629)	(\$2,481,045)	(\$2,909,650)	(\$3,354,150)	6.5%
Year-End Fund Balance	\$4,256,401	\$2,087,925	(\$350,166)	(\$3,165,164)	(\$5,728,793)	(\$8,208,837)	(\$11,119,488)	(\$14,473,637)	110.5%



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	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	CAGR
	Actual	Projected	Budget	Projected	Projected	Projected	Projected	Projected	
EXPENDITURES									
Personnel									
110 Administrators	\$0	\$0	\$0	\$75,000	\$77,250	\$79,568	\$81,955	\$84,413	--
120 Teachers	\$0	\$0	\$0	\$224,000	\$230,720	\$237,642	\$244,771	\$252,114	--
130 Nurse / Attendance Improvement & Facilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	--
140 Network & Technology Support	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	--
143 Extended Day Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	--
150 Clerical Staff	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	--
180a Custodians & Maintenance Worker	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	--
180b Security	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	--
190 Paraprofessionals / PCAs	\$0	\$0	\$0	\$65,000	\$66,950	\$68,959	\$71,027	\$73,158	--
193 Crossing Guard	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	--
Subtotal	\$0	\$0	\$0	\$364,000	\$374,920	\$386,168	\$397,753	\$409,685	--
Employee Benefits									
211 Medical Insurance	\$0	\$0	\$0	\$95,500	\$97,888	\$100,335	\$102,843	\$105,414	--
220 Social Security	\$0	\$0	\$0	\$27,846	\$28,681	\$29,542	\$30,428	\$31,341	--
230 PSERS	\$0	\$0	\$0	\$127,218	\$133,547	\$139,484	\$145,577	\$152,526	--
2XX Other Benefits	\$0	\$0	\$0	\$3,968	\$4,064	\$4,163	\$4,265	\$4,369	--
Subtotal	\$0	\$0	\$0	\$254,532	\$264,180	\$273,523	\$283,113	\$293,650	--
Contracted Services									
322 IU Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	--
3XX Purchased Services	\$0	\$0	\$0	\$15,000	\$0	\$0	\$0	\$0	--
420/620 Utilities	\$0	\$0	\$0	\$5,000	\$5,110	\$5,222	\$5,337	\$5,455	--
4XX Property Services	\$0	\$0	\$0	\$25,000	\$0	\$0	\$0	\$0	--
510 Transportation	\$0	\$0	\$0	\$35,000	\$36,050	\$37,132	\$38,245	\$39,393	--
5XX Other Purchased Services	\$0	\$0	\$0	\$10,000	\$10,220	\$10,445	\$10,675	\$10,909	--
Subtotal	\$0	\$0	\$0	\$90,000	\$51,380	\$52,799	\$54,257	\$55,757	--
Tuition Expenditures									
561 WMASD/EASD Tuition	\$0	\$0	\$0	(\$1,782,975)	(\$1,852,511)	(\$1,924,759)	(\$1,999,824)	(\$2,077,818)	--
562 Charter School Tuition	\$0	\$0	\$0	\$0	(\$206,081)	(\$291,647)	(\$324,053)	(\$343,944)	--
564 Steel Center	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	--
560 Other Tuition	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	--
Subtotal	\$0	\$0	\$0	(\$1,782,975)	(\$2,058,592)	(\$2,216,406)	(\$2,323,878)	(\$2,421,762)	--
Other Expenditures									
610/630 Supplies & Meals	\$0	\$0	\$0	\$50,000	\$30,000	\$30,660	\$31,335	\$32,024	--
640/650 Books and Technology	\$0	\$0	\$0	\$81,000	\$20,781	\$21,238	\$21,705	\$22,183	--
700 Property	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	--
8XX Other Objects	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	--
800/900 Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	--
9XX Other Financing Uses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	--
Subtotal	\$0	\$0	\$0	\$131,000	\$50,781	\$51,898	\$53,040	\$54,208	--
Total Expenditures	\$0	\$0	\$0	(\$543,442)	(\$1,517,351)	(\$1,452,019)	(\$1,535,715)	(\$1,808,483)	--
Surplus/Deficit	\$0	\$0	\$0	\$1,079,418	\$1,456,589	\$1,800,237	\$1,890,054	\$1,789,696	--
Year-End Fund Balance	\$0	\$0	\$0	\$1,079,418	\$2,538,007	\$4,138,244	\$5,828,298	\$7,598,994	--

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	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	CAGR
	Actual	Projected	Budget	Projected	Projected	Projected	Projected	Projected	
REVENUES									
Revenue From Local Sources									
6111 Current Real Estate Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	—
6143 Local Services Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	—
6151 Earned Income Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	—
6153 Real Estate Transfer Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	—
6411 Delinquent Real Estate Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	—
6451 Delinquent EIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	—
6510 Interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	—
6832 IDEA Pass Through	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	—
6910 Rentals	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	—
6XXX Other Local Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	—
Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	—
Revenue From State Sources									
7110 Basic Education Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	—
7160 Tuition for Orphans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	—
7170 Empowerment Grant	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	—
7271 Special Education Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	—
7292 Pre-K Counts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	—
7310 Transportation Subsidy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	—
7320 PlanCon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	—
7340 Property Tax Reduction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	—
7361 School Safety and Security Grants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	—
7505 Ready To Learn Block Grant	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	—
7810 Social Security Reimbursement	\$0	\$0	\$0	\$24,418	\$25,151	\$25,905	\$26,682	\$27,483	—
7820 PSERS Reimbursement	\$0	\$0	\$0	\$111,557	\$117,107	\$122,313	\$127,657	\$133,750	—
7XXX Other State Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	—
Subtotal	\$0	\$0	\$0	\$135,976	\$142,258	\$148,219	\$154,339	\$161,233	—
Revenue From Federal Sources									
8514 Title I Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	—
8515 Title II Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	—
8517 Title IV Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	—
8732 QSCB Reimbursement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	—
8800 Medicaid ACCESS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	—
8XXX Other Federal Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	—
Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	—
Total Revenues	\$0	\$0	\$0	\$135,976	\$142,258	\$148,219	\$154,339	\$161,233	—

District Projection

Two-year 7/8 grade transition

The following charts were created by the District using actual enrollment number for November 1, 2020 and projecting those numbers forward with no changes - i.e. 42 current 6th graders to 7th grade in 2021-22, then that 42 moving to 8th grade in 2022-23. These enrollments have been impacted by the pandemic. We anticipate that using the actual current enrollments is a conservative approach and the actual savings will exceed the projected numbers below. The original projections in the PFM produced charts above used an estimate of 60 students per class to create the results.

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Duquesne City SD
Summary

Account	Description	2021-22	2022-23	2023-24	2024-25	2025-26
1110-561	Tuition Savings (West Mifflin/East Allegheny - 7th/8th)	624,893	1,457,310	1,728,525	1,716,959	1,718,911
7112	Incremental Social Security Subsidy	21,802	22,347	22,906	23,478	24,065
7820	Incremental PSERS Subsidy	99,605	102,095	104,647	107,264	109,945
	TOTAL SAVINGS	746,300	1,581,752	1,856,078	1,847,700	1,852,922
EXPENSES	Instruction					
100	Salaries	325,000	333,125	341,453	349,989	358,739
200	Benefits	229,914	235,662	241,554	247,592	253,782
3XX	Professional development	7,500	7,500	-	-	-
4XX	Building preparation	12,500	12,500	-	-	-
5XX	Transportation	35,000	35,875	36,772	37,691	38,633
5XX	Insurance	4,000	8,000	8,200	8,405	8,615
6XX	Curriculum materials	12,500	12,500	-	-	-
6XX	Incremental utilities	5,000	5,125	5,253	5,384	5,519
7XX	iPads/computers	12,600	15,600	3,900	-	-
7XX	Furniture	6,000	8,000	-	-	-
Other	Athletics	-	50,000	30,000	30,750	31,519
Subtotal Expenses		650,014	723,887	667,132	679,812	696,808
Savings Total		746,300	1,581,752	1,856,078	1,847,700	1,852,922
Expense Total		650,014	723,887	667,132	679,812	696,808
NET GAIN/(LOSS)		96,286	857,865	1,188,947	1,167,888	1,156,114

Duquesne City SD
Incremental Staff

POSITION	FTE	2021-22 SALARY	MEDICAL	LIFE	SOCIAL SECURITY	PSERS	UC	WC	TOTAL
					7.65%	34.95%	0.75%	0.75%	
Teacher	1.00	56,000	20,000	91	4,284	19,572	75	420	100,442
Teacher	1.00	56,000	18,000	91	4,284	19,572	75	420	98,442
Teacher	1.00	56,000	7,500	91	4,284	19,572	75	420	87,942
Teacher	1.00	56,000	7,500	91	4,284	19,572	75	420	87,942
Teacher	1.00	56,000	7,500	91	4,284	19,572	75	420	87,942
Para	1.00	25,000	20,000	46	1,913	8,738	75	188	55,958
PCA	1.00	20,000	7,500	-	1,530	6,990	75	150	36,245
Subtotal	7.00	325,000	88,000	502	24,863	113,588	525	2,438	554,914

Summary Level	2021-22	2022-23	2023-24	2024-25	2025-26
100	325,000	333,125	341,453	349,989	358,739
200	229,914	235,662	241,554	247,592	253,782
Total	554,914	568,787	583,007	597,582	612,521

Duquesne City SD
Savings

Tuition Growth 4%
MV/PI AR 0.8769

Summary Level	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Gr. 7-8 Enrollment			42	94	107	102	98
Tuition	13,703.17	14,278.70	14,878.41	15,503.30	16,154.44	16,832.93	17,539.91
Gr. 7-8 Tuition Cost	-	-	624,893	1,457,310	1,728,525	1,716,959	1,718,911
Inc. FICA Reimb.			21,802	22,347	22,906	23,478	24,065
Inc. PSERS Reimb.			99,605	102,095	104,647	107,264	109,945
Total Expense Offset	-	-	746,300	1,581,752	1,856,078	1,847,700	1,852,922

4. Facilities –

The District contracted for a two-pronged feasibility study of the building and the athletic stadium for purposes of short- and long-term maintenance of these facilities and expanded student use of the building. Many of the building mechanicals, roofs, and systems are nearing the end of their useful lives. In addition to everyday repairs, plans must be made to keep the building viable. The athletic stadium serves the community and is seen as a major asset to the school and community. The school building was last renovated in 1998, but the stadium was not addressed at that time. In addition, the stadium, which is currently heavily used by community groups, is in need of immediate attention and long-term repairs. After analysis of the proposals received by the District, the stadium work was postponed and the building renovations were given priority within the fiscal limits proposed by this amendment. The building work will focus on primary systems including HVAC, roofing, and electrical systems. *Since this amendment was originally submitted, an emergency situation required the immediate replacement of the hot water system in the building. This project was done under COSTARS and the intention is for the bond issue to reimburse the General Fund for this expenditure.

5. Education Foundation –

Establish the Duquesne Education Foundation to contribute to the maintenance of the facilities and programs and to create another connection to the community. The City of Duquesne continues to make efforts to reenergize a town devastated by the closing of the mills and factories that were the lifeblood of the region. The school has been, and should remain, central to the community, and keeping the students there two additional years strengthens that bond. Attendance at student events, participation in school activities, and use of school facilities are at or near all-time highs since Recovery Plan implementation. The District initiated the development of the foundation organization and by-laws, and will budget for the start-up costs for the application to the state and for legal advice. The initial Board of Directors is identified by position and was appointed by the Receiver, with subsequent appointments a responsibility of the foundation board. It is anticipated that the foundation board will establish contacts with regional philanthropic organizations in addition to individual appeals for targeted funding.

6. Cyber School Option –

In addition to other efforts to improve the academic and financial aspects of the District, the Superintendent implemented a cyber school option for grades K – 6 at the start of the 2020-2021 school year. This plan was in part precipitated by steps taken to mitigate the effects of the COVID pandemic on the education of our students. The K–6 cyber program will be in-house and taught by District teachers in partnership with the Allegheny Intermediate Unit's Waterfront Learning. In addition to significant financial savings in keeping our students in District offered programs, these options allow for ease of transition between cyber and brick-and mortar, District control of curriculum, and maintenance of community relationships. It is not known at this time how many parents / guardians will choose a cyber option for their children, but the District is prepared to be flexible in order to accommodate all students. Cyber options for grade 7 in 2021-22 and 8th grade in 2022-23 will be incorporated into the planning when appropriate.

Background

Detailed information on DCSD's severe recovery status, the Recovery Plan, the amendments to the Recovery Plan, and other information including Quarterly Progress Reports are available on the DCSD webpage (dukecitysd.org). For purposes of this amendment, the intent is for current operations to continue as modified.

Current Plan

There have been several changes in the operation of DCSD since 2012 when the building became a K – 6 school. The addition of Pre-K classes, several reorganizations of administration and the adoption of new curriculum are foremost.

In regard to DCSD's educational recovery under current operations, needs, strategies, goals, action plans and measures of effectiveness are laid out in DCSD's District Level Comprehensive Plan and School Level Comprehensive Plan. It is the intent of this Fourth Amendment to establish a clear commitment to the financial, administrative and governance support for the accomplishment of these comprehensive plans and any future revisions to the current plans.

DCSD's financial recovery is benefitting from the decrease in the percentage of students attending charter schools. One of the initiatives under way is to continue to recruit charter school students back to Duquesne. The following list has to some degree been accomplished, but will continue for the foreseeable future. Numbers one through six are carried over from the Third Amendment, while numbers seven through ten are updated with more current data.

1. As resources are invested to improve education, higher quality education will be achieved, and the reputation of the District in the community will be enhanced.
2. The improved reputation will build the confidence and involvement of DCSD parents and guardians in the District.
3. Parents and guardians will become more likely to place their children in the District, and less likely to enroll their children in charter schools.
4. Reducing charter school enrollments will benefit the DCSD financially, which will enable continued and even increased investment in educational improvements for the District.
5. As the cycle of investment, improvement, enhanced reputation and increased confidence repeats again and again, high quality education and stable finances will eventually result.
6. Efforts have been and continue to be made to improve and expand DCSD's social media presence to enhance potential contact with parents and guardians.
7. A more aggressive approach to bringing Duquesne resident students back to DCSD has been implemented and refined and will continue in partnership with the Communications Services Department of the Allegheny Intermediate Unit. As of this date, this effort is estimated to have returned 17 students to the DCSD in 2018 – 19 and 10 students in 2019 – 20, resulting in an annual reduction of approximately \$540,000 in tuition costs in the 2019 – 20 budget and beyond. The door-to-door activity included in this plan has been suspended pending resolution of the pandemic.
8. Create a 2 – 5 year plan to return grades 7 and 8 to Duquesne with an original targeted start date for 7th grade to coincide with the 2021 – 22 school year and 8th grade to follow in 2022-23.

9. Creation of an education foundation with community participation to address, among other programs, maintenance of district facilities. (Please see dukecitysd.org).
10. Creation of a cyber school option for grades K – 6 to improve academic, community, and financial aspects of the District. Grades 7 and 8 will be added to the cyber option at the appropriate time.

The financial strategy to enable the above recovery under current operations and originally established in the Third Amendment is outlined in terms of relative precedence for the expenditure of resources as follows:

1. Fund essential health and safety items. Note: This would now include expenditures made necessary by the COVID pandemic.
2. Fund legal obligations, contracts and mandates. There were no unpaid or contested invoices or debt service obligations during the quarter, and all payroll, benefit expenditures and tuition payments were made in a timely manner.
3. Continue to fund, and as possible, increase funding for educational programs, instructional materials and staffing which have proven to lead to the accomplishment of goals in the District Level Comprehensive Plan and the School Level Comprehensive Plan, provided that accomplishment of these goals produces academic achievement per the PSSA and growth from PVAAS as categorized on PA's Future Ready Index. This category of expenditure shall include authority to approve justifiable increases of employee salaries which do not impede the recovery efforts of the District, wages and benefits through collective bargaining, in meet-and-discuss sessions for the administrators and supervisors group, in the formulation of compensation for exempt employees and in the development of contracted compensation for the Superintendent, the Business Manager, or any other position or operation fulfilled by a third party contractor.
4. Fund new educational programs and staffing which are compelling in terms of their prospective potential to lead to the accomplishment of goals in the District Level Comprehensive Plan and the School Level Comprehensive Plan.
5. Other than items 1 through 4 above, carefully constrain expenditures. For both operating and capital needs, ensure that expenditures are financially prudent, fiscally accountable, and most efficacious.

Other strategic measures to promote the educational and financial recovery of the DCSD follow:

1. Aggressively promote by any means available, including social media, the curriculum, programs and services in the District, as well as the academic achievement of its students, to parents and guardians, especially those with children enrolled in charter schools.
2. Pursue prudent revenue enhancements, including refinancing or restructuring current debt, applying for transitional loans, and incurring new debt within the fiscal limits of this amendment.
3. Maintain local real estate tax revenue at a minimum of \$1,400,000. Recommend a future real estate tax increase of .5 mills to be reserved for capital spending for the 2021 – 2022 budget. (Note: due to the consequences of the current pandemic, 2019 – 20 revenues may fall below projected levels. If so, criteria for budget minimums take effect in 2021 – 22.)
4. Refinance or retire outstanding long-term debt when financially prudent to do so, to potentially include the use of the Financial Recovery Transitional Loan Program. Increasing outstanding principal and lengthening of maturities of interest-bearing debt may be considered as a part of a total economic package that addresses facility maintenance and replacement requirements.

5. Vigorously pursue grants that are supportive of the District Level Comprehensive Plan and the School Level Comprehensive Plan and which are compatible with the Recovery Plan, as amended. The District is currently at various stages in the following grant applications: Remake Learning; Boys and Girls Club for the Extended Day Program (EDP); continuation of the Communities in Schools partnership; creating a South Hills Consortium to all use the same Learning Management System; PCCD A and B; Pre-K Counts; Social and Emotional Learning (SEL); University of Pittsburgh for Restorative Practices; Duquesne University for Girls on the Rise.
6. As of the date of this submission, administrative reorganization has again been undertaken due to the mid-year departure of a Director and the Dean of Students. The following changes were made:
 - a. **Administration** - special education contract position length reduced; federal program / grant contract position eliminated for 2020 – 21; literacy coach promoted; Social Services Coordinator promoted.
 - Replaced the departed Director of Innovation and Instructional Technology with a Director of Literacy and Innovation – accomplished by promoting a literacy coach to the Director position. No replacement for the literacy coach at this time.
 - Reduced the number of days in the special education consultant contract and eliminated the federal program / grant position with duties reassigned.
 - Promoted the Social Services Coordinator to Assistant Principal. The Social Services Coordinator will not be replaced.
 - Employ a social worker through grant monies to replace the recently departed academic coach who had been moved to dean of students with responsibility for coaching classroom management and positive behavior support. The District has agreed to place a social work intern from the University of Pittsburgh in the interim.
 - Financial impact – reduced expenditures approximately \$193,000.
 - b. **Business office** – replace personnel as necessary and study reorganization of the department.
 - Employ a business manager or contract the business manager position to the Allegheny Intermediate Unit (AIU.) The District entered into a contract with the AIU.
 - Phase out the business consultant position which was retained for 2020-21.
 - Study the business office operation as a whole in partnership with the AIU business office with the goal of more efficient operations of the department. This includes partnering with the AIU Business Office to adopt new payroll software which is projected to result in additional savings.
 - Financial impact – reduced expenditures approximately \$20,000.
 - c. **Academics** – increases in enrollments resulted in the addition of three teachers and several paraprofessionals and personal care assistants in 2019 – 20.
 - Added teachers for increased enrollments. (There has since been a reduction in staff precipitated by the COVID pandemic.)
 - The large influx of EL students resulted in the addition of two full time EL teachers who replaced the services formerly provided by the Allegheny Intermediate Unit.
 - Maintained current instructional and support programs.

- Financial impact – non-budgeted expenditures for additional staff of approximately \$300,000 made necessary by increased enrollments for 2019-20. The savings created by staff reductions in the COVID era are not yet calculated as the situation continues to evolve.
 - Transfer academic coaches to vacant teaching positions with the role of academic coach undertaken by the Director of Literacy and Innovation.
7. Evaluate funding sources and financial opportunities, including a Transitional Loan, when economic conditions warrant such actions. No action to date.

Special note -The Superintendent and Administration, working closely with the District-wide Reopening Task Force which incorporates key stakeholders including teacher, support staff personnel, parent, school board, and education foundation representation, have developed a Health and Safety Plan for 2020-2021 which included a plan to start full-time in-person instruction on October 26, and which includes monitoring and adjusting, as necessary, to meet the changing needs of the School District.

UPDATE: As of October 30, 2020, there have been six additional positive case of COVID in Duquesne City since mid-September, none of whom were students or staff members. Therefore, the recommendation to reopen to full in-person instruction on October 26, 2020 was implemented and continues. The District will remain vigilant in watching the data to make sure that there isn't a spike in cases that would impact full-time in-person instruction.

During the Coronavirus era in which we are living, the School District furloughed 31.5 non-professional employees at the beginning of the 2020-2021 school year. These employees were recalled when school reopened on October 26. Subject to the possibility of multiple reopening and/or closing of schools based on the Health and Safety Plan, the following action was taken at the September 22, 2020 Receiver Business meeting:

Resolved, that the Receiver, acting as the Board of School Directors, approves that in the event of future changes to the District's schedule and / or to meet the changing needs of the District during this period of Pandemic, the Superintendent is hereby empowered and authorized to suspend (furlough) the appropriate number of non-professional employees as deemed necessary for the efficient operation of the District.

Financial Projections

A five-year projection was developed with the assistance of PFM. Two different scenarios are envisioned in the PFM projection – one maintaining the Pre-K to grade 6 configuration and a second with a Pre-K to grade 8 configuration. With the inception of the two-year transition to include 7th and 8th grades the District prepared an additional financial projection which models the inclusion of 7th grade in the first year and adding 8th grade in the second year. *Please refer to the charts on pages 8 - 13 above to view the original PFM projections and pages 14 - 15 to view the modified projections.*

NOTE – All potential COVID related changes in revenues and expenditures are not yet included in projections.

Exit Criteria

The criteria for the DCSD to exit financial recovery status, set in the original Recovery Plan, are affirmed, revised, or updated as follows: *indicates a revision

1. The Pennsylvania School Performance Profile score for DES will reach or exceed 70.0.
2. DES will have exited federal Title I Priority School status and will not be designated as a Comprehensive Support and Improvement (CSI) school. (*Accomplished* – DES did not receive a CSI, TSI or ATSI designation in the fall of 2019).
3. The current DCSD District Level Comprehensive Plan and the DES School Level Comprehensive Plan, or their successor plans, will have been substantially accomplished. (*Accomplished* – however, the School Level Comprehensive Plan is now updated every year and as a result this has become an annual goal.) *
4. The DCSD will maintain a positive annual general fund balance of at least three percent for a minimum of three years, beginning at the close of fiscal year 2016 – 17, as reported on audited annual financial statements. (Original criterion *Accomplished*)*
5. For at least three years, the DCSD will not have requested or required an advance on its basic education subsidy. (*Currently Accomplished*)
6. For at least three years, all DCSD employee salaries, wages and withholdings will have been paid on time. (*Currently Accomplished*)
7. From July 1, 2014, the DCSD will not have defaulted on any bonds, notes or lease rentals and is not subject to withholdings by the Secretary of Education for debt service payments under Section 633 of the Public School Code. (*Currently Accomplished*)
8. Scheduled annual debt service will not exceed \$750,000 per year beginning after all current debt is satisfied. Until then, the debt service may exceed that amount as new debt may be incurred for necessary repairs and replacements in the interim. However, new debt must meet the \$750,000 annual threshold once the existing debt is fully paid. *
9. The DCSD will not satisfy the criteria for determination of recovery status, as established in regulations promulgated under section 621-A(a)(2) of the Public School Code of Pennsylvania, 24 P.S. § 6-621-A(a)(2) and / or as contained in State Board of Education Regulations, Chapter 18, Financial Recovery.
10. While the City of Duquesne remains in Act 47 status DCSD will either be in recovery status or transition/oversight status under section 625-A of the School Code, 24 P.S. 6-625-A*

Recovery Plan Implementation and Amendment

The powers, duties and responsibilities of the Receiver in regard to implementation of the Recovery Plan and its amendments are enumerated in Article VI-A of the Public School Code of Pennsylvania.

The Receiver may initiate an amendment to the Recovery Plan. However, any amendment to the Recovery Plan is subject to review by the Pennsylvania Department of Education and approval by the Court of Common Pleas of Allegheny County.