Pennsylvania Department of the



AUDITOR GENERAL

Facebook: Pennsylvania Auditor General

Twitter: @PaAuditorGen

News for Immediate Release

Nov. 20, 2019

Auditor General DePasquale: Pittsburgh Public Schools' Board Failing to Properly Control Runaway Travel Costs

\$453,231 PPS travel budget more than double amount of Philadelphia district 10 times its size

HARRISBURG – Auditor General Eugene DePasquale today said the board of Pittsburgh Public Schools has failed in its responsibility to control runaway travel costs, a conclusion he reached after a five-month review of district-provided records.

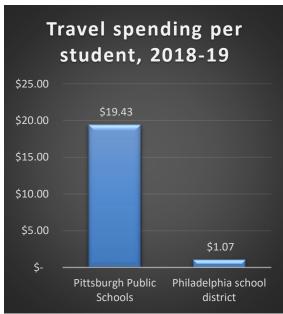
"Fiscal oversight by Pittsburgh's school board appears to be practically nonexistent when it comes to the superintendent's penchant for travel," DePasquale said. "There's been a 179 percent increase in the district's travel budget in only three years – which I find to be outrageous, especially for a district with a nearly \$30 million operating deficit," he said, noting that a previous audit showed the district had the highest fund balance in the state only five years ago.

DePasquale said that reining in travel spending might help to offset the need for some of the proposed 2.3 percent increase in the district's property tax.

DePasquale's analysis found that Pittsburgh's 2019 travel budget of \$453,231 is more than double the School District of Philadelphia's \$217,906 travel budget, although Philadelphia has roughly 10 times more students. Pittsburgh's travel spending amounts to approximately \$19.43 per student, compared with about \$1.07 per pupil in Philadelphia.

"If the purpose of administrator travel is to improve the quality of education – as Pittsburgh officials have claimed in the past – students there should be performing 19 times better than students in Philadelphia," DePasquale said. "None of the other districts we talked to even come close to spending what Pittsburgh does on administrator and staff travel."

DePasquale noted that several Pittsburgh Public Schools administrators, including Superintendent Anthony Hamlet and former Deputy Superintendent Anthony Anderson, travel well beyond their allotted days per year for professional development, spending thousands of dollars on trips to places including Las Vegas, Los Angeles and Nashville without clearly demonstrating any benefit for students.



Much of Anderson's travel was to take part in a

continuing education program designed to train individuals to become superintendents. However, his employment contract did not specify that the district would pay for Anderson's attendance at these monthly training sessions or for his membership in the program. Anderson received at least \$7,500 in travel reimbursements in the 2018-19 school year.

DePasquale launched his review following media reports that several district officials, including the superintendent, reportedly visited Cuba in April as an offshoot of a trip to Florida for professional development purposes. It appears that the two-day trip to Cuba was arranged and paid for by a former district contractor, The Flying Classroom, and was not approved in advance by the school board.

"The district could provide no documentation related to the Cuba side trip, and the official contract with The Flying Classroom – which ended months before the trip happened – did not specifically detail any expeditions for administrators as part of the deal," DePasquale said. "Regardless of how the trip was funded, the school board must enforce its own policies regarding advance approval of such travel."

He also questioned why the district has been storing a jet engine, donated by The Flying Classroom, in a warehouse for three years. District officials said the engine, which is valued at almost \$500,000, is too big to fit in any of the district's schools.

"What are the district's plans for that jet engine? If there's no practical way for students to benefit from it, then perhaps it should be auctioned to help reduce the district's huge operating deficit," he added.

The Auditor General also noted that his department's next performance audit of Pittsburgh Public Schools will include a closer look at the district's so-called "edtech" contracts.

"Because there is no standard definition of what constitutes an 'ed-tech' contract, I was unable to compare Pittsburgh's spending in this area to other

The school board's duty

Pennsylvania's Public School Code details exactly how the state's school districts are to be overseen – and that onus falls directly onto the publicly elected school boards.

The superintendent is to act essentially as the CEO of a district, and the school board is required to ensure the superintendent is acting with integrity and in a responsible manner.

Dr. Anthony Hamlet's employment contract also includes language acknowledging his need to report to the board: "The Board and Superintendent acknowledge their collective responsibility to govern and manage the District with integrity and as good stewards of the public trust ...

"The Board shall maintain fiscal oversight by routinely reviewing reports on income and expenditures, audits, and financial planning documents."

For more on how school boards are responsible for governing, see the auditor general's video, <u>"School Audits</u> <u>101."</u>

districts," DePasquale said. "The best remedy is for my department's next audit to review every single contract."

DePasquale thanked the district for complying with his three official requests for information and documentation, noting that Chief Financial Officer Ron Joseph and Solicitor Ira Weiss were particularly helpful.

DePasquale said he will refer the results of his review to the State Ethics Commission.

Learn more about the Department of the Auditor General online at <u>www.paauditor.gov</u>.

###