



709 N. Aiken Avenue – Pittsburgh, PA 15206

Distinguished Members of the Pennsylvania House Education and Finance Committees:

On behalf of our students, parents, and staff, allow me to express our gratitude for the opportunity to testify before the Pennsylvania's House Education and Finance Committees in regard to the Educational Improvement Tax Credit and Opportunity Scholarship Tax Credit Programs. **As you will see, the EITC/OSTC programs are critically important to our school due to our position as Pittsburgh's only private, independent, college-preparatory high school for low-income youth**, and we are humbled by the opportunity to discuss the program's importance and efficacy.

For context, allow me to briefly tell you about the origins and mission of The Neighborhood Academy. The history of our school begins in 1993, when I began working with at-risk adolescents in Larimer, then and now one of Pittsburgh's most underserved neighborhoods. What was then known as the Larimer Avenue Youth Club then became, with the help of the Reverend Thomas Johnson, a summer school program. **We realized that the psychosocial burdens of poverty weighed heavily on these young people, but that with structure and expectations, they could realize their potential and escape the grip of poverty.** With that in mind, we endeavored to open The Neighborhood Academy, which officially opened its doors on September 12, 2001.

Our mission is to break the cycle of poverty by preparing low-income youth for college and citizenship, and that begins by examining the backgrounds of our students. The following statistics on our 2015-2016 academic body demonstrates the backgrounds of immense need with which our students contend:

- 98% are African-American or biracial;
- 75% have a taxable family income of less than \$25,000;
- 68% qualify for a free or reduced school lunch;
- 76% live in a single-caregiver household;
- 63% live in families with a history of drug and/or alcohol abuse;
- 53% live in families with a history of domestic violence;
- 33% have an incarcerated parent; and
- 80% of students would otherwise be enrolled in a school categorized as 'low-performing' by the Pennsylvania Department of Education.

To address the needs that arise from these issues, **our school calendar runs 12 hours a day, 11 months a year**, with facets specifically designed to foster the character and grit needed to leap the achievement gap that plagues students of low socioeconomic backgrounds. **Because of our commitment to serving the urban poor, the characteristics of our educational model must be compassionate, comprehensive, and thorough:**

- A college-preparatory curriculum emphasizing critical thinking and ethical reflection;
- Small class sizes, with a 10:1 or smaller student-to-teacher ratio;
- A mandatory six-week summer school to retain and advance critical knowledge;
- Three meals and two snacks each day;
- Transportation to and from school via public transit and chartered vans;
- Individual and group counseling;
- Career development and financial literacy programs;
- SAT preparation and intensive guidance throughout the college application process;
- Assistance with emergency needs such as medical care; and
- Continued support for alumni throughout their college years and beyond.

Though the scope and complexity of our programming is vast, the families we serve pay very little; **tuition only covers 1% of the cost it takes to educate each student, and it is our responsibility to raise the remaining 99%.**

Thus, the **EITC and OSTC programs are critical** to us being able to provide the education and services the underserved young people of Pittsburgh deserve. And we know that the model which EITC/OSTC enables works; to date, **100% of our graduating seniors have been accepted to a four-year college, 80-85% graduate from college in five-years or less** (compared to the national average of 11% for low-income, first-generation students¹), and **98% are employed**. **If the 'I' in EITC stands for 'improvement' and the 'O' in OSTC stands for 'opportunity', it is clear that The Neighborhood Academy has held up its end of the bargain to provide meaningful opportunities and improve students' lives.**

On a yearly basis, **EITC and OSTC contributions make up over 30% of our revenue**; because of the constituency we serve, and the fact that **75% of our families only pay \$50/month toward the cost of their child's education, anything that adversely impacts EITC/OSTC disproportionately impacts our school and students**. Our lack of tuition revenue, in conjunction with our lack of funding from the Department of Education, means we must rely on the generosity of civic-minded individuals and companies; **without programs like EITC and OSTC, our school (along with many other quality education programs in the Commonwealth) would cease to exist**. And because of the uniqueness of our wrap-around model, that doesn't just mean the loss of 1 school: it means the loss of...

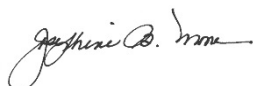
- 184,512 seat hours (\$2.42 less per seat hour than local public schools);
- 43,008 total meals;
- 147,840 safe trips to and from school;
- 48,126 counseling hours; and
- 18,432 hours of constructive, structured after-school activity.

All of this was jeopardized during the 2015-2016 budget impasse. Because the award letters were delayed, **our school at one point faced a cash flow shortfall of over \$675,000, and ultimately we may lose up to \$125,000 in contributions because of the delay** (given their timing and ambiguity, the 'provisional letters' made many corporations with tax years ending on 12/31 reluctant to move forward with their contribution). **And the delay will continue to plague us as we move forward**: some corporations have expressed an unease with the security of the EITC and OSTC programs, and because we reached out to some major donors to help bridge the gap, the possibility of encountering 'donor fatigue' (i.e. a reluctance of individuals to continue giving) is very real.

With our mission and model in mind, and an understanding of what low-income students stand to lose without organizations like The Neighborhood Academy, **we urge the House of Representatives to pass HB 1875 and HB 1876 in support of the EITC and OSTC programs**. By ensuring the credits remain accessible independent of political machinations, **these bills ensure that our mission to break the cycle of generational poverty through college and citizenship will remain unfettered, and promise our students access to the guidance and care they both need and deserve**.

Once again, allow me to express our gratitude for the opportunity to testify on this issue, as well as urge your continued support for EITC, OSTC, and bills like 1875 and 1876 which strengthen them. **If you found our testimony to be compelling, I urge you to visit our school at your earliest convenience, and see first-hand the impact programs like EITC and OSTC have on the lives of many young people**. To schedule your visit, you may reach our Director of Development, Sheila Rawlings, at (412) 626-6851. Additionally, you may learn more about our school at www.theneighborhoodacademy.org.

Yours in partnership,



Josephine B. Moore
President & Co-Founder

¹ 'First-Generation College-Goers: Unprepared and Behind', The Atlantic, 12/31/14