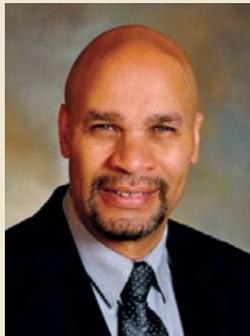


## BOARD OF FELLOWS NOTE

### EDUCATION POLICY COMMITTEE COCHAIRS



*Rod Ruddock, chair  
and commissioner,  
Indiana County*



*Stan Thompson, education  
program director, The  
Heinz Endowments*

For the past several years, the Institute of Politics Education Policy Committee has been keeping a close eye on public education funding in Pennsylvania, both at the local and state levels. The committee's work has involved reviewing school districts' revenue-generating and cost-containing strategies as well as identifying potential opportunities for improvement in the quality of education while maintaining costs through shared services and collaboration among school districts. The committee believes that this type of collaboration will help school districts to weather the financial storm that will befall school districts in the next five to 10 years as retirement and other fixed costs continue to rise.

In keeping with the Institute's theme of collaboration, the Education Policy Committee decided earlier this year to partner with Temple University's Center on Regional Politics (CORP) for a forum on basic education funding in Pennsylvania. The program, held in October 2014 and summarized in this issue of *Report*, is the second in a series of three programs that CORP is producing on this topic. The series is designed to link academic research to the policy arena in the development of a new basic education funding formula. To that end, we were delighted to have five members of Pennsylvania's recently established Basic Education Funding Commission participate on a panel at the

*(continued on page 2)*

**Issue 54  
Fall/Winter 2014**

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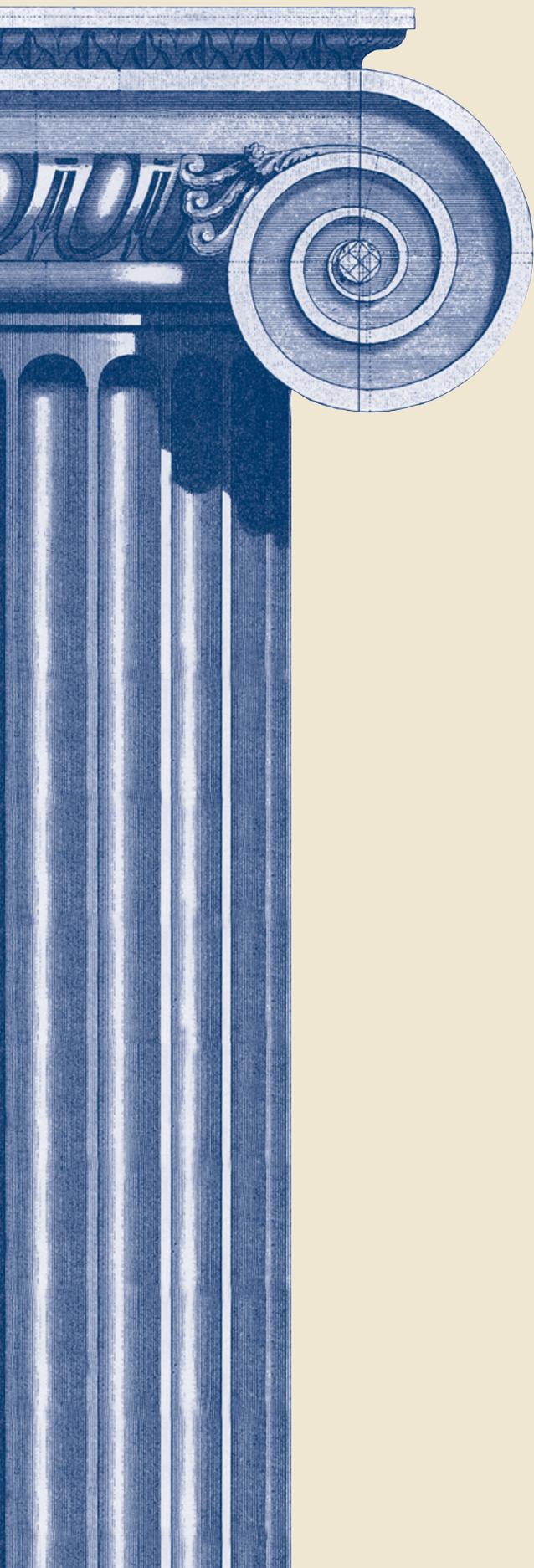
**Board of Fellows Note**  
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**Funding Pennsylvania's Public  
Schools: A Look Ahead:  
Program Summary**  
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October event. The bipartisan panel, despite having some differences, found much to agree on in identifying the need for change while recognizing the challenge in updating a system that has been in place for so long.

The program also was unique in that it offered local business leaders the opportunity to comment on what they need from Pennsylvania's education system. While the program featured panelists from a variety of industries, a common theme among speakers was the need for additional preparation in order to make graduates career ready. This includes the development of basic reading, writing, and math skills as well as "soft" skills like responsibility and accountability. In addition, while leaders are looking for districts to turn out high-quality employees, they also are looking for districts that can provide a quality education to the children of high-quality workers they are trying to attract to the region.

In our respective roles as a county commissioner and a program director for a major foundation, we have had the opportunity to witness firsthand the successes that can be achieved through collaborative efforts and we applaud those who have had the courage and the foresight to press forward with those efforts, even when the path seemed difficult or unclear. Members of our education committee are no different; they work together on a regular basis to tackle some of the toughest issues in education policy. We hope that in the coming year, more of our school districts in Southwestern Pennsylvania will come to recognize the value inherent in collaborating with others and work to create partnerships that will protect and improve the quality of education for all students while helping districts to weather the projected financial difficulties that lie ahead. We look forward to working with our colleagues on the Education Policy Committee and elsewhere to facilitate those partnerships.

Sincerely,

**ROD RUDDOCK,**  
chair and commissioner,  
Indiana County

**STAN THOMPSON,**  
education program director,  
The Heinz Endowments

## FUNDING PENNSYLVANIA'S PUBLIC SCHOOLS: A LOOK AHEAD

OCTOBER 3, 2014

*DoubleTree Hotel by Hilton Pittsburgh—Green Tree*

### PROGRAM AGENDA

#### OPENING REMARKS

**ROD RUDDOCK**, chair and commissioner, Indiana County, and cochair, University of Pittsburgh Institute of Politics Education Policy Committee

**NEIL D. THEOBALD**, president, Temple University

### SESSION I: FORECASTING THE FISCAL FUTURE OF PENNSYLVANIA'S PUBLIC SCHOOLS

Introductions by **STAN THOMPSON**, education program director, The Heinz Endowments, and cochair, University of Pittsburgh Institute of Politics Education Policy Committee

"Where Current Law and Policy Are Taking Our Public Schools: A Five-year Fiscal Forecast"

**WILLIAM HARTMAN**, professor, Pennsylvania State University College of Education

**TIMOTHY SHROM**, business manager, Solanco School District, Lancaster County

"What Long-term Population Trends Mean for the Future of School Finance"

**MAUREEN MCCLURE**, associate professor, University of Pittsburgh School of Education

### GOVERNMENT OFFICIALS RESPONSE PANEL

Moderated by **RICK STAFFORD**, Distinguished Service Professor of Public Policy, Carnegie Mellon University, and member, Pennsylvania Policy Forum

**PATRICK BROWNE**, majority whip, Pennsylvania State Senate, and cochair, Basic Education Funding Commission

**DONNA OBERLANDER**, member, Pennsylvania House of Representatives and Basic Education Funding Commission

**MATT SMITH**, member, Pennsylvania State Senate and Basic Education Funding Commission

**JAKE WHEATLEY**, member, Pennsylvania House of Representatives, House Education Committee, and House Appropriations Committee

**NICHOLE F. DUFFY**, deputy secretary, Office of Administration, Pennsylvania Department of Education, and member, Basic Education Funding Commission

### SESSION II: WHY SMART INVESTMENTS IN PUBLIC SCHOOLS ARE CRITICAL TO PENNSYLVANIA'S ECONOMIC FUTURE

**EVA TANSKY BLUM**, senior vice president and director of community affairs for PNC Bank, and chair and president, PNC Foundation

### BUSINESS RESPONSE PANEL

Moderated by **BILL FLANAGAN**, executive vice president, corporate relations, Allegheny Conference on Community Development

**MICHAEL R. DUNLEAVY**, business manager/financial secretary, International Brotherhood of Electrical Workers Local Union No. 5

**DAVE MALONE**, president and CEO, Gateway Financial, and chair, Pennsylvania Workforce Investment Board

**JOHN PIPPY**, CEO, Pennsylvania Coal Alliance, and lieutenant colonel, Pennsylvania Army National Guard

**RICHARD W. TAYLOR**, CEO, Imbue Technology Solutions, Inc.

### CLOSING REMARKS

**TERRY MILLER**, director, University of Pittsburgh Institute of Politics

## FUNDING PENNSYLVANIA'S PUBLIC SCHOOLS: A LOOK AHEAD

*by Jill Harkins*

Selected officials, businesspeople, and many others with a stake in public education met on Friday, October 3, in Green Tree to discuss the future of funding in Pennsylvania's public schools and what that funding can mean for Pennsylvania's workforce. The event, hosted by the Institute of Politics and Temple University's Center on Regional Politics (CORP), was the second in a three-part series of programs conducted by CORP.

Indiana County Commissioner and former high school principal **ROD RUDDOCK** welcomed everyone to the symposium by noting the significance of the partnership between Temple and the University of Pittsburgh in putting together this event. He also provided some context for the program, acknowledging the creation at the state level of the Basic Education Funding Commission and welcoming the four commission members who were present.

**NEIL THEOBALD**, president of Temple University, said that after 25 years as a college professor, he knows that the task of writing a basic education funding formula is fraught with complex policy and political issues. He thanked the members

*(continued on page 4)*

of the commission who were present and said that they needed to put the public education system on a stable financial base because the students deserve a fairer distribution of resources. The future of public school graduates is the future of university success, as higher education is a consumer of what the K–12 system produces.

**STAN THOMPSON**, education program director for The Heinz Endowments, said that the state’s funding formula must be written with forethought about what resources are needed and consideration of the taxpayers who would have to pay for it.

## **SESSION I: FORECASTING THE FISCAL FUTURE OF PENNSYLVANIA’S PUBLIC SCHOOLS**

### **PRESENTATION: FORECASTING FISCAL FUTURES OF PENNSYLVANIA SCHOOL DISTRICTS: WHERE LAW AND CURRENT POLICY ARE TAKING OUR PUBLIC SCHOOLS**

**WILLIAM HARTMAN**, professor at Pennsylvania State University College of Education, and **TIMOTHY SHROM**, business manager for the Solanco School District, opened with the purpose of their research study upon which their presentation was based: to project the fiscal future for all Pennsylvania school districts through 2017–18. The study evaluates whether districts can meet growing expenditure requirements with restricted and uncertain revenues. The study compares districts’ major revenues (real estate and earned income taxes and basic education funding) and four major expenditures (salaries, contributions to the Public School Employees’ Retirement System, charter school tuition, and health care). Hartman noted that the study doesn’t predict that a certain number of school districts will become insolvent, as districts will take the painful steps necessary to avoid that. Instead, it asks, “What is the level of fiscal stress that school districts will face under current law and policy?” For this reason, Hartman uses the term shortfall, which is the difference between expected revenue and expected expenditures, rather than deficit.

**“Almost 50 percent of Pennsylvania districts will not have sufficient revenue to cover necessary costs in 2017–18.”**

Hartman and Shrom’s research concludes that even based on conservative estimates, under existing conditions and fiscal policies, almost 50 percent of Pennsylvania districts will not have sufficient revenue to cover necessary costs in 2017–18. Increases in basic education funding alone cannot resolve fiscal shortfalls, and without structural changes in Pennsylvania’s school finance system, many districts will continue to erode programs to meet balanced budget requirements.

Other options presented for school districts include real estate tax increases, attempting to control salary and health care costs, finding efficiencies through the outsourcing of certain services and/or professional and support staff, and through improved processes and procedures. They can also reduce staff and instructional programs and increase class size. If they are able, they can dip into their reserve funds. However, all of these options have been used repeatedly by districts over the past several years to balance their budgets, and their continued use could have detrimental effects on education quality.

### **PRESENTATION: EDUCATION FUNDING FOR SUCCESSFUL GENERATIONAL TRANSITIONS IN PITTSBURGH: NOT EASY**

**MAUREEN MCCLURE**, associate professor of administrative and policy studies at the University of Pittsburgh School of Education, opened her presentation by saying that Pennsylvania is a rapidly aging state. She said that a better assessment is needed of consequences of generational shifts on regional economies, districts, and taxpayers and whether these generational shifts mean slower economic growth. This data hasn’t been correlated to education yet, but it needs to be.

The 65-and-older demographic votes more than younger groups who are more likely to be interested in education, but education is not an isolated sector. The shape of population can be important for government policy and planning across sectors because it forces thinking across generations and their dependencies. Demographic dependency ratios are the number of people working relative to those who are too young or too old to work. Economic dependency ratios are the number of people working relative to the number of people who are retired or who cannot be employed.

Population pyramids show the shape of a population: males on left, females on right, youngest at bottom, oldest at top. They used to look like pyramids but have begun to shift shapes in the last 50 years in developed countries. Pennsylvania’s pyramid is wide in the middle (40–70 years of age) and narrows at the top and bottom. Pennsylvania is one of only seven states where the average age is above 40.

This aging population affects school funding. Poorer districts are likely to take the biggest hit because women make up a larger percentage of the aging population and have limited access to social security and pensions. Residents who are unemployed, low-wage employed, not in the labor force, or disabled often are unable to contribute to a school district’s tax base. McClure said that a better conversation about the value and role of demographic and economic dependency ratios in education funding today is needed.



*Matt Smith and Pat Browne*

## GOVERNMENT RESPONSE PANEL

**RICK STAFFORD**, Distinguished Service Professor of Public Policy at Carnegie Mellon University, opened the panel by thanking Joseph P. McLaughlin Jr., director of CORP, and introducing the members of the panel, “the folks who are going to have to make the decisions.”

The panel as a whole emphasized transparency, technology, and fair measures of relative wealth and claimed that there is no single solution to the lack of education funding.

**PAT BROWNE**, cochair of the Basic Education Funding Commission, recognized the funding challenges districts face and said that the situation is not sustainable—even with additional state funds, schools are still cutting programs. He referenced McClure’s presentation, saying that generational tax issues create holes in revenue, which helps to perpetuate problems of inequity among school districts. Noting that changing the basic education funding formula would not be the only answer to the problem, he commented that finding additional efficiencies, such as the pooling of health care contracts, could help districts keep costs under control.

**MATT SMITH**, a member of the Basic Education Funding Commission, opened by saying that in addition to addressing a funding formula, the commission needs to look more broadly at the issue and ask, “What do we want our system to look like?”

Smith argued that the commonwealth needs achievement in every school district and also needs to confront the achievement gap. For this reason, he would like to see one formula that takes into consideration the different pressures each school district is under and different opportunities each district

presents. He added that the commonwealth needs to examine not just how much the government is investing but where and how it’s investing.

**DONNA OBERLANDER**, another member of the Basic Education Funding Commission, opened by saying that she’s not an education expert, which offers her a clean slate perspective. She acknowledges that she is learning a great deal as a member of the commission. She added that she believes that rural school districts, wealthy school districts, and urban school districts all deserve the same opportunities to make Pennsylvania a stronger state.

**JAKE WHEATLEY**, state representative for the 19th district of Pennsylvania, questioned why richer districts continue to get richer; poorer districts continue to get poorer; and why blacker, browner, and poorer districts are worse off. If a change is really to be made, we need to start from ground zero, because the public school code hasn’t been updated since 1949. Even if we’re going to continue using the same broken system, we need to target problems in the failing schools most heavily, he said.

**NICHOLE DUFFY**, deputy secretary of administration for the Pennsylvania Department of Education, agreed with other panel members that it’s important to keep in mind differences amongst districts. She said that the formula needs to be sustainable and able to move into the future and that the commission also needs to address unrelated problems that are hurting the state budget and taking money away from schools.

The panel then discussed the “hold harmless provision,” which allows school districts to receive, at a minimum, the same amount of basic education funding that they received in the previous year. Most panelists agreed that the option to remove this provision is on the table but that the process for removal would have to be gradual and transparent. Smith said

*(continued on page 6)*



*Donna Oberlander*

that proper evaluation of hold harmless is a critical part of the commission's success, and his support would depend on what it was replaced with and if it were reflective of each district individually. Browne said that hold harmless can't be considered in isolation and that this decision would be difficult, as the districts have been held harmless for so long.

## **SESSION II: WHY SMART INVESTMENTS IN PUBLIC SCHOOLS ARE CRITICAL**

**BILL FLANAGAN**, executive vice president, corporate relations, for the Allegheny Conference on Community Development, opened the second session. He said workforce development is a primary concern in Pennsylvania and that we're only going to be able to take advantage of our region's future if we have the workforce to support it.

### **PRESENTATION: WHY SMART INVESTMENTS IN PUBLIC SCHOOLS ARE CRITICAL TO PENNSYLVANIA'S ECONOMIC FUTURE**

**EVA TANSKY BLUM**, senior vice president and director of community affairs for PNC Bank and chair and president of The PNC Foundation, began by saying that the focus of the commission and everyone else involved in public education must be on pre-K–12, not just K–12. She referenced Eduardo Porter of *The New York Times*, who says that the gap between incomes of those holding college degrees and those who have only completed high school has grown by \$30,000 since 1979.

Eleven years ago, PNC initiated a company-wide philanthropy focused on early childhood education called PNC Grow Up Great. A child's education between the ages of 0 and 5 determines a lifelong learning trajectory, and economically disadvantaged children start kindergarten with significantly lower cognitive skills than peers who are better off. By the time students who didn't attend pre-K reach third grade, they're

not on grade level. Disadvantaged children hear 30,000 fewer words by 18 months than their advantaged peers. Critics of early childhood education claim that these programs are expensive, but economist James Heckman has claimed that "the return for investment on quality early childhood education is 7-10 percent per annum through outcomes in education, health, sociability, economic productivity, and reduced crime."

Blum said that 70 percent of Pennsylvania's children don't have access to early childhood education, and investing in it could boost Pennsylvania's economy. A 50 percent increase in male graduation rates could save Pennsylvania \$182 million in incarceration and other costs. She suggested that the commonwealth needs to focus on an appropriate funding stream and quality pre-K–12 education, noting that if we don't do this, employers will go to other states for employees, and applicants for high-ranking positions won't come to Pennsylvania.

Flanagan agreed that if employers can't find talent locally, they'll go to other countries and states. He then introduced the business response panel.

### **BUSINESS RESPONSE PANEL**

**RICHARD TAYLOR**, CEO of Imbue Technology Solutions, Inc., opened the panel by claiming that as a small business owner, he focuses on return on investment. The business community needs but isn't getting employees from the public education system who can read, write, do math, and think and who are ready to work. Public education often doesn't teach entrepreneurship or managing personal finances, skills that can help employees of small businesses to minimize costs and maximize profits.

Taylor said that innovators do not want to move to Pennsylvania because of the poor public school system. Coming from Louisiana, where he had attended public school, he believed in and valued a good public education but couldn't find it in Pennsylvania cities. He had three choices for his sons: move to the suburbs, where they would receive a good education but be the only Black kids; stay in the city, where all the students would look like them but achievement is low; or send them to private school, where there is racial diversity but no socio-economic diversity, resulting in a skewed worldview. The third choice also would subtract \$26,000 per child from his annual salary. He said that these choices don't attract people to this area, and public education is failing everyone in both the short and long term.

**JOHN PIPPY**, a former Pennsylvania state legislator and currently CEO of the Pennsylvania Coal Alliance, applied a military perspective to the problem. The military is facing challenges this decade in recruiting, as 75 percent of youth is not



*Eva Tansky Blum*

eligible to join due to obesity, a criminal record, or drug use. Companies affiliated with the coal alliance also are looking for employees who can read, write, and do math and are reliable, drug-free team players, as the company will take care of the technical training. He agreed with Blum that early childhood education is critical and agreed with Taylor that being placed with a group below your achievement level leads to a lack of opportunity for advancement. As an additional concern, he brought up the challenge of funding smaller districts, noting a Standard & Poor's study that says the optimal size of a school district is between 2,000 and 2,999 students. According to this calculation, 97 districts in Pennsylvania should consider consolidation, but a majority of districts surveyed said they couldn't consolidate for political reasons.

**MIKE DUNLEAVY**, business manager and financial secretary for the International Brotherhood of Electrical Workers (IBEW) No. 5, said that his organization is directly affected by the results of public education funding. His apprenticeship program has the capacity to train 1,000 apprentices at a time, but currently only 400 are enrolled. Those enrolled have a 90 percent graduation rate.

Dunleavy noted that applicants from poorer school districts often test poorly, so IBEW has initiated an explorer program, in which journeymen work directly with students from those districts. He reported that students from rural districts tend to test well and do well in the program. Then Dunleavy told an interesting story about the trajectory of suburban students. While those students rarely come to IBEW straight out of high school, he often sees them two or three years later, after they have dropped out of college. They perform well, but often have to decline job offers because the salary is not high enough to allow them to pay back the student debt they accumulated from attending college. Dunleavy concluded that districts can help to address the problems in his applicant pool by distributing more money to poorer districts and putting less pressure on more affluent students to go to college.

**DAVE MALONE**, president and CEO of Gateway Financial, said that he wanted all of Wheatley's comments to be attached to his own, then asked why we're trying to reevaluate the funding of a system that doesn't work. From a business perspective, the public school system is producing an inferior product that isn't sustainable, and if we do not correct the problem quickly, it will ruin Pennsylvania's economy. He also said that we need to look at all costs when considering what improving this system would save the state, not just incarceration. For example, there is an absolute correlation between education and health, so health care costs should be included in the calculation of return on investments, too. He said that the best practices of districts where success



*Mike Dunleavy, Terry Miller, and Richard Taylor*

occurs need to be identified, then the government can offer districts money if they complete specific tasks such as offering professional development for teachers or establishing partnerships with businesses.

## QUESTION-AND-ANSWER SESSION

Flanagan opened the question-and-answer session with the business panel by saying that no corporation would put up with a system that worked like public education and asked the panel to respond.

Pippy said the best way to succeed is to start identifying objective data as Malone suggested, because numbers-driven data is less political; everyone can agree that a set of data is accurate regardless of their ideologies. Malone said that the government alone cannot fix this problem and also referenced a study performed by Fortune 100 companies that found zero correlation between academic and job performance. The panel members felt that it would be easy to convince small businesses to work with schools, and this partnership would be more effective than a government fix. Taylor agreed with Malone regarding his skepticism in the government's being able to fix this problem, noting that the government should be addressing the excess of municipalities and subsequent duplication of resources.

## CLOSING REMARKS

**TERRY MILLER**, director of the Institute of Politics, stated that the mission of the Pennsylvania Department of Education is to prepare children and adults to be active citizens by supplying them with the necessary resources. She summarized the points of the day and said we need to scrutinize the funding system in Pennsylvania and fix it in order to compete in a global marketplace. Smart investment now will create long-term repayments in the future.

## 18TH ANNUAL INSTITUTE OF POLITICS ELECTED OFFICIALS RETREAT

### COLLABORATIVE LEADERSHIP: THE POWER OF PUBLIC, PRIVATE, AND NONPROFIT PARTNERSHIPS

THURSDAY, SEPTEMBER 11, 2014

*Sheraton Pittsburgh Hotel at Station Square*

#### PROGRAM AGENDA

##### OPENING REMARKS

TERRY MILLER, director, Institute of Politics

PATRICK GALLAGHER, chancellor, University of Pittsburgh

##### PRESENTATION OF COLEMAN AWARD

MARK A. NORDENBERG, chair-elect, Institute of Politics, and chancellor emeritus, University of Pittsburgh

##### RETREAT OVERVIEW AND INTRODUCTIONS

G. REYNOLDS CLARK, vice chancellor for external relations and chief of staff, Office of the Chancellor, University of Pittsburgh

##### GENERATING ECONOMIC AND WORKFORCE DEVELOPMENT THROUGH COLLABORATION IN SOUTHWESTERN PENNSYLVANIA

Moderated by DAVID RUPPERSBERGER, director, joint economic development initiatives, Carnegie Mellon University and University of Pittsburgh

AUDREY RUSSO, president and CEO, Pittsburgh Technology Council

TIM MCNULTY, associate vice president for government relations, Carnegie Mellon University

BYRON KOHUT, director, energy programs, Advanced Technology Center, Westmoreland County Community College

##### THE POWER OF COLLABORATION: STATE ELECTED OFFICIALS PANEL

JAY COSTA, member, Pennsylvania State Senate

RANDY VULAKOVICH, member, Pennsylvania State Senate

ELI EVANKOVICH, member, Pennsylvania House of Representatives

PAM SNYDER, member, Pennsylvania House of Representatives

##### OPEN DISCUSSION

Moderated by STAN THOMPSON, education program director, The Heinz Endowments

##### STRATEGY 21: A MODEL OF COLLABORATIVE LEADERSHIP AND IMPLICATIONS FOR THE FUTURE OF SOUTHWESTERN PENNSYLVANIA

Moderated by RICK STAFFORD, Distinguished Service Professor of Public Policy, Carnegie Mellon University

D. MICHAEL FISHER, judge, U.S. Court of Appeals for the Third Circuit, and former member, Pennsylvania General Assembly

CHARLES KOLLING, government relations professional, Buchanan Ingersoll & Rooney PC

TOM MICHLOVIC, adjunct professor, University of Pittsburgh

Graduate School of Public and International Affairs, and former member, Pennsylvania State House of Representatives  
ROBERT PEASE, senior vice president, National Development Corporation

##### CLOSING REMARKS

RICH FITZGERALD, county executive, Allegheny County

FRIDAY, SEPTEMBER 12, 2014

##### OVERCOMING POLITICAL AND GOVERNANCE CHALLENGES IN THE 21ST CENTURY: COLLABORATION AT LOCAL AND REGIONAL LEVELS

BARRY RABE, director; Center for Local, State, and Urban Policy; University of Michigan Gerald R. Ford School of Public Policy; and nonresident senior fellow in governance studies, Brookings Institution

##### THE FUTURE OF PUBLIC/PRIVATE PARTNERSHIPS IN PENNSYLVANIA: RISKS AND REWARDS

R. TIMOTHY WESTON, partner, K&L Gates LLP, and board member, National Council for Public-Private Partnerships

##### OPEN DISCUSSION

Moderated by CAREN GLOTFELTY, executive director, Allegheny County Parks Foundation

##### SOCIAL AND COMMUNITY-BASED PARTNERSHIPS

"Los Angeles Community Disaster Resilience Project"

ANITA CHANDRA, director, RAND Justice, Infrastructure, and Environment, and senior policy researcher, RAND Corporation

"Partnership for Sustainable Communities"

KATHLEEN BAILEY, regional coordinator, Office of Sustainable Communities, U.S. Environmental Protection Agency

"Workforce Innovation and Opportunity Act"

STEFANI PASHMAN, CEO, Three Rivers Workforce Investment Board

##### TRANSPORTATION AND INFRASTRUCTURE PARTNERSHIPS

"The Water Resources Reform and Development Act: Implications For Partnership"

BERNARD LINDSTROM, commander, Pittsburgh District, U.S. Army Corps of Engineers

"Dauphin County Infrastructure Bank"

AUGUST MEMMI, director, Department of Community and Economic Development, Dauphin County

"Atlanta Streetcar"

THOMAS L. WEYANDT, deputy chief operating officer, City of Atlanta

##### OPEN DISCUSSION: FOSTERING A CULTURE OF COLLABORATION

Moderated by LISA SCHROEDER, president and CEO, Riverlife

##### CLOSING REMARKS

MOE COLEMAN, director emeritus, Institute of Politics

## 18TH ANNUAL INSTITUTE OF POLITICS ELECTED OFFICIALS RETREAT

by Aaron Lauer

The University of Pittsburgh's Institute of Politics hosted its 18th annual Elected Officials Retreat, titled Collaborative Leadership: The Power of Public, Private, and Nonprofit Partnerships, on September 11 and 12, 2014, at the Sheraton Pittsburgh Hotel at Station Square. The two-day retreat focused on the critical need for collaboration among leaders in all sectors in Southwestern Pennsylvania for the betterment of the region in terms of infrastructure, workforce development, the environment, and various other issues.

**TERRY MILLER**, director of the Institute of Politics, opened the retreat on Thursday, welcoming the attendees and thanking her staff for its hard work in making the retreat possible. She announced that University of Pittsburgh Chancellor Emeritus **MARK A. NORDENBERG** would be joining the Institute of Politics as chair on January 1, 2015.

She then introduced University of Pittsburgh Chancellor **PATRICK GALLAGHER**, who is quite familiar with collaborative leadership. As the acting deputy secretary of the U.S. Department of Commerce and director of the National Institute of Standards and Technology, Gallagher collaborated with government agencies, universities, and businesses and was awarded a gold medal by the Department of Commerce for his interagency efforts.

Gallagher then introduced Chancellor Emeritus Nordenberg, saying that since Gallagher's time as a student in the early '90s, Nordenberg had transformed the University: Its enrollment is at historic levels, its academic prowess has never been stronger, and its students and graduates continue to make the world a better place. Throughout Nordenberg's tenure, he has invested in making both the University and Southwestern Pennsylvania stronger.

### PRESENTATION OF THE COLEMAN AWARD

Chancellor Emeritus Nordenberg presented the 2014 Coleman Award to **EDIE SHAPIRA**, board chair of The Pittsburgh Foundation and a psychiatrist with the Allegheny County Board of Health, and **RICK STAFFORD**, Distinguished Service Professor of Public Policy in the H. John Heinz III College at Carnegie Mellon University. Since its inception in 2006, the Coleman Award has honored civic leaders for their service and commitment to the Southwestern Pennsylvania region.

Shapira is an alumnus of the University of Pittsburgh and has served on the School of Social Work's Board of Visitors and



Edie Shapira

the Institute of Politics Shale Gas Roundtable. She is one of the region's most committed civic leaders and has served on a wide variety of boards, including those of the Pittsburgh Promise, Urban League of Greater Pittsburgh, and Western Pennsylvania Conservancy. Through more than a decade of service on The Pittsburgh Foundation's board, Shapira has helped to shape The Pittsburgh Foundation into a model for community foundations across the country.

Stafford, a native of Greene County, Pa., has had a diverse career in the private, public, and nonprofit sectors with substantial impact on the region. At Carnegie Mellon, Stafford has focused his teaching on how to influence elected officials and advance positive policy changes. He previously served as CEO of the Allegheny Conference on Community Development and was the driving force behind the consolidation of the Pennsylvania Economy League of Greater Pittsburgh, Pittsburgh Regional Alliance, and Greater Pittsburgh Chamber of Commerce. He has been at the forefront of transforming our region's economy from its manufacturing past to an economy of health care, education, and research.

Both recipients accepted the award with acknowledgment and admiration of Moe Coleman's dedication to the region.

**G. REYNOLDS CLARK**, vice chancellor for external relations and the chancellor's chief of staff at the University of Pittsburgh, then gave an overview of the retreat's planned activities, saying that Pittsburgh has a unique collaborative spirit that manifests itself in the betterment of the region.



*Former Chancellor Mark A. Nordenberg presenting the Coleman Award to Rick Stafford*

## GENERATING ECONOMIC AND WORKFORCE DEVELOPMENT THROUGH COLLABORATION IN SOUTHWESTERN PENNSYLVANIA

DAVID RUPPERSBERGER, director of the Joint Economic Development Initiatives at Carnegie Mellon University and the University of Pittsburgh, introduced the first panel of the day, which consisted of **AUDREY RUSSO**, president and CEO of the Pittsburgh Technology Council; **BYRON KOHUT**, director of energy programs at the Advanced Technology Center of Westmoreland County Community College (WCCC); and **TIM MCNULTY**, associate vice president for government relations at Carnegie Mellon University. The panel focused on economic and workforce development collaborations of the past decade and said that partnerships between universities and businesses to promote experience-based learning, as well as efforts to make



*David Ruppensberger, Audrey Russo, and Tim McNulty*

new opportunities introduced by technological innovation more inclusive, are going to continue to be necessary in the future.

Russo explained that economic opportunities in the technology sector, such as Apple Inc.'s recent announcement that it was seeking to expand in the region, did not just happen overnight but through the hard work and vision by many leaders and organizations in the region. However, as technology increases, people will lose their jobs and require retraining to take advantage of the region's new economy. As the landscape of innovation becomes more difficult to navigate, we need our region's leaders to be able to adapt and manage that risk through collaborative leadership.

**Audrey Russo explained that economic opportunities in the technology sector, such as Apple Inc.'s recent announcement that it was seeking to expand in the region, did not just happen overnight but through the hard work and vision by many leaders and organizations in the region.**

Kohut and McNulty offered examples of such collaboration. Kohut said that WCCC has been partnering with the region's colleges and universities, workforce investment boards, foundations, and businesses to develop a program to boost manufacturing in the region, meet the growing needs of the energy sector, and find skilled employees to satisfy our region's workforce demand. WCCC's new ShaleNET program provides students with the necessary stackable credentials to work in the region's manufacturing and energy industries. McNulty referenced the remarkable relationship between Carnegie Mellon University, one of the top-ranked technology schools in the world, and the University of Pittsburgh, which is at the top of the National Institutes of Health's rankings of research institutions, as one of the best collaborations in the region. These universities will create the right environment for innovation to occur and pave the way for a new generation of entrepreneurs in the region.

## THE POWER OF COLLABORATION: STATE ELECTED OFFICIALS PANEL

The next panel featured **JAY COSTA** and **RANDY VULAKOVICH** of the Pennsylvania State Senate and **ELI EVANKOVICH** and **PAM SNYDER** of the Pennsylvania House of Representatives. They discussed examples of bipartisan collaboration as inspiration for future projects.

The panelists all emphasized the necessity of reaching across the aisle in moving important initiatives through the legislature

and noted that, without strong working relationships with legislative colleagues, business, labor, and local governments, our region and state will stagnate. Costa noted the recent transportation funding bill, Medicaid expansion, and the reshaping of the taxing structure of Pittsburgh as examples where such collaboration was necessary and beneficial.

Vulakovich referenced the recently introduced Senate Bill 968, which establishes a waterfront development tax credit to encourage private investment in waterfront property and spur economic development, environmental improvements, and public recreation enhancements. He hopes that a \$10 million tax credit will spur investment along the region's waterfronts.

Synder provided as an example House Bill 2354, which deals with greenhouse gas emissions. She had to battle to get the bill to the house floor, but through the relationships she made on the other side of the aisle, she was able to get the legislation passed. She closed by saying that elected officials need to remember that by digging in, nobody wins, and those people the officials are representing lose.

Evankovich stressed the need to create more public-private partnerships within the state. He stated that road programs already benefit from this, but we need to expand this opportunity to water and sewage infrastructure as well. He noted the need to improve the workforce pipeline in the region by working toward an increased emphasis on career training in our schools. Furthermore, we need to offer companies the ability to redirect

taxes to workforce development training programs within the existing workforce infrastructure.

An open discussion moderated by **STAN THOMPSON**, education program director for The Heinz Endowments, followed, during which the panel of legislators stressed the need to look past funding numbers and test scores in K-12 education and to instead focus on better outcomes for students and employers. Several of the panelists emphasized the importance of greater investment in our region's career and technical centers to allow more students to pursue skilled blue-collar jobs.

## **STRATEGY 21: A MODEL OF COLLABORATIVE LEADERSHIP AND IMPLICATIONS FOR THE FUTURE OF SOUTHWESTERN PENNSYLVANIA**

**RICK STAFFORD** moderated a discussion of the development and implementation of Strategy 21. In the 1980s, Southwestern Pennsylvania faced severe unemployment as a result of closing steel mills. To address this, a group of prominent regional leaders came together to develop Strategy 21, a unique proposal to pull together organizations and local governments from across the region to develop a comprehensive redevelopment initiative. This collaborative leadership paved the way for state investment in a vast number of projects across the Pittsburgh region that continue to have lasting positive effects.

*(continued on page 12)*



*Left to right: Brenda Frazier, Jim Roddey, Moe Coleman, Darryl Rapp, Patrick Gerity, and Daniel Volger*

**TOM MICHLOVIC**, adjunct professor in the Graduate School of Public and International Affairs at the University of Pittsburgh and former member of the Pennsylvania House of Representatives, said that following the collapse of the steel industry in the region, leaders realized that a new knowledge-based economy was needed to compete. Pittsburgh worked to build upon its advantage in robotics and bioengineering to create this new economy.

**ROBERT PEASE**, senior vice president of the National Development Corporation, said that Strategy 21 was a strategic list of projects for the region, which was more effective, rather than each local government competing by itself. The goal was to find a way to boost the region's economy through transportation and infrastructure improvements, redevelopment initiatives, and research projects for our universities.

**D. MICHAEL FISHER**, judge of the U.S. Court of Appeals for the Third Circuit and former member of the Pennsylvania General Assembly, stated that at the time Strategy 21 was submitted to the Pennsylvania General Assembly, senate leadership was from southeastern Pennsylvania and was not particularly interested in projects that would benefit the Pittsburgh region. Fisher credited Tom Foerster's ability to work with Democrats and Republicans in building support for the initiative, strong collaboration between the public and private sectors and between political parties, and the distribution of Strategy 21's proposed development projects across Southwestern Pennsylvania such that everyone's district benefited, all helped propel the bill toward passing.

**CHUCK KOLLING**, government relations professional at Buchanan Ingersoll & Rooney PC, said he believes that Strategy 21 was ultimately successful because it was a vision for Southwestern Pennsylvania that could be promoted to legislators of both parties across the Commonwealth. Kolling also



*Rich Fitzgerald*

emphasized the importance of the inclusion of the community in Strategy 21's development. Finding the right name for a project was vitally important; using the word "strategy" implied that each project in the plan had been thoroughly researched and included for a reason.

## **CLOSING REMARKS, DAY ONE**

**RICH FITZGERALD**, county executive of Allegheny County, gave closing remarks on the first day of the retreat. He said that in recent decades, through efforts like Strategy 21, we have been able to successfully diversify our economy into such fields as education, medicine, and finance and subsequently to revitalize our neighborhoods.

He said that even with our many great success stories, our region still faces many challenges, and solutions will require partnerships that cut across geographic, economic, and party lines. He added that even as we watch the transformation of neighborhoods such as East Liberty and Lawrenceville, there are communities within the region that are not doing well.



*Strategy 21 panel*

In order for Southwestern Pennsylvania to be all that it can be, our region's corporations, labor organizations, foundations, communities, and universities need to continue to drive our culture of collaboration on issues such as our aging infrastructure and the shale gas boom.

## OVERCOMING POLITICAL AND GOVERNANCE CHALLENGES IN THE 21ST CENTURY: COLLABORATION AT LOCAL AND REGIONAL LEVELS

The second day of the retreat opened with a presentation about partnerships surrounding environmental issues from **BARRY RABE**, director of the Center for Local, State, and Urban Policy of the Gerald R. Ford School of Public Policy at the University of Michigan and nonresident senior fellow in governance studies at the Brookings Institution.

Rabe said that as a result of shale gas development's being outside much of the federal government's jurisdiction, trying to tackle the questions that arise has largely devolved to state and local governments. He acknowledged that Pennsylvania is seeking to maximize the benefits of its shale gas resources while minimizing the negative externalities and credited Pennsylvania's Act 13 of 2012 with offering a wide range of regulatory solutions to help manage development.

Rabe went on to explain that most states have created a severance tax, and the amount of revenue generated by these taxes is not trivial. Although traditionally states have placed severance tax revenues in general revenue funds, in recent years, four states have developed long-term trust funds for some of their severance tax revenue. These funds invest the revenue so that future generations can receive benefits from current development and long-term environmental problems can be addressed. North Dakota, for instance, is placing some of its severance tax revenue in a trust fund to deal with the legacy issues of extraction and the boom-and-bust cycle of natural resource extraction.

Rabe recommended that Pennsylvania continue to be mindful of its neighboring states as shale gas development continues. The shale play in this region covers thousands of local governments and many states and Canadian provinces. Some of the regulatory bodies working on shale gas, like the Susquehanna and Delaware river basin commissions, are large interstate organizations. Pennsylvania also is starting to feel pushback from neighboring states, such as Ohio and Michigan, who no longer want to sequester wastewater from hydraulic fracturing.

The commonwealth also must be responsive to the opinion of its residents. In general, Pennsylvanians believe that the benefits of shale gas development outweigh the risks but are still concerned about limiting the negative externalities from



*Barry Rabe*

development. Residents continue to prefer that state and local governments take the lead on shale gas regulation and management.

## THE FUTURE OF PUBLIC-PRIVATE PARTNERSHIPS IN PENNSYLVANIA: RISKS AND REWARDS

**R. TIMOTHY WESTON**, partner at K&L Gates LLP and board member of the National Council for Public-Private Partnerships, delivered the next presentation, which focused on Pennsylvania's aging infrastructure. Updating our drinking water infrastructure will cost \$13.9 billion, and addressing our aging stormwater and waste water infrastructure will require \$28 billion. The dysfunction in infrastructure funding has forced states and local governments to be creative in addressing their funding shortfalls, he said.

**In Pennsylvania's highly fragmented local government environment, small municipalities cannot keep pace with funding demands to keep their infrastructure compliant with best management practices.**

He discussed the importance of developing more efficient approaches to asset management. In Pennsylvania's highly fragmented local government environment, small municipalities cannot keep pace with funding demands to keep their infrastructure compliant with best management practices. Similarly, he said that by addressing infrastructure management

*(continued on page 14)*

and investment regionally, we can bring together more talent and knowledge and create economies of scale to drive down infrastructure costs.

Government cannot meet this infrastructure challenge alone, and we need to look toward nontraditional vehicles to bring capital to the table, he said. Public-private partnerships allow for an expanded pool of funding for projects and create cost savings by bringing new knowledge and experience to the table. The private sector can help to share potential risks and bring business practices to asset management. These types of partnerships come in a variety of forms. Before entering into a public-private partnership, a public entity should make sure that it has the statutory authority to enter into a partnership, and the community and stakeholders must be involved in the decision-making process.

He gave an example of a successful partnership in Rialto, Calif., a blue-collar community of almost 100,000 residents. The city was facing a funding shortfall to handle a significant amount of deferred infrastructure maintenance and an unfunded pension liability. Through a public-private partnership, the city was able to meet these obligations and achieve financial stability.

**CAREN GLOTFELTY**, executive director of the Allegheny County Parks Foundation, moderated the open discussion following the presentations by Rabe and Weston. The discussion focused on how partnerships could address the special challenge caused by municipal fragmentation in meeting infrastructure needs. Weston said he believes that by consolidating infrastructure construction and maintenance into multimunicipal authorities or through private entities municipalities might be better able to meet this challenge. However, this will require a statute to allow municipalities to engage in partnerships across boundaries.

## **SOCIAL AND COMMUNITY-BASED PARTNERSHIPS BREAKOUT SESSIONS**

### **LOS ANGELES COMMUNITY DISASTER RESILIENCE PROJECT**

**ANITA CHANDRA**, director, RAND Justice, Infrastructure, and Environment, and senior policy researcher for the RAND Corporation described the Los Angeles Community Disaster Resilience Project, a model originally designed to encourage the greater Los Angeles community to think more holistically and regionally about preparedness and response. Communities need to think about the entire continuum of disasters, from acute to slow-moving disasters like climate change, and also long-standing problems such as community violence and economic downturn.

**In thinking about resilience, communities need to think about the entire continuum of disasters, from acute to slow-moving disasters like climate change, and also long-standing problems such as community violence and economic downturn.**

RAND began this project when it realized that traditional emergency management was not sufficient. RAND developed a fabric-of-community diagram that displays the intersection between individuals and organizations within a community and posited that individuals and organizations together respond more quickly to disasters than they do separately. For example, in response to Hurricane Katrina, communities in Mississippi had fewer resources than did those in Louisiana but were able to respond more effectively due to the strength of their communities and their resourcefulness. The guiding principles of the project center on connecting public health emergency preparedness with other routine community public health activities and embedding whole community engagement. The goal was to move regional understanding away from individual household plans and toward community assets and vulnerabilities.

Having successfully developed the model, RAND is now concerned about how best to keep these initiatives sustainable. Part of the effort has been working to retrain government officials who were accustomed to traditional emergency management and response to think about the larger community.

### **PARTNERSHIP FOR SUSTAINABLE COMMUNITIES**

**KATHLEEN BAILEY**, regional coordinator in the U.S. Environmental Protection Agency (EPA) Office of Sustainable Communities, discussed how the Partnership, a collaborative effort among EPA, the U.S. Department of Transportation (DOT), and the U.S. Department of Housing and Urban Development (HUD), arms communities with the tools needed to improve access to affordable housing, increase transportation options, and lower transportation costs while still protecting the environment. Bailey related the Partnership to the Strategy 21 initiative, as it operates as a comprehensive approach to project management, coordination, and prioritization.

Since 2009, more than 1,000 communities in all 50 states, plus Washington, D.C., and Puerto Rico, have received grants or technical assistance from EPA, DOT, and/or HUD. These Partnership agencies have jointly developed and reviewed almost 10,000 applications for a total distribution of \$4.6 billion in funding. Bailey showcased national examples that resulted from Partnership funding that allowed communities to have

increased flexibility while removing barriers and leveraging funding and expertise. The examples included projects involving pedestrian strategies and bike lanes, mixed-use buildings, and Hurricane Sandy recovery efforts. Bailey discussed future projects that would utilize the Partnership method, including HUD's Affirmatively Furthering Fair Housing rule, which is coordinated with DOT to promote connectivity to jobs and services.

## **WORKFORCE INNOVATION AND OPPORTUNITY ACT**

**STEFANI PASHMAN**, CEO of the Three Rivers Workforce Investment Board, stated that workforce development continues to be a pressing issue both nationally and locally in the wake of the recent recession. Locally, however, there is almost one open job for every unemployed person. To address our workforce demand in Southwestern Pennsylvania, we need to determine and address the barriers to employment.

The Workforce Investment Act of 1998 represents the largest source of federal funding for workforce development. That act created the Pennsylvania CareerLink and helped to harness local expertise in workforce development issues through the creation of local Workforce Investment Areas (WIAs). Pennsylvania has 22 WIAs, including the Three Rivers WIA in Allegheny County.

However, the workforce landscape of Southwestern Pennsylvania has changed significantly since then. Some of these changes include a greater need for technical skills, a reduction in employer-funded training, an aging workforce, a workforce that is becoming increasingly diverse, and an increased reliance on the Internet and social media for job recruitment. To address these concerns, Congress passed the Workforce Innovation and Opportunity Act (WIOA) in July 2014. Under WIOA, which will take effect in July 2015, each state has more input into the planning and strategy of its workforce development. States are given greater discretionary funds and responsibility for aligning their programs to workforce development needs. WIOA also requires increased oversight of workforce training providers and performance monitoring.

## **TRANSPORTATION AND INFRASTRUCTURE PARTNERSHIPS BREAKOUT SESSIONS**

### **THE WATER RESOURCE REFORM AND DEVELOPMENT ACT: IMPLICATIONS FOR PARTNERSHIP**

**BERNARD LINDSTROM**, commander, Pittsburgh District, U.S. Army Corps of Engineers, explained how the corps currently works with outside partners and what it would be permitted to do under the recently passed Water Resources Reform and Development Act (WRRDA). The Pittsburgh District contains more than 328 miles of waterways, 23 navigation locks and dams, 80 local flood risk management projects, and nine

functioning privately owned hydropower locations. Currently the Corps is applying asset management strategies to identify the current condition and critical components of all assets and attempt to predict potential failure. Sustainable funding for these assets is not available, leaving some locks unmanned.

**The Pittsburgh District contains more than 328 miles of waterways, 23 navigation locks and dams, 80 local flood risk management projects, and nine functioning privately owned hydropower locations.**

WRRDA passed in June 2014, and the corps is still awaiting implementation guidance from the federal government. One of the major changes is that the Inland Waterways Trust Fund will be appropriated at the 85 percent level instead of at the previous 50 percent level. WRRDA is authorizing legislation, not appropriating legislation, so there is no associated funding. The legislation also increases the opportunity for private entities to become involved in the maintenance and operation of corps assets. According to the legislation, public-private partnerships are permitted to be applied to 10–20 percent of the U.S. Army Corps of Engineers' assets. Opportunities include developing a culture of innovation through the accelerated delivery of projects, which would result in significant savings over the life cycle of the assets. For example, in order to move a project along faster, private partners could advance funds that are due from the federal government with the expectation that the federal government would repay them.

### **DAUPHIN COUNTY INFRASTRUCTURE BANK**

**AUGUST MEMMI**, director of the Department of Community and Economic Development in Dauphin County, introduced the Dauphin County Infrastructure Bank (DCIB), a revolving loan program that will invest \$30 million over the next five years to support transportation infrastructure projects within Dauphin County. DCIB, operated by the Dauphin County Department of Community and Economic Development, provides funding to municipalities, developers, and school districts to assist in construction or rehabilitation of bridges, highways, signalization, paving, drainage systems, and intersections within the county.

In order to secure the seed funds for DCIB, the county pledged a portion of its liquid fuels funds to the Pennsylvania Department of Transportation (PennDOT), which provides funding from the Pennsylvania Infrastructure Bank to Dauphin County. The Dauphin County Gaming Advisory Board reviews

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projects and awards funding based on a county-developed apolitical funding matrix. DCIB then awards funding to local governments, backed by their own liquid fuels funds. Funding is awarded through very-low-interest loans. As the communities repay the county, the county in turn repays PennDOT. DCIB has had significant initial success with the program, awarding more than \$10 million in project funds in 2013–14.

### **ATLANTA STREETCAR**

**THOMAS L. WEYANDT**, deputy chief operating officer for the City of Atlanta, discussed the anticipated benefits of the Atlanta Streetcar development. The streetcar, which was common in the 1920s but had disappeared by the middle of the century, is returning to Atlanta to create connections among downtown Atlanta, residential neighborhoods, and cultural amenities, along with other transportation options.

In addition to increasing transportation and connectivity in the Atlanta region, it also will help to drive economic development along its corridor. The streetcar project has been actively working with the businesses located along this corridor to help them market themselves, including advertising on the Atlanta Streetcar Web site, connection via social media outlets, and the creation of “pop-up shops” along the line. These shops allow businesses to test their business concepts for short periods of time to see if they would be viable operations. Since the 2010 streetcar funding announcement, \$370 million in capital investment in 26 projects has been allocated. Another 26 projects worth \$375 million are on track to be completed in 2014.

Weyandt believes that a constant and consistent public engagement process, along with the ability to partner with the community, will make the project successful.

### **OPEN DISCUSSION: FOSTERING A CULTURE OF COLLABORATION**

**LISA SCHROEDER**, president and CEO of Riverlife, emphasized how important collaboration and partnerships have been to Riverlife’s success. Riverlife works with property owners, communities, and businesses to facilitate waterfront development. Since its inception in 1999, Riverlife has introduced \$4 billion in development funding for our region’s waterfronts.

This year’s retreat emphasized several important themes that are critical to continued success in the region. In order for the region as a whole to succeed, we need to forge strong partnerships across political ideologies, municipal boundaries, and socioeconomic classes. The retreat also demonstrated that for a partnership to be successful, all participants need to receive some benefit from the project.



*Lisa Schroeder*

### **CLOSING REMARKS, DAY TWO**

**MOE COLEMAN**, director emeritus of the Institute of Politics, thanked everyone in attendance for taking the time to participate. He also thanked the speakers, moderators, and breakout group leaders for their hard work in preparing the content of the retreat. The retreat once again brought together an exceptional group of people who continue to work to solve the issues facing the region and engage in civil dialogue that crosses boundaries.



*Rabbi James Gibson, Gerri Kay, and Terry Miller*

## IN MEMORIAM: GERRI KAY

*by Terry Miller*

### INSPIRED LEADERSHIP

**T**he Institute of Politics lost one of its most devoted and inspiring contributors with the death of Gerri Kay on September 1, 2014. I lost a dear friend and trusted colleague.

My experience at the Institute has provided me with an unparalleled opportunity to engage with community leaders who are dedicated to advancing our region while making a difference in the lives of those they serve. Gerri was one such leader. To all projects, large and small, she always brought the highest level of honesty, integrity, thoughtfulness, inclusion, and principle. Oh, and then there was her passion!

Gerri was part of the Institute from its inception in 1990 until her death, chairing, for a time, our Health and Human Services Policy Committee and serving throughout as a member of our Board of Fellows.

At the Institute, as vice president for program and policy of The Pittsburgh Foundation, and in a remarkable range of other roles, Gerri was known as an effective collaborator

and a catalyst who could both envision powerful change and also make it happen. When she spoke, people listened, and when she led, people followed. She was an inspired leader who stirred people into action.

So, how did she do this? Well, I have sat in countless meetings with Gerri over the years, and I came to recognize that she had an interesting way of communicating. Here's what I mean by that: Any leader of any organization can tell you what they do, and most can tell you how they do it. That's basic external information. But inspired leaders can tell you why they do it. They can tell you what the purpose is of their work; the causes they address; what they believe in; what excites them about getting out of bed in the morning; why they care; and more importantly, why you should care, too. This is communicating from the inside out—not just communicating a shared vision but a shared purpose and shared outcomes for a common good. She consistently demonstrated the ability to rally people to a common purpose, and had the good character to inspire confidence and encourage the very best in others—good character that is built one effort at a time, with clarity of thought, mindfulness of

choice, enduring courage, and avid determination—typically to the benefit of our most vulnerable populations. That’s inspired leadership, and that’s how Gerri led.

During her last days, I helped to assemble recollections from various community leaders in preparation for the media coverage that would accompany her passing. Even though I had counted Gerri as a good friend for some 20 years, I learned even more about her significance to the Pittsburgh region.

“Gerri Kay was one of the most extraordinary persons I’ve ever known,” said Marc Cherna, director of the Allegheny County Department of Human Services. “She had the strength of her convictions that never wavered. She was always true to her values and honest to a fault, but her sincerity helped her to influence others in a remarkable way.”

While at The Pittsburgh Foundation, Gerri was responsible for constructing and implementing the Human Services Integration Fund, which pooled resources from local foundations to support the transformation of the human services system. She also masterminded the growth of the Beverly Jewel Wall Lovelace Children’s Program, which collaborated with tenant councils of public housing communities to provide after-school programming for children residing there.

Pittsburgh Foundation Senior Program Officer Jane Downing recalled Gerri’s seminal role in guiding the board and staff through the foundation’s first strategic planning initiative, which resulted in the adoption of two “cross-cutting issues”—combating racism and reducing poverty—as lenses through which it reviewed all grant requests.

“Gerri was a brilliant strategist,” Downing recalled. “Her commitment to improving the lives of the poorest families and removing barriers to people of color was inspirational as well as practical, because she knew how to get results.” Gerri further extended her influence by forming a network of innovative foundation vice presidents who then worked as a group to achieve change.

Carol Brown, former president of the Pittsburgh Cultural Trust, observed Gerri’s equally visionary efforts in the arts arena. Gerri was a board member or active participant in many prominent arts organizations, including City Theatre, the Pittsburgh Cultural Trust’s programming committee, the Pittsburgh Dance Council, and MCG Jazz. However, Brown observed, “Her heart and board leadership in the arts were truly dedicated to newer, more diverse, and sometimes more challenged arts organizations and to enterprises that were encouraging younger artists, developing new work, and making new connections to communities through the arts.”

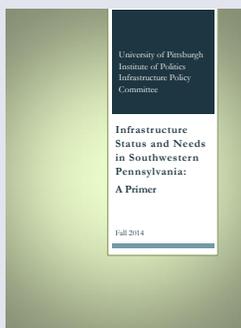
**“Gerri Kay was one of the most extraordinary persons I’ve ever known. She had the strength of her convictions that never wavered. She was always true to her values and honest to a fault, but her sincerity helped her to influence others in a remarkable way.”** – Marc Cherna, director of the Allegheny County Department of Human Services

Gerri intertwined her passions for the arts (Cherna suspects that she “probably saw more plays, movies, concerts, and art exhibits than anyone in history”) and for civil and social justice in incredibly productive fashion. Her creativity produced out-of-the-box solutions to real-life administrative problems, and her justice concerns undergirded her support for artists—most directly through her board leadership at City of Asylum/Pittsburgh, which provides sanctuary to endangered literary writers.

We often say at the Institute that “a lot of good things can happen if people don’t care who gets the credit.” Gerri Kay applied that truth in spectacular fashion, with absolute humility. Her interest was in doing good work, making a difference, and moving on to the next project. Her indifference to personal recognition was so much a part of her that, amidst the outpouring of effusive praise shared following her death, several friends and family members made the same comment to me: “Gerri probably would have hated this.” And I imagine she would have winced at this article.

Well, we’re going to do one more thing that Gerri would likely loathe. In our quarter-century of civic service, the Institute of Politics has never tapped the creative energy and impact potential of the arts. So, in the coming year, as part of our new Elsie H. Hillman Civic Forum, we will inaugurate a Gerri Kay Fellow, selecting and supporting one student each year who shows the potential to draw on insights, resources, and talents from the world of art to make a positive impact on civic life. In this way, we also will help to ensure that Gerri’s unique, transforming legacy will endure with the memory of a great person and the inheritance of a great example.

## PUBLICATION NOTES



### INFRASTRUCTURE PRIMER: 2014 EDITION

The 2014 edition of the Infrastructure Policy Committee's recurring publication, *Infrastructure Status and Needs in Southwestern Pennsylvania: A Primer*, is now available on the Institute of Politics Web site, [iop.pitt.edu](http://iop.pitt.edu). The revised primer features chapters on the following:

- Air transportation
- Electricity
- Flood control and dam safety
- Natural gas
- Navigable waterways
- Public transit
- Railways
- Roads and bridges
- Telecommunications
- Water and sewage
- The impacts of the Marcellus Shale on infrastructure

The primer also highlights examples of green infrastructure and intelligent systems in specific chapters, where appropriate.

### ENVIRONMENT POLICY COMMITTEE—GREEN INFRASTRUCTURE STATUS REPORT

Earlier in 2014, the Institute's Environment Policy Committee commissioned a status report on green infrastructure in the region. The report, due to be released in early 2015, will examine green infrastructure methods currently being deployed in Southwestern Pennsylvania. More specifically, it will define and explain green infrastructure, explore the benefits and challenges of its use, and offer several recommendations for potential future projects in our region.



For more information on these or any of the Institute's publications, please call 412-624-1837 or e-mail [iopadmin@pitt.edu](mailto:iopadmin@pitt.edu). All Institute publications can be viewed and downloaded at [iop.pitt.edu](http://iop.pitt.edu).



# University of Pittsburgh

## Institute of Politics

710 Alumni Hall  
4227 Fifth Avenue  
Pittsburgh, PA 15260

Web [iop.pitt.edu](http://iop.pitt.edu)

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Terry Miller

#### MANAGING EDITOR

Briana Mihok

#### TECHNICAL EDITOR

Kim Bellora

#### CONTRIBUTOR

Aaron Lauer

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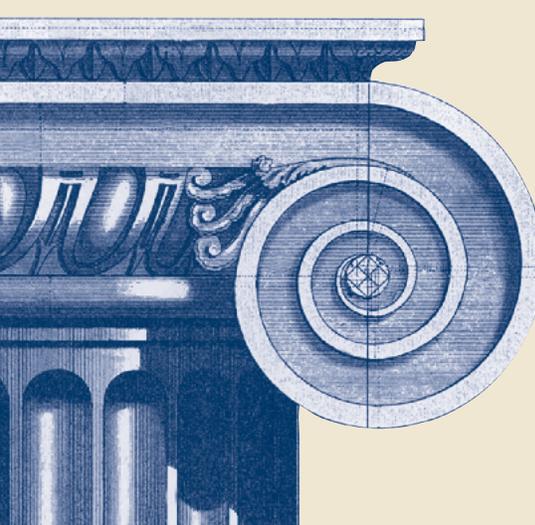
#### PRODUCTION MANAGER

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#### EDITORIAL ASSISTANT

Sarah Jordan Rosenson

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