



Pennsylvania Department of the

# AUDITOR GENERAL

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## News for Immediate Release

Feb. 1, 2019

### **Audit Leads to More Criminal Charges in Scranton School District**

#### ***Investigation started after audit found abuse of public trust***

**HARRISBURG** – Auditor General Eugene DePasquale issued the following statement about the felony charge filed today against the former Scranton School District superintendent of finance:

“Charges filed today against the former Scranton School District business manager are more proof that the excellent work of my audit team uncovered a financial mess that was threatening the educational future of Scranton students.

“It’s clear the corruption we discovered affected student education by taking at least \$1 million in taxpayer funds out of the classroom, causing teacher furloughs, and cutting back programs such as art and music.

“I commend Attorney General Shapiro for swiftly taking action on my audit findings. Collectively, we are using our resources to weed out corruption, stop this abuse of tax dollars and to help restore public confidence.

“The district has a long way to go, but removing and holding accountable the bad actors who sought to enrich themselves at the expense of students is a step in the right direction.

“I will continue to fight for the students and taxpayers who are paying the price for a corrupt few.”

“As I heard loud and clear at my recent town hall meeting, the good people of Scranton want school district leaders focused on educating our children, not lining their pockets or serving their own selfish interests.”

The [107-page audit](#), released in October 2017, contains 38 recommendations and nine findings, including:

- Over 12 years, the district circumvented payment procedures, improperly provided health benefits, and failed to issue required Internal Revenue Service and Pennsylvania Department of Revenue tax documents for a mechanic performing services as a non-employee of the district.
- Between 2010 and 2016 the district paid the mechanic \$672,321. Payments to the mechanic for 2005 through 2009 could not be determined because district officials said those records were unavailable beyond the seven year retention period.
- Auditors also found that the mechanic submitted vague invoices for payment directly to the district’s business manager, instead of through the maintenance office, which could have documented that the services were indeed completed. Purchase orders were prepared by the chief financial officer after the invoices were submitted to the district.

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