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# AUDITOR GENERAL

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## News for Immediate Release

Feb. 21, 2019

### **Auditor General DePasquale Seeks Accountability on Scranton School District Recovery Committee to Avoid Nepotism, Conflict of Interest**

**HARRISBURG** – Auditor General Eugene DePasquale today issued the following statement about the selection of Dr. Candis Finan as chief recovery officer for the Scranton School District and the pending appointment of the district’s financial recovery advisory committee:

“District officials should welcome Dr. Finan’s arrival and view the beginning of this financial recovery process as an opportunity to put the past behind them and focus on what matters most — educating Scranton’s 10,000 public school students, and all of the children who will follow.

“As the Scranton school board decides who to appoint to the financial recovery advisory committee, I want to remind the directors that the financial recovery process must be a turning point. Selecting the advisory committee members is a critical step in the recovery process.

“It is imperative that the committee be free of nepotism and conflicts of interest. Appointees should not be considered if they have immediate family members employed by the district or if they have previously served on the Scranton school board.

“I will be in Scranton next month to share and discuss my recommendations for the district’s recovery plan. I appreciate all of the teachers, support staff, parents, students, and citizens who shared their ideas for how to move the district forward. I’ve been taking your comments into consideration and look forward to continuing our discussion.”

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**EDITOR’S NOTE:** School district advisory committees are governed by [Public School Code \(PSC\)](#) Section 654-A:

**(a) Establishment.**

- (1) Within ten days after a school district to which this subdivision applies is declared to be in financial recovery status under section 621-A, the board of school directors shall establish an advisory committee to meet and consult with the chief recovery officer or receiver in carrying out the duties of the chief recovery officer or receiver under this article.
- (2) The sole function of the advisory committee shall be to provide recommendations and feedback to the chief recovery officer or receiver on the development and implementation of the financial recovery plan.

**(b) Composition.** The advisory committee established under subsection (a) shall consist of:

- (1) The following members appointed by the board of school directors:
  - (i) Two members of the board of school directors.
  - (ii) One principal employed by the school district.
  - (iii) One business official employed by the school district.

(2) The following members appointed by the intermediate unit of which the school district is a member:

- (i) One employee of the intermediate unit.
- (ii) One representative of a charter school or cyber charter school in which students residing in the school district are enrolled.
- (iii) One special education advocate.
- (iv) One superintendent, school director or business official of an adjoining school district.
- (v) Two residents of the school district.

(3) One teacher appointed by the employee organization that represents teachers employed by the school district.

(4) The superintendent of the school district.

**(c) Compensation prohibited.** Members of the advisory committee shall receive no compensation for their services.

**(d) Meetings.** The advisory committee shall meet with the chief recovery officer or receiver at least monthly to discuss the development or implementation of the financial recovery plan. Meetings of the advisory committee shall be in accordance with 65 Pa.C.S. Ch. 7 (relating to open meetings).