



**DECLARATION OF TERMINATION OF MODERATE FINANCIAL RECOVERY  
STATUS UNDER SECTION 624-A OF THE PENNSYLVANIA PUBLIC SCHOOL  
CODE**

I, Eric Hagarty, Acting Secretary of Education, state and declare that I have reviewed Scranton School District's ("District") progress under the District's Financial Recovery Plan pursuant to Article VI-A of the Pennsylvania Public School Code ("School Code"), 24 P.S. §6-601-A, *et seq.*, and,

**WHEREAS**, Pursuant to section 621-A of the School Code, 24 P.S. §6-621-A, the District was designated as being in Moderate Financial Recovery Status by then-Secretary of Education, Pedro Rivera, on January 16, 2019; and

**WHEREAS**, The District's Financial Recovery Plan, developed by Chief Recovery Officer ("CRO") Candis M. Finan, Ed.D. ("Dr. Finan"), was approved by then-Secretary of Education, Pedro Rivera, on August 29, 2019.

**WHEREAS**, Amendments to the District's Financial Recovery Plan were approved by Acting Secretary of Education, Eric Hagarty, on January 5, 2023; and

**WHEREAS**, The Pennsylvania Department of Education ("PDE") has provided the District with ongoing technical assistance regarding the District's financial and academic challenges including consultation with financial consultant, Public Financial Management Advisors, LLC, ("PFM"); and

**WHEREAS**, Dr. Finan and the District's administration, elected board of school directors, educators, and other school staff have worked diligently as a school community to improve the District's financial and academic health; and

**WHEREAS**, A school district's financial recovery status may be terminated if the district has satisfied and continues to satisfy criteria for termination ("Exit Criteria") as set forth in section 641-A(9) of the School Code, 24 P.S. §6-641-A(9), and the district's financial recovery plan; and

STATEMENT OF FACTS

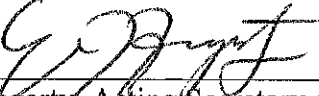
In accordance with section 624-A of the School Code, 24 P.S. §624-A, I hereby declare and find as follows:

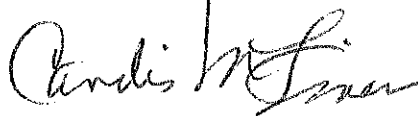
1. PDE, in conjunction with the CRO, has reviewed the District's financial and academic progress under the District's Financial Recovery Plan, including the District's progress in meeting the Exit Criteria set forth in section 641-A(9) of the School Code, 24 P.S. §6-649-A(9), and the District's Financial Recovery Plan.

2. The District has achieved financial stability by maintaining a positive fund balance of at least five percent of annual revenues for two successive years and, concluded two successive years with positive annual financial results, both as reported in the District's audited annual financial statements.
3. The District has not requested an advance of its basic education subsidy in the previous two years.
4. All teacher and other employee salaries are paid on time.
5. The District is not in default on any bonds, notes or lease rentals and is not subject to withholding under section 633 of the School Code, 24 P.S. § 6-633.
6. After reviewing the District's progress based on an analysis of the criteria for determination of recovery status established in regulations promulgated under section 621-A(a)(2) of the School Code, 24 P.S. § 6-621-A(a)(2), the Department has determined that the District's progress is satisfactory.
7. The District is expected to be able to maintain financial stability and continue to provide funds to support programs and initiatives contained within the District's Financial Recovery Plan.
8. The District has shown significant progress towards the academic goals set forth in its Financial Recovery Plan.
  - a. The District has established the comprehensive systems and processes necessary to increase K-12 student achievement and establish evidence-based practices to support student success.
  - b. The District has increased graduation rates for Scranton High School and West Scranton High School.
  - c. The District has increased student opportunities for college and career preparation.
9. Following the termination of the District's Financial Recovery Status, pursuant to section 625-A of the School Code, 24 P.S. §6-625-A, the CRO and PDE shall oversee the District's board of school directors for five (5) years to ensure financial stability is maintained.
10. During the five-year oversight period, PDE will oversee the District's board of school directors to ensure the initiatives of the Financial Recovery Plan continue to be implemented to ensure sustainability of the progress thus far achieved.

**NOW, THEREFORE**, in consideration of the facts and findings described herein, and, having made the determination that the District has satisfied and continues to satisfy the criteria for termination of financial recovery status pursuant to section 641-A(9) of the School Code, 24 P.S. §641-A(9), I hereby Declare:

The Scranton School District shall be removed from the designation of Moderate Financial Recovery Status on this, the 10th day of January 2023.

  
Eric Hagarty, Acting Secretary of Education  
Commonwealth of Pennsylvania

  
Candis M. Finan, Ed.D., Chief Recovery Officer  
Scranton School District