## **DECLARATION OF FINANCIAL RECOVERY STATUS**

## FOR THE STEELTON-HIGHSPIRE SCHOOL DISTRICT

- I, Carrie Rowe, Acting Secretary of Education of the Pennsylvania Department of Education ("Department"), state and declare that I am aware of the financial condition of the Steelton-Highspire School District ("District"), the administrative practices of the elected board of school directors, and other pertinent matters concerning the District; and
- 1. **WHEREAS**, on March 15, 2013, the Department placed the District in Financial Watch Status pursuant to section 611-A of the Public School Code of 1949 ("School Code"), 24

  P.S. § 6-611-A; *see also* 22 Pa. Code § 731.2, based on a number of indicators that evidenced the District was experiencing financial difficulty;
- 2. **WHEREAS**, based upon the District's Financial Watch Status, the Department has been providing technical assistance to the District related to financial and budgetary matters;
- 3. **WHEREAS**, on March 11, 2025, Angela Fitterer, Executive Deputy Secretary of the Pennsylvania Department of Education, issued a Preliminary Declaration of Financial Recovery Status ("Preliminary Declaration") to the District and the District was afforded an opportunity to respond to the Preliminary Declaration and request a hearing on or before March 21, 2025;
- 4. **WHEREAS**, the District did not respond to the Preliminary Declaration and did not request a hearing;
- 5. **WHEREAS**, section 621-A of the School Code grants the Department through the Acting Secretary the authority to issue a declaration of Financial Recovery status after proper investigation of the District's financial condition, the administrative practices of the board of school directors, and such other matters deemed appropriate by the Department.

- 6. WHEREAS, the State Board of Education promulgated regulations establishing criteria which the Secretary of Education may consider in determining whether to issue a declaration that a school district is in Financial Recovery Status and whether a school district in Financial Recovery Status shall be deemed a Moderate Financial Recovery School District or a Severe Financial Recovery School District, 22 Pa. Code §§ 18.5, 18.7;
- 7. **WHEREAS**, based upon the most recently available public information, the District meets criteria to be placed in Financial Recovery Status pursuant to 22 Pa. Code § 18.5, including:
  - A. The District's unreserved fund balance has declined for three consecutive years and is less than five percent of the District's annual expenditures.
  - B. The District's assigned and unassigned total fund balance is less than zero in the school district's general fund.
  - C. The District's assigned and unassigned total fund balance in the school district's general fund as a percentage of total expenditures is less than three percent.
  - D. The District experienced a deficit of three percent or more for three consecutive school years, resulting in a reduction of unassigned fund balance each year.
  - E. The assessed valuation of taxable real estate in the school district, as certified by the State Tax Equalization Board, has not increased over the previous 5 years.
- 8. **WHEREAS**, there is no indication that the District is unable, or is reasonably unlikely, to be able to fulfill the 180 days of instruction for pupils requirement of section 1501 of the Public School Code of 1949, 24 P.S. § 15-1501;
- 9. **NOW, THEREFORE**, on this 24<sup>th</sup> day of March 2025, in consideration of the above facts and the criteria for the issuance of a declaration of Financial Recovery Status, I make the following declaration:

**AND NOW**, the Steelton-Highspire School District is in Financial Recovery Status as defined in section 621-A of the School Code and section 18.5 of Title 22 of the Pennsylvania Code, 24 P.S. § 6-621-A; 22 Pa. Code § 18.5, and is subject to the provisions of Article VI-A of the School

Code that apply to Moderate Financial Recovery School Districts as defined in section 651-A, 24

P.S. § 6-651-A.

Date Mailed: March 25, 2025

Carrie Rowe, Ed.D.

Acting Secretary of Education