

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF EDUCATION

December 26, 2017

Joyce Wilkerson, Chair  
School Reform Commission  
School District of Philadelphia  
Education Center, Suite 101  
440 N. Broad St.  
Philadelphia, PA 19130

Re: Declaration to Dissolve the School Reform Commission and Rescission of the  
Declaration of Distressed School District Status

Dear Ms. Wilkerson,

I am in receipt of the resolution of the School Reform Commission for the School District of Philadelphia (SRC) dated November 16, 2017, and the accompanying documentation recommending dissolution of the SRC and rescission of the distressed school district status for the School District of Philadelphia (District) pursuant to Section 696(n) of the Public School Code, 24 P.S. § 6-696(n). At my behest, the Pennsylvania Department of Education (PDE) requested additional information from the District and the City of Philadelphia and conducted a comprehensive review in order to facilitate my deliberation on the SRC's recommendation.

Based upon the review of the SRC's recommendations and the information available to PDE, I approve the dissolution of the SRC and rescind the declaration of distressed school district status effective June 30, 2018. Enclosed is a copy of the declaration.

While I commend the SRC and the District for its work to improve the academic and financial condition of the District, I am also aware that the mayorally-appointed Board of Education will continue to face many challenges as it becomes the governing authority for the District, including addressing the District's projected deficit. However, the Mayor's public commitment to fulfilling the District's financial needs once local control is restored was an important factor in my decision, and I must also be sensitive to the fact that a significant portion of the expenditures that could impact upon the District's financial health – including pensions, health benefits, and charter school tuition costs – are outside of the District's immediate control and are the same challenges faced by districts across Pennsylvania. Moreover, I have no evidence upon which I could conclude that continuing the SRC's control of the District will improve its ability to address these challenges. Indeed, I put considerable weight on the representations of the SRC, the District's administrative leadership, and Mayor Kenney, City Council, and other City leadership that control of the District by a local Board of Education will increase opportunities for collaboration by local officials in order to address the potential deficit and other challenges.

I thank you and the other commission members for your dedication and commitment to the District, and for your support of the Board of Education, once appointed, to ensure a seamless transition of responsibility and authority.

Sincerely,

A handwritten signature in cursive script, appearing to read "Pedro A. Rivera".

Pedro A. Rivera  
Secretary

Enclosure

cc: Jim Kenney, Mayor, City of Philadelphia  
James Engler, Esq., Deputy Mayor, City of Philadelphia  
Dr. William R. Hite, Jr., Superintendent, School District of Philadelphia  
Claire Landau, Chief of Staff, School Reform Commission  
Lynn R. Rauch, General Counsel, School District of Philadelphia

**DECLARATION TO DISSOLVE THE SCHOOL REFORM COMMISSION  
AND RESCISSION OF THE DECLARATION OF DISTRESSED SCHOOL DISTRICT STATUS**

WHEREAS, the School Reform Commission (SRC) has governed the School District of Philadelphia (District) since December 22, 2001, when the District was declared distressed pursuant to section 691(c) of the Public School Code of 1949, 24 P.S. § 6-691(c); and

WHEREAS, pursuant to section 696(n) of the Public School Code of 1949, 24 P.S. § 6-696(n), the SRC adopted a resolution recommending dissolution of the SRC and rescission of the declaration of distress by a majority vote on November 16, 2017 (SRC-3, *As Amended*); and

WHEREAS, I, Pedro A. Rivera, Secretary of Education of the Commonwealth of Pennsylvania, have directed the Pennsylvania Department of Education (PDE) to engage in a review of the recommendations of the SRC; and

WHEREAS, PDE requested and received additional documentation and information to support the resolution from the District and the City of Philadelphia (City); and

WHEREAS, PDE's review indicates that the District and the City have developed an appropriate plan to transition control from the SRC to a locally-appointed Board of Education (Board) in accordance with the Philadelphia Home Rule Charter. Specifically, the transition plan provides that:

- A. The Mayor will appoint an Education Nominating Panel, as well as create an open and transparent process for selecting Board members.
- B. That Board members will receive training, attend SRC action meetings, and form committees to ensure a smooth transition from the SRC to the Board.
- C. The Board will be ready to govern the District when the SRC officially dissolves; and

WHEREAS, PDE's review indicates that the District has made financial and academic improvements during the tenure of the SRC; and

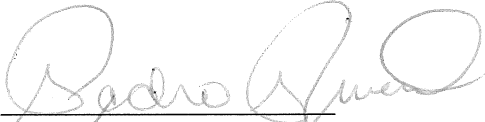
WHEREAS, the District has provided assurance that the dissolution of the SRC will not have a negative impact on the District's organization, staffing patterns, and instructional programs; and

WHEREAS, the City has increased its local support of the District by obtaining additional, recurring local revenue such as the Cigarette Tax and the Additional Sales and Use Tax; and

WHEREAS, the City and District determined that the return of local control is needed to increase local investment by the City and increase accountability of the District's governing body and the Mayor has publicly committed to fulfilling the District's financial needs once local control is restored; and

WHEREAS, PDE's review indicates that the District no longer meets the factors for distress under section 691 of the Public School Code of 1949, 24 P.S. § 6-691.

NOW THEREFORE, in consideration of the above, I make the following declaration: Pursuant to section 696(n) of the Public School Code of 1949, 24 P.S. § 6-696(n), this 26<sup>th</sup> day of December 2017, I approve the dissolution of the School Reform Commission and rescind the declaration of distressed school district status effective June 30, 2018.

  
Pedro A. Rivera, Secretary  
Pennsylvania Department of Education