

A RESOLUTION

Urging the Auditor General of the Commonwealth, with the assistance of the City Controller of Philadelphia, to conduct a forensic audit of the School District of Philadelphia to provide a greater degree of transparency into the District's finances, particularly the expenditure of federal, state and city funding, and to require a report disseminating the findings of the audit.

WHEREAS, The School District of Philadelphia's finances appear to reflect a gap between revenues and expenses that will continue to grow if left uncorrected; and

WHEREAS, The school district's expenditures have outpaced revenues, requiring significant reductions in services to students; and

WHEREAS, In addition to \$120 million from the enactment of the City of Philadelphia's sales tax, the District has requested \$320 million from the state, the city and labor partners to enable the transformation of Philadelphia schools; and

WHEREAS, The school district reports that without \$96 million in new funding, it will be forced to make \$148 million in expenditure reductions including class sizes, school police, transportation services, special education, facilities and alternative education; and

WHEREAS, In addition to the operating budget, the district will receive federal, state and city funds this Fiscal Year 2013-2014; and

WHEREAS, The Legislature cannot in good conscience continue to spend increasing amounts of taxpayer money on the School District of Philadelphia without a greater level of accountability regarding how the district and School Reform Commission spends the funding it receives; and

WHEREAS, The General Assembly must receive more detailed information regarding the school district's finances including, but not limited to, its expenditure of federal, state and city funds; therefore be it

RESOLVED, That the House of Representatives urges the Auditor General of the Commonwealth, with the assistance of the City Controller of Philadelphia, to conduct a forensic audit of the School District of Philadelphia to provide a complete picture of the district's finances, expenditures and use of funds and grants during fiscal years 2008-09, 2009-10, 2010-11, 2011-12 and 2012-13; and be it further

RESOLVED, That the forensic audit address any improprieties, negligence or misuse of such funds; and be it further

RESOLVED, That the Auditor General, with the assistance of the City Controller of Philadelphia, make a report with findings and recommendations, to aid in fixing the school district's current fiscal crisis, and submit the report to the General Assembly within six months of the adoption of this resolution.