STATE BOARD OF EDUCATION

In re: SPRINGFIELD SCHOOL DISTRICT: PETITION TO WITHDRAW AS A :

SPONSOR OF THE DELAWARE COUNTY:

COMMUNITY COLLEGE

RECEIVED

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PA. STATE BOARD
OF EDUCATION

Petitioner

PETITION TO WITHDRAW AS A SPONSOR OF THE DELAWARE COUNTY COMMUNITY COLLEGE

Pursuant to 24 P.S. §19-1910-A of the Pennsylvania School Code, the Springfield School District, by and through its undersigned counsel, hereby files this Petition to Withdraw as a Sponsor of the Delaware County Community College, and, in support thereof, avers as follows:

- Petitioner, Springfield School District (hereinafter referred to as "SSD"), is a
 public school district, located at 200 South Rolling Road, Springfield, Delaware
 County, Pennsylvania, 19064.
- 2. On December 31, 1966, 21 Delaware County school districts, including SSD, entered into an agreement to become sponsors of the Delaware County Community College (hereinafter referred to as "DCCC"). A true and correct copy of the December 31, 1966 Sponsorship Agreement is attached hereto as Exhibit "A." 1

¹ Since that date, at least one school district has become a sponsor, that being Chester-Upland School District, which spent \$4 million to buy-in to sponsorship consortium and now spends approximately \$250,000 in an annual sponsorship fee.
[1641760/1]

- 3. This agreement required, *inter alia*, those sponsoring school districts to contribute annually to the operation of the DCCC.
- 4. For the 2022-2023 school year, sponsorship contributions equate to roughly 10% of total DCCC revenue, including tuition, state appropriations, grants and contracts, and all other income.
- 5. For the 2021-2022 school year, SSD paid \$740,628 to the DCCC, which amount represents 8.63% of the total support provided by participating Delaware County schools.
- 6. For the 2022-2023 school year, SSD is scheduled to pay \$740,446 to the DCCC, which amount represents 8.55% of the total support provided by participating Delaware County schools. This amount represents just under 1% of SSD's expenditures.
- 7. Certain benefits are bestowed to citizens of sponsoring school districts, including a 50% reduction in tuition for students residing in sponsoring school districts, as compared to non-sponsoring school districts.
- 8. In 2022-2023, students who resided within the limits of the Springfield School District and who attended DCCC saved \$233,149 as a result of the decreased tuition offered to residents of sponsoring school districts.
- 9. Continuing to participate as a sponsor has become financially burdensome for SSD; to that end, SSD hereby seeks to withdraw as a sponsor of DCCC.
- 10. No school district or municipality that is a local sponsor, or a part of a local sponsor, may withdraw its sponsorship from a community college; nor may any community college be disestablished without the approval of the State Board of (1641760/1)

- Education ("BOE"). 24 P.S. §19-1910-A.
- 11. Prior to the filing of this Petition, SSD has met with representatives of DCCC to attempt to address SSD's concerns and find an amicable solution—however, SSD was unsuccessful in this attempt.
- 12. Prior to the filing of the instant Petition, SSD has met with representative of Delaware County Council to attempt to address SSD's concerns and find an amicable solution—however, SSD was also unsuccessful in this attempt.
- 13. For the 2022-2023 school year, comparing the \$740,446 SSD paid as an annual sponsorship fee to the \$233,149 in savings appreciated by students who lived within the limits of Springfield School District and who attended DCCC yielded a negative variance of \$507,297.
- 14. In short, SSD is losing hundreds of thousands of dollars per year as a result of its participation in the Sponsorship Agreement.
- 15. The \$740,446 paid by SSD to DCCC represents just under 1% of SSD's budget/expenditures.
- 16. At the time the Sponsorship Agreement was entered into (in 1966), the Act 1 Index was not in effect, and school districts had the absolute right to tax properties to make up budget deficits.
- 17. Now, school districts can only tax up to the applicable, annual Act 1 Index, subject to any applicable exceptions to the Act 1 process.
- 18. The Sponsorship Agreement has been financially burdensome for SSD particularly over the last decade, when SSD constructed a new high school and weathered challenges associated with the COVID pandemic.

19. SSD has raised the Millage rate every year for the past two decades.

20. The average millage rate increase over the past twenty years if 3.5%.

21. Although the Act 1 Index was not implemented until the 2006/2007 fiscal year,

the average of the Act 1 Index over the past fifteen years is 2.62% (the average

millage increase for the last fifteen years is 2.61%, almost the exact amount

permissible under state law).

22. It is SSD's intent to use the funds in a way that more appropriately benefits K-

12 students attending SSD.

WHEREFORE, the Springfield School District respectfully asks the State Board

to establish a committee to conduct proceedings and to issue a report to the full Board

of Education recommending approval of the Withdrawal of Sponsorship relative to the

instant Petition.

Respectfully submitted.

By:

Matthew J. Bilker, Esquire

PA I.D. No.: 311284

ECKELL, SPARKS, LEVY, AUERBACH, MONTE,

SLOANE, MATTHEWS & AUSLANDER, P.C.

300 West State Street, Ste. 300

Media, PA 19063

Phone: 610-565-3700

Fax: 610-565-1596

mbilker@eckellsparks.com

Attorney for Petitioner

EXHIBIT A

AGREEMENT AND PLAN OF SPONSORSHIP AND ESTABLISHMENT OF THE COMMUNITY COLLEGE OF DELAWARE COUNTY

ARTICIES OF AGREEMENT made and entered into this 314.

day of December A.D. 1966, by and between certain School Systems and School Districts of Deleware County, Pennsylvania, which are parties signatory hereto, and which are hereinafter referred to as "SCHOOL DISTRICTS."

WITNESSETH:

WHEREAS the Boards of School Directors of said School Districts desire to provide the best possible educational opportunity for the pupils of their Districts and in Delaware County; and

WHEREAS, it has been ascertained that there is a definite need for the establishment of a Community College in Delaware County; and

WHEREAS, said School Districts have agreed to undertake the sponsorship of a Community College in Delaware County; and

WHEREAS, said School Districts have prepared and approved the plan for a Community College as herein set forth and join in seeking the approval of the same by the State Board of Education in accordance with the provisions of the "Community College Act of 1963" as amended and supplemented. (Act of 1963 Aug. 24, P.L. 1132 as amended)

NOW, THEREFORE, IT IS ACREED between and among the respective School Districts signatory hereto as follows:

- 1. The SCHOOL DISTRICTS do hereby approve the plan for a Community College in Delaware County and do hereby agree to jointly submit said plan to the State Board of Education for its approval. The name of the proposed Community College shall be the "COMMUNITY COLLEGE OF DELAWARE COUNTY."
- 2. The affairs of the Community College as herein provided shall be administered and supervised by a Board of Trustees, fifteen (15) in number. Said Trustees shall have all the powers vested in the Board of Trustees of a Community College as provided in the Community College Act of 1963 as amended, and they shall be elected in the manner provided in said Act.

- 3. The SCHOOL DISTRICTS shall, before the commencement of each fiscal year, adopt and approve a budget, including both operating costs and capital expenses for the Community College for the ensuing fiscal year. Each fiscal year shall end June 30.
- 4. Every year during the time this agreement is in effect, each of the SCHOOL DISTRICTS shall pay to the Trustees of the Community College its proportionate share of the operating and capital costs, to be expended by the Trustees and which do not exceed the amounts contained in the budget of the Community College adopted and approved by the SCHOOL DISTRICTS. Each district's proportionate share of the operating costs and capital costs shall be based on the ratio that its market valuation of real estate (as determined by the most recent figures of the State Tax Equalization Board) bears to the total market valuation of all real estate of all of the SCHOOL DISTRICTS parties signatory hereto (as determined by the most recent figures of the State Tax Equalization Board). It is understood and agreed that operating costs shall be furnished as follows:
 - (a) One-third (1/3) thereof by the Commonwealth of Pennsylvania up to a maximum contribution of \$333.33.
 - (b) One-third (1/3) thereof by the resident pupil attending the college, and the charge made to each resident pupil shall be known as the normal tuition charge and shall be computed according to law and to the policies, standard rules and regulations of the State Board of Education.
 - (c) The balance thereof by the School Districts, provided, however, that in the case of a pupil who is not a resident of a school district which is a local sponsor, such non-resident pupil shall pay twice the normal tuition charge plus such additional amounts, including but not limited to the sharing of capital costs as the Local Sponsors and the Trustees may assess in accordance with the rules and regulations of the State Board of Education.

It is understood and agreed that capital expenses, exclusive of monies received from the United States Government, shall be furnished one-half by the SCHOOL DISTRICTS and one-half by the Commonwealth of Pennsylvania.

5. In adopting and approving the annual budget, the SCKOOL DISTRICTS shall act severally at their respective board

meetings and certify the results thereof to the Trustees. The budget shall be approved and adopted by a vote of two-thirds of all of the constituent Boards. The vote of any constituent Board shall be determined by a majority vote of all of the School Directors comprising such constituent Board. In addition, approval of the budget shall require a majority vote of all of the School Directors of all of the constituent Boards. It is hereby agreed that the budgets so approved and adopted shall be binding upon each such School District notwithstanding that a particular District or Districts may have voted against approving and adopting the same.

- 6. The Board of School Directors of each School District does hereby agree to annually levy taxes on subjects of taxation as prescribed by law in such School District, for the purposes of establishing, operating and maintaining the Community College, as herein provided, and within the limitations set forth in the Community College Act of 1963, as amended and supplemented.
- 7. Each of the constituent Districts does hereby agree to make equal quarterly advance payments to the Trustees on account of its proportionate share of net operating and capital costs as based on estimated figures. At the end of each fiscal year, an adjustment of accounts of the Trustees shall be made, at which time the actual cost of the said Community College shall be determined, and the amount of actual contributions and shares of required funds and proportionate part of said cost of said Community College due from each District shall be determined. If any of the said constituent Districts may have contributed more than its proper share of the said costs, the same shall be credited to next year's cost and any amount due by any of said Districts shall be forthwith paid by the School District to the Trustees.
- 6. SCHOOL DISTRICTS do hereby agree to cooperate in the borrowing of necessary capital funds from the State Public School Building Authority or from a Municipality Authority to be formed for the purpose of acquiring, building and operating facilities for the Community College of Delaware County.
- 9. It is understood and agreed that this agreement shall become effective, if by December 31, 1966, Resolutions shall have been adopted by School Districts representing at least fifty per cent (50%) of the total market valuation of Delaware County, as determined by the 18th Annual Certification of the Pennsylvania State Tax Equalization Board of June 30, 1966, and also by Districts representing at least fifty per cent (50%) of the total general population of Delaware County as determined by the last decennial census. In case a sufficient number of districts in accordance with the foregoing conditions have not so approved, this agreement shall become null and void; provided, however, that nothing herein shall prevent districts which had approved to con-

sider alternative proposals based on revised estimates for their districts, after which time such Districts may decide to approve a new agreement or decline to do so.

10. This agreement shall become effective upon approval of the State Board of Education and the election of a Board of Trustees according to law, and shall remain in effect until all obligations incurred by the constituent Boards in financing the construction of a Community College, and all obligations of any Authority created in connection therewith or in the financing of any subsequent capital expenditures shall have been paid in full. Thereafter, the term of this agreement may be extended as agreed by the parties.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have caused this agreement to be signed by the respective Presidents or Vice Presidents and attested by the respective Secretaries or Assistant Secretaries, and their corporate seels affixed as of the day and year first above written,

BOARD OF SCHOOL DIRECTORS OF THE BOROUGH OF ALDAN

BOARD OF SCHOOL DIRECTORS OF THE TOWNSHIP OF BETHEL

By Maylla Land

BOARD OF SCHOOL DIRECTORS OF THE BOROUGH OF CLIFTON HEIGHTS

Attest flavord Milly Just By

BOARD OF SCHOOL DIRECTORS OF THE BOROUGH OF COLWYN

BOARD OF SCHOOL DIRECTORS OF THE BOROUGH OF DARBY

Attest Hannah V. atking By Man J. Terroch & President BOARD OF SCHOOL DIRECTORS OF THE BOROUGH OF EAST LANSDOWNE Attest Fullwick & Records By Whin J. Still
Secretary By Whin J. Riells
President BOARD OF SCHOOL DIRECTORS OF THE BOROUGH OF GLENOLDEN Attest Secretary By His Alling President BOARD OF SCHOOL DIRECTORS OF THE TOWNSHIP OF HAVERFORD Attest Claccood Checken By Jan 1911 BOARD OF SCHOOL DIRECTORS OF THE BOROUGH OF LANSDOWNE Attest Miligaret Missel By Robert M. Secretary President BOARD OF SCHOOL DIRECTORS OF THE BOROUGH OF WORTON .

| | Attest Red C, Bulland Secretary | By Menn Hows President |
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| BOARD | of school directors of the Borol Attest . A Lamusha Mr. Secrepary | / . |
| BOARD | OF SCHOOL DIRECTORS OF THE TOWNS Attest Manda / Secretary | |
| BOARD | OF SCHOOL DIRECTORS OF THE RIDLE Attest | |
| BOARD | OF SCHOOL DIRECTORS OF THE ROSE Attest Landen Secretary | |

BOARD OF SCHOOL DIRECTORS OF THE BOROUGH OF SHARON HILL

BOARD OF SCHOOL DIRECTORS OF THE SWARTHMORE-RUTLEDGE UNION SCHOOL DISTRICT Attest John Willy for many By Will fill Secretary BOARD OF SCHOOL DIRECTORS OF THE TOWNSHIP OF SPRINGFIELD Attest Chairet Susces By Ribert D. Carton President BOARD OF SCHOOL DIRECTORS OF THE TOWNSHIP OF UPPER DARBY BOARD OF SCHOOL DIRECTORS OF THE BOROUGH OF YEADON

BOARD OF SCHOOL DIRECTORS OF THE BOROUGH OF COLLINGDALE

Attest John Willer outer By Myand C. Sandhock President

BOARD OF SCHOOL DIRECTORS OF THE BOROUGH OF PROSPECT PARK

Attest Helen Kurberford By Vayden Machanic President