

# **Bond Case Briefs**

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## **SCHOOL FINANCE - PENNSYLVANIA**

### **Pocono Mountain School District v. Pennsylvania Department of Education**

**Supreme Court of Pennsylvania - December 28, 2016 - A.3d - 2016 WL 7449250**

School district sought review of decision of the Pennsylvania Department of Education, No. EDU-2014-SLAP-000176, deducting \$87,700.32 from district's basic education salary due to charter school/s failure to make mandatory payments to Public School Employees' Retirement System (PSERS).

The Commonwealth Court affirmed. District sought discretionary appeal, which was granted.

The Supreme Court of Pennsylvania held that school district that originally approved creation of charter school was not financially responsible, after revocation of charter, for school's prior failure to make payments to its employees' retirement fund.

Unpaid retirement contributions constituted "outstanding obligation of a closed charter school," and therefore school district that originally approved the creation of a charter school was not financially responsible, after the revocation of the charter, for the charter school's prior failure to make payments to its employees' retirement fund. Charter school was statutorily required to make payments to Public School Employees' Retirement System (PSERS).