



**LOUIS J. ALIOTA, MS, R.PH.**



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January 31, 2013

Honorable Ron Tomalis  
Secretary  
Pennsylvania Department of Education  
Harristown 2 - 10th Floor  
Harrisburg 17126-0333

OFFICIAL  
CITIZEN COMPLAINT  
& HEARING  
REQUEST

Dear Secretary Tomalis:

In accordance to Pennsylvania Department of Education, Division of School Facilities, Citizen Complaint And Hearing Procedures as stated in Public School Code 24 P.S. § 7-731, and on behalf of 200 taxpayers' signatures, approximately 2,100 plus additional taxpayers, as indicated by their involvement/participation with social media's Facebook® page "[No New McDowell](#)" and an additional 500 signatures on both an on-line petition and paper petitions, we are respectfully requesting the Secretary, Department of Education, to convene a board or committee to investigate all financial discrepancies, in a comprehensive manner, relative to Millcreek Township School District's (MTSD) proposed PlanCon application for the construction project and all pecuniary and non-pecuniary circumstances pertaining to all management issues, in addition to any violation(s) of the School Code or any other Commonwealth of Pennsylvania or Federal laws, statutes or regulations which may be uncovered during the investigation prior to "any" construction or bid process to go forth by the MTSD.

We are asking for a full examination of all documents, procedures, processes, legal interpretations of contracts, laws, statutes, regulations, etc. to determine the legitimacy of the proposed school construction project initiated by Superintendent, Michael Golde, (presently on "personal administrative" leave) and approved by the Millcreek Township School Board in Millcreek Township, Erie County, PA.

Mr. William Hall is the current Assistant Superintendent functioning in the capacity of an Interim / Acting Superintendent.

*On July 23, 2012 a letter was sent to your office requesting your assistance in the proposed construction project. We followed all prescribed policy and procedures as indicated by your response.*

*This is a follow-up of previous correspondences with examples of questionable financial activities, construction and monetary expenditures approved by the School Board and executed by appointed employees of the School District. This is in addition to organizational management issues.*

*The taxpayers of Millcreek Township have represented themselves in "good faith" to all members of the District, School Board, Superintendent and Solicitor. Taxpayers did not receive same. There was a lack of communication, cooperativeness and respect from the Board, District officials and the Solicitor(s).*

*Since we, taxpayers and residents pay the salaries and the debt of our School District, have taken and exhausted all internal local steps to negotiate with the District and the Board which has resulted in no positive outcome from the elected and appointed officials, we are now mobilizing externally to request a comprehensive financial and organizational review of all records of the School District.*

*By the above statement, we have utilized the proper procedures as delineated in MTSD's Policy #906 Section: - "Community" - Title - "Public Complaints" dated February 21,, 1983 revised November 27, 1995 which met with resistance and opposition. It is also appalling that a Pennsylvania Public School District's policy and procedures are not reviewed at the least once every 2-3 years. This is performed in all healthcare facilities, by regulation, from accrediting agencies. Eighteen years since it was last reviewed is not performing in the duties and responsibilities of all appointed management officials and is a dereliction of duty.*

*When I asked both Superintendent Golde and the School Board Members, at a School Committee Meeting, in September 2012 relative to the MTSD's Policy #905 Section: - "Community" - Title - "Citizen Advisory Committees" dated February 21, 1983; "Is there or was there committee(s) of concerned parents and/or resident/taxpayers?" , there was silence and no one knew what the status of this policy.*

*This issue reveals a lack of administrative responsibility and accountability of Superintendent Golde in his performance to the School District and the community since the document has never been revised, updated or implemented in 30 years and more specifically during his tenure. If this is a reflection of other school districts, of which there are 500 plus in the Exceptional Commonwealth of Pennsylvania, someone should be more than embarrassed, maybe terminated. We believe there are a lack of leadership and dereliction of duty by officials of the School District.*



*We are asking you to intercede for us in addressing issues that have not been answered by our elected School Board Members, Superintendent, and the Solicitors, Knox McLaughlin Gornall & Sennett Law Firm, P.C., by placing the "approved construction proposals" by the MTSD Board plans to spend \$93 plus million dollars on hold / abeyance / suspension until such time that a full assessment and investigation in the conformance to the protocols, regulations, statutes and guidelines developed and promulgated by the Pennsylvania Department of Education, state and federal laws are met by the MTSD, in addition to the financial management of all monetary transactions for the past 5 years by all elected and appointed employees, including the solicitor, et. al. of the MTSD.*

*The purpose of government entities and officials is to assure the taxpayers that all tax funds are utilized properly with the highest uncompromised fiscal responsibility, accountability and transparency to the taxpayers.*

*We are questioning the security, financial management, administrative and organizational compliance to the School Code and other legal issues which can have major ramifications on the taxpayers of erroneous or even potential illegal actions or decisions by the School Board or the officials of the District including the solicitor, et.al.*

*Please take into consideration that this is predicated on the fact of the Auditor General's Report of the financial mismanagement dated May 2012 with final adjudication pending in addition to any or all law suits unresolved.*

*Each year, Pennsylvania school districts spend more than a billion dollars on school construction, with hundreds of millions reimbursed by the state. The subsidy depends on the "wealth" of the district, but some districts may receive 25 percent or more of construction costs. This is still costly to the local taxpayers when construction costs are rising faster than the cost-of-living and there is no justifiable reason for demolishing structurally sound facilities for the pleasure of biased school board members spending other people's money indiscriminately with no responsibility or accountability to the taxpayers.*

*In addressing PlanCon, the program encourages school districts to build and maintain top-quality facilities. In practice, PlanCon "rewards" districts for abandoning or demolishing perfectly good buildings and replacing them with lavish facilities that do little to improve learning, raise ACT or SAT scores but take decades to payoff.*

*We, taxpayers, are convinced that both you and Honorable Tom Corbett would not approve financial support to a school district if there were questionable financial management and organizational discrepancies or mismanagement activities, in the*

*past and continuing in the present, causing harm to the taxpayers, personnel and students both in a short and long term basis.*

*This philosophy must change and we, as taxpayers in Millcreek Township School District (MTSD) of Erie County, PA, request that you fully investigate the foundations and justifications of our School Board's desire to waste taxpayer funds, by demolishing a structurally sound school building, with no code violations, and build a "new" high school including incorporating grades 9 and 10 within this "new" facility which will have less square feet than the present facility, when it is fiscally irresponsible in this economy.*

*This is in addition, to the estimated "decreasing" enrollment of students in grades 9-12 in the range of 9-11% for the high school facility.*

*Please find attached the issues and serious concerns we have addressed but have not received objective written responses from the Superintendent, Michael Golde, immediate past President, Michael Palermo, and the Solicitor(s), T. Sennett & T. Wachter of the Knox McLaughlin Gornall & Sennett Law Firm, P.C. for Millcreek Township School District (MTSD) and the present President Terry Scutella MTSB.*

*The current President, Terry Scutella, is aware, in view of the fact that he was a Board member for many years, of the many letters and requests the writer has submitted and questions asked at Board meetings. The requested information was answered by either Attorney Timothy Wachter or Timothy Sennett, both attorneys from the Knox McLaughlin Gornall & Sennett Law Firm, P.C.*

*All Right-to-Know Requests were prepared by either T. Wachter or T. Sennett for signature of Ms. Linda Sitter, RTK Officer.*

*As of late, please request copies of President Scutella's video statements made to the public through local media, TV – WICU & WJET-24, from January 18<sup>th</sup> to January 28<sup>th</sup> 2013 and School Board Meeting on January 28<sup>th</sup>, 2013. This is in addition to the articles printed in the Erie Times News during the same period. Please compare the statements made by President Scutella from the prior year and during the School Board Meeting July 30, 2012 and all discussions prior to this present date.*

*In recent statements by current President Scutella, MTSB, raises additional questions as to the veracity and the validity of information to the taxpayers of Millcreek Township.*

*It would be advantageous to the investigative committee/board to request a copy of the School Board Meeting video of July 30, 2012 in which there was*



*testimony by the Superintendent Golde and Members of the School Board and the Solicitor relative to the final approval of the \$93 Million dollar construction project. At this meeting there were many taxpayers providing testimony as to what was the true foundation for the construction project.*

*We, as taxpayers and residents, are requesting your intervention in light of many financial and organizational management issues which are still unknown to the taxpayers as to the adherence to and compliance with the PDE's regulations, guidelines, and laws of the Pennsylvania Commonwealth relative to the management of and financial transactions with both State and Federal funds and the responsibility and accountability of elected and appointed officials.*

*We believe there is nexus between past construction projects and the proposed / "approved", by the MTSB, of a \$93 Million dollar project in view of the fact that the same architectural firm is associated with previous projects including the present project. The comprehensive review of the legal and financial issues of many transactions by those individuals who were consultants and/or advisors, in any capacity whether financial, architectural or management, to the School District must be considered.*

*We believe there is sufficient preliminary evidence, from past financial discrepancies and current discrepancies (General fund borrowed \$5.0 Million dollars from the "capital" projects fund then repaid the fund 3 months later) that a comprehensive forensic financial audit be ordered for the transparency of all financial matters and transactions by the Auditor General's Office. In all financial transactions, we believe the Solicitor, Timothy Sennett and members of the Knox McLaughlin Gornall & Sennett Law Firm, P.C. are the financial counsel(s) to the District and must be accountable for the financial management of the District and that to the taxpayers of Millcreek Township.*

*In recent statements by current President Scutella, MTSB, relative to the financial viability/sustainability of the District, raises additional questions as to the veracity and authenticity of information to Millcreek Township taxpayers. The District, at the close of business June 30, 2012, had a debt/loss of \$3.550 Million dollars and in one month, July 30, 2012, the School Board in concert with the Superintendent and the Solicitor approved a \$93 Million dollar construction project including a \$10 Million dollar "Athletic Sports Complex with Stadium".*

*We believe that all relationships between all parties involved with the MTSD be investigated as to the compliance to "Campaign Finance Laws" of the Commonwealth of Pennsylvania to determine if any violation(s) have occurred in the past 5-10 years. We believe this would be under the jurisdiction of the Attorney*

*General Office in concert with the local District Attorney's Office by your request or that of the Auditor General's Office.*

*We encourage the Pennsylvania Department of Education or the Commonwealth's Office of Inspector General's review and findings to be forwarded to the Attorney General's Office in Washington, DC and the Secretary, U.S. Department of Education for further investigation(s) if appropriate and/or deemed necessary due to the fact that both state and federal funds are involved in monetary transaction and compliance to all federal regulations.*

*We will be happy to meet with a representative committee or commission, appointed by you, to review many **other** issues, already documented or in question, that have been of major concern of the residents/taxpayers and voters in Millcreek Township.*

*By this letter, I am asking and will work with State Representatives 3<sup>rd</sup> Legislative District to draft, as the main sponsor, a legislative bill to amend the present law/regulations of PDE relative to the maximum amount of taxpayer funds **"any"** school board, in **Our Exceptional Commonwealth of Pennsylvania**, can approve for construction in a district without the consent and approval of the taxpayers. In addition, there **"must"** be accountability of all school boards with oversight reporting to the Secretary PDE and the Treasurer and limit the **"power and authority"** by our elected and appointed officials.*

*W will establish/convene a taxpayer citizen committee of Millcreek Township to work with Representatives and the Commonwealth's House Education Committee to institute **fiscal responsibility, accountability and transparency** in all 500 plus school districts of the Commonwealth.*

*In conclusion, we are asking for your intervention in light of many issues that are **still unknown to the taxpayers** as to the adherence to and compliance with the PDE's regulations, guidelines, and financial laws of the Commonwealth and all federal regulations.*

***"THE FIRST STEP TO SOLVING ANY PROBLEM/ISSUE  
IS RECOGNIZING THERE IS ONE."***

*We await your written reply in support of approximately 54,000 residents, 38,000 voters and all taxpayers in Millcreek Township, Erie County, PA.*

*We thank you for your consideration and assistance.*



Respectfully Submitted,

  
**LOUIS J. ALIOTA, MS, R.Ph.**  
**Citizen/Taxpayer Representative**

*Signatories:*

*Residents/Taxpayers Millcreek Township*

*(Copies attached – there will be additional signatures as we continue our efforts)*

*Distribution List: (Copies of taxpayer signatures will be provided upon request)*

*Honorable Tom Corbett, Governor*

*Honorable Jim Cawley, Lt. Governor*

*Honorable Eugene DePasquale, Auditor General*

*Honorable Kathleen Kane, Attorney General*

*Honorable Ryan Bizzarro, State Representative*

*Honorable Sean Wiley, State Senator*

*Honorable Jack Daneri, Erie County District Attorney*

*William Hall, MTSD Assistant Superintendent (Acting/Interim Superintendent)*

*Distribution as deemed appropriate by Honorable R. Tomalis, Secretary  
Pennsylvania Department of Education:*

*State Treasurer*

*Secretary of the Budget*

*Chief Accounting Officer – Office of the Budget*

*Senate Appropriations & Education Committees*

*House Appropriations & Education Committees*

*United States Attorney Western District*

*United States Attorney Middle District of Pennsylvania*