

# THE SCHOOL DISTRICT OF PHILADELPHIA

No. 626

Section: Finance

Title: Financial Disclosure  
Policy

Adopted: February 27, 2025

Revised:

## 626 FINANCIAL DISCLOSURE POLICY

### **Purpose**

The School District of Philadelphia (the “School District”) issues publicly offered debt and is therefore subject to the federal and state securities laws. Such debt is authorized by the Board of Education (the “Board”) pursuant to the Pennsylvania Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-82. The Board is responsible for ensuring that the School District’s financial disclosures are fair and accurate, and comply with all applicable federal and state securities laws. This purpose of this Financial Disclosure Policy (herein, the “Policy”) is to enable the School District to establish Financial Disclosure Procedures (hereinafter defined) to assist the School District in (i) complying with Securities and Exchange Commission Rule 15c2-12, adopted pursuant to the Securities Exchange Act of 1934<sup>1</sup>, Securities and Exchange Commission Rule 10(b)(5), adopted pursuant to the Securities Exchange Act of 1934<sup>2</sup>, and Section 17(a) of the Securities Act of 1933<sup>3</sup>, (ii) satisfying, in a timely manner, all contractual obligations undertaken pursuant to its Continuing Disclosure Undertakings, and (iii) promoting best practices relating to financial disclosures by the School District.

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<sup>1</sup> Rule 15c2-12 requires dealers, when underwriting certain types of municipal securities, to ensure that the state or local government issuing the bonds enters into an agreement to provide certain information to the Municipal Securities Rulemaking Board (MSRB) about the securities on an ongoing basis. These disclosures are made available to investors and the public on the MSRB’s Electronic Municipal Market Access (EMMA®) website.

<sup>2</sup> Section 10b-5 of the Securities and Exchange Act of 1934 provides that it shall be unlawful for any person, directly or indirectly, by the use of any means or instrumentality of interstate commerce, or of the mails or of any facility of any national securities exchange,

(a) To employ any device, scheme, or artifice to defraud,

(b) To make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, or

(c) To engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person,

<sup>3</sup> Section 17(a) makes it unlawful to "employ any device, scheme, or artifice to defraud", "obtain money or property" by using material misstatements or omissions, or to "engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser."

## **Definitions**

CFO: the School District's Chief Financial Officer, or upon their designation, the Deputy Chief Financial Officer of the School District.

Continuing Disclosure Undertakings: the School District's contractual obligations relating to its outstanding Securities entered into to permit the underwriters of such Securities to comply with Rule 15c2-12.

Financial Disclosure Procedures: Administrative Procedures for the Financial Disclosure Policy, which shall be posted on the School District's website.

Rule 15c2-12: Securities and Exchange Commission Rule 15c2-12, adopted pursuant to the Securities Exchange Act of 1934, 17 CFR § 240.15c2-12.

School District: The School District of Philadelphia.

School District Disclosure Counsel: such law firm that has been designated by the School District to serve as lead Disclosure Counsel.

## **Authority**

Adoption and implementation of this Policy provides a process and procedure for the School District to maintain compliance with applicable federal and state securities laws, while promoting best practices relating to financial disclosures by the School District.

## **Delegation of Responsibility**

The Board delegates responsibility to the Treasurer of the School District and authorizes the Treasurer to delegate to the CFO or departmental designee to undertake certain tasks, which tasks are further delineated in the "Mandatory Procedures" section of the Financial Disclosure Procedures.

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## **Mandatory Procedures**

The CFO and School District Disclosure Counsel shall conduct an annual evaluation of the efficacy of this Policy and the Financial Disclosure Procedures in satisfying the Purpose of this Policy set forth above and to make such revisions and/or updates as are determined to be appropriate.

## **Legal References**

1. Securities and Exchange Commission Rule 15c2-12, adopted pursuant to the Securities Exchange Act of 1934, 17 CFR § 240.15c2-12
2. Securities and Exchange Commission Rule 10b-5, adopted pursuant to the Securities Exchange Act of 1934, 17 CFR § 240.10b-5
3. Section 17(a) of the Securities Act of 1933, 15 U.S.C. § 77q(a).
4. Pennsylvania Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-82.