



**BOYERTOWN AREA SCHOOL DISTRICT  
BERKS COUNTY, PENNSYLVANIA  
PERFORMANCE AUDIT REPORT**

**SEPTEMBER 2013**

**COMMONWEALTH OF PENNSYLVANIA**

**EUGENE A. DEPASQUALE - AUDITOR GENERAL**

**DEPARTMENT OF THE AUDITOR GENERAL**



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**EUGENE A. DePASQUALE**  
AUDITOR GENERAL

The Honorable Tom Corbett  
Governor  
Commonwealth of Pennsylvania  
Harrisburg, Pennsylvania 17120

Ms. Gwendolyn W. Semmens, Board President  
Boyertown Area School District  
911 Montgomery Avenue  
Boyertown, Pennsylvania 19512

Dear Governor Corbett and Ms. Semmens:

We conducted a performance audit of the Boyertown Area School District (District) to determine its compliance with applicable state laws, contracts, grant requirements, and administrative procedures. Our audit covered the period March 2, 2010 through April 17, 2013, except as otherwise indicated in the report. Additionally, compliance specific to state subsidies and reimbursements was determined for the school years ended June 30, 2010 and June 30, 2009. Our audit was conducted pursuant to Section 403 of The Fiscal Code, 72 P.S. § 403, and in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States.

Our audit found that the District complied, in all significant respects, with applicable state laws, contracts, grant requirements, and administrative procedures, except as detailed in one finding noted in this report. In addition, we identified one matter unrelated to compliance that is reported as an observation. A summary of the results is presented in the Executive Summary section of the audit report.

Our audit finding, observation, and recommendations have been discussed with the District's management, and their responses are included in the audit report. We believe the implementation of our recommendations will improve the District's operations and facilitate compliance with legal and administrative requirements. We appreciate the District's cooperation during the conduct of the audit.

Sincerely,

A handwritten signature in black ink, appearing to read "Eugene A. DePasquale".

EUGENE DEPASQUALE  
Auditor General

September 12, 2013

cc: **BOYERTOWN AREA SCHOOL DISTRICT** Board of School Directors

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## **Executive Summary**

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### **Audit Work**

The Pennsylvania Department of the Auditor General conducted a performance audit of the Boyertown Area School District (District). Our audit sought to answer certain questions regarding the District's compliance with applicable state laws, contracts, grant requirements, and administrative procedures and to determine the status of corrective action taken by the District in response to our prior audit recommendations.

Our audit scope covered the period March 2, 2010 through April 17, 2013, except as otherwise indicated in the audit scope, objectives, and methodology section of the report. Compliance specific to state subsidies and reimbursements was determined for the 2009-10 and 2008-09 school years.

### **District Background**

The District encompasses approximately 100 square miles. According to 2010 federal census data, it serves a resident population of 46,133. According to District officials, the District provided basic educational services to 6,975 pupils through the employment of 536 teachers, 465 full-time and part-time support personnel, and 15 administrators during the 2009-10 school year. Lastly, the District received \$25.6 million in state funding in the 2009-10 school year.

### **Audit Conclusion and Results**

Our audit found that the District complied, in all significant respects, with applicable state laws, contracts, grant requirements, and administrative procedures, except for one compliance related matter reported as a finding. In addition, we identified one matter unrelated to compliance that is reported as an observation.

#### **Finding: Inaccurate Transportation Reporting to the Department of Education Resulted in an Underpayment to the District of \$50,050.**

Our audit found that during the 2009-10 school year, Boyertown Area School District personnel inaccurately reported, to the Pennsylvania Department of Education, the number of nonpublic students it transported. This resulted in a reimbursement underpayment of \$50,050 (see page 6).

#### **Observation: The District Paid \$33,637 to its Former Superintendent for a Confidential Early Separation.**

The Boyertown Area School District (District) entered into a Transition and Separation and Release Agreement with its now former Superintendent. The District paid the former Superintendent wages and benefits totaling \$33,637 for the period October 6, 2012 through January 4, 2013 (see page 8).

#### **Status of Prior Audit Findings and Observations.**

With regard to the status of our prior audit recommendations to the Boyertown Area School District (District) from an audit released on September 20, 2010, we found that the District had not taken appropriate corrective

action in implementing our recommendations pertaining to nonpublic pupil transportation (see page 13). However, the District had taken appropriate corrective action in implementing one recommendation pertaining to its Memorandum of Understanding (“MOU”), while the second recommendation was adopted within the MOU itself (see page 14). Also, the District had taken appropriate corrective action in implementing our recommendations pertaining to its student accounting applications (see page 15).

## Audit Scope, Objectives, and Methodology

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### Scope

*What is a school performance audit?*

School performance audits allow the Pennsylvania Department of the Auditor General to determine whether state funds, including school subsidies, are being used according to the purposes and guidelines that govern the use of those funds. Additionally, our audits examine the appropriateness of certain administrative and operational practices at each local education agency (LEA). The results of these audits are shared with LEA management, the Governor, the Pennsylvania Department of Education, and other concerned entities.

Our audit, conducted under authority of Section 403 of The Fiscal Code, 72 P.S. § 403, is not a substitute for the local annual audit required by the Public School Code of 1949, as amended. We conducted our audit in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States.

Our audit covered the period March 2, 2010 through April 17, 2013, except for the verification of professional employee certification which was performed for the period July 1, 2011 through June 30, 2012.

Regarding state subsidies and reimbursements, our audit covered the 2009-10 and 2008-09 school years.

While all districts have the same school years, some have different fiscal years. Therefore, for the purposes of our audit work and to be consistent with Pennsylvania Department of Education (PDE) reporting guidelines, we use the term school year rather than fiscal year throughout this report. A school year covers the period July 1 to June 30.

### Objectives

*What is the difference between a finding and an observation?*

Our performance audits may contain findings and/or observations related to our audit objectives. Findings describe noncompliance with a statute, regulation, policy, contract, grant requirement, or administrative procedure. Observations are reported when we believe corrective action should be taken to remedy a potential problem not rising to the level of noncompliance with specific criteria.

Performance audits draw conclusions based on an evaluation of sufficient, appropriate evidence. Evidence is measured against criteria, such as laws and defined business practices. Our audit focused on assessing the District's compliance with applicable state laws, contracts, grant requirements, and administrative procedures. However, as we conducted our audit procedures, we sought to determine answers to the following questions, which serve as our audit objectives:

- ✓ Were professional employees certified for the positions they held?
- ✓ Did the District have sufficient internal controls to ensure that the membership data it reported to PDE through the Pennsylvania Information Management System was complete, accurate, valid, and reliable?

- ✓ In areas where the District received state subsidies and reimbursements based on payroll (e.g. Social Security and retirement), did it follow applicable laws and procedures?
- ✓ In areas where the District received transportation subsidies, were the District and any contracted vendors, in compliance with applicable state laws and procedures?
- ✓ Did the District, and any contracted vendors, ensure that their current bus drivers were properly qualified, and did they have written policies and procedures governing the hiring of new bus drivers?
- ✓ Were there any declining fund balances that may pose a risk to the District's fiscal viability?
- ✓ Did the District pursue a contract buy-out with an administrator and if so, what was the total cost of the buy-out, what were the reasons for the termination/settlement, and did the current employment contract(s) contain adequate termination provisions?
- ✓ Did the District take appropriate steps to ensure school safety?
- ✓ Did the District have a properly executed and updated Memorandum of Understanding with local law enforcement?
- ✓ Were votes made by the District's Board of School Directors free from apparent conflicts of interest?
- ✓ Were there any other areas of concern reported by local auditors, citizens, or other interested parties?
- ✓ Did the District take appropriate corrective action to address recommendations made in our prior audit?

## Methodology

### *What are internal controls?*

Internal controls are processes designed by management to provide reasonable assurance of achieving objectives in areas such as:

- Effectiveness and efficiency of operations.
- Relevance and reliability of operational and financial information.
- Compliance with applicable laws, contracts, grant requirements, and administrative procedures.

*Government Auditing Standards* require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our results and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our results and conclusions based on our audit objectives.

The District's management is responsible for establishing and maintaining effective internal controls to provide reasonable assurance that the District is in compliance with applicable laws, contracts, grant requirements, and administrative procedures. In conducting our audit, we obtained an understanding of the District's internal controls, including any information technology controls, as they relate to the District's compliance with applicable state laws, regulations, contracts, grant requirements, and administrative procedures that we consider to be significant within the context of our audit objectives. We assessed whether those controls were properly designed and implemented. Any deficiencies in internal control that were identified during the conduct of our audit and determined to be significant within the context of our audit objectives are included in this report.

In order to properly plan our audit and to guide us in possible audit areas, we performed analytical procedures in the areas of state subsidies and reimbursements, pupil transportation, pupil membership, and comparative financial information.

Our audit examined the following:

- Records pertaining to pupil transportation, pupil membership, bus driver qualifications, professional employee certification, state ethics compliance, financial stability, reimbursement applications, tuition receipts, and deposited state funds.
- Items such as board meeting minutes and policies and procedures.

Additionally, we interviewed select administrators and support personnel associated with the District's operations.

Lastly, to determine the status of our audit recommendations made in a prior audit report released on September 20, 2010, we performed additional audit procedures targeting the previously reported matters.

## Findings and Observations

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### Finding

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### Inaccurate Transportation Reporting to the Department of Education Resulted in an Underpayment to the District of \$50,050

*Criteria relevant to the finding:*

Section 2541 of the Public School Code of 1949 (PSC), 24 P.S. § 25-2541, provides for payment of pupil transportation.

Section 2509.3 of the PSC, 24 P.S. § 25-2509.3, states, in part:

“ . . . For the school year 2001-2002 and each school year thereafter, each school district shall be paid the sum of three hundred eighty-five dollars (\$385) for each nonpublic school pupil transported.”

Public and nonpublic pupil tabulation is an integral part of the transportation reimbursement formula. Pupil counts should be reported accurately, in accordance with the Pennsylvania Department of Education guidelines and instructions, to ensure the district receives proper reimbursement.

Our audit found that the Boyertown Area School District (District) submitted inaccurate transportation reports to the Pennsylvania Department of Education (PDE) for the 2009-10 school year. Specifically, District personnel incorrectly reported the number of nonpublic students the District transported, understating the total by 130 for the 2009-10 school year. This underreporting resulted in a reimbursement underpayment to the District of \$50,050.

District personnel did not have proper internal controls over their transportation reporting process. Individuals responsible for preparing and reporting this data did not verify its accuracy prior to submission to PDE. They also did not review the preliminary reports received from PDE to make the needed adjustments prior to final submission.

It is the responsibility of District management to have appropriate internal controls in place to ensure accurate student transportation data. Without such controls, the District cannot be assured that it is receiving the correct reimbursement from PDE. It should be noted that this is the third consecutive audit with a finding related to inaccurate transportation reporting.

We have provided PDE with reports detailing the transportation error for use in recalculating the District's nonpublic transportation subsidy.

### Recommendations

The Boyertown Area School District should:

1. Establish internal controls to ensure that the District personnel verify the accuracy of the data they receive from the nonpublic schools for which the District transports students.
2. Institute a system of review, particularly of PDE's preliminary reports, to ensure the reports sent to PDE are accurate.

3. Review transportation reports submitted for subsequent years and submit revisions, if necessary.

The *Pennsylvania Department of Education* should:

4. Adjust the District's transportation allocations and pay the District \$50,050.

**Management Response**

Management stated the following:

“Cause of Problem

Using our transportation software to make a report of all students that are transported. The report that the software generated to create an excel spreadsheet to give total ridership count resulted with an error of counting students.

Suggested Correction

Continue with the established manual student count system utilizing an excel spreadsheet. In addition, the Transportation Supervisor will produce or refine this count with sub-totals per school in this spreadsheet and show a final total.”

**Auditor Conclusion**

We are pleased that the District has developed corrective action and will evaluate its new procedures during our next cyclical audit.

## Observation

### The District Paid \$33,637 to its Former Superintendent for a Confidential Early Separation

*Criteria relevant to the observation:*

Taxpayers have the right to be informed of an early termination of a superintendent, the reason for the termination, and the financial effect the termination has on the District. If this information is public, then the taxpayers can consider such information when determining if the board members have done what is best for the District and its taxpayers.

Section 1154 of the Public School Code of 1949 (PSC), 24 P.S. § 11-1154, addresses “the payment of salaries in cases of sickness, injury or death.”

Section 1154(e) of the PSC states, in relevant part: “Any board of school directors may adopt rules or regulations pertaining to the payment of salaries of employees when absent from duty, extending the period of leave with or without pay in excess of that herein provided, or authorizing leave with pay for other purposes.”

Approximately two years and nine months into a four-year Employment Agreement (Agreement), the Boyertown Area School District’s (District) Board of School Directors (Board) entered into a Transition and Separation and Release Agreement (TSRA) with its now former Superintendent. During the October 9, 2012, board meeting, the Board executed the TSRA and accepted the former Superintendent’s irrevocable resignation, effective no later than January 4, 2013.

Beginning October 6, 2012, in accordance with Section 1154(e) of the Public School Code (PSC), the former Superintendent was placed on a paid leave of absence, in accordance with the TSRA and was to receive benefits until January 4, 2013, unless he received new employment with another employer prior to that date. Section 1154(e) of the PSC addresses to the payment of salaries in cases of sickness, injury, or death. However, the former Superintendent was placed on the paid leave of absence with no public discussion of sickness or injury. His resignation letter noted that he wanted to pursue other opportunities in education management, consulting, and adjunct professorships.

The District paid the former Superintendent wages and benefits totaling \$33,637 for the period from October 6, 2012 to January 4, 2013, as follows:

- \$32,552 for regular wages.
- \$910 for annuity payments.
- \$175 for disability payments.

#### **Terms of the Agreement**

On January 4, 2010, the District entered into an Agreement with the former Superintendent. Section 10 of the Agreement included the following provision:

### Separation from Employment

In the event [the Superintendent] seeks to resign or separate employment with the District for any reason other than death, illness, or disability, [the Superintendent] shall give the District at least one hundred eighty (180) days' written notice in advance of the employment severance date. The failure to give such required notice shall cause [the Superintendent] to lose any entitlement to any unused but accrued payments that may be offered pursuant to applicable District policy, the Compensation and Benefit Plans applicable to Central Office Administrative Staff, retiree healthcare benefits, or any type of entitlement to be paid upon employment separation.

### **Terms of the TSRA**

On October 9, 2012, the District executed the TSRA, which included the following provisions:

#### Second Section, Number 5

EMPLOYER hereby waives the requirement of Paragraph 10 of EMPLOYEE's Original Employment Agreement that required EMPLOYEE to give the EMPLOYER at least one hundred eighty (180) days' written notice in advance of his employment severance date.

#### Eighth Section: Confidentiality

1. EMPLOYEE agrees that at all times hereafter he will keep the terms, the amount, and the existence of the Agreement completely confidential and that he will not hereafter disclose any information concerning this Agreement, or the fact that he has entered into this Agreement, to anyone except his immediate family, attorney, accountant, or tax advisor or as otherwise required by law, court order, administrative order, or validly issued subpoena, provided that any such person agrees to keep said information confidential

and not disclose it to others, unless required to do so pursuant to law, court order, administrative order, or validly issued subpoena.

2. At no time following January 4, 2013, or the effective date of EMPLOYEE's irrevocable resignation, will EMPLOYEE indicate or act in such a manner that suggests that he is connected with the EMPLOYER.

In summary, the District's Board agreed to a confidential separation agreement that paid the former Superintendent \$33,637 to end his contract prematurely. In doing so, the Board did not follow the early separation provisions of the former Superintendent's original Agreement and paid him benefits that he was not owed. Furthermore, the Board put the former Superintendent on a paid leave of absence under Section 1154(e) of the PSC, when there is no evidence to suggest that his absence qualified under that section.

Finally, the Board did not provide a reason for the former Superintendent's premature termination in the board meeting minutes. In fact, the confidentiality clause in the TSRA clearly demonstrates that the Board did not plan to share its terms with the public. However, the taxpayers have a right to know why the Board chose to spend this money on a single individual, rather than on the education of the District's students. In the future, the Board should follow the terms of its existing employee contracts and not pay staff for benefits they are not owed. Moreover, they should ensure they use the paid leave of absence provisions in the PSC correctly, and they should use a transparent process when entering into employment agreements.

## **Recommendations**

The *Boyertown Area School District* should:

1. Upon termination of any employee, follow the provisions of the original employment contract and pay only what is due to the employee.
2. Seek the advice of its solicitor regarding the appropriate use of Section 1154(e) of the PSC.

3. Document in the official board meeting minutes, in detail, why the District chooses to expend public money on ending an administrator contract.

## **Management Response**

Management stated the following:

1. “The Boyertown Area School District did not pay its “former Superintendent” \$32,551.75 after entering into a Transition and Separation and Release Agreement. To the contrary, the Boyertown Area School District, by virtue of a Transition and Separation and Release Agreement dated October 9, 2012, paid its “current Superintendent” \$32,551.75 in return for the current Superintendent’s release of all claims against the Boyertown Area School District and in return for the provision of potential transitional duties prior to its current Superintendent’s resignation.
2. There is nothing in the Public School Code of 1949, as amended, that prohibits a Pennsylvania school district from entering into a Separation and Release Agreement with any of the District’s employees, including the Superintendent of Schools. Indeed, it is very prudent for a public school district to enter into a Separation and Release Agreement with one of its employees for the purposes of concluding the employee’s employment with the District. Obtaining a release of all claims has value and in the long run, saves the taxpayers money.
3. By entering into the Transition and Separation and Release Agreement dated October 9, 2012, the District saved money that it would have cost the District in suspending any and all investigations of employee, including the investigation initiated by the [a law firm] as set forth in Paragraph SECOND, Subparagraph 3, Page 4, of the Agreement. Such an investigation would have likely cost the District tens of thousands of dollars.
4. The Transition and Separation and Release Agreement did specify the expectations of the Superintendent during the period October 6, 2012, until January 4, 2013.
5. No corrective action is planned since there has been no violation and, indeed, the District’s taxpayers actually saved money as the result of entering into this

Agreement and approving the administrative reorganization of the District following the entry into the Transition and Separation and Release Agreement.”

### **Auditor Conclusion**

We agree with management that there is no explicit prohibition in the Public School Code of 1949 (PSC) against a school district entering into a Separation and Release Agreement with any District employee, including a Superintendent. Nonetheless, we question the Board’s decision to pay the former Superintendent \$33,637 in benefits that he was not owed under the terms of his original contract. Furthermore, we are concerned that the Board did not make its decision to enter into an early separation agreement with the former Superintendent through a transparent process that included at least some brief discussion about the reason for the former Superintendent’s paid leave of absence during a public Board meeting. As a result, the District did not offer its taxpayers an explanation regarding why the additional expenditure to the former Superintendent was necessary. Finally, we also found that the Board may have misapplied Section 1154(e) of the PSC, which provides solely for “the payment of salaries in cases of sickness, injury or death,” by placing the former Superintendent on a paid leave of absence with no reference to the purpose (i.e., sickness or injury).

Furthermore, it is worth noting that the General Assembly recently amended Section 1073 of the PSC, 24 P.S. § 10-1073, by adding an important subsection through Acts 82 and 141 of 2012, effective September 10, 2012, respectively. This amendment provides for additional requirements for superintendent contracts entered into after the effective date of the subsection, September 10, 2012. Specifically, subsection (e)(v) of Section 1073 prohibits the termination, buyout, and severance provisions in superintendent’s agreements from being modified during the course of the contract or in the event a contract is terminated prematurely. Although subsection (e)(v) does not directly apply to the District’s original contract, the fact that the General Assembly has addressed this precise issue in statute effective September 10, 2012, also makes it worthy of an observation in our report. The observation will stand as written.

## Status of Prior Audit Findings and Observations

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Our prior audit of the Boyertown Area School District (District) released on September 20, 2010, resulted in one finding and two observations. The finding pertained to pupil transportation. The first observation pertained to their Memorandum of Understanding (MOU) and the second observation pertained to their student accounting applications. As part of our current audit, we determined the status of corrective action taken by the District to implement our prior audit recommendations. We performed audit procedures and interviewed the District personnel regarding the prior finding and observations. As shown below, we found that the District did not implement all our recommendations related to pupil transportation, nor did the District implement all of our recommendations related to their MOU. However, the District did implement our recommendations related to its student accounting applications.

### Auditor General Performance Audit Report Released on September 20, 2010

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**Finding:**                      **Pupil Transportation Errors Resulted in Reimbursement Underpayments of \$76,755**

Finding Summary:        Our prior audit of the District's contracted pupil transportation records found discrepancies in reports submitted to the Pennsylvania Department of Education (PDE) for the 2006-07 school year. District personnel incorrectly reported the number of days transported for two contracted vehicles, failed to report any vehicle information for 10 contracted vehicles, underreported miles for vehicles traveled with pupils by a net of 432.5 miles for the 10 contracted vehicles not reported, underreported miles for vehicles traveled without pupils by a net of 256.6 for the 10 contracted vehicles not reported, overstated public hazardous pupil data by 14, understated public nonhazardous pupil data by 199, and overstated nonpublic pupil data by 80. The discrepancies resulted in reimbursement underpayments of \$76,755, which was comprised of a public subsidy underpayment of \$107,555, and a nonpublic subsidy overpayment of \$30,800.

Recommendations:      Our audit finding recommended that the District should:

1. Review mileage records, pupil counts, and contractor payment data for vehicles providing transportation to and from school to ensure accurate reporting of data that is in compliance with PDE reporting guidelines.
2. Review records of the number of children attending nonpublic schools for which transportation was provided for accuracy.
3. Implement a system of final review to ensure accurate reporting of transportation data to PDE.

4. Review transportation reports submitted for subsequent years and submit revisions, if necessary.

The *Pennsylvania Department of Education* should:

5. Adjust the District's transportation allocations and pay the \$76,755 to resolve the finding.

Current Status:

During our current audit, we found that the District did implement recommendation number one. This recommendation was implemented by District personnel making sure all reported data is complete and accurate, before being submitted to PDE.

The District did not implement recommendation numbers two, three, and four. Refer to the finding in this report (see page 6).

Also, during our current audit, we found that PDE did not implement recommendation number five. We again recommend that PDE adjust the District's transportation allocations and pay the \$76,755 to resolve the finding.

Lastly, during our current audit, we found that PDE has not yet adjusted the District's allocations to correct the net overpayment of \$10,010 from the audit we conducted of the 2005-06 and 2004-05 school years.

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**Observation No. 1: Memorandum of Understanding Not Updated Timely**

Observation

Summary:

Our prior audit of the District's records found the District had a current MOU between the District and six local law enforcement agencies. They were all signed and have been updated. However, we found that five of the six MOUs were not reviewed and re-executed within the two year time period. The District updated and signed those MOUs after we contacted them in advance of this audit.

Recommendations:

Our audit observation recommended that the District:

1. In consultation with the solicitor, continue to review, update, and re-execute the current MOUs between the District and local law enforcement.
2. Adopt a policy requiring the administration to review and re-execute the MOUs every two years.

Current Status: During our current audit, we found that the District did implement our recommendations. While the District’s administration did not specifically adopt a policy for re-executing its MOU every two years, it did comply with the recommendations by including a provision in its MOU stating that the MOU must be reviewed and re-executed within two years and every two years after. In addition, District personnel implemented a process for keeping track of prior MOU dates, and making sure the MOUs are updated timely for all police departments with jurisdiction.

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**Observation No. 2: Continued Unmonitored Vendor System Access and Logical Access Control Weaknesses.**

Observation Summary

Our prior audit found continued unmonitored vendor system access and logical access control weaknesses. Specifically, the District’s Acceptable Use Policy (AUP) did not include provisions for authentication (password security and syntax requirements). The District also had certain weaknesses within its logical access controls. We noted that the District’s system parameter settings did not require all users, including the vendor, to change their passwords every 30 days, to maintain a password history (i.e., approximately ten passwords) to lock out users after three unsuccessful attempts, and to log off the system after a period of inactivity (i.e., 60 minutes maximum). In fact, the vendor had unlimited access (24 hours a day/7 days a week) into the District’s system.

Recommendations: Our audit observation recommended that the District:

1. Ensure that the District’s AUP includes provisions for authentication (password security and syntax requirements).
2. Implement a security policy and system parameter settings to require all users, including the vendor, to change their passwords on a regular basis (i.e., every 30 days). The District should maintain a password history that will prevent the use of a repetitive password (i.e., last ten passwords) lock out users after three unsuccessful attempts, and log users off the system after a period of inactivity (i.e., 60 minutes maximum).
3. Only allow access to their system when the vendor needs access to make pre-approved changes/updates or requested assistance. This access should be removed when the vendor has completed its work. This procedure would also enable the monitoring of vendor changes.

Current Status:

During our current audit, we found that the District did implement our recommendations by creating a supporting policy to its AUP. This policy, entitled Employee Computer Account Security, included provisions for password authentication, provided password guidelines (changing, password history, and log offs), and limited vendor access to its system. The supporting policy meets the District's needs.

## **Distribution List**

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This report was initially distributed to the Superintendent of the District, the Board of School Directors, our website at [www.auditorgen.state.pa.us](http://www.auditorgen.state.pa.us), and the following stakeholders:

The Honorable Tom Corbett  
Governor  
Commonwealth of Pennsylvania  
Harrisburg, PA 17120

The Honorable Carolyn Dumaesq  
Acting Secretary of Education  
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This report is a matter of public record and is available online at [www.auditorgen.state.pa.us](http://www.auditorgen.state.pa.us). Media questions about the report can be directed to the Pennsylvania Department of the Auditor General, Office of Communications, 231 Finance Building, Harrisburg, PA 17120; via email to: [news@auditorgen.state.pa.us](mailto:news@auditorgen.state.pa.us).