

LIMITED PROCEDURES ENGAGEMENT

Lawrence County Career and Technical Center Lawrence County, Pennsylvania

August 2017



Commonwealth of Pennsylvania
Department of the Auditor General

Eugene A. DePasquale • Auditor General



Commonwealth of Pennsylvania
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EUGENE A. DePASQUALE
AUDITOR GENERAL

Mr. Leonard A. Rich, Director
Lawrence County Career and
Technical Center
750 Phelps Way
New Castle, Pennsylvania 16101

Mr. James McFarland, Board President
Lawrence County Career and
Technical Center
750 Phelps Way
New Castle, Pennsylvania 16101

Dear Mr. Rich and Mr. McFarland:

We conducted a Limited Procedures Engagement (LPE) of the Lawrence County Career and Technical Center (Center) to determine its compliance with certain relevant state laws, regulations, policies, and administrative procedures (relevant requirements). The LPE covers the period July 1, 2012, through June 30, 2016, except for any areas of compliance that may have required an alternative to this period. The engagement was conducted pursuant to authority derived from Article VIII, Section 10 of the Constitution of the Commonwealth of Pennsylvania and The Fiscal Code (72 P.S. §§ 402 and 403), but was not conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States.

As we conducted our LPE procedures, we sought to determine answers to the following questions, which serve as our LPE objectives:

- Did the Center have documented board policies and administrative procedures related to the following?
 - Internal controls
 - Budgeting practices
 - The Right-to-Know Law
 - The Sunshine Act
- Were the policies and procedures adequate and appropriate, and have they been properly implemented?
- Did the Center comply with the relevant requirements in the Right-to-Know Law and the Sunshine Act?
- Did the Center take appropriate corrective action to address the observation made in our prior audit?

Mr. Leonard A. Rich
Mr. James McFarland
Page 2

Our engagement found that the Center properly implemented policies and procedures for the areas mentioned above and complied, in all significant respects, with relevant requirements.

We appreciate the Center's cooperation during the conduct of the engagement.

Sincerely,

A handwritten signature in black ink, appearing to read "Eugene A. DePasquale". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Eugene A. DePasquale
Auditor General

August 7, 2017

cc: **LAWRENCE COUNTY CAREER AND TECHNICAL CENTER**
Joint Operating Committee

Background Information

School Characteristics 2016-17 School Year ^A		Mission Statement ^A
County	Lawrence	The mission of the Lawrence County Career and Technical Center is to prepare and support secondary school students and adults to be responsible citizens by providing education excellence through opportunities in realistic applications of knowledge and skills with a dedicated staff and state-of-the-art equipment and technology.
Full-Time or Part-Time School	Full-Time	
Secondary Pupils Enrolled	401	
Post-Secondary Pupils Enrolled	0	
Total Teachers	39	
Total Full or Part-Time Support Staff	20	
Total Administrators	3	
Intermediate Unit Number	4	

A - Source: Information provided by the Center administration and is unaudited.

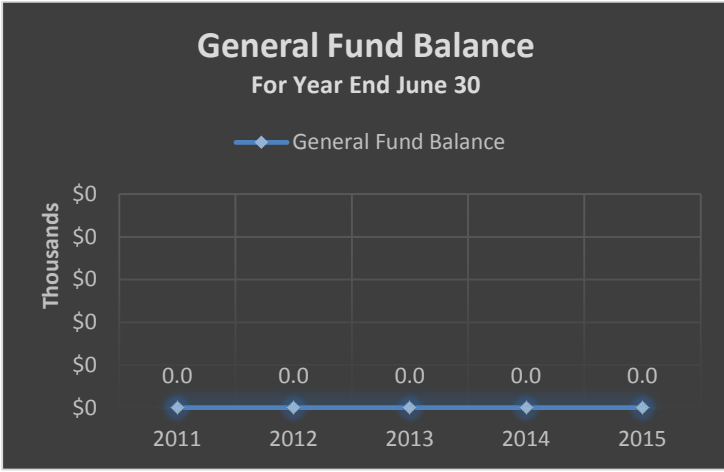
The operation, administration, and management of the Center are directed by a joint operating committee (JOC), which is comprised of eight members from the following school districts:

Ellwood City Area	Laurel
Mohawk Area	Neshannock Township
New Castle Area	Shenango Area
Union Area	Wilmington Area

The JOC members are appointed by the individual school boards at the December meeting, each to serve a three-year term.

Financial Information

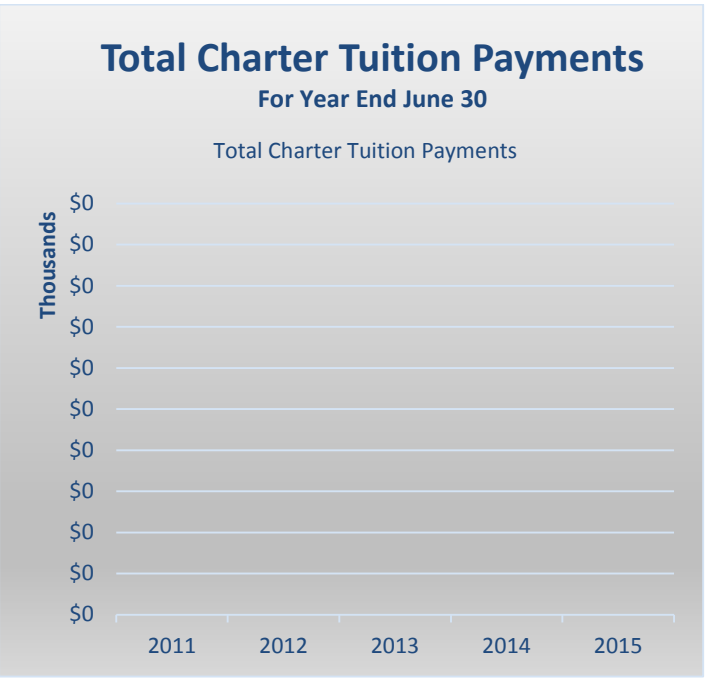
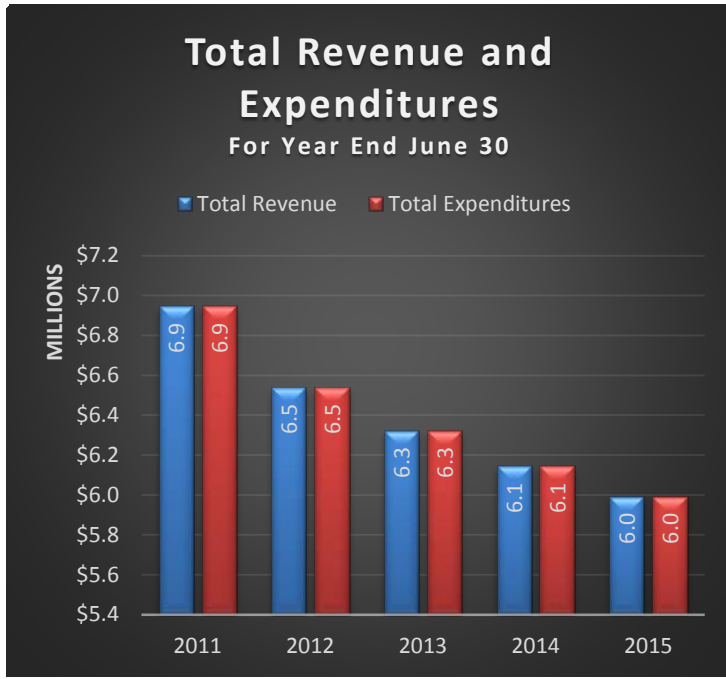
The following pages contain financial information about the Center obtained from annual financial data reported to the Pennsylvania Department of Education (PDE) and available on PDE's public website. This information was not audited and is presented for **informational purposes only**.



Note: General Fund Balance is comprised of the District's Committed, Assigned and Unassigned Fund Balances.

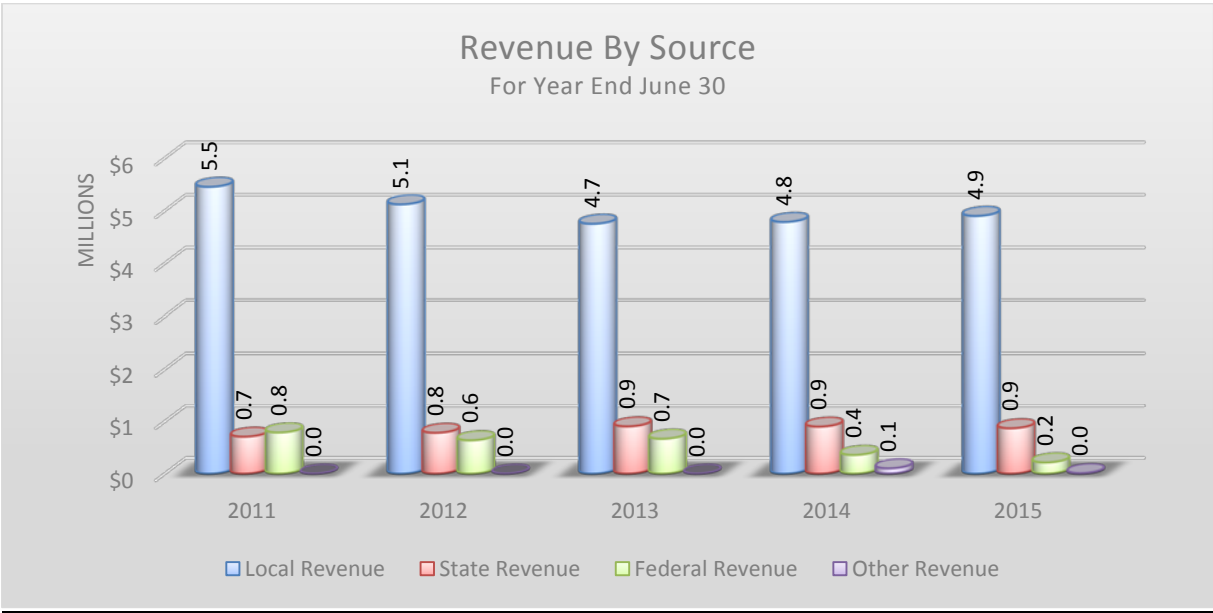


Note: Total Debt is comprised of Short-Term Borrowing, General Obligation Bonds, Authority Building Obligations, Other Long-Term Debt, Other Post-Employment Benefits and Compensated Absences.



Note: Career and technical centers do not make payments to charter schools for tuition. These payments are made by the home district of each student.

Financial Information Continued



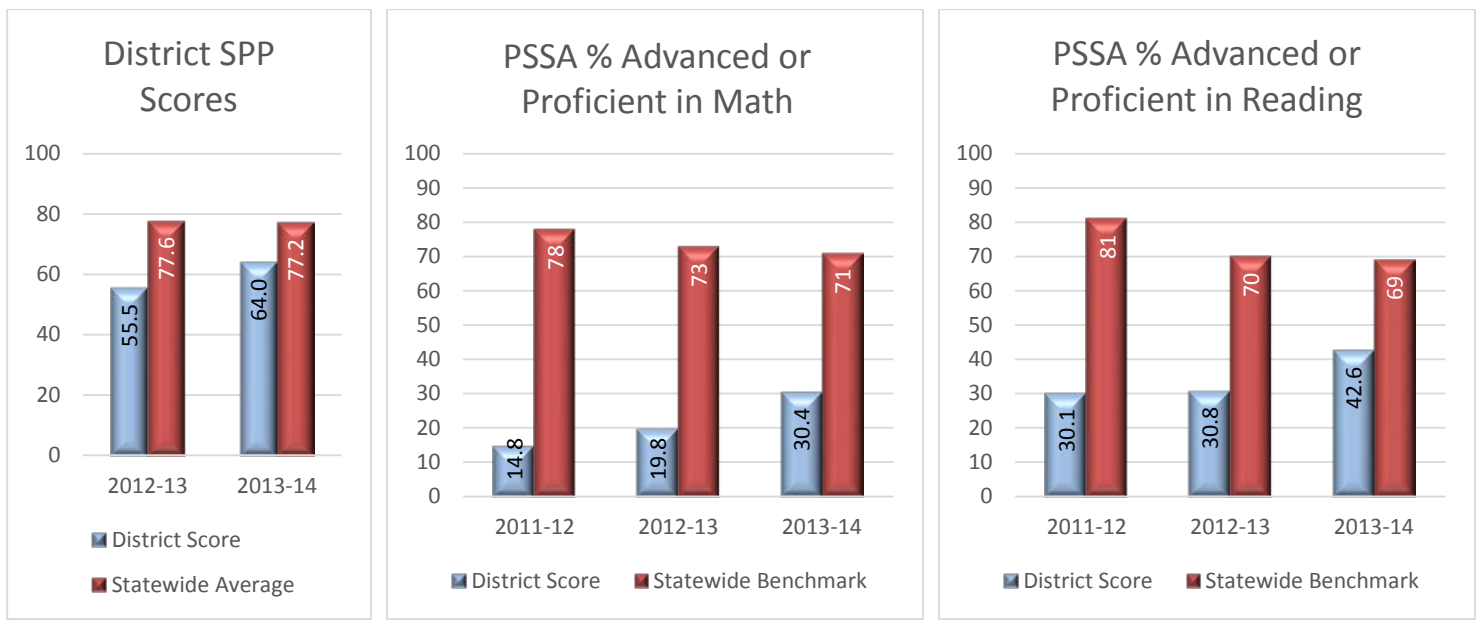
Local revenues were primarily obtained from direct payments by the member districts based on the approved budget. Each district’s proportionate share of the operating expenditures was determined by a formula involving average daily membership as specified in the Articles of Agreement.

Academic Information

The following table and charts consist of School Performance Profile (SPP) scores and Pennsylvania System of School Assessment (PSSA) results for the entire Center obtained from PDE's data files.¹ These scores are presented in the Center's audit report for **informational purposes only**, and they were not audited by our Department.

SPP benchmarks represent the statewide average of all district school buildings in the Commonwealth.² PSSA benchmarks and goals are determined by PDE each school year and apply to all public school entities.³

District	SPP Scores		PSSA % Advanced or Proficient in Math			PSSA % Advanced or Proficient in Reading		
	2012-13	2013-14	2011-12	2012-13	2013-14	2011-12	2012-13	2013-14
<i>Statewide Benchmark</i>	77.6	77.2	78	73	71	81	70	69
<i>Lawrence County CTC</i>	55.5	64.0	14.8	19.8	30.4	30.1	30.8	42.6
<i>SPP Grade⁴</i>	F	D						



¹ PDE is the sole source of academic data presented in this report. All academic data was obtained from PDE's publically available website.

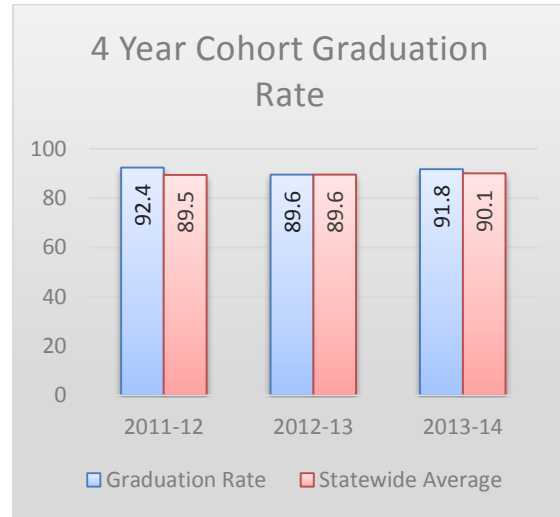
² Statewide averages for SPP scores were calculated based on all district school buildings throughout the Commonwealth, excluding charter and cyber charter schools.

³ PSSA benchmarks apply to all district school buildings, charters, and cyber charters. In the 2011-12 school year, the state benchmarks reflect the Adequate Yearly Progress targets established under No Child Left Behind. In the 2012-13 and 2013-14 school years, the state benchmarks reflect the statewide goals based on annual measurable objectives established by PDE.

⁴ The following letter grades are based on a 0-100 point system: A (90-100), B (80-89), C (70-79), D (60-69), F (59 or below).

4 Year Cohort Graduation Rates

The cohort graduation rates are a calculation of the percentage of students who have graduated with a regular high school diploma within a designated number of years since the student first entered high school. The rate is determined for a cohort of students who have all entered high school for the first time during the same school year.⁵



⁵ <http://www.education.pa.gov/Data-and-Statistics/Pages/Cohort-Graduation-Rate-.aspx>.

Status of Prior Audit Findings and Observations

Our prior audit of the Center released on April 3, 2014, resulted in one observation, as shown below. As part of our current engagement, we determined the status of corrective action taken by the Center to implement our prior audit recommendations, interviewed Center personnel, and performed audit procedures as detailed in each status section below.

Auditor General Performance Audit Report Released on April 3, 2014

Prior Observation: The Lawrence County Career and Technical Center Lacks Sufficient Internal Controls Over Its Student Record Data

Prior Observation

Summary:

During our prior review of the Center's controls over student data, we found that internal controls needed to be improved. The Center does not have adequate procedures in place to ensure continuity over its Pennsylvania Information Management System (PIMS) data submission in the event of a sudden change in personnel or child accounting vendors. The Center's enrollment procedures lacked provisions for identifying the residency status of students.

Prior Recommendations: We recommended that the Center should:

1. Prepare documented procedures (e.g. procedure manuals, policies, written instructions, etc.) to ensure continuity over its PIMS data submission in the event of a sudden change in personnel or child accounting vendors.
2. Revise enrollment procedures to ensure documentation is obtained and retained to support the reporting of each student as a resident or nonresident, including the nonresident classification, as reported for the student's local education agency, which is responsible to provide the student's education.

Current Status:

The Center implemented our recommendations during the 2014-15 school year. New child accounting software was purchased, and training on the new software was provided to staff involved in preparing the PIMS data. Detailed procedures for completing PIMS data are contained in the software's instruction manual. Documentation was provided that verified enrollment procedures support the accurate reporting of student residency and classification.

Distribution List

This letter was initially distributed to the Director of the Center, the Joint Operating Committee, and the following stakeholders:

The Honorable Tom W. Wolf

Governor
Commonwealth of Pennsylvania
Harrisburg, PA 17120

The Honorable Pedro A. Rivera

Secretary of Education
1010 Harristown Building #2
333 Market Street
Harrisburg, PA 17126

The Honorable Joe Torsella

State Treasurer
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Harrisburg, PA 17120

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400 Bent Creek Boulevard
Mechanicsburg, PA 17050

This letter is a matter of public record and is available online at www.PaAuditor.gov. Media questions about the letter can be directed to the Pennsylvania Department of the Auditor General, Office of Communications, 229 Finance Building, Harrisburg, PA 17120; via email to: News@PaAuditor.gov.