

LIMITED PROCEDURES ENGAGEMENT

Sharpsville Area School District Mercer County, Pennsylvania

June 2017



Commonwealth of Pennsylvania
Department of the Auditor General

Eugene A. DePasquale • Auditor General



Commonwealth of Pennsylvania
Department of the Auditor General
Harrisburg, PA 17120-0018
Facebook: Pennsylvania Auditor General
Twitter: @PAAuditorGen
www.PaAuditor.gov

EUGENE A. DePASQUALE
AUDITOR GENERAL

Dr. Brad A. Ferko, Superintendent
Sharpsville Area School District
1 Blue Devil Way
Sharpsville, Pennsylvania 16150

Mr. Bill Henwood, Board President
Sharpsville Area School District
1 Blue Devil Way
Sharpsville, Pennsylvania 16150

Dear Dr. Ferko and Mr. Henwood:

We conducted a Limited Procedures Engagement (LPE) of the Sharpsville Area School District (District) 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 District 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 District comply with the relevant requirements in the Right-to-Know Law and the Sunshine Act?
- Did the District take appropriate corrective action to address the finding made in our prior audit?

Dr. Brad A. Ferko
Mr. Bill Henwood
Page 2

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

We appreciate the District'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

June 22, 2017

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

Background Information

School Characteristics 2016-17 School Year ^A	
County	Mercer
Total Square Miles	29
Resident Population ^B	7,741
Number of School Buildings	3
Total Teachers	82
Total Full or Part-Time Support Staff	64
Total Administrators	9
Total Enrollment for Most Recent School Year	1,260
Intermediate Unit Number	4
District Vo-Tech School	Mercer County Career Center

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

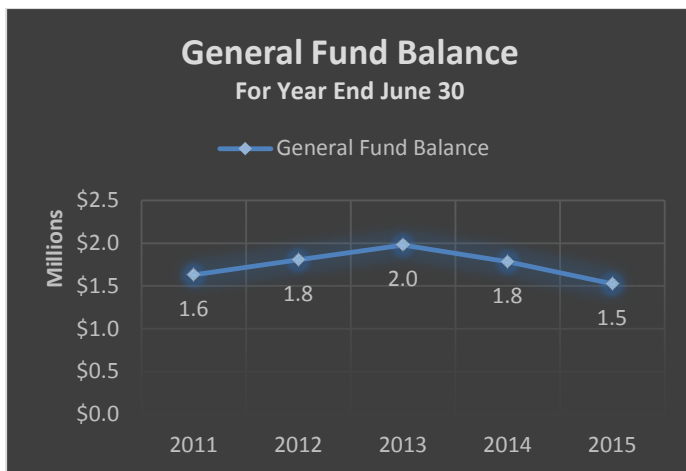
B - Source: United States Census
<http://www.census.gov/2010census>.

Mission Statement^A

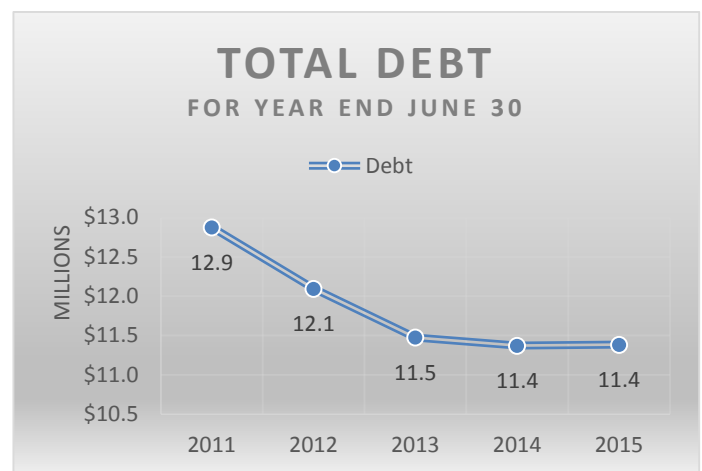
The mission of the Sharpsville Area School District is to provide a comprehensive education, which will meet the academic, social and emotional needs of all students to enable them to face future challenges.

Financial Information

The following pages contain financial information about the District 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**.

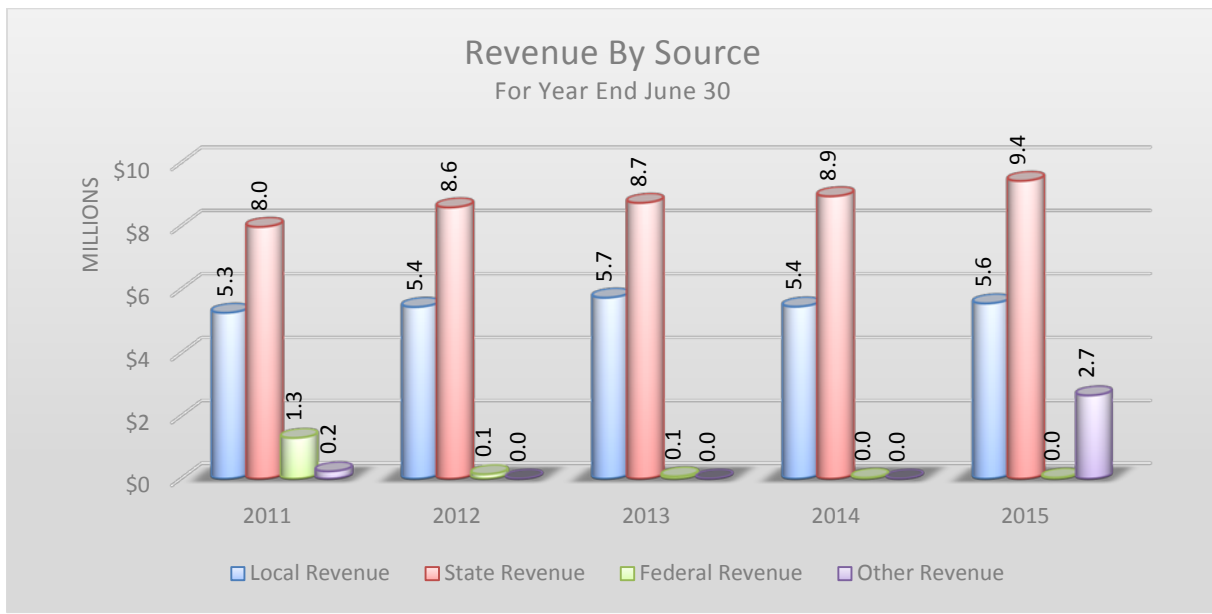
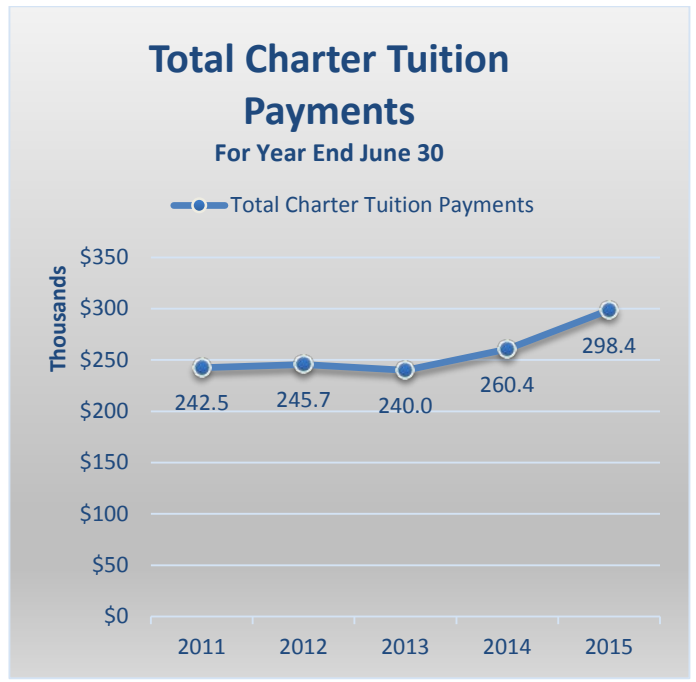
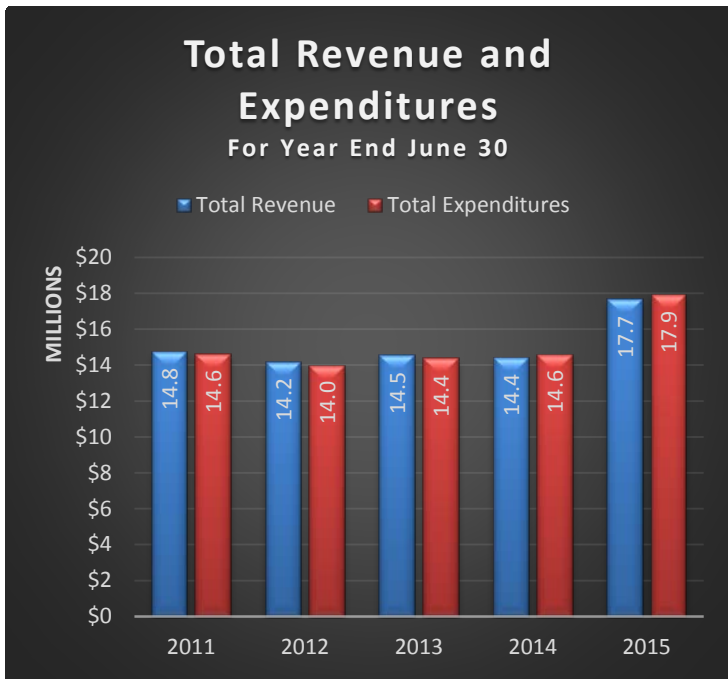


Note: General Fund Balance is comprised of the District's Committed, Assigned and Unassigned Fund Balances.



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.

Financial Information Continued



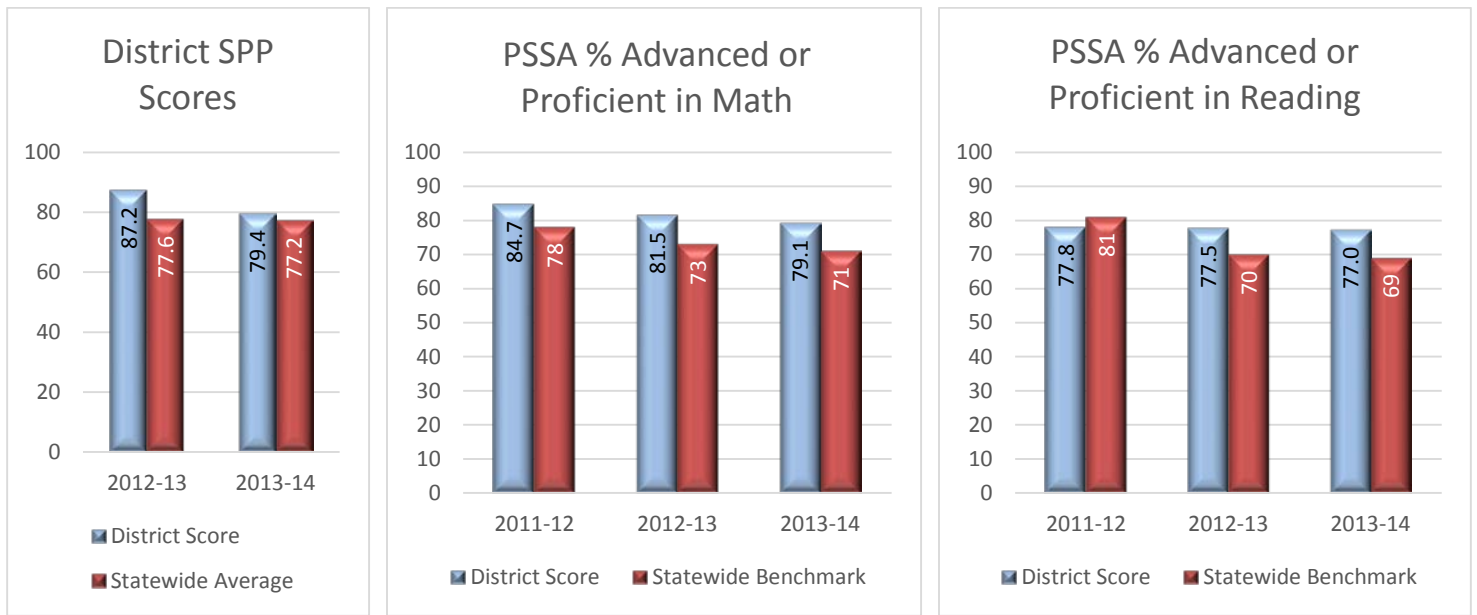
Academic Information

The following table and charts consist of School Performance Profile (SPP) scores and Pennsylvania System of School Assessment (PSSA) results for the entire District obtained from PDE's data files.¹ These scores are presented in the District'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 and PSSA scores were calculated using an average of all of the individual school buildings within the District. Scores below SPP statewide averages and PSSA benchmarks/goals are presented in red.

Districtwide SPP and PSSA Scores

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>Sharpshville Area SD</i>	87.2	79.4	84.7	81.5	79.1	77.8	77.5	77.0
<i>SPP Grade⁴</i>	B	C						



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).

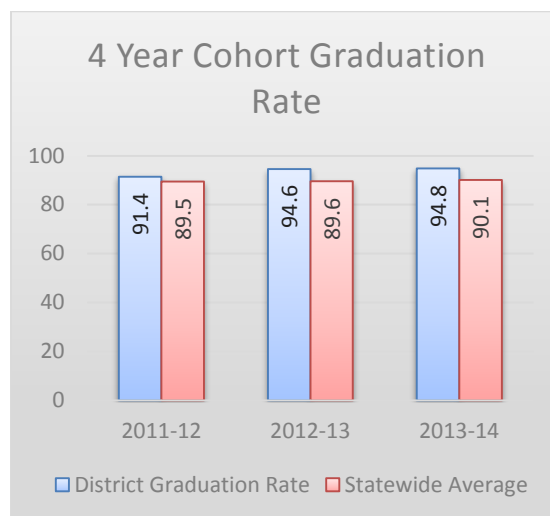
Individual School Building SPP and PSSA Scores

The following table consists of SPP scores and PSSA results for each of the District’s school buildings. Any blanks in PSSA data means that PDE did not publish a score for that school for that particular year.⁵

School Name	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
Statewide Benchmark	77.6	77.2	78	73	71	81	70	69
<i>Sharpsville Area Elementary School</i>	84.0	76.8	82.2	83.3	78.4	74.0	72.9	77.1
<i>Sharpsville Area Middle School</i>	90.0	81.6	84.0	81.6	77.5	77.2	77.9	73.6
<i>Sharpsville Area Senior High School</i>	87.6	79.9	88.0	79.6	81.4	82.3	81.8	80.4

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.⁶



⁵ PDE’s data does not provide any further information regarding the reason a score was not published.

⁶ <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 District released on March 6, 2014, resulted in one finding, as shown below. As part of our current engagement, we determined the status of corrective action taken by the District to implement our prior audit recommendations. We reviewed the District's written response provided to PDE, interviewed District personnel, and performed audit procedures as detailed in each status section below.

Auditor General Performance Audit Report Released on March 6, 2014

Prior Finding: **Failure to Have All School Bus Drivers' Qualifications on File**

Prior Finding Summary: During our prior audit, our review of bus drivers' qualifications for the 2013-14 school year found that the District did not have all of the correct records on file at the time of the audit. We reviewed the personnel files of 14 newly hired bus drivers employed by the District's pupil transportation contractor and found that 5 of those drivers' files did not contain the proper qualifications.

Prior Recommendations: We recommended that the District should:

1. Ensure all bus drivers' qualifications documents are on file prior to hiring them to transport students.
2. Ensure the bus drivers' personnel files are kept up-to-date and the proper clearances are obtained.
3. Establish procedures to ensure that contractor recommended drivers' credentials are reviewed prior to board approval to ensure completeness and appropriateness and that the contractor does not allow any bus driver to transport students prior to the review.
4. Review its current bus driver listing and work with its contractor to obtain all required clearances based on when the District's Board of School Directors approved the driver, not when the contractor hired the driver.

Current Status: During our current review, we found the District did implement our prior recommendations. The District developed a spreadsheet listing the required documents for each driver as a way to ensure that all required qualification documents are obtained and are current and valid. Written procedures were implemented for approving drivers to ensure that no driver is transporting students until all required documents are on file, prior to board approval. We also reviewed all 11 bus drivers transporting District students during the 2016-17 school

year and verified that all required documentation was current and on file for all 11 bus drivers.

Distribution List

This letter was initially distributed to the Superintendent of the District, the Board of School Directors, 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
Room 129 - Finance Building
Harrisburg, PA 17120

Mrs. Danielle Mariano

Director
Bureau of Budget and Fiscal Management
Pennsylvania Department of Education
4th Floor, 333 Market Street
Harrisburg, PA 17126

Dr. David Wazeter

Research Manager
Pennsylvania State Education Association
400 North Third Street - Box 1724
Harrisburg, PA 17105

Mr. Nathan Mains

Executive Director
Pennsylvania School Boards Association
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.