

# LIMITED PROCEDURES ENGAGEMENT

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## Southern Columbia Area School District Columbia County, Pennsylvania

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June 2017



Commonwealth of Pennsylvania  
Department of the Auditor General

Eugene A. DePasquale • Auditor General



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EUGENE A. DePASQUALE  
AUDITOR GENERAL

Mr. Paul R. Caputo, Superintendent  
Southern Columbia Area School District  
800 Southern Drive  
Catawissa, Pennsylvania 17820

Mr. Michael Yeager, Board President  
Southern Columbia Area School District  
800 Southern Drive  
Catawissa, Pennsylvania 17820

Dear Mr. Caputo and Mr. Yeager:

We conducted a Limited Procedures Engagement (LPE) of the Southern Columbia 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?

Mr. Paul R. Caputo  
Mr. Michael Yeager  
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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 21, 2017

cc: **SOUTHERN COLUMBIA AREA SCHOOL DISTRICT** Board of School Directors

## Background Information

School Characteristics 2015-16 School Year <sup>A</sup>	
County	Columbia
Total Square Miles	108
Resident Population <sup>B</sup>	10,459
Number of School Buildings <sup>C</sup>	2
Total Teachers	101
Total Full or Part-Time Support Staff	90
Total Administrators	10
Total Enrollment for Most Recent School Year	1,344
Intermediate Unit Number	16
District Vo-Tech School	Columbia Montour Area Vocational-Technical School

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

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

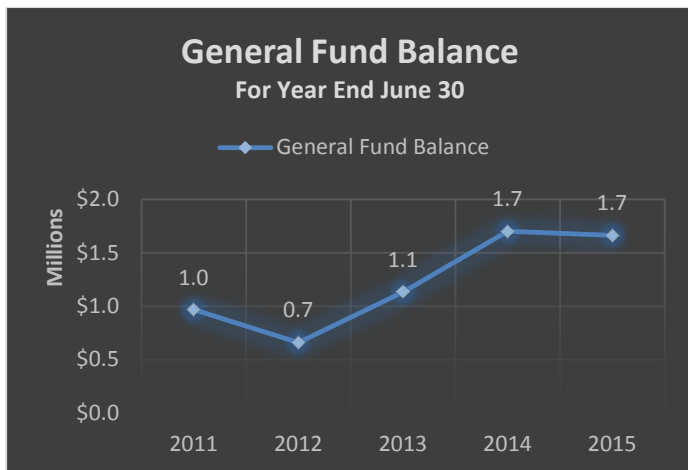
C - High school and middle school are in one building.

## Mission Statement<sup>A</sup>

The Southern Columbia Area School District will provide a safe, dynamic, rigorous and relevant learning environment that meets the needs of today's learner. We embrace innovation as a means to develop the critical thinking, problem solving and creativity skills needed to compete and thrive in the 21<sup>st</sup> century. Every student will reach their individual potential for academic excellence and every student will demonstrate the character traits of a productive and honorable citizen in a global community.

## 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**.

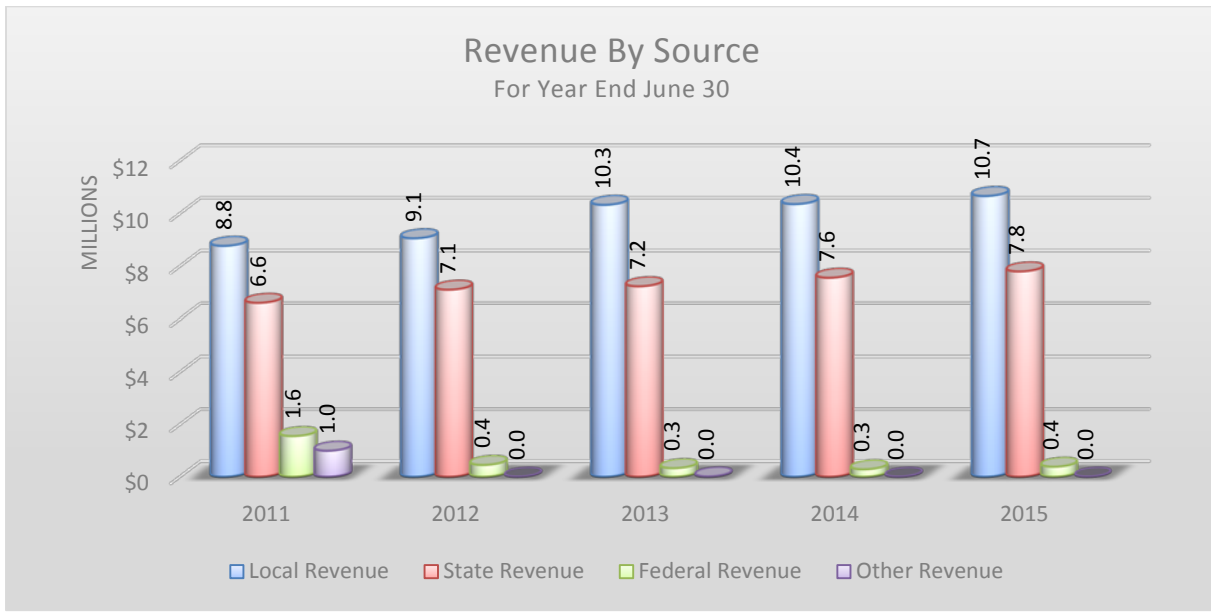
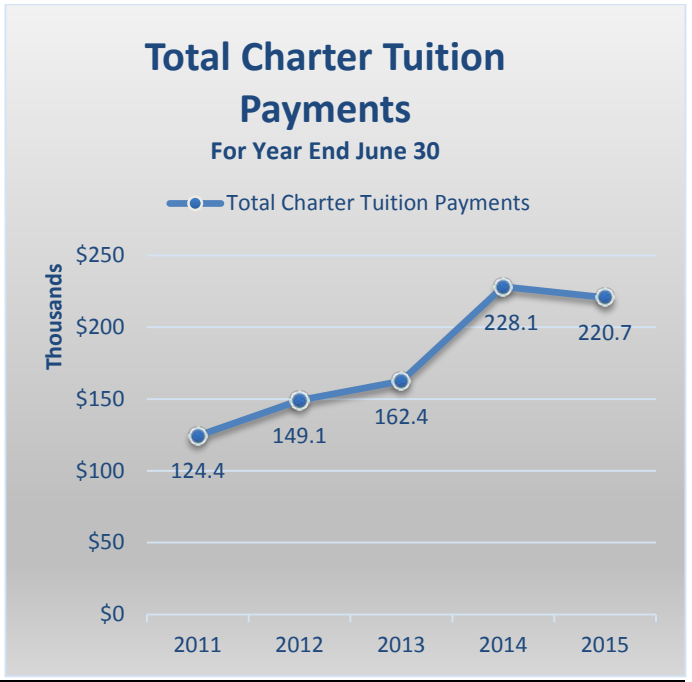
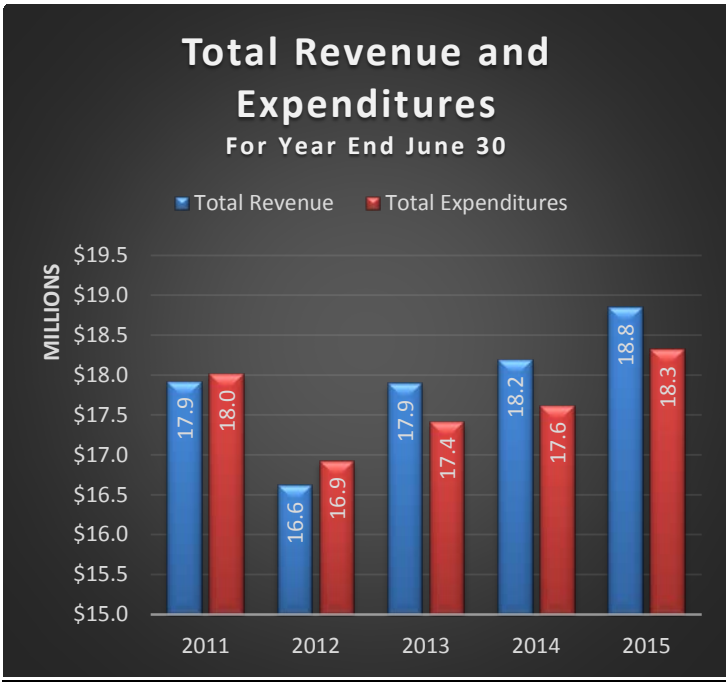


**Note:** General Fund Balance is comprised of the District's Committed, Assigned and Unassigned Fund Balances.



**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**



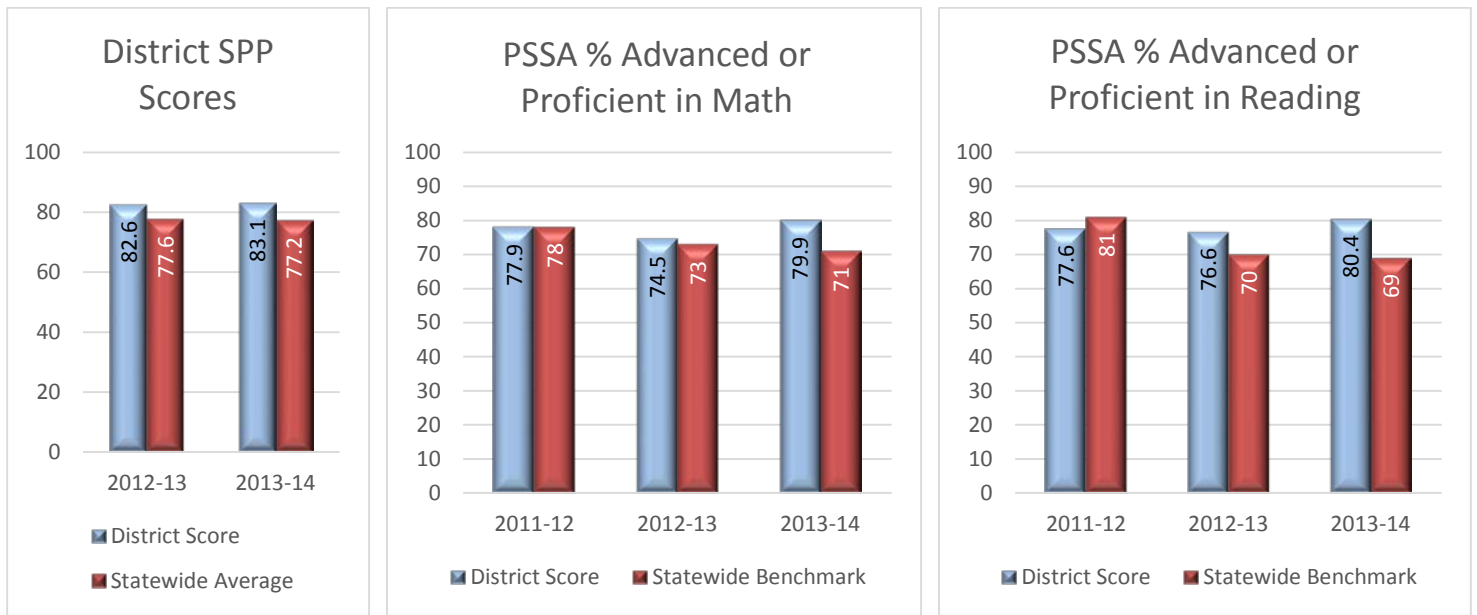
## Academic Information

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.<sup>1</sup> 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.<sup>2</sup> PSSA benchmarks and goals are determined by PDE each school year and apply to all public school entities.<sup>3</sup> 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>Southern Columbia Area SD</i>	82.6	83.1	77.9	74.5	79.9	77.6	76.6	80.4
<i>SPP Grade<sup>4</sup></i>	<b>B</b>	<b>B</b>						



<sup>1</sup> PDE is the sole source of academic data presented in this report. All academic data was obtained from PDE’s publically available website.

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

<sup>3</sup> 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.

<sup>4</sup> 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).

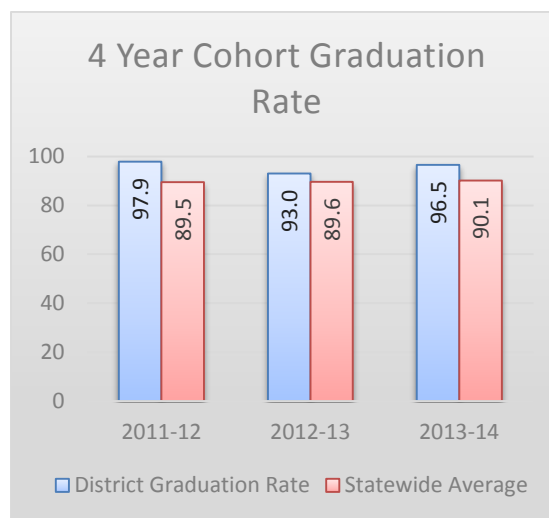
### Individual School Building SPP and PSSA Scores

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.<sup>5</sup>

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
<i>Statewide Benchmark</i>	<i>77.6</i>	<i>77.2</i>	<i>78</i>	<i>73</i>	<i>71</i>	<i>81</i>	<i>70</i>	<i>69</i>
<i>Hartman El Ctr</i>	<b>82.8</b>	<b>84.1</b>	<b>81.1</b>	<b>73.0</b>	<b>74.1</b>	<b>76.3</b>	<b>68.7</b>	<b>78.1</b>
<i>Southern Columbia HS</i>	<b>81.6</b>	<b>83.0</b>	<b>71.8</b>	<b>77.9</b>	<b>89.6</b>	<b>81.5</b>	<b>88.6</b>	<b>89.6</b>
<i>Southern Columbia MS</i>	<b>83.4</b>	<b>82.2</b>	<b>80.8</b>	<b>72.6</b>	<b>76.0</b>	<b>74.9</b>	<b>72.6</b>	<b>73.5</b>

### 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.<sup>6</sup>



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

<sup>6</sup> <http://www.education.pa.gov/Data-and-Statistics/Pages/Cohort-Graduation-Rate-.aspx>.

## Status of Prior Audit Findings and Observations

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Our prior audit of the District released on May 15, 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 interviewed District personnel and performed audit procedures as detailed in the status section below.

### Auditor General Performance Audit Report Released on May 15, 2014

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**Prior Finding:**                    **Membership Reporting Errors and a Lack of Internal Controls Resulted in the District Not Receiving Their Entitled Reimbursement**

Prior Finding Summary: During our prior audit of the District, we reviewed student membership reports submitted to PDE for the 2010-11 and 2011-12 school years. During this review, we found reporting errors, as well as a lack of internal controls, which resulted in a net underpayment to the District of \$31,402.

Prior Recommendations: We recommended that the District should:

1. Establish internal controls that include reconciliations of the data that is uploaded to Pennsylvania Information Management System (PIMS).
2. Verify that the Preliminary Reports from PDE are correct and, if not correct, revise and resubmit child accounting data so that the Final Reports from PDE are correct.
3. Review subsequent year reports and, if errors are found, submit revised reports to PDE.

We also recommended that PDE should:

4. Revise all reports that have been incorrectly completed and adjust District reimbursement affected by the error.

Current Status: During our current engagement, we found the District did implement our prior recommendations. The District established internal controls that include reconciliations of the data that is uploaded to PIMS and verifies that preliminary reports from PDE are correct. Also, the District reviewed subsequent year reports (2012-13 through 2015-16), and no errors were identified. As of June 7, 2017, PDE has not resolved the \$31,402 underpayment. Therefore, we again recommend



PDE adjust the District's subsidy to resolve the outstanding underpayment of \$31,402.

## **Distribution List**

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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](http://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](mailto:News@PaAuditor.gov).