

Appendix A



COMMONWEALTH OF PENNSYLVANIA PENNSYLVANIA DEPARTMENT OF THE AUDITOR GENERAL

Act 44 Auditee Reporting Form (School District Audits)

The Department of the Auditor General provides this form for every school district to report its adoption of the Department's recommendations in its most recent audit pursuant to Act 44 of 2017 amendments to The Fiscal Code regarding Auditee reporting requirements and the Department's STATEMENT OF POLICY and FORM in 4 Pa. Code Part XIV published in the Pennsylvania Bulletin on February 10, 2018.

Within **120 business days** of the publication of the audit listed below, the school district must submit a response to the Department detailing the adoption of the Department's recommendations, or the reason why recommendations have not been adopted.

| | | | | | |
|----------------------|-------------------------------|------------------|---------------------------|-------------------------|--------|
| AUN: | 128030852 | School: | Armstrong School District | CAN: | 111820 |
| Audit Period: | July 1, 2013 to June 30, 2017 | Findings: | Two | Recommendations: | Eight |

District Response: (Textbox below will expand or attachments can be added as necessary)

The board of directors of the Armstrong School District at its board meeting held on August 12, 2019 voted to accept the findings and recommendations that were identified in the Auditor General's Performance Audit Report for the audit period dated July 1, 2013 to June 30, 2017. Attached you will find a copy of the resolution that was adopted by the board approving of the corrective action plan that has been recommended by management to assure that the issues do not occur in the future. You will also find attached a copy of managements reply to the 2 findings.

Note: Pursuant to Section 1.5 of Act 44, if the Auditee fails to respond to the Department's recommendations within **120 business days**, the Department will notify the Governor and the Chairpersons and Minority Chairpersons of the Appropriations Committees of the Senate and the House of Representatives, which may consider an Auditee's failure to respond to the Department's audit when determining the Auditee's future appropriations.

CORRECTIVE ACTION PLAN FOR AUDIT REPORT

The Board of School Directors of Armstrong School District accepts the Armstrong School District Corrective Action Plan in response to the Auditor General's Performance Audit Report for fiscal years July 1, 2013, through June 30, 2017.

Motion to adopt the resolution by Board Director Scaife

Motion seconded by Board Director Berdell

Roll call vote:

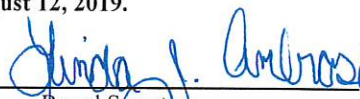
| | | | |
|-------------|---------------|------------|------------|
| Mr. Berdell | Yes | Mr. Mulroy | Yes |
| Ms. Bowser | Yes | Mr. Scaife | Yes |
| Mr. Choncek | Yes | Mr. Shafer | Yes |
| Mr. Elkin | Absent | Mr. Smith | Yes |
| Dr. Lobby | Yes | | |

Number voting Yes 8

Number voting No 0

Number Absent 1

This is to certify that this is a true and correct copy of said resolution adopted by the Board of School Directors of Armstrong School District on August 12, 2019.


Board Secretary

August 12, 2019

Department of the Auditor General
Bureau of School Audits

Management Reply

LEA: Armstrong School District

Date: March 26, 2019

Audit Period: July 1, 2013 through June 30, 2017

Date Due: April 3, 2019

Comment: Finding X Observation Verbal

Title: The District Incorrectly Reported the Number of Nonpublic School Students Transported Resulting in an Overpayment of \$62,755.

 X Management agrees with the Finding/Observation/Verbal Comment

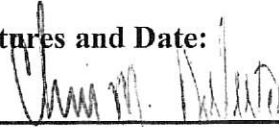
 Management disagrees with the Finding/Observation/Verbal Comment

 Management waives the opportunity to reply at this time

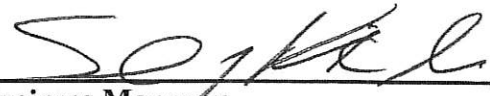
MANAGEMENT COMMENTS: (Please explain the cause of the problem and note what corrective action is planned. Please ensure that you respond to each recommendation point included in the draft comment. If necessary, attach additional paper.)

*** SEE ATTACHED ***

Additional pages attached: Yes X No

Signatures and Date:


Superintendent, Ex. Director, Director



Business Manager

Every year the students in Versa Trans are rolled over to the new school year with a grade advancement. The bus routes are then updated with the current students who need busing. With the Amish students, there is sometimes a good bit of turnover as families move out and new families move in. Some of the Amish students who no longer needed busing were not removed from the busing list in Versa Trans, and they were still showing up as riders although they were no longer assigned to a bus.

This is what happened with Stoney Acres Amish school in 2013-2014. There were a number of students who were no longer at Stoney Acres but remained in Versa Trans with a rider status, even though they were not assigned to a bus. This was corrected for Stoney Acres in 2014-2015 and only the students actually assigned to a bus were listed as riders. In 2013-2014 was also the first full year that Barker Bus was busing the Amish students. Prior to that, McMeans did the busing for the Amish but McMeans was sold to Barker's.

There were also two Amish schools, Stoney Flats and Hemlock Acres, who had no students being transported but students were still listed in Versa Trans, apparently from a previous years when they were transported. Stoney Flats was corrected in 2017-2018 and Hemlock Acres was corrected in 2018-2019.

Western PA School for the Deaf is a public school, and is reported as a public school. However, in Versa Trans these students were set up as nonpublic students, and were therefore counted on the nonpublic list. This is being corrected in 2018-2019.

In the bus routing system when a student is advanced past 12 grade, they show up as 99 in the system and we remove them. The Amish only go to 8th grade and some go to what they call a vocational year, which shows up in our system as UG ungraded. We cannot apply the 99 code in the system for the nonpublic students because of the Amish so when we found Amish students in 10th, 11th, and 12th grade we knew they needed removed. When we found Amish students in 9th grade, they should be marked as UG ungraded because they are vocational. When we did this, it cleared students out in the 16-17 year that had been moved accidentally through the system. We know now several of these students were being marked as riders in 1st through 8th and UG that were wrong. The nonpublic non-riders were subtracted from the nonpublic student count in 16-17 instead of

Department of the Auditor General
Bureau of School Audits

Management Reply

LEA: Armstrong School District

Date: June 6, 2019

Audit Period: July 1, 2013 through June 30, 2017

Date Due: June 13, 2019

Comment: Finding X Observation Verbal

Title: The District Incorrectly Reported Nonresident Data to the Pennsylvania Department of Education Resulting in an Overpayment of \$61,269.

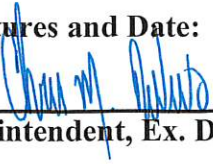
- X Management agrees with the Finding/Observation/Verbal Comment
- Management disagrees with the Finding/Observation/Verbal Comment
- Management waives the opportunity to reply at this time

MANAGEMENT COMMENTS: (Please explain the cause of the problem and note what corrective action is planned. Please ensure that you respond to each recommendation point included in the draft comment. If necessary, attach additional paper.)

Errors for non-resident foster students due to not changing information after they were adopted was an over site upon receipt of the adoption paperwork. Student's names were changed in the student information system but students were not taken out of the non-resident foster category and placed as resident students. Non-resident students who were in treatment should have been non-resident 1306 students but were left as non-resident 1305 students. These errors were at the school level and training will be coming held to review correct data input upon receipt of treatment and adoption paperwork.

Additional pages attached: Yes No X

Signatures and Date:



Superintendent, Ex. Director, Director



Business Manager