

## 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:** 104432903 **School:** Grove City Area School District **CAN:** 127006  
**Audit Period:** July 1, 2016 to June 30, 2020 **Findings:** Two **Recommendations:** Four

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

Per the attached Resolution dated August 8, 2022, the Grove City Area School District Board of School Directors adopted the Department's Findings and Recommendations for the Audit period of July 1, 2016 to June 30, 2020.

**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.

Grove City Area School District

Approval Date: August 8, 2022

Corrective Action Plan

Commonwealth of Pennsylvania

Pennsylvania Department of Auditor General

**Finding 1 - The District's failure to implement adequate internal controls led to inaccurate reporting of nonresident student data to the Pennsylvania Department of Education resulting in an overpayment of \$167,451.**

Recommendations:

The Grove City Area School District should:

1. Develop and implement an internal control system governing the process for categorizing and reporting institutionalized students. The internal control system should include, but not be limited to, the following:
  - a. All personnel involved in the categorizing and reporting of nonresident student data are trained on PDE's reporting requirements.

**District Response:** The audit process has indicated that the proper amount of training may not have been provided to the employee responsible for the categorizing and reporting of nonresident student data. Moving forward, GCASD will ensure that all personnel involved in categorizing and reporting of nonresident student data will participate in PDE training and updates throughout the school year. This includes the employee responsible for inputting student information, the employee responsible for tuition billing and the administrative staff in the Business Office. This will be particularly important beginning in the 2022-23 school year with the restructuring of the Business Office and new Business Manager.

- b. A review of nonresident student data is conducted by an employee other than the employee who prepared the data before it is submitted to PDE.

**District Response:** The Business Manager will review all documentation collected for each student prior to submitting reimbursement requests for wards of the state. The required information and methodology for review is included in the updated district procedures.

2. Review the nonresident student data submitted for the 2016-17, 2017-18, and 2019-20 school years and determine if errors similar to those reported in this finding occurred and, if necessary submit revised reports to PDE.

**District Response:** Using clarification and information garnered from the audit process, district staff will complete a comprehensive review of the data submitted as part of the 2016-17, 2017-18, and 2019-20 ward of the state reporting to PDE. If similar errors are found, the corrected school district will be invoiced by the Business Office and a list of corrections will be submitted by the Business Manager to PDE.

**Finding 2 - The District's failure to implement adequate internal controls led to inaccurate reporting of transportation data to the Pennsylvania Department of Education resulting in an underpayment of \$41,796.**

Recommendations:

The Grove City Area School District should:

1. Develop and implement an internal control system over its regular transportation data operations. The internal control system should include, but not be limited to, the following:
  - a. All personnel involved in calculating and reporting transportation data are adequately trained on PDE's reporting requirements.

**District Response:** The 2017-18 school year was the second year that the district employee responsible for transportation data and reporting was in that position. The audit process has indicated that the proper amount of training may not have been provided to the employee responsible for the PDE transportation reporting prior to assigning those tasks. Moving forward, GCASD will ensure that all personnel involved in transportation reporting will participate in PDE training and updates throughout the school year. This includes the employee responsible for reporting and the administrative staff in the Business Office.

- b. A review of transportation data is conducted by an employee other than the employee who prepared the data before it is submitted to PDE.

**District Response:** As indicated above, the Business Manager now has oversight of the PDE transportation reporting. The Business Manager will participate in training and review all transportation reports prior to submission and coordinate spot checks of data provided by the transportation secretary.

- c. Clear and concise written procedures are developed to document the regular transportation data calculation and reporting process.

**District Response:** The transportation secretary and Business Manager are in the process of creating comprehensive transportation reporting procedures and associated timeline to ensure each requirement is met each year and that all reports are accurate and timely. Procedural

guidelines will include sections for both supplemental transportation and regular transportation data.

2. Review the vehicle data submitted to PDE for the 2018-19 and 2019-20 school years and determine if errors similar to those reported in this finding occurred and, if necessary, submit revised reports to PDE.

**District Response:** Using clarification and information garnered from the audit process, district staff will complete a comprehensive review of the data submitted as part of the 2018-19 and 2019-20 transportation reports to PDE. If similar errors were included in these reports, the transportation secretary will make necessary revisions, review the Business Manager and submit the revised report.

Signed: \_\_\_\_\_

Dr. Jeffrey Finch, Superintendent

Date: \_\_\_\_\_

8/9/22



**GROVE CITY AREA SCHOOL DISTRICT**  
**Board of School Directors**

**RESOLUTION**

**BE IT RESOLVED**, that on August 8, 2022, the Grove City Area School District board of School Directors accepts the audit findings and recommendations by the PA Auditor General's office for the PERIOD COVERING July 1, 2016 through June 30, 2020 and the District's Audit Response and Corrective Action Plans attached to this Resolution.

Finding 1 - Failure to implement adequate internal controls led to inaccurate reporting of Nonresident student data to the Pennsylvania Department of Education resulting in an overpayment of \$167,451.

Recommendations:

The Grove City Area School District should:

1. Develop and implement an internal control system governing the process for categorizing and reporting institutionalized students. The internal control system should include, but not be limited to, the following:
  - a. All personnel involved in categorizing and reporting nonresident student data are trained on PDE's reporting requirements.
  - b. A review of nonresident student data is conducted by an employee other than the employee who prepared the data before it is submitted to PDE.
2. Review the nonresident student data submitted for the 2016-17, 2017-18, and 2019-20 school years and determine if errors similar to those reported in this finding occurred and, if necessary, submit revised reports to PDE

Finding 2 - Failure to implement adequate internal controls led to inaccurate reporting of transportation data to the Pennsylvania Department of Education resulting in an underpayment of \$41,796.



Recommendations:

The Grove City Area School District should:

1. Develop and implement an internal control system over its regular transportation data operations. The internal control system should include, but not be limited to, the following:
  - a. All personnel involved in calculating and reporting transportation data are adequately trained on PDE's reporting requirements.
  - b. A review of transportation data is conducted by an employee other than the employee who prepared the data before it is submitted to PDE.
  - c. Clear and concise written procedures are developed to document the regular transportation data calculator and reporting process.
2. Review the vehicle data submitted to PDE for the 2018-19 and 2019-20 school years and determine if errors similar to those reported in this finding occurred and, if necessary, submit revised reports to PDE.

By Dr. Jeffrey A. Finch, Board President

By Beth Harris, Board Secretary

August 8, 2022  
Date