

## 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.

<b>AUN:</b>	123464603	<b>School:</b>	Lower Moreland Township School District	<b>CAN:</b>	126484
<b>Audit Period:</b>	July 1, 2016 to June 30, 2020	<b>Findings:</b>	One	<b>Recommendations:</b>	Five

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

1. Implement verifiable internal control procedures with a documented review process to ensure that only qualified and authorized individuals are driving for the District. These procedures should ensure:
  - All required qualification and clearance documents are obtained, reviewed, and on file at the District and that individual driver's documents are assessed by District administration before the driver is presented to the Board for approval and prior to transporting students.
  - All driver qualification and clearance documentation are monitored on a regular basis by the District to ensure compliance with requirements, including the requirement to obtain updated clearances every five years.

**The District will implement control procedures to review driver clearances for seven (7) drivers each year on a rotating basis. This will be in addition to the initial review of all drivers' clearances when a driver is first brought forward for employment.**

2. Comply with all applicable laws and regulations to obtain, review, and maintain required qualification and clearance documentation for all drivers.

**The District will implement control procedures to review driver clearances for seven (7) drivers each year on a rotating basis. This will be in addition to the initial review of all drivers' clearances when a driver is first brought forward for employment.**

3. Ensure that all drivers determined to be eligible to transport students are presented to the Board for approval prior to transporting students, including any new drivers added throughout the school year.

**The District, in conjunction with our Solicitor disagree with this finding and will not endeavor to move forward with the Board approval of individual drivers. The District approves contracts with companies that provide services to the District and inherent in that contract is the contractor employment of drivers. The District needs to ensure we maintain the independent contractor status of all drivers and approving individual drivers opens the District up to the possibility of a driver claiming that he/she is an employee of the District.**

4. Maintain a driver list to ensure that the District knows which drivers and routes are assigned on a daily basis.

**The District will maintain a driver list with individual routes assigned to each driver. Please note that on any given day, this could change based on driver attendance and sub drivers, etc.**

5. Update its Contracted Services policy to ensure compliance with all applicable laws and regulations and the District's legal responsibilities for contracted drivers.

**The District, in conjunction with our Solicitor, will update the Contracted Services policy to reflect changes denoted in this review.**

**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.