



NEW CASTLE AREA SCHOOL DISTRICT

Performance Audit Response
For
Fiscal Years Ending
June 30, 2015 & 2019

Debra A. DeBlasio
Superintendent

Joseph Ambrosini
Business Manager

July 19, 2021

New Castle Area School District

Management Reply

Fiscal Years ending June 30, 2015 to June 30, 2019

Description of Finding and Observation:

The District's failure to implement internal controls resulted in an unauditible \$3.1 million in regular transportation reimbursements and \$197,663 duplicate reimbursement for the same transportation expenses for an after school program.

Statement indicating the concurrence or nonoccurrence with finding

The District concurs with the finding

Specific steps implemented to correct the audit findings

The District will fully commit to the Audit recommendations as they pertain to Transportation. This will include the following:

- Business Manager or designee will over-see all aspects of the Transportation Department.
- The District is in the process of developing and implementing internal written control procedures that will act as a guide in all future reporting.
- The District will develop and implement Administrative guidelines regarding all aspects of Student Transportation.
- Reports provided by Contractor to District will be given on a monthly basis as opposed to quarterly or annually. All reports will be reviewed by Business Manager before being entered by transportation staff.

A timetable for implementation of each corrective action step:

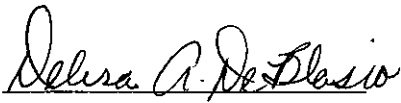
Immediately

A description of monitoring procedures for corrective action:

- Business Manager and all employees that are responsible for any aspect of Transportation will receive annual training from Department of Education as well as the Pennsylvania Association of School Business Officials Organization on an as needed basis.
- The information provided by the Contractor will be reviewed by Business Manager prior to entering into the State Transportation reporting system. The State report will not be uploaded until final review from the Business Manager.

- Going forward the District will work closely with the transportation contractor to calculate miles traveled by each bus, average number of students transported, vehicle identification codes and total number of days students were transported. All documents submitted by the Transportation contractor will be reviewed by both the District independently and in consultation with Management from the contractor. Further, the District will specifically implement those recommendations and/or mandates set forth in the Draft Finding as they relate to significant internal control deficiencies.

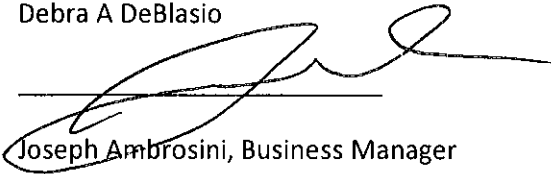
The District has no objection with the Department of Education remedy regarding the future withholding from transportation subsidy. This is in accordance with the audit recommendation.



Debra A DeBlasio

7-19-2021

Date


Joseph Ambrosini, Business Manager

7-19-2021

Date

New Castle Area School District

Management Reply

Fiscal Years ending June 30, 2015 to June 30, 2019

Description of Finding and Observation:

The District's failed to implement sufficient internal controls that led to non-compliance with Statutory obligations by not maintaining complete records for and properly monitoring its contracted school bus drivers.

Statement indicating the concurrence or nonoccurrence with finding

The District concurs with the finding

Specific steps implemented to correct the audit findings

The District will fully commit to the Audit recommendations as they pertain to Bus Driver qualifications. This will include the following:

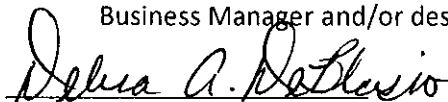
- Implement verifiable internal control procedures with a review process to ensure only qualified and authorized individuals are driving for the District. The District will meet with the bus contractor on a monthly basis to ensure proper protocol is enforced.
- The District will comply with PSC requirements to obtain, review and maintain required credentials and clearances for all contracted employee's that have direct contact with students. This will be addressed on a monthly basis between the District and Transportation Contractor.
- The District will update Board Policy and procedures for contracted services to address the requirement to obtain clearances every five years.
- The District will ensure that all new drivers added at the start of the school year are presented to the Board of Directors for approval in a timely manner.

A timetable for implementation of each corrective action step:

- Immediately

A description of monitoring procedures for corrective action:

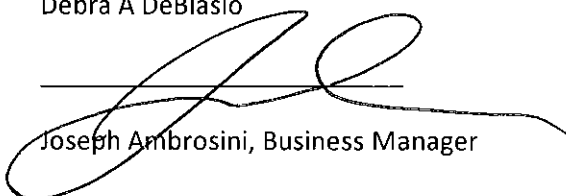
- The District will ensure that the personnel in charge of transportation reporting are trained and participate in IU and Department of Education trainings.
- All documents submitted by the Transportation Contractor will be reviewed by the District Business Manager and/or designee to ensure compliance issues are maintained.



Debra A DeBlasio

7-19-2021

Date


Joseph Ambrosini, Business Manager

7-19-2021

Date

New Castle Area School District

Management Reply

Fiscal Years ending June 30, 2015 to June 30, 2019

Description of Finding and Observation:

The District's failure to implement internal controls led to inaccurate non-resident student data reported to the Pennsylvania Department of Education resulting in an overpayment of \$81,000

Statement indicating the concurrence or nonoccurrence with finding

The District concurs with the finding

Specific steps implemented to correct the audit findings

The District will fully commit to the Audit recommendations as they pertain to student data. This will include the following:

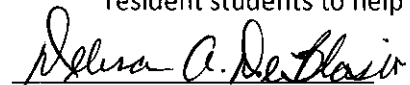
- The District implemented an internal control procedure, which includes a Foster Child Placement Form as well as a Foster Student Enrollment Checklist. (See attached)
- The Supervisor of Student Accounting and the child accounting secretary will be attending the 2022 PDE Data Summit in March of 2022.
- The District will continue on-going participation in Data Quality Network Meetings provided by the Midwestern Intermediate Unit IV.

A timetable for implementation of each corrective action step:

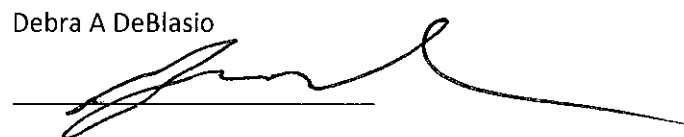
Immediately

A description of monitoring procedures for corrective action:

- The District will has met and will continue to meet with all placement agencies to make sure we are obtaining all necessary information required by the Department of Education.
- The Supervisor of Student Accounting will review all foster student data before it is submitted to the Department of Education.
- The District will make it a priority to have all updated (annual) placement letters for all non-resident students to help ensure accurate reporting to the Department of Education.



Debra A DeBlasio



Joseph Ambrosini, Business Manager

7-19-2021

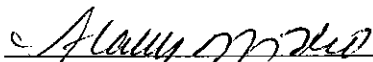
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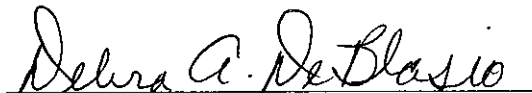
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NEW CASTLE AREA SCHOOL DISTRICT

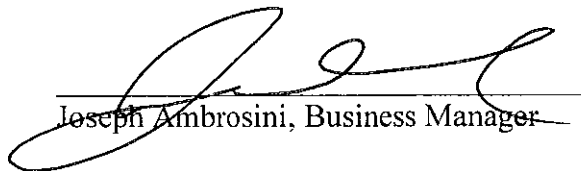
The undersigned to hereby certify that the Board of Directors of the New Castle Area School District formally adopted this Performance Audit Response for Fiscal Years Ending June 30, 2015 and 2019 at a public meeting held on the 19th day of July, 2021.



Stacey M. Fleo, President



Debra A. DeBlasio, Superintendent



Joseph Ambrosini, Business Manager