

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: School: CAN:
Audit Period: Findings: Recommendations:

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

Description of Finding/Observation:

It was found that the District did not previously implement an adequate internal control system over categorization and reporting of supplemental transportation data. The District inadvertently misreported the number of nonpublic school students it transported during the 2015-16 through 2018-19 school years. This resulted in a cumulative overpayment to the District equal to \$13,860. This was due to a very small number of privately placed students being reported inaccurately as "nonpublic" students. An average of nine students per year over the four-year term were misreported, which is approximately 1% of the District's average student enrollment.

Concurrence with Audit Report and Cause of Error:

The District concurs with the Audit Report and recommendations provided.

The cause of the error was due to the District inadvertently reporting a small number of enrolled students as Nonpublic School students. These students were reported in this manner due to their placement at private, nonpublic educational institutions. During School Year 2019-20, the error was identified through internal control and review processes. Students in this category were no longer reported as Nonpublic School students. The District has already adopted all recommendations.

1. The internal control system governing the reporting process has already been improved to include enhanced training for personnel involved and segregated review of data prior to submission to PDE. This process aided in the identification of the error prior to the audit being conducted. The District will also develop and adopt written procedures documenting the transportation data calculation and reporting process.
2. Nonpublic school student data for School Year 2019-20 were properly reported. This data was verified through internal control processes and segregation of duties. The data for the 2020-21 School Year will also be reviewed for any possible errors before submission. Revised reports will be submitted to PDE if necessary. Adequate internal control will continue to ensure proper monitoring.

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.